

State of IDAHO



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2023



Idaho Sunset

On the front cover:
Sawtooth Mountains

State of
IDAHO

Annual Comprehensive Financial Report



For the Fiscal Year Ended June 30, 2023

Brad Little
Governor

Brandon D Woolf
State Controller

Prepared by the Office of the State Controller

This document and related information are available at www.sco.idaho.gov



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State Controller

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Thanks and appreciation to the Bureaus of Accounting Operations,
and Application Development in the Office of the State Controller.

Special appreciation to all fiscal and accounting personnel throughout the State whose efforts to
contribute accurate, timely financial data for their agencies make this report possible.



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Introductory Section



Winter in Northern Idaho



December 20, 2023

To: The Citizens, Governor, and Members of the Idaho State Legislature

As the State's Chief Fiscal Officer, I am pleased to present the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023, in accordance with Idaho Code Section 67-1001. This report represents Idaho's continued commitment to sound and effective fiscal management and responsible financial reporting based on generally accepted accounting principles (GAAP) established by the Governmental Accounting Standards Board.

The Office of the State Controller assumes responsibility for both the reliability and completeness of the information presented in this report. Internal controls are designed to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement because the cost of a control should not exceed the benefits to be derived and certain inherent risks exist that cannot be prevented. I am confident the information presented is accurate in all material respects and fairly sets forth the financial position of state operations based upon the internal control structure established by management.

In accordance with Idaho Code Section 67-702, the Legislative Audit Division of the Idaho Legislature has audited the State's basic financial statements for the fiscal year ended June 30, 2023. Based upon that audit, the independent auditor has issued an unmodified opinion that the State of Idaho's basic financial statements are fairly presented in conformity with GAAP. The Independent Auditor's Report is located at the front of the financial section of this report.

In addition, the Legislative Audit Division conducts statewide audits under the Federal Single Audit Act of 1984 and the Code of Federal Regulations Title 2, Grants and Agreements, in order to meet the special needs of federal grantor agencies. Information regarding Idaho's Single Audit is issued in a separate report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report on page 5 and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. The intent of this letter of transmittal is to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The State of Idaho was admitted into the Union as 43rd state in 1890. The State covers 83,569 square miles and has a population of 1.94 million people.

Idaho's government is divided into three branches. The Executive Branch is comprised of the Governor, Lieutenant Governor, Secretary of State, State Controller, State Treasurer, Attorney General, and Superintendent of Public Instruction. The Legislative Branch is comprised of two houses, a 35-member Senate and a 70-member House of Representatives. The Judicial Branch is administered and supervised by the Idaho Supreme Court, which is presided over by a Chief Justice and four Associate Justices.

The State provides services such as education, health and human services, highway maintenance and construction, public safety and correction, natural resource management, and economic development programs. The financial reporting entity includes all funds of the primary government as well as material component units for which the primary government is financially accountable. Additional information on component units can be found in Note 1 to the financial statements.

The annual budgetary process serves as the foundation for the State's financial planning and control. Budgets are annually appropriated for the following governmental funds: general, special revenue, capital projects, and earnings of the permanent funds. The budget is generally appropriated by agency, fund, program, and object. Legal level of budgetary control is maintained at the same level of detail as appropriated. Budgetary controls are incorporated into the Statewide Accounting and Reporting System (STARS) to ensure expenditures do not exceed authorized appropriations. The expenditures of any fiscal year may not exceed anticipated revenues, ensuring a balanced budget. The budgetary process is further described in the note to the budgetary schedule on page 129 and the separately issued Legal Basis Financial Report.

ECONOMIC CONDITION

Financial Policies

Article VII of the Idaho Constitution allows for state revenue generation from a number of sources. This balanced approach to funding essential services allows the State to operate on a sound fiscal basis in a variety of economic conditions. In comparison to some neighboring states that rely primarily upon sales tax or income tax, Idaho derives comparable amounts of its own-source revenues from both sources, ensuring that vital services are less prone to disruption.

Per Idaho Code, the State is able to maintain reserves for the purposes of meeting General Fund revenue shortfalls, meeting expenses incurred because of a major disaster, or providing a uniform and thorough system of public education. Overall increases in the reserve funds indicate the State's continued economic stability and growth.

Fund and Idaho Code	FY23 End Balances	Dollar Change
Budget Stabilization (57-814)	\$ 847.8 M	\$ 141.3 M
Public Education Stabilization (33-907)	205.7 M	81.1 M
Higher Education Stabilization (33-3726)	15.0 M	0.6 M
Totals	<u>\$ 1,068.5 M</u>	<u>\$ 223.0 M</u>

Note 14 contains additional detailed information regarding reserve funds.

Economy

A recent composite performed by the Idaho Division of Financial Management (DFM) evaluated income per capita, real GDP per capita, adjusted gross income per filer, median household income, and statewide poverty rate to determine how we are doing. Using this composite four of the top ten states are in the mountain west and most of the improvement between 2012 and 2022 happened in this region. Across time Idaho's rank has increased significantly in recent years. Between 2012-2018 it ranked anywhere for 35-40. In 2019 its rank increased to 29, the first year in which it ranked higher than 30. In the 2020s it's rank has hovered around 24. This upward trend indicates that Idaho has improved many of its statewide income measures faster than other states.

Inflation in Idaho has mostly followed the national trend. Headline inflation is up for the year. For the first time in 2 years inflation in the mountain region was lower than the West or national average.

Idaho's housing market has defied predictions that a price or transaction collapse is imminent. Median sale price across all home types in Idaho has been flat around \$470 thousand. Monthly home sales hover around 2,300 a month. Over the last year home sales have gone down around 11 percent.

The Idaho Department of Labor reports that the labor

market continues to grow. The seasonally adjusted unemployment rate was 3.1 percent. Though the unemployment rate has been rising, it is still below the national average.

Long-Term Financial Planning

This year the general fund brought in \$6.0 billion which is \$80.1 million above projections. Revenue in 2022 and 2021 was \$6.2 billion and \$5.0 billion, respectively. Individual income tax brought \$2.2 billion to the state which was within 0.1 percent of the projection. Sales tax brought \$2.30 billion to the state general fund. It was predicted at \$2.32 billion, with the discrepancy being under 0.9 percent. Corporate sales tax revenue was \$1.03 billion this year. The prediction was for \$0.96 billion; the discrepancy was under \$0.1 billion.

In order to improve and maintain the State's system of roads and highways, the Legislature authorized the Idaho Transportation Board to issue Grant Anticipation Revenue Vehicle (GARVEE) bonds in 2006 and Transportation Expansion and Congestion Mitigation (TECM) bonds in 2022. These programs allow for the planning, designing, and building of more highway projects in less time than traditional funding methods. As of June 30, 2023, \$1.03 billion has been borrowed from issued bonds.

Major Initiatives

- The Department of Health and Welfare received an appropriation of \$5.4 billion in FY 24, an increase of 4.5 percent from the previous year. Medicaid spending represents 89.7 percent of the Department's total appropriation. Federal funding provided 65.9 percent of the Department's total appropriation. General Fund funding for Medicaid increased 0.9 percent.
- The Public Schools' appropriation is \$3.3 billion for FY 24, a General Fund increase of \$379.0 million and a \$63.0 million overall increase from FY 23. Some of the highlights of the increased appropriation include:
 - \$170.7 million for Career Ladder compensation:
 - \$25.7 million for Career Ladder movement, growth, and PERSI rate increases
 - \$6,359 for each instructional and pupil service staff position for FY24 for a total of \$145.0 million
 - \$100.0 million in salary-based apportionment for classified positions
 - \$54.3 million in additional discretionary funds
 - \$34.5 million in additional health insurance/health benefits funding
 - \$4.9 million in new professional development funding for dyslexia training and support for

statewide support for reading, math, and science

- \$1.3 million for Idaho Educational Services for the Deaf and the Blind
 - \$0.4 million for Career Ladder equivalence
 - \$0.6 million for instructional and pupil service staff positions
 - \$0.3 for compensation and staffing issues
- A total appropriation of \$358.3 million for the Department of Correction in FY 24 is a decrease of 1.8 percent from the prior year.
- In FY23 the Legislature invested surplus monies in natural resources, buildings, and transportation infrastructure
 - \$150.0 million went to the water management fund
 - \$245.0 million went to ITD for infrastructure which included funding for airports and local bridge maintenance.
 - \$300.0 million was used for deferred maintenance projects for state-owned buildings
 - \$99.0 million went to the Department of Environmental Quality for water projects

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Idaho for its comprehensive report for the fiscal year ended June 30, 2022. This is the 26th consecutive year the State has achieved this prestigious award. To be awarded a Certificate of Achievement, the report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The State Controller's Office is committed to this ongoing effort and intends to maintain a highly qualified and professional staff to make Idaho's certification possible.

The State Controller's Office takes great pride in the preparation of this comprehensive report. I am pleased to recognize the professionalism and dedication demonstrated by financial managers and accountants of the state agencies and component units, along with staff within the State Controller's Office. In addition, the auditing staff of the Legislative Services Office must be recognized for their independence, dedication, and professionalism. Credit must also be given to Governor Brad Little, the Legislature, and other state leaders for their dedication towards the management of Idaho's finances.

Respectfully submitted,



Brandon D Woolf
Idaho State Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

State of Idaho

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



The diagram illustrates the three branches of government, each in a separate box with a thick black border. A horizontal line at the top connects the three boxes, with a vertical line extending upwards from the center. The boxes are labeled as follows:

- LEGISLATIVE BRANCH**
 - Senate
 - House of Representatives
 - Legislative Services
- EXECUTIVE BRANCH**
 - Governor
 - Lieutenant Governor
 - Attorney General
 - Secretary of State
 - State Controller
 - State Treasurer
 - Superintendent of Public Instruction
- JUDICIAL BRANCH**
 - Supreme Court
 - Court of Appeals
 - District Court
 - Magistrate Court

General Government	Education	Natural Resources	Economic Development
Board of Tax Appeals	Boise State University	Departments of:	Appellate Public Defender
Commissions:	Career and Technical Education	Environmental Quality	Bureau of Occupational Licenses
Aging	Idaho State University	Fish and Game	Commissions:
Arts	Lewis-Clark State College	Lands	Dairy Products
Blind and Visually Impaired	Public Broadcasting	Parks and Recreation	Hispanic Affairs
Idaho Code	State Board of Education	Water Resources	Industrial
Tax	University of Idaho	Endowment Fund	Libraries
Uniform Laws	Vocational Rehabilitation	Investment Board	Lottery
Department of Administration	Public Charter School Commission	Fish and Wildlife Foundation	Potato
Division of:		Lava Hot Springs Foundation	Public Defense
Financial Management		Wolf Control Board	Public Utilities
Human Resources			Soil and Water Conservation
Liquor			Wheat
Military			Departments of:
Offices of:			Agriculture
Administrative Hearings			Commerce
Drug Policy			Finance
Energy Resources			Insurance
Information Technology Services			Labor
Performance Evaluations			Transportation
Species Conservation			Divisions of:
Public Employee			Occupational and Professional
Retirement System			Licenses
State Bar			Veterans Services
State Building Authority			Historical Society
STEM Action Center			Workforce Development Council



Statewide Elected Officials

IDAHO



Brad Little
Governor



Phil McGrane
Secretary of State



Brandon D Woolf
State Controller



Scott Bedke
Lieutenant Governor



Julie A. Ellsworth
State Treasurer



Raúl R. Labrador
Attorney General



Debbie Critchfield
*Superintendent of
Public Instruction*



Mike Moyle
*Speaker,
Idaho House of
Representatives*



G. Richard Bevan
*Chief Justice,
Idaho Supreme Court*



Chuck Winder
*President
Pro Tempore,
Idaho State Senate*

Financial Section



South Fork of the Snake River



Terri Kondeff
Director

Legislative Services Office

Idaho State Legislature

Serving Idaho's Citizen Legislature

December 20, 2023

Independent Auditor's Report

Honorable Brad Little, Governor
Honorable Members of the Legislature
Honorable Brandon D Woolf, State Controller

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Idaho, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Idaho, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Boise State University, Idaho State University, Lewis-Clark State College, University of Idaho, and their respective component units, Idaho Fish and Wildlife Foundation, Idaho Potato Commission, Idaho Dairy Products Commission, Idaho State Bar, Idaho Wheat Commission, Idaho Endowment Fund Investment Board, Idaho Lottery, Public Employee Retirement System of Idaho, Idaho Individual High Risk Reinsurance Pool, Idaho Small Employer Health Reinsurance Program, Idaho Health Insurance Exchange, Idaho State Treasurer – Assets Under Management, Idaho State Building Authority, Idaho Bond Bank Authority, and the Idaho Housing and Finance Association (including The Housing Company, a discretely presented component unit of the Idaho Housing and Finance Association), which represent total assets and revenues of the government-wide financial statements and total assets and revenues of the fund financial statements as follows:

Opinion Unit	Percent of Assets	Percent of Revenues
Governmental Activities	51.2%	7.4%
Business-Type Activities	64.9%	70.4%
Aggregate Discretely Presented Component Units	100.0%	100.0%
General Fund	83.9%	0.9%
Health and Welfare Fund	47.6%	0.1%
Transportation Fund	81.4%	0.6%
Federal Stimulus Fund	100%	2.8%
Land Endowments Fund	97.8%	99.2%
College and University Fund	100.0%	100.0%
Unemployment Compensation Fund	16.1%	1.6%
Loan Fund	42.2%	20.4%
Aggregate Remaining Fund Information	99.3%	83.1%

Paul Headlee, Deputy Director
Legislative Services Office

Matt Drake, Manager
Research & Legislation

Keith Bybee, Manager
Budget & Policy Analysis

April Renfro, Manager
Legislative Audits

Norma Clark, Manager
Information Technology

Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for those agencies and component units, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of Boise State University Foundation and Idaho State University Foundation were not audited in accordance with GAS.

We are required to be independent of the State of Idaho, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The State of Idaho's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State of Idaho's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of Idaho's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Idaho's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the reports of the other auditors, the combining and individual fund financial statements and schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the Introductory and Statistical Sections included in the ACFR but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with GAS, we will issue our report on our consideration of the State of Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with GAS in considering the State of Idaho's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in dark ink, reading "April Renfro". The signature is written in a cursive, flowing style.

April Renfro, CPA, Manager
Legislative Services Office, Audits Division

INTRODUCTION

This section of the State's annual financial report presents our discussion and analysis of the State's financial performance during the fiscal year that ended June 30, 2023. Please read it in conjunction with the transmittal letter, which can be found on page vii of the Introductory Section, and the financial statements beginning on page 14.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the State's basic financial statements, which include the following three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this financial report includes required and other supplementary information.

Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities, which provide information about the State as a whole and present a long-term view of the State's finances using accounting methods similar to those used in the private sector. The statements are prepared using the economic resources measurement focus and accrual basis of accounting, under which the current year's revenues and expenses are recorded as transactions occur rather than when cash is received or paid.

The *Statement of Net Position* reports all of the State's assets plus deferred outflows of resources minus liabilities and deferred inflows of resources, with the remainder reported as a net position. Over time, increases or decreases in the State's net position may serve as a useful indicator of whether the financial position of the State is improving or deteriorating.

The *Statement of Activities* presents information showing how the State's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (such as uncollected taxes and earned but unused vacation leave). This statement reports expenses and revenues in a format that focuses on the net cost of each function, allowing you to see which state functions *draw* upon the general revenues of the State and which functions *contribute* to the general revenues of the State.

The government-wide financial statements are divided into the following three categories:

Governmental activities encompass most of the State's basic services such as general government, public safety and correction, health and human services, education, economic development, and natural resources. Taxes and federal grants are the major funding sources for most of these activities.

Business-type activities account for operations that function in a manner similar to a private business, where all or a significant portion of costs are recovered through user fees and charges to external customers. These activities primarily include higher education, unemployment benefit payments, loans to cities and counties to make improvements to wastewater and drinking water systems, and lottery and liquor sales.

Discretely presented component units are organizations legally separate yet financially accountable to the State. Discretely presented component units include the Idaho Housing and Finance Association, college and university foundations, Idaho Individual High Risk Reinsurance Pool, Idaho Small Employer Health Reinsurance Program, Idaho Bond Bank Authority, and Idaho Health Insurance Exchange.

Fund Financial Statements

The fund financial statements provide detailed information about the State's most significant funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for a specific purpose. Fund accounting is used to demonstrate compliance with finance-related legal requirements. The State's funds are divided into the following three categories:

Governmental funds account for most of the State's basic services and provide a detailed short-term view of the State's general government operations. They account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the fund financial statements focus on near-term inflows and outflows of resources, as well as on balances available at the end of the fiscal year that are available for future spending. Such information may be useful in evaluating the State's near-term financial position. This approach is known as using the current financial resources measurement focus and the modified accrual basis of accounting. Governmental funds include the General Fund, special revenue funds, permanent funds, and capital projects funds.

Two schedules in the governmental fund financial statements (pages 21 and 25) reconcile the amounts reported on the governmental fund financial statements (short-term focus) with governmental activities and balances reported on the appropriate government-wide statements (long-term focus). Comparing the information presented for governmental funds with similar

information presented in the government-wide financial statements may provide a better understanding of the long-term impact of the State's near-term financing decisions.

Proprietary funds account for activities similar to for-profit enterprises, where the determination of net income is necessary for sound financial administration. Proprietary funds include enterprise and internal service funds. Enterprise funds report activities that provide supplies or services to the general public; internal service funds report activities that provide supplies or services to other funds or departments of the primary government. Internal service funds are reported as governmental activities on the government-wide statements since their services primarily benefit the State. Proprietary funds provide the same type of information as the government-wide financial statements, only in greater detail. As in the government-wide statements, proprietary fund financial statements use the accrual basis of accounting.

Fiduciary funds account for resources held for the benefit of parties outside the State. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the State's programs. These funds are reported using the accrual basis of accounting.

Notes to the Financial Statements

The notes to the financial statements (beginning on page 39) provide additional information that is essential to an understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

The notes to the financial statements are followed by required supplementary information that further supports the information in the financial statements. The Required Supplementary Information section begins on page 125 and includes the following:

- Budgetary comparison schedules and note disclosure that show how the General, Health and Welfare, Transportation and Federal Stimulus funds presented in the governmental fund financial statements reconcile to the legally adopted budget
- Condition and maintenance data regarding the State's infrastructure reported using the modified approach
- Schedules of funding progress, employer contributions, and actuarial information related to the State's obligation to provide pension and other post-employment benefits to certain employees

Other Supplementary Information

Combining financial statements, starting on page 142, are presented to provide more detail for non-major special revenue, capital projects, proprietary, and fiduciary funds. The total columns of these combining financial statements agree with the applicable combined fund financial statement.

FINANCIAL ANALYSIS OF THE STATE AS A WHOLE

Net Position

Net position measures the difference between assets and deferred outflows of resources versus liabilities and deferred inflows of resources. Net position may serve over time as a useful indicator of the State's financial position. The State's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$20.6 billion for the most recent fiscal year.

The State's combined net position increased \$1.0 billion over the course of this fiscal year's operations. Net position of governmental activities increased \$687.3 million and business-type activities' net position increased \$356.2 million. Net position changes between the current and prior fiscal year are described in the governmental activities and business-type activities sections on page 8.

Net Position
June 30, 2023 and 2022
(dollars in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022*	2023	2022*	2023	2022*
Assets						
Current and Other Assets	\$ 11,600,892	\$ 11,635,342	\$ 3,296,398	\$ 2,954,073	\$ 14,897,290	\$ 14,589,415
Capital Assets	8,859,157	8,322,463	1,483,482	1,456,504	10,342,639	9,778,967
Total Assets	20,460,049	19,957,805	4,779,880	4,410,577	25,239,929	24,368,382
Deferred Outflows of Resources	544,560	335,457	131,994	90,987	676,554	426,444
Total Assets and Deferred Outflows of Resources	21,004,609	20,293,262	4,911,874	4,501,564	25,916,483	24,794,826
Liabilities						
Other Liabilities	1,919,007	2,118,388	198,102	180,703	2,117,109	2,299,091
Long-Term Liabilities	2,006,302	1,328,305	704,855	803,122	2,711,157	2,131,427
Total Liabilities	3,925,309	3,446,693	902,957	983,825	4,828,266	4,430,518
Deferred Inflows of Resources	135,925	590,510	350,143	214,659	486,068	805,169
Total Liabilities and Deferred Inflows of Resources	4,061,234	4,037,203	1,253,100	1,198,484	5,314,334	5,235,687
Net Position						
Net Investment in Capital Assets	7,962,094	7,427,410	966,705	950,513	8,928,799	8,377,923
Restricted	4,879,321	4,793,055	2,382,647	2,040,144	7,261,968	6,833,199
Unrestricted	4,101,960	4,035,594	309,422	311,933	4,411,382	4,347,527
Total Net position	\$ 16,943,375	\$ 16,256,059	\$ 3,658,774	\$ 3,302,590	\$ 20,602,149	\$ 19,558,649

*Amounts in these columns have been restated. More detailed information regarding net position can be found in Note 14.

The largest component of the State's net position, 43.3 percent (\$8.9 billion), reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery, equipment, software, and capital assets in progress), net of accumulated depreciation and less any related debt outstanding that was needed to acquire or construct the assets. The State uses these capital assets to provide services to citizens. These assets are not available for future spending.

Restricted net position is the next largest component, comprising 35.2 percent (\$7.3 billion). These resources are not available for general use due to restrictions placed on them by external parties such as creditors, grantors, or contributors; or by state law through constitutional provisions or enabling legislation.

The remaining 21.4 percent (\$4.4 billion) of net position represents unrestricted net position, which may be used at the State's discretion but often has limitations on use based on state statutes.

At the end of the current fiscal year, the State reported positive balances in all three categories of net position for the State as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Change in Net Position

Over time, increases or decreases in the State's net position are an indicator of whether its financial health is improving or deteriorating. The following condensed financial information was derived from the current and prior year government-wide Statement of Activities and reflects how the State's net position changed during the fiscal year:

Changes in Net Position For the Fiscal Years Ended June 30, 2023 and 2022 <i>(dollars in thousands)</i>							
	Governmental Activities		Business-Type Activities		Total Primary Government		Total Percent Change
	2023	2022*	2023	2022*	2023	2022*	
Revenues							
Program Revenues							
Charges for Services	\$ 1,270,661	\$ 1,009,555	\$1,580,048	\$1,393,211	\$ 2,850,709	\$ 2,402,766	18.6
Operating Grants and Contributions	5,634,835	4,424,318	374,205	428,409	6,009,040	4,852,727	23.8
Capital Grants and Contributions	17,176	24,598	28,727	56,889	45,903	81,487	(43.7)
General Revenues							
Sales Tax	3,056,021	2,951,911			3,056,021	2,951,911	3.5
Individual and Corporate Taxes	3,159,670	3,579,165			3,159,670	3,579,165	(11.7)
Other Taxes	708,561	671,766			708,561	671,766	5.5
Other	98,960	(20,297)			98,960	(20,297)	(587.6)
Total Revenues	13,945,884	12,641,016	1,982,980	1,878,509	15,928,864	14,519,525	9.7
Expenses							
General Government	1,895,543	1,224,316			1,895,543	1,224,316	54.8
Public Safety and Correction	584,975	530,620			584,975	530,620	10.2
Health and Human Services	4,941,610	4,275,448			4,941,610	4,275,448	15.6
Education	3,231,984	3,013,362			3,231,984	3,013,362	7.3
Economic Development	1,526,729	1,130,795			1,526,729	1,130,795	35.0
Natural Resources	497,839	407,124			497,839	407,124	22.3
Interest Expense	70,377	60,241			70,377	60,241	16.8
College and University			1,389,609	1,261,611	1,389,609	1,261,611	10.1
Unemployment Compensation			94,432	63,049	94,432	63,049	49.8
Loan			34,680	5,358	34,680	5,358	547.3
State Lottery			338,714	304,347	338,714	304,347	11.3
State Liquor			261,586	246,360	261,586	246,360	6.2
Correctional Industries			17,775	17,475	17,775	17,475	1.7
Total Expenses	12,749,057	10,641,906	2,136,796	1,898,200	14,885,853	12,540,106	18.7
Increase (Decrease) in Net Position before Transfers	1,196,827	1,999,110	(153,816)	(19,691)	1,043,011	1,979,419	(47.3)
Transfers	(509,510)	(251,320)	509,510	251,320	—	—	—
Change in Net Position	687,317	1,747,790	355,694	231,629	1,043,011	1,979,419	(47.3)
Net Position, Beginning of Year, as Restated	16,256,059	14,508,272	3,303,080	3,071,451	19,559,139	17,579,723	11.3
Net Position, End of Year	\$16,943,376	\$16,256,062	\$3,658,774	\$3,303,080	\$20,602,150	\$19,559,142	5.3

*Amounts in these columns have been restated.

The Total Percent Change column shows the percentage change in operation from fiscal year 2022 to 2023 for each line item. Readers should be cautious when using this column to evaluate the overall change in net position. Although a line may show a large percentage change (e.g., 547.3 percent increase for Loan of \$29.3 million), it may not have as significant of an effect on the overall change in net position as a change in a more material line item with a smaller percentage change (e.g., 3.5 percent increase for Sales Tax of \$104.1 million).

Governmental Activities

Revenues

The overall financial position for Governmental Activities significantly improved during the fiscal year, as evidenced by the 4.2 percent (\$687.3 million) increase in net position. Revenues continued to outpace expenses

in most categories. Individual and corporate income taxes revenue decreased 11.7 percent (\$419.5 million). Operating grant revenue increased 27.4 percent (\$1.2 billion), primarily due to increases in health and other federal grants and contributions. Increased fair market value and other sales and services caused revenue from charges for services to rise 25.9 percent (\$261.1 million).

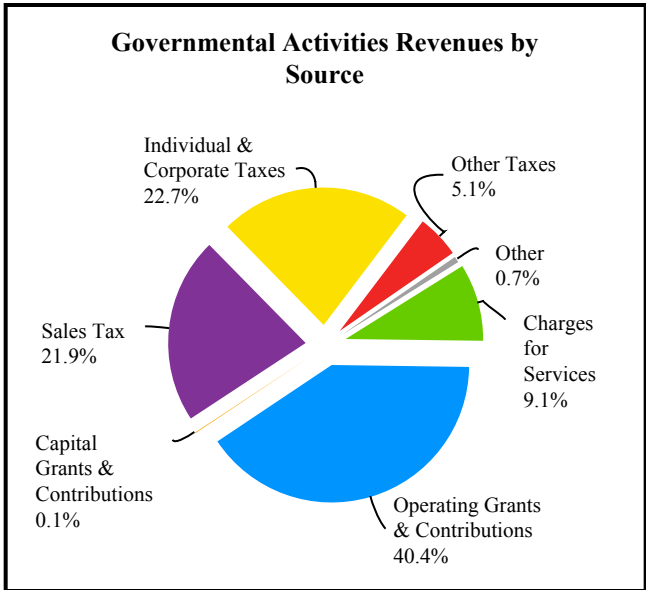
Sales Tax revenue improved by 3.5 percent (\$104.1 million), as well as the Other Tax revenue with a rise of 5.5 percent (\$36.8 million).

Expenses

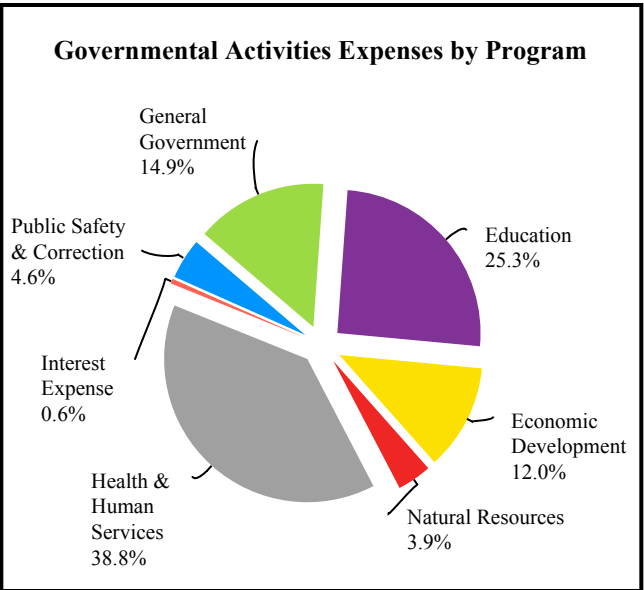
Overall expenses for the State increased 19.8 percent (\$2.1 billion). Education expenses rose 7.3 percent (\$218.6 million) primarily due to increase in the

distribution of public school funds. Expenses for economic development rose 35.0 percent (\$395.9 million) primarily due to infrastructure expenses, highway apportionment, and other miscellaneous expenses. Finally, health and human services expenses experienced a 15.6 percent (\$666.2 million) increase from the prior year primarily due to medical assistance vendor payments.

The following charts depict revenues and expenses of the governmental activities for fiscal year ended June 30, 2023:



Total Revenues = \$13.9 billion



Total Expenses = \$12.8 billion

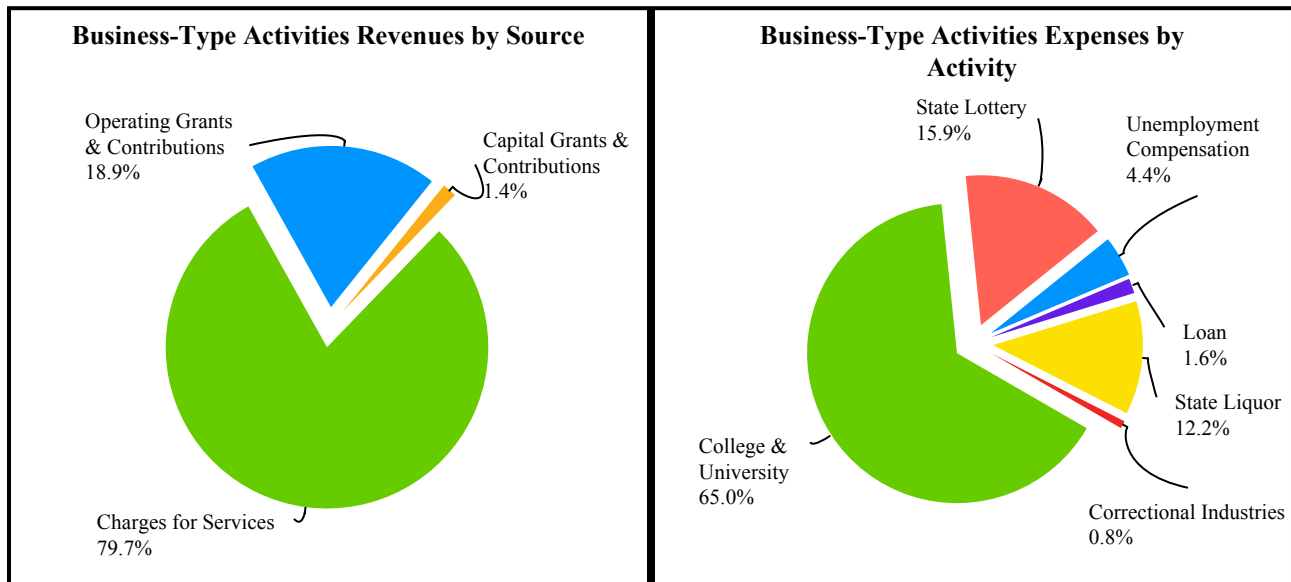
Business-Type Activities

Business-type activities' net position increased by 10.8 percent (\$355.7 million) during the fiscal year due to transfers in. The largest changes were seen in the following funds:

- The College and University fund net position increased by 2.5 percent (\$32.6 million) from the prior year to \$1.3 billion. Expenses increased 10.1 percent (\$128.0 million) due to an increase in Personnel Costs, Services and Supplies, and Other Expenses.

- Unemployment Compensation fund net position improved 6.9 percent (\$79.3 million) due largely to decreases in Benefits, Awards, and Premiums expenditures and an increase in investment income.

The following charts depict revenues and expenses of the business-type activities:



Total Revenues = \$2.0 billion

Total Expenses = \$2.1 billion

FINANCIAL ANALYSIS OF THE STATE'S FUNDS

Governmental Funds

At the close of the fiscal year, the State's governmental funds reported combined ending fund balances of \$9.0 billion, an increase of \$131.5 million in comparison with fiscal year 2022. The governmental fund balance is classified as follows:

- *Nonspendable* either due to its form or legal constraints such as permanent trusts: \$2.3 billion (25.8 percent)
- *Restricted* for a specific purpose either by creditors, grantors, constitutional provisions, or enabling legislation: \$2.4 billion (27.0 percent)
- *Committed* for specific purposes by the Legislature or for satisfying contractual requirements: \$2.8 billion (31.5 percent)
- *Assigned* for a specific purpose as that intent is expressed by the Legislature or by a governing body or official: \$103.3 million (1.2 percent)
- *Unassigned* is the General Fund balance that has not been designated for another fund and that has not been restricted, committed, or assigned to a specific purpose within the General Fund: \$1.3 billion (14.5 percent)

Changes in the fund balance noted above are described by major fund type as follows:

- The General Fund is the chief operating fund of the State. During the fiscal year the fund balance

increased 0.7 percent (\$29.9 million) primarily due to a \$205 million increase in investment income.

- The Health and Welfare fund balance decreased 138.6 percent (\$65.3 million) during the fiscal year.
- The Transportation fund balance decreased 6.2 percent (\$33.7 million) during the fiscal year primarily due to increased grants and contributions.
- The Federal stimulus fund is a major fund due to the Federal stimulus act and the state receiving \$1.3 billion of cash in FY20 to allocate for COVID needs. The Fund balance decreased \$50.6 million during the fiscal year with the largest expenditure portion focused on education.
- The Land Endowments fund balance increased 6.7 percent \$189.5 million from the prior year.
- The Nonmajor Governmental fund balance increased 6.2 percent (\$61.7 million) during the fiscal year. Increases are largely due to rise in investment income, and taxes other than individual and corporate.

Proprietary Funds

Proprietary funds provide the same type of information found in the Business-Type Activities columns of the government-wide financial statements, but in more detail.

GENERAL FUND BUDGETARY HIGHLIGHTS

The State does not adopt a revenue budget; therefore, the Budgetary Comparison Schedule reflects budgeted revenues as being equal to actual revenues. General Fund revenues for the fiscal year were \$7.2 billion. Most of the General Fund revenue comes from various types of tax collections; these collections increased by 1.4 percent over 2022. The sum of the collections stem from three major revenue categories; individual income tax, sales tax, and corporate income tax. Individual income tax receipts (\$2.2 billion) was within 0.1 percent of expectations. Corporate income tax receipts (\$1.0 billion) was just over the \$960.0 million predicted. Sales tax contributions (\$2.3 billion) just fell short of the expected (\$2.32 billion); the revenue miss was 0.9 percent. Product tax revenue (\$71.6 million) for the year fell short of the anticipated collections (\$73.6 million) by 2.7 percent (\$2.0 million). Miscellaneous sources (\$396.7 million) surpassed the projected \$364.7 million by 8.8 percent (\$32.1 million). The cash balance carried over into fiscal

year 2023 was \$1.4 billion. Overall, General Fund receipts were \$94.9 million less in fiscal year 2023 than in fiscal year 2022.

The original expenditures budget amount on the Budgetary Comparison Schedule represents the original appropriation, prior year reappropriations, and continuous appropriations. The final budget amount includes the original budget plus supplemental (positive or negative) appropriations, Governor's holdbacks, Board of Examiners reductions, object transfers, activity transfers, and receipts to the appropriation. The variance between the final budget and actual spending was a favorable \$1.9 billion (24.4 percent). The natural resources function within the General Fund reported a negative variance of \$22.9 million in large part from the fire suppression warrant deficiency fund. This deficit is allowed by statute and will be funded with future appropriations.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2023 the State had \$10.3 billion (net of accumulated depreciation) invested in a broad range of capital assets, as can be seen in the table below. Depreciation expense for this fiscal year totaled \$241.1 million.

Capital Assets as of June 30, 2023 and 2022						
<i>(Net of depreciation, dollars in thousands)</i>						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022*	2023	2022*	2023	2022*
Land and Land Use Rights	\$ 1,399,358	\$ 1,292,643	\$ 175,420	\$ 175,370	\$ 1,574,778	\$ 1,468,013
Capital Assets in Progress	1,813,149	1,365,099	78,551	46,448	1,891,700	1,411,547
Infrastructure-not Depreciated	3,402,954	3,402,954			3,402,954	3,402,954
Historical Art and Collections	332	332	2,730	2,622	3,062	2,954
Buildings and Improvements	775,876	826,752	1,050,857	1,068,740	1,826,733	1,895,492
Improvements Other Than Buildings	122,776	122,487	28,772	30,292	151,548	152,779
Machinery, Equipment, and Other	266,516	278,363	91,012	87,852	357,528	366,215
Infrastructure-Depreciated	980,545	1,000,476			980,545	1,000,476
Intangible Right to Use Assets	97,651	38,404	56,140	49,944	153,791	88,348
Total	\$ 8,859,157	\$ 8,327,510	\$ 1,483,482	\$ 1,461,268	\$ 10,342,639	\$ 9,788,778

*These columns have been restated. More detailed information can be found in Note 6.

This year's major capital asset additions include \$463.0 million spent for infrastructure assets, which includes capital assets in progress (\$417.4 million) and rights-of-way (\$45.6 million).

The State uses the traditional method of depreciation for its 1,815 bridges, 29 rest areas, 12 ports of entry, and 10 weigh stations. The State adopted the modified approach for reporting roads. Under this alternative method certain maintenance and preservation costs are expensed, and depreciation expense is not reported. Approximately 12,276 lane miles of roads are accounted for under the

modified approach. The State manages its roadway network using its Pavement Management System to monitor road surface condition. The roadway surface condition is determined using three pavement condition data elements: International Roughness Index (IRI), rutting depth, and Overall Condition Index (OCI). Developed as part of refinements to the Transportation Asset Management System (TAMS), the OCI is unique to Idaho. Roadway surface is categorized as good, fair, or poor. The State's established condition level is to have no more than 30 percent of pavement in poor condition. The

latest condition assessment rating showed that the State had 12.0 percent of its road surfaces in poor condition. During fiscal year 2023 the State spent \$142.2 million to maintain Idaho's road surfaces. This amount is 36.9 percent (\$83.1 million) less than the estimated amount of \$225.3 million required to maintain Idaho's road surfaces. More detailed information about the State's capital assets is presented in Notes 1 and 6 to the financial statements and in the Required Supplementary Information.

Long-Term Debt

Article VIII Section 1 of the Idaho Constitution, amended in 1998, specifies that the Legislature shall not create any debts or liabilities, except in extreme emergencies, unless authorized by law and then approved by the people at a general election. This does not apply to liabilities incurred for ordinary operating expenses, nor debts or liabilities that are repaid by the end of the fiscal year. The debts or liabilities of independent public bodies corporate and politic created by law, and which have no power to levy taxes or obligate the General Fund of the State, are not debts or liabilities of the State.

Idaho Code Title 40 addresses the increasing need for timely improvements to Idaho's highway infrastructure.

The Idaho Transportation Board, with the approval of the Legislature, can approve debt financing for transportation infrastructure projects utilizing future federal-aid highway revenues. Opinions have been received from the Office of the Attorney General, based on the Idaho Supreme Court decision in *Ada County v. Wright*, to the effect that this procedure does not create a liability of the State in violation of the Idaho Constitution.

During fiscal year 2023, the Idaho Housing Finance Association issued a new \$534.3 million Transportation Expansion and Congestion Mitigation (TECM) bond (2022 and 2023 Series). The notes payable ending balance for highway projects was \$642.6 million.

Moody's Investors Service has assigned the State of Idaho an issuer rating of *Aaa*. Idaho currently has no general obligation debt outstanding. During fiscal year 2023, Idaho State Treasurer did not issue a State of Idaho Tax Anticipation Note (TAN) to meet the anticipated cash flow requirements due to the time lag between when state revenue is received and when state expenses are incurred. More detailed information about the State's long-term debt is presented in Notes 1 and 13 to the financial statements.

ECONOMIC FACTS AND NEXT YEAR'S BUDGET

Idaho's unemployment rate was at 3.1 percent in September 2023. The State's labor force grew over the last year from 961,441 in October 2022 to 969,376 in September 2023. The national unemployment rate in September was 3.8 percent. Total state employment in September was 939,110 up from 933,268 in October 2022.

Revenue for fiscal year 2024 is expected to be \$5.5 billion via individual income tax (\$2.2 billion), sales tax (\$1.9 billion), and corporate tax (\$1.0 billion). General fund revenue is expected to fall this fiscal year because of income tax-rate cuts along with new sales tax distribution.

In fiscal year 2024, HB1 redirects \$102.5 million in sales tax revenue each Jul., Oct., Jan., and Apr., totaling \$410 million. HB292 also added two new and ongoing sources of property tax relief through a sales tax redistribution. Together we expect all three of these to redirect \$527.8

million in sales tax funds for the fiscal year.

The overall General Fund budget for fiscal year 2024 is \$5.2 billion (11.5 percent increase). Medicaid received \$856.4 million (17.9 percent increase); and the Department of Correction received \$321.8 million (4.0 percent increase). Contributions to the State's budget reserves increased by \$532.6 million during fiscal year 2023.

For the ninth year in a row the Legislature increased the General Fund appropriation for education. The Legislature approved the following General Fund appropriation increases related to education:

- Public schools (K-12): 16.3 percent (\$379.0 million)
- College and Universities: 3.9 percent (\$13.4 million)
- Department of Water Resources: 6.3 percent (1.4 million)

CONTACTING THE STATE'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, the Legislature, investors, and creditors with a general overview of the State's finances and to show the State's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact:

Office of the State Controller
700 West State Street, P.O. Box 83720
Boise, Idaho 83720-0011
(208) 334-3150, acfr@sco.idaho.gov

Basic Financial Statements



Little Payette Lake

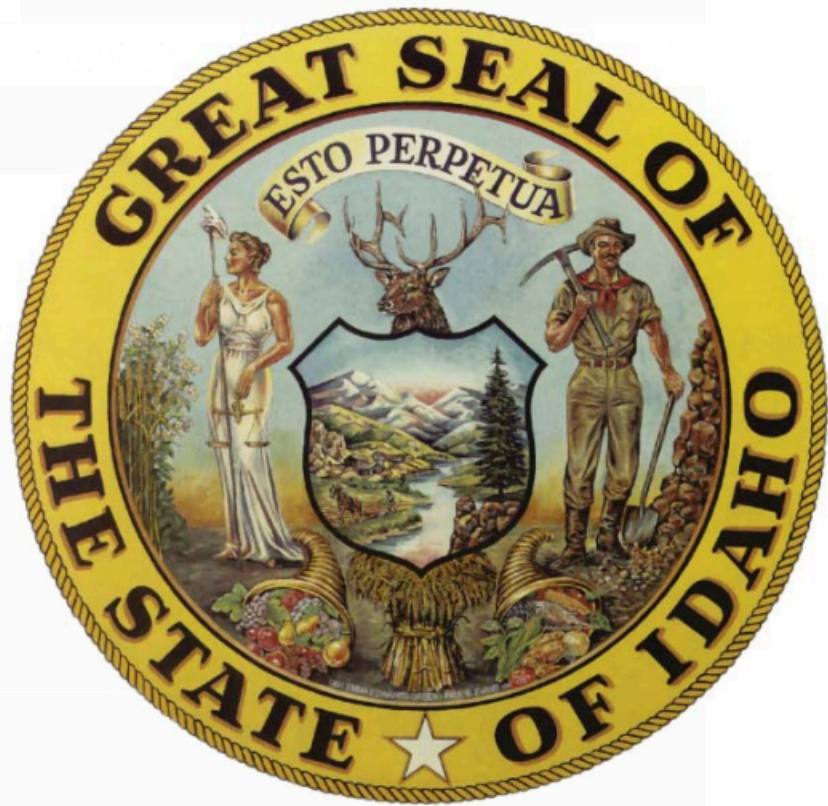
Statement of Net Position

June 30, 2023

(dollars in thousands)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS				
Cash and Cash Equivalents	\$ 10,056	\$ 1,045,415	\$ 1,055,471	\$ 113,782
Pooled Cash and Investments	4,455,206	502,382	4,957,588	307
Investments	3,889,003	681,534	4,570,537	1,718,679
Accounts Receivable, Net	253,303	182,830	436,133	100,482
Taxes Receivable, Net	484,872		484,872	
Internal Balances	13,575	(13,575)		
Due from Other Entities	456,090		456,090	
Inventories and Prepaid Items	84,714	45,041	129,755	2,800
Due from Primary Government				655,143
Due from Component Unit		5,233	5,233	
Loans, Notes, Leases and Pledges Receivable, Net	82,528	575,312	657,840	846,966
Other Assets	109,190	56,523	165,713	209,583
Restricted Assets:				
Cash and Cash Equivalents	1,105,845	126,400	1,232,245	469,278
Investments	656,510	89,303	745,813	430,948
Capital Assets:				
Nondepreciable	6,615,793	256,701	6,872,494	24,613
Depreciable, Net	2,243,364	1,226,781	3,470,145	107,572
Total Assets	20,460,049	4,779,880	25,239,929	4,680,153
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows	544,560	131,994	676,554	7,911
Total Assets and Deferred Outflows of Resources	\$ 21,004,609	\$ 4,911,874	\$ 25,916,483	\$ 4,688,064
LIABILITIES				
Accounts Payable	\$ 363,393	\$ 63,124	\$ 426,517	\$ 5,014
Payroll and Related Liabilities	64,161	50,039	114,200	2,146
Medicaid Payable	230,102		230,102	
Due to Other Entities	162,318	12,478	174,796	
Unearned Revenue	949,115	56,380	1,005,495	101,729
Amounts Held in Trust for Others	47,730	1,840	49,570	270,870
Due to Primary Government				3,661
Due to Component Unit		783	783	
Other Accrued Liabilities	102,188	13,458	115,646	590,050
Long-Term Liabilities:				
Due Within One Year	240,798	58,915	299,713	155,870
Due in More Than One Year	1,765,504	645,940	2,411,444	2,089,865
Total Liabilities	3,925,309	902,957	4,828,266	3,219,205
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows	135,925	350,143	486,068	8,307
NET POSITION				
Net Investment in Capital Assets	7,962,094	966,705	8,928,799	41,687
Restricted for:				
Claims and Judgments	40,629		40,629	
Debt Service	14,949		14,949	58,651
Transportation	270,804		270,804	
Regulatory	116,809		116,809	
Natural Resources and Recreation	469,880		469,880	
Unemployment Compensation		1,225,544	1,225,544	
Permanent Trust - Expendable	788,784	109,859	898,643	278,131
Permanent Trust - Nonexpendable	2,711,248		2,711,248	496,607
Other Purposes	466,218	1,047,244	1,513,462	62,785
Unrestricted	4,101,960	309,422	4,411,382	522,691
Total Net Position	16,943,375	3,658,774	20,602,149	1,460,552
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 21,004,609	\$ 4,911,874	\$ 25,916,483	\$ 4,688,064

The accompanying notes are an integral part of the financial statements.



Statement of Activities

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

		Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
	Expenses			
FUNCTIONS				
Primary Government				
Governmental Activities				
General Government	\$ 1,895,543	\$ 324,714	\$ 482,111	\$ (62)
Public Safety and Correction	584,976	52,027	14,026	58
Health and Human Services	4,941,610	184,813	3,728,121	
Education	3,231,984	20,475	515,578	57
Economic Development	1,526,729	426,849	521,026	13,138
Natural Resources	497,839	261,783	373,973	3,985
Interest Expense	70,377			
Total Governmental Activities	12,749,058	1,270,661	5,634,835	17,176
Business-Type Activities				
College and University	1,389,609	622,297	353,615	28,727
Unemployment Compensation	94,432	183,357	(582)	
Loan	34,680	14,227	21,172	
State Lottery	338,714	423,197		
State Liquor	261,586	315,987		
Correctional Industries	17,775	20,983		
Total Business-Type Activities	2,136,796	1,580,048	374,205	28,727
Total Primary Government	\$14,885,854	\$ 2,850,709	\$ 6,009,040	\$ 45,903
Component Units				
Idaho Housing and Finance Association	\$ 287,331	\$ 40,106	\$ 117,664	
College and University Foundation	79,863	6,457	130,856	
Health Reinsurance	21,798	47,907		
Bond Bank Authority	5,448	5,424		
Health Insurance Exchange	12,104	11,322	200	
Total Component Units	\$ 406,544	\$ 111,216	\$ 248,720	\$ 0

GENERAL REVENUES

Sales Tax
Individual and Corporate Taxes
Fuel Tax
Other Taxes
Tobacco Settlement
Unrestricted Investment Earnings

Transfers**Total General Revenues, Contributions, and Transfers****Change in Net Position****Net Position - Beginning of Year, as Restated****Net Position - End of Year**

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
\$ (1,088,780)		\$ (1,088,780)	
(518,865)		(518,865)	
(1,028,676)		(1,028,676)	
(2,695,874)		(2,695,874)	
(565,716)		(565,716)	
141,902		141,902	
(70,377)		(70,377)	
(5,826,386)		(5,826,386)	
	\$ (384,970)	(384,970)	
	88,343	88,343	
	719	719	
	84,483	84,483	
	54,401	54,401	
	3,208	3,208	
	(153,816)	(153,816)	
(5,826,386)	(153,816)	(5,980,202)	
			\$ (129,561)
			57,450
			26,109
			(24)
			(582)
			(46,608)
3,056,021		3,056,021	
3,159,670		3,159,670	
389,096		389,096	
319,465		319,465	
21,845		21,845	
77,115		77,115	
(509,510)	509,510		
6,513,702	509,510	7,023,212	
687,316	355,694	1,043,010	(46,608)
16,256,059	3,303,080	19,559,139	1,507,160
\$ 16,943,375	\$ 3,658,774	\$ 20,602,149	\$ 1,460,552

The accompanying notes are an integral part of the financial statements.

Balance Sheet

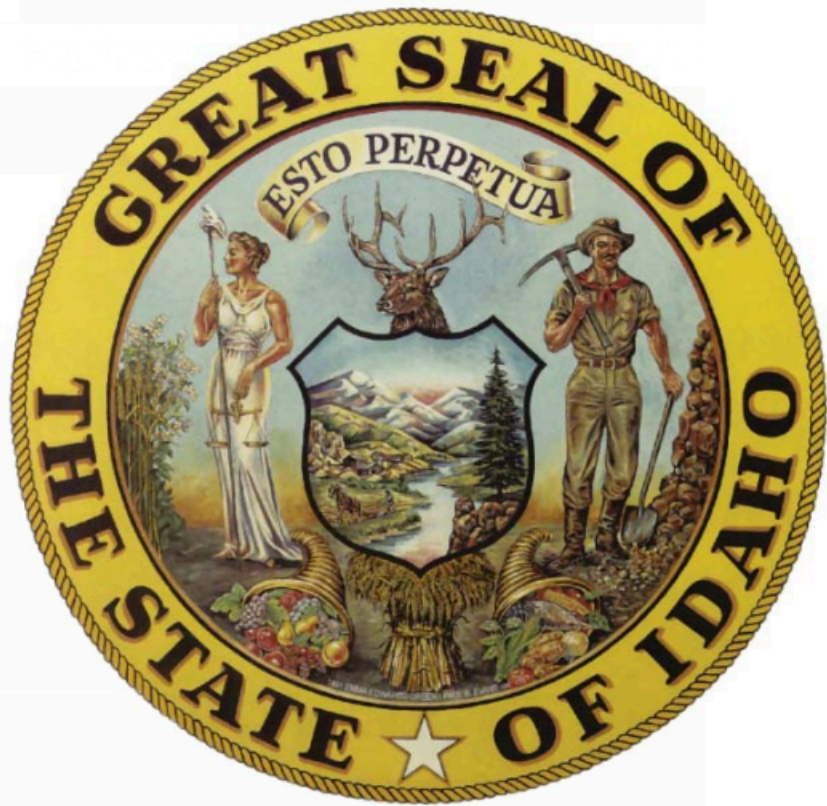
Governmental Funds

June 30, 2023

(dollars in thousands)

	General	Health and Welfare	Transportation
ASSETS			
Cash and Cash Equivalents	\$ 50		\$ 5
Pooled Cash and Investments	3,086,842	\$ 53,020	444,280
Investments	640,165		172,335
Accounts Receivable, Net	23,532	140,827	12,664
Taxes Receivable, Net	441,305	179	36,406
Interfund Receivables	21,845		
Due from Other Entities	59	279,137	64,189
Inventories and Prepaid Items	24,713	5,526	26,255
Loans, Notes, Leases and Pledges Receivable, Net	58,219	207	
Other Assets	9,001	393	1,510
Restricted Assets:			
Cash and Cash Equivalents	233,705	19,627	2,546
Investments	458,387		
Total Assets	\$ 4,997,823	\$ 498,916	\$ 760,190
LIABILITIES			
Accounts Payable	\$ 84,114	\$ 13,658	\$ 95,988
Payroll and Related Liabilities	25,251	12,517	6,545
Medicaid Payable		230,102	
Interfund Payables	1,691	1,869	194
Due to Other Entities	84,527		77,587
Unearned Revenue	37,657		28,923
Amounts Held in Trust for Others	28,423	16,095	
Other Accrued Liabilities	6,689	36,984	12,025
Total Liabilities	268,352	311,225	221,262
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows	230,659	205,860	27,013
FUND BALANCES			
Nonspendable:			
Permanent Trusts			
Inventories and Prepaid Items	24,713	5,526	26,255
Noncurrent Receivables	25		
Restricted	725,327		244,794
Committed	2,217,982	48	240,866
Assigned	102,354		
Unassigned	1,428,411	(23,743)	
Total Fund Balances	4,498,812	(18,169)	511,915
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,997,823	\$ 498,916	\$ 760,190

Federal Stimulus	Land Endowments	Nonmajor Governmental	Total
		\$ 10,001	\$ 10,056
	\$ 75,030	730,870	4,390,042
	2,946,749	77,576	3,836,825
	38,572	37,507	253,102
		6,982	484,872
		790	22,635
\$ 42,491		70,214	456,090
783		22,698	79,975
		4,542	62,968
1,561	7,407	2,637	22,509
755,919		53,419	1,065,216
		198,123	656,510
\$ 800,754	\$ 3,067,758	\$ 1,215,359	\$ 11,340,800
\$ 42,500	\$ 52,296	\$ 74,120	\$ 362,676
47		17,521	61,881
			230,102
534		15,091	19,379
		105	162,219
844,662		11,462	922,704
		3,212	47,730
13	1	8,882	64,594
887,756	52,297	130,393	1,871,285
12,884		25,267	501,683
	2,226,677	9,005	2,235,682
783		22,698	79,975
			25
	788,784	666,198	2,425,103
		364,009	2,822,905
		963	103,317
(100,669)		(3,174)	1,300,825
(99,886)	3,015,461	1,059,699	8,967,832
\$ 800,754	\$ 3,067,758	\$ 1,215,359	\$ 11,340,800



**Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
June 30, 2023**
(dollars in thousands)

Total Fund Balances - Governmental Funds \$ 8,967,832

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of the following:

Land and Land Use Rights	\$ 1,399,358	
Capital Assets in Progress	1,813,149	
Infrastructure	4,780,421	
Historical Art and Collections	282	
Buildings and Improvements	1,325,726	
Improvements Other Than Buildings	241,421	
Machinery, Equipment, and Other	980,297	
Intangible Right to Use Assets	132,113	
Accumulated Depreciation	(1,790,808)	
Accumulated Amortization	(44,236)	
Total Capital Assets		8,837,723

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds. 93,429

Deferred Outflows of Resources benefit future periods and are not reported in the funds.

The deferred outflows of resources consist of the following:

Debt Defeasance	3,914	
Pension Related Deferrals	393,687	
Pension Contributions Subsequent to Measurement Date	98,537	
OPEB Related Deferrals	31,484	
OPEB Contributions Subsequent to Measurement Date	1,572	
Total Deferred Outflows of Resources		529,194

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Net Position. 113,812

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

These liabilities consist of the following:

Compensated Absences Payable	(64,675)	
Bonds, Notes, and Right to Use Payable	(914,356)	
Accrued Interest on Bonds	(37,343)	
Claims and Judgments	(165,514)	
Other Long-Term Liabilities	(804,957)	
Total Long-Term Liabilities		(1,986,845)

Deferred Inflows of Resources benefit future periods and are not reported in the funds.

The deferred inflows of resources consist of the following:

Unavailable Revenue	434,629	
Pension Related Deferrals	(20,524)	
OPEB Related Deferrals	(25,875)	
Total Deferred Inflows of Resources		388,230

Net Position - Governmental Activities \$ 16,943,375

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	General	Health and Welfare	Transportation
REVENUES			
Sales Tax	\$ 2,942,587		\$ 113,420
Individual and Corporate Taxes	3,158,651		
Other Taxes	55,417	\$ 57,170	374,672
Licenses, Permits, and Fees	36,345	26,465	216,671
Sale of Goods and Services	54,529	97,147	10,009
Grants and Contributions	44,038	3,806,059	415,530
Investment Income (Loss)	118,297	62	18,810
Tobacco Settlement	23,095		
Other Income	80,100	14,456	3,116
Total Revenues	6,513,059	4,001,359	1,152,228
EXPENDITURES			
Current:			
General Government	291,702	6,024	
Public Safety and Correction	456,047	2,689	
Health and Human Services	31,330	4,785,850	
Education	2,622,708		
Economic Development	150,548		261,572
Natural Resources	71,096	3	
Capital Outlay	218,874	7,794	551,117
Intergovernmental Revenue Sharing	1,091,903	184,634	353,285
Debt Service:			
Principal Retirement	12,332	1,877	75,924
Interest and Other Charges	1,099	125	62,455
Total Expenditures	4,947,639	4,988,996	1,304,353
Revenues Over (Under) Expenditures	1,565,420	(987,637)	(152,125)
OTHER FINANCING SOURCES (USES)			
Bonds and Notes Issued			
Payment to Refunded Bond Escrow Agent			
Lease and SBITA Acquisitions	51,053	231	6,568
Sale of Capital Assets	1,961	19	9,225
Transfers In	356,233	932,796	115,065
Transfers Out	(1,944,770)	(10,676)	(12,436)
Total Other Financing Sources (Uses)	(1,535,523)	922,370	118,422
Net Change in Fund Balances	29,897	(65,267)	(33,703)
Fund Balances - Beginning of Year, as Restated	4,468,915	47,098	545,618
Fund Balances - End of Year	\$ 4,498,812	\$ (18,169)	\$ 511,915

Federal Stimulus	Land Endowments	Nonmajor Governmental	Total
		\$ 6,229	\$ 3,062,236
			3,158,651
		217,327	704,586
		229,884	509,365
	\$ 87,678	47,986	297,349
\$ 607,544		573,609	5,446,780
18,805	278,205	27,358	461,537
			23,095
24,886	859	29,080	152,497
651,235	366,742	1,131,473	13,816,096
100,617		74,346	472,689
1,523		73,011	533,270
1,586			4,818,766
314,974		274,094	3,211,776
4,831		263,442	680,393
78,133	46,681	224,129	420,042
18,648	56,510	277,702	1,130,645
158,208		81,231	1,869,261
		15,287	105,420
		10,565	74,244
678,520	103,191	1,293,807	13,316,506
(27,285)	263,551	(162,334)	499,590
		194,715	194,715
		(161,655)	(161,655)
		26,874	84,726
	26,223	2,921	40,349
		301,712	1,705,806
(25,165)	(100,315)	(140,568)	(2,233,930)
(25,165)	(74,092)	223,999	(369,989)
(52,450)	189,459	61,665	129,601
(47,436)	2,826,002	998,034	8,838,231
\$ (99,886)	\$ 3,015,461	\$ 1,059,699	\$ 8,967,832

The accompanying notes are an integral part of the financial statements.



Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

Net Change in Fund Balances - Governmental Funds		\$	129,601
Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, these costs are allocated as depreciation expense. Capital outlays exceeded depreciation expense in the current year by the following amount:			
Capital Outlay	\$	705,854	
Depreciation Expense		(150,167)	
			555,687
Miscellaneous transactions involving capital assets such as sales (gain/loss) and donations are reported in the Statement of Activities but only proceeds from sales are reported in the governmental funds.			
			(19,484)
Revenues reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.			
			12,084
The issuance of long-term debt provides current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the Statement of Net Position. In the current year the following debt was incurred:			
Bonds and Notes		(194,715)	
Right to Use		(84,726)	
			(279,441)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consisted of:			
Bond and Note Principal		80,582	
Refunding Bond Payment		161,655	
Right to Use		24,838	
			267,075
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. Some expenditures reported in the governmental funds either increase or decrease long-term liabilities reported in the Statement of Net Position. In the current year these amounts consisted of:			
Accrued Interest and Amortization		3,890	
Compensated Absences		(389)	
Claims and Judgments		100,720	
Other Long-Term Liabilities		(81,889)	
			22,332
Internal service funds are reported separately from governmental funds in the fund statements. In the government-wide statements, internal service funds are included with governmental activities.			
			(538)
Change in Net Position - Governmental Activities		\$	<u>687,316</u>

Statement of Net Position

Proprietary Funds

June 30, 2023

(dollars in thousands)

	Business-Type Activities - Enterprise Funds			
	College and University	Unemployment Compensation	Loan	Nonmajor Enterprise Funds
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 86,619	\$ 956,128		\$ 2,668
Pooled Cash and Investments	168,227	4,363	\$ 303,263	26,529
Investments	147,192			
Accounts Receivable, Net	111,831	67,480		3,519
Interfund Receivables	6,161			118
Inventories and Prepaid Items	16,827			28,214
Due from Component Unit	5,233			
Loans, Notes, Leases and Pledges Receivable, Net	5,004		27,105	
Other Current Assets	1,176		5,419	386
Total Current Assets	548,270	1,027,971	335,787	61,434
Noncurrent Assets				
Restricted Cash and Cash Equivalents	6,135		32,516	87,749
Investments	336,726	197,616		
Restricted Investments			89,303	
Loans, Notes, Leases and Pledges Receivable, Net	42,686		500,517	
Other Noncurrent Assets	48,093			1,449
Capital Assets, Net	1,402,737		51,636	29,109
Total Noncurrent Assets	1,836,377	197,616	673,972	118,307
Total Assets	2,384,647	1,225,587	1,009,759	179,741
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows	122,806			9,188
Total Assets and Deferred Outflows of Resources	\$ 2,507,453	\$ 1,225,587	\$ 1,009,759	\$ 188,929
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 46,428		\$ 429	\$ 16,267
Payroll and Related Liabilities	48,743			1,296
Interfund Payables	342			10,874
Due to Other Entities	808			11,670
Unearned Revenue	47,707		8,673	
Amounts Held in Trust for Others	1,840			
Due to Component Unit	783			
Other Accrued Liabilities	7,090	\$ 43	6	6,319
Compensated Absences Payable	29,437			1,078
Bonds, Notes, and Right to Use Payable	23,836			4,121
Policy Claim Liabilities				
Other Long-Term Obligations - Current	443			
Total Current Liabilities	207,457	43	9,108	51,625
Noncurrent Liabilities				
Bonds, Notes, and Right to Use Payable	432,676			12,509
Policy Claim Liabilities				
Other Long-Term Obligations	187,362			13,393
Total Noncurrent Liabilities	620,038			25,902
Total Liabilities	827,495	43	9,108	77,527
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows	349,449			694
NET POSITION				
Net Investment in Capital Assets	902,590		51,636	12,479
Restricted for:				
Claims and Judgments		1,225,544		
Unemployment Compensation				
Permanent Trust - Expendable	109,859			
Other Purposes			949,015	98,229
Unrestricted	318,060			
Total Net Position	1,330,509	1,225,544	1,000,651	110,708
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 2,507,453	\$ 1,225,587	\$ 1,009,759	\$ 188,929

The amount reported for the total net position on this statement differs from the amount reported for Business-Type Activities on the Government-wide Statement of Net Position because of an \$8,638 consolidation adjustment for internal service fund activities on the Government-wide statement.

The accompanying notes are an integral part of the financial statements.

		Governmental Activities	
Total		Internal Service Funds	
\$	1,045,415		
	502,382	\$	65,164
	147,192		
	182,830		201
	6,279		1,681
	45,041		4,740
	5,233		
	32,109		3,739
	6,981		425
	1,973,462		75,950
	126,400		40,629
	534,342		52,178
	89,303		
	543,203		15,821
	49,542		1,465
	1,483,482		21,434
	2,826,272		131,527
	4,799,734		207,477
	131,994		15,366
\$	4,931,728	\$	222,843
\$	63,124	\$	717
	50,039		2,280
	11,216		
	12,478		99
	56,380		26,411
	1,840		
	783		
	13,458		251
	30,515		1,985
	27,957		3,260
			10,456
	443		
	268,233		45,459
	445,185		6,298
			13,743
	200,755		21,059
	645,940		41,100
	914,173		86,559
	350,143		22,472
	966,705		11,647
			40,629
	1,225,544		
	109,859		
	1,047,244		57,637
	318,060		3,899
	3,667,412		113,812
\$	4,931,728	\$	222,843

The accompanying notes are an integral part of the financial statements.

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	Business-Type Activities - Enterprise Funds			
	College and University	Unemployment Compensation	Loan	Nonmajor Enterprise Funds
OPERATING REVENUES				
Assessments		\$ 166,313		
Licenses, Permits, and Fees	\$ 500,530		\$ 3,622	\$ 13
Scholarship Allowances	(95,232)			
Sale of Goods and Services	156,431		1,558	759,227
Grants and Contributions	204,650	(582)	21,172	
Other Income	22,964	126		377
Total Operating Revenues	789,343	165,857	26,352	759,617
OPERATING EXPENSES				
Personnel Costs	850,931		3	26,424
Services and Supplies	343,377		9,905	220,309
Benefits, Awards, and Premiums	71,141	94,432		285,564
Depreciation	80,561		137	5,683
Other Expenses	29,217		21,627	22,017
Total Operating Expenses	1,375,227	94,432	31,672	559,997
Operating Income (Loss)	(585,884)	71,425	(5,320)	199,620
NONOPERATING REVENUES (EXPENSES)				
Gifts and Grants	148,965			
Investment Income (Loss)	26,438	16,918	9,047	571
Interest Expense	(13,764)			(603)
Intergovernmental Distributions			(3,008)	(57,470)
Gain (Loss) on Sale of Capital Assets	(618)			63
Other Nonoperating Revenues (Expenses)	11,166			(89)
Total Nonoperating Revenues (Expenses)	172,187	16,918	6,039	(57,528)
Income (Loss) Before Contributions, Transfers, and Special Item	(413,697)	88,343	719	142,092
Capital Contributions	28,727			
Transfers In	418,219		233,173	
Transfers Out	(620)	(9,071)	(1,790)	(130,401)
Change in Net Position	32,629	79,272	232,102	11,691
Total Net Position - Beginning of Year, as Restated	1,297,880	1,146,272	768,549	99,017
Total Net Position - End of Year	\$ 1,330,509	\$ 1,225,544	\$ 1,000,651	\$ 110,708

		Governmental Activities	
Total		Internal Service Funds	
\$	166,313		
	504,165		
	(95,232)		
	917,216	\$	492,418
	225,240		130
	23,467		88
	1,741,169		492,636
	877,358		34,090
	573,591		28,901
	451,137		432,128
	86,381		4,596
	72,861		17,975
	2,061,328		517,690
	(320,159)		(25,054)
	148,965		
	52,974		5,927
	(14,367)		(23)
	(60,478)		
	(555)		(3)
	11,077		1
	137,616		5,902
	(182,543)		(19,152)
	28,727		
	651,392		26,771
	(141,882)		(8,157)
	355,694		(538)
	3,311,718		114,350
\$	3,667,412	\$	113,812

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	Business-Type	
	College and University	Unemployment Compensation
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Assessments		\$ 165,183
Receipts from Customers	\$ 548,834	127
Receipts from Interfund Services		
Receipts from Grants and Contributions	205,746	(582)
Payments to Employees	(842,975)	
Payments to Suppliers	(344,762)	
Payments for Interfund Services		
Payments for Benefits, Awards, and Claims	(71,211)	(94,664)
Other Receipts	20,244	118
Other Payments	(10,803)	
Net Cash Provided (Used) by Operating Activities	(494,927)	70,182
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Gifts, Grants, and Endowments Received	143,708	
Intergovernmental Distributions		
Transfers In	418,219	
Transfers Out	(620)	(9,071)
Proceeds from Bonds, Notes, and Loans	77,138	
Repayments of Bonds, Notes, and Loans	(67,322)	
Interest Payments		
Net Cash Provided (Used) by Noncapital Financing Activities	571,123	(9,071)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Grants and Contributions	6,869	
Proceeds from Bonds and Notes	9,998	
Principal Payments	(23,388)	
Interest Payments	(16,993)	
Proceeds from Disposition of Capital Assets		
Acquisition and Construction of Capital Assets	(62,473)	
Net Cash Provided (Used) by Capital and Related Financing Activities	(85,987)	0
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipt of Interest and Dividends	12,515	16,878
Purchase of Investments	(680,086)	(13,060)
Redemption of Investments	683,303	
Other Investing Activities	(1,821)	
Net Cash Provided (Used) by Investing Activities	13,911	3,818
Net Increase (Decrease) in Cash, Cash Equivalents, and Pooled Cash	4,120	64,929
Beginning Cash, Cash Equivalents, and Pooled Cash	256,861	895,562
Ending Cash, Cash Equivalents, and Pooled Cash	\$ 260,981	\$ 960,491
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ (585,884)	\$ 71,425
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	80,561	
Net Changes in Assets and Liabilities:		
Accounts Receivable/Interfund Receivables	(5,319)	(1,244)
Inventories and Prepaid Items	(2,929)	
Notes Receivable	1,112	
Other Assets	16,396	1
Accounts Payable/Interfund Payables	11,548	
Unearned Revenue		
Compensated Absences	1,304	
Policy Claim Liabilities		
Other Accrued Liabilities	77,855	
Net Changes in Deferred Outflows/Inflows of Resources	(89,571)	
Net Cash (Used) by Operating Activities	\$ (494,927)	\$ 70,182
Noncash Transactions (dollars in thousands):		

Investments increased in fair value by \$12,801 for colleges and universities, \$48 for Unemployment Compensation, \$1,101 for the Loan Fund, and \$112 for Internal Service funds. Colleges and universities acquired assets of \$13,275 through donations, (\$9,491) through state capital appropriations, and amortization of deferred amounts on refunding and bond premiums of \$1,806.

Activities - Enterprise Funds			Governmental Activities
Loan	Nonmajor Enterprise Funds	Total	Internal Service Funds
		\$ 165,183	
\$ 4,489	\$ 754,494	1,307,944	\$ 80,061
	4,550	4,550	416,817
21,172		226,336	130
(3)	(25,003)	(867,981)	(34,020)
(9,455)	(237,980)	(592,197)	(38,347)
(37)	(4,253)	(4,290)	(2,678)
	(284,409)	(450,284)	(430,348)
404	50	20,816	
(22,016)	(1,073)	(33,892)	(6,086)
(5,446)	206,376	(223,815)	(14,471)
		143,708	
(3,008)	(56,571)	(59,579)	
233,173		651,392	26,771
(1,790)	(129,606)	(141,087)	(8,157)
		77,138	
		(67,322)	
			(17)
228,375	(186,177)	604,250	18,597
		6,869	
		9,998	
	(4,201)	(27,589)	11,230
	(603)	(17,596)	(11)
	5	5	(5)
(306)	(4,148)	(66,927)	(11,744)
(306)	(8,947)	(95,240)	(530)
9,183	585	39,161	5,816
(101,573)		(794,719)	(1,291)
48,769		732,072	
(28)		(1,849)	(57)
(43,649)	585	(25,335)	4,468
178,974	11,837	259,860	8,064
156,805	105,109	1,414,337	97,729
\$ 335,779	\$ 116,946	\$ 1,674,197	\$ 105,793
\$ (5,320)	\$ 199,620	\$ (320,159)	\$ (25,054)
137	5,683	86,381	4,596
8	(555)	(7,110)	(699)
	(465)	(3,394)	256
		1,112	
1	567	16,965	1,014
429	711	12,688	(612)
(700)	(132)	(832)	4,916
	16	1,320	119
			1,780
(1)	10,809	88,663	(787)
	(9,878)	(99,449)	
\$ (5,446)	\$ 206,376	\$ (223,815)	\$ (14,471)

The Loan Fund had loan forgiveness in the amount of \$3,008. Nonmajor Enterprise funds acquired capital assets by lease for \$6,929. Nonmajor Enterprise funds recorded an interfund payable of \$795 due on July 1, 2023. Nonmajor Internal Service funds acquired capital assets by lease for \$690.

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2023

(dollars in thousands)

	Pension Trust	Investment Trust	Private-Purpose Trust	Custodial
ASSETS				
Cash and Cash Equivalents	\$ 6,552			\$ 14,261
Pooled Cash and Investments	10,646		\$ 1,659	29,993
Investments:				
Pooled Short Term	284,175	\$ 865,694		
Fixed Income Investments	5,525,680	3,134,496		377,467
Marketable Securities	12,417,163			
Mutual Funds and Private Equities	3,142,006			
Mortgages and Real Estate	1,972,351	36,948		
Other Investments			33,356	
Receivables:				
Investments Sold	45,034			
Contributions	10,050			
Interest and Dividends	77,356	11,041	175	328
Interfund Receivables	35			
Other Receivables	106		1,449	
Other Assets	99,829			
Capital Assets, Net	4,847			
Total Assets	23,595,830	4,048,179	36,639	422,049
LIABILITIES				
Accounts Payable	237	26		
Interfund Payables	35			
Due to Other Entities				1,385
Amounts Held in Trust for Others				430,218
Investments Purchased	119,122			
Policy Claim Liabilities	2,163		5,680	
Other Accrued Liabilities	17,576	15,414	104	5,033
Total Liabilities	139,133	15,440	5,784	436,636
NET POSITION				
Held in Trust For:				
Net Position Restricted for Pensions	22,775,955			
Net Position Restricted for OPEB	673,203			
External Investment Pool Participants		4,032,739		
Trust Beneficiaries	7,539		30,855	
Held on Behalf of Others				(14,587)
Total Net Position	\$ 23,456,697	\$ 4,032,739	\$ 30,855	\$ (14,587)

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	Pension Trust	Investment Trust	Private-Purpose Trust	Custodial
ADDITIONS				
Contributions				
Member	\$ 423,371			
Employer	557,162			
Transfers In from Other Plans	11,169			
Participant Deposits		\$ 6,396,088		
Total Contributions	991,702	6,396,088	0	0
Investment Income:				
Net Increase (Decrease) In Fair Value of Investments	1,623,782	96,426	\$ (1,969)	\$ 768
Interest, Dividends, and Other	417,495	43,281		(1,316)
Less Investment Expense				
Investment Activity Expense	(65,159)	(310)		
Administrative Fees				(23)
Net Investment Income	1,976,118	139,397	(1,969)	(571)
Funds Held on Behalf of Others				94
License, Permits, and Fees			2,786	164
Miscellaneous Income	545			(237)
Total Additions	2,968,365	6,535,485	817	(550)
DEDUCTIONS				
Benefits and Refunds Paid to Plan Members	1,400,168			
Policy Claims			1,438	
Administrative Expense	16,708			
Earnings Distribution		137,105		
Participant Withdrawals		6,539,928		
Disbursements to Others			1,459	30
Miscellaneous Deductions				10,002
Total Deductions	1,416,876	6,677,033	2,897	10,032
Change in Net Position:				
Held in Trust for:				
Employee Pension Benefits	1,529,275			
Employee Postemployment Healthcare Benefits	21,268			
External Investment Pool Participants		(141,548)		
Trust Beneficiaries	946		(2,080)	
Held on Behalf of Others				(10,582)
Net Position - Beginning of Year, as Restated	21,905,208	4,174,287	32,935	(4,005)
Net Position - End of Year	\$ 23,456,697	\$ 4,032,739	\$ 30,855	\$ (14,587)

The accompanying notes are an integral part of the financial statements.

Statement of Net Position

Component Units

June 30, 2023

(dollars in thousands)

	Idaho Housing and Finance Association	College and University Foundation	Health Reinsurance
ASSETS			
Cash and Cash Equivalents	\$ 57,855	\$ 37,941	\$ 8,013
Pooled Cash and Investments			
Investments	1,364,656	305,719	48,304
Accounts Receivable, Net	99,349		930
Inventories and Prepaid Items	2,434	135	
Due from Primary Government	654,360	783	
Loans, Notes, Leases and Pledges Receivable, Net	600,384	36,501	
Other Assets	202,829	4,221	267
Restricted Assets:			
Cash and Cash Equivalents	449,895	19,383	
Investments		430,948	
Capital Assets:			
Nondepreciable	18,291	5,460	
Depreciable, Net	100,475		
Total Assets	3,550,528	841,091	57,514
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows	7,911		
Total Assets and Deferred Outflows of Resources	\$ 3,558,439	\$ 841,091	\$ 57,514
LIABILITIES			
Accounts Payable	\$ 2,637	\$ 2,244	\$ 85
Payroll and Related Liabilities	1,750		
Unearned Revenue	100,038	1,691	
Amounts Held in Trust for Others	244,640	26,230	
Due to Primary Government		3,661	
Other Accrued Liabilities	587,624	15	
Long-Term Liabilities:			
Due Within One Year	135,142		7,528
Due in More Than One Year	1,893,153	3,000	
Total Liabilities	2,964,984	36,841	7,613
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows		4,198	
NET POSITION			
Net Investment in Capital Assets	33,728		
Restricted for:			
Debt Service	58,651		
Permanent Trust - Expendable		278,131	
Permanent Trust - Nonexpendable		496,607	
Other Purposes	12,884		49,901
Unrestricted	488,192	25,314	
Total Net Position	593,455	800,052	49,901
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 3,558,439	\$ 841,091	\$ 57,514

The accompanying notes are an integral part of the financial statements.

Bond Bank Authority	Health Insurance Exchange	Total
	\$ 9,973	\$ 113,782
\$ 307		307
		1,718,679
	203	100,482
	231	2,800
		655,143
205,972	4,109	846,966
2,266		209,583
		469,278
		430,948
	862	24,613
	7,097	107,572
208,545	22,475	4,680,153
		7,911
\$ 208,545	\$ 22,475	\$ 4,688,064
	\$ 48	\$ 5,014
	396	2,146
		101,729
		270,870
		3,661
\$ 2,266	145	590,050
12,945	255	155,870
193,027	685	2,089,865
208,238	1,529	3,219,205
	4,109	8,307
	7,959	41,687
		58,651
		278,131
		496,607
		62,785
307	8,878	522,691
307	16,837	1,460,552
\$ 208,545	\$ 22,475	\$ 4,688,064

The accompanying notes are an integral part of the financial statements.

Statement of Revenues, Expenses, and Changes in Fund Net Position

Component Units

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	Idaho Housing and Finance Association	College and University Foundation	Health Reinsurance
EXPENSES			
Personnel Costs	\$ 32,956	\$ 548	
Services and Supplies	29,747	10,432	\$ 413
Benefits, Awards, and Premiums	116,091	67,897	21,385
Interest Expense	97,217	120	
Depreciation	6,930		
Other Expenses	4,390	866	
Total Expenses	287,331	79,863	21,798
PROGRAM REVENUES			
Charges for Services:			
Licenses, Permits, and Fees	81,059		
Sale of Goods and Services	10,133	113	7,200
Investment Income (Loss)	(56,979)		(1,532)
Other Income	5,893	1,638	
Operating Grants and Contributions	117,664	130,856	
Total Program Revenues	157,770	132,607	5,668
Net Revenues (Expenses)	(129,561)	52,744	(16,130)
GENERAL REVENUES			
Payments from State of Idaho		4,518	42,239
Total General Revenues	0	4,518	42,239
Permanent Endowment Contributions		188	
Change in Net Position	(129,561)	57,450	26,109
Net Position - Beginning of Year	723,016	742,602	23,792
Net Position - End of Year	\$ 593,455	\$ 800,052	\$ 49,901

Bond Bank Authority	Health Insurance Exchange	Total
	\$ 5,103	\$ 38,607
	6,246	46,838
		205,373
\$ 5,415		102,752
	755	7,685
33		5,289
5,448	12,104	406,544
	10,339	91,398
	621	18,067
5,415	362	(52,734)
9		7,540
	200	248,720
5,424	11,522	312,991
(24)	(582)	(93,553)
		46,757
0	0	46,757
		188
(24)	(582)	(46,608)
331	17,419	1,507,160
\$ 307	\$ 16,837	\$ 1,460,552

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the State of Idaho have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the standard-setting body for governmental accounting and financial reporting principles.

During fiscal year 2023, the State implemented the following GASB Guidance:

- GASB Statement No. 91, Conduit Debt Obligations
- GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements (P3s)
- GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs)
- GASB Statement No. 99, Omnibus 2022, paragraphs 11 through 25

The financial statements are presented for the fiscal year ended June 30, 2023, except for the Idaho Fish and Wildlife Foundation, the Idaho State Bar, and the Idaho Dairy Products Commission (nonmajor special revenue funds); the Petroleum Clean Water Trust Fund, The Housing Company (THC), the Idaho Individual High Risk Reinsurance Pool, and the Idaho Small Employer Health Reinsurance Program (discretely presented component units); whose statements are for the fiscal year ended December 31, 2022. The Idaho Potato Commission (nonmajor special revenue fund) has a fiscal year that ended August 31, 2022.

A. Reporting Entity

For financial reporting purposes, the State of Idaho's reporting entity includes the primary government and its component units. The primary government includes all funds, departments, agencies, boards, commissions, colleges and universities, and authorities that are considered an integral part of the State. Component units are legally separate organizations for which the State is financially accountable. Financial accountability exists if the State appoints a voting majority of the organization's governing board and either 1) is able to impose its will on the organization or 2) a potential exists for the organization to provide financial benefits to, or impose financial burdens on, the State.

For those entities for which the State does not appoint a voting majority of the governing body, inclusion of the entity is required if the organization is fiscally dependent on the State. Component units also include legally separate and tax-exempt organizations whose economic resources directly benefit the State, the State is entitled to

or has the ability to access those resources, and the resources are significant to the State.

Blended Component Unit

Blended component units are legally separate from the State but are so intertwined with the State that they are, in substance, the same as the State. The component units are reported as part of the primary government and blended into the appropriate funds.

The *Fish and Wildlife Foundation* was established to preserve and sustain Idaho's fishing, hunting, and wildlife heritage. The Foundation finances construction of offices and relies on the State's leasing agreements, resulting in a significant financial benefit/burden relationship. The Foundation is blended as a nonmajor special revenue fund within the Fish and Game fund. The Foundation's financial statements may be obtained from the following address: Idaho Fish & Wildlife Foundation, 600 S. Walnut St. Boise, ID 83712.

The *Idaho State Building Authority* was created by Idaho Code Section 67-6403 to finance and construct facilities, such as office buildings and parking garages, to be used and leased by the State. The Authority relies on the State's leasing agreements, resulting in a significant financial benefit/burden relationship. The Authority provides services to the State of Idaho and some community colleges. The Authority is blended as a nonmajor special revenue fund. The Authority's financial statements may be obtained from the following address: Idaho State Building Authority, 950 W. Bannock St, Suite 490, Boise, ID 83702.

Discretely Presented Component Units

Discretely presented component units are reported in a separate column on the government-wide statements to emphasize that they are legally separate from the primary government. Information regarding the State's discretely presented component units and contact information to obtain their financial reports follow.

The *Idaho Housing and Finance Association (IHFA)* fund includes the Association and its component unit, The Housing Company, which was established to support the function and activities of the Association. The Association was created by Idaho Code Section 67-6202 for the purpose of building and rehabilitating residential housing for persons of low income. The Association is authorized to enter into agreements that include issuing bonds for the Idaho Transportation Department to facilitate transportation projects, thereby creating a financial benefit/burden relationship. The Governor appoints the Association board members. (https://

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

www.idahohousing.com/investors/)

The *College and University Foundation* fund includes the foundations of Boise State University (BSU), Idaho State University (ISU), Lewis-Clark State College (LCSC), and the University of Idaho (UI). The foundations were established for the purpose of soliciting donations in support of the growth and development of the colleges' and universities' programs and activities. Gifts and contributions are held, protected, managed, and invested for the exclusive benefit of the respective colleges and universities.

Boise State University Foundation, Inc.
<https://www.boisestate.edu/giving/about/foundation/policies/>

Idaho State University Foundation, Inc.
<https://www.isu.edu/foundation/about/financial-statements/>

Lewis-Clark State College Foundation, Inc.
<http://www.lcsc.edu/giving/>

University of Idaho Foundation, Inc.
<https://www.uidaho.edu/uidahofoundation/foundation-update>

The *Health Reinsurance* fund includes the Idaho Individual High Risk Reinsurance Pool, created by Idaho Code Section 41-5502, and the Idaho Small Employer Health Reinsurance Program, created by Idaho Code Section 41-4711. The Pool and the Program are intended to promote the availability of health insurance coverage, regardless of health or claims experience. The Pool and Program provide a safety net to carriers in the form of a risk pool and a reinsurance mechanism to facilitate the guaranteed issue of standardized state-approved health benefit plans. The Pool and the Program operate subject to the supervision and control of the same ten-member board, a majority of which is appointed by the director of the Department of Insurance. The Pool is partially funded through state premium tax revenue, creating a financial burden for the State. Financial statements may be obtained from the following address: Idaho Individual High Risk Reinsurance Pool, Idaho Small Employer Health Reinsurance Program, P.O. Box 190966, Boise, ID 83719.

The *Idaho Bond Bank Authority* was created by Idaho Code Section 67-8703 authorizing the Authority to issue bonds to make loans to municipalities for infrastructure. The Authority can obtain better credit ratings, better interest rates, and lower underwriting costs than municipalities can achieve individually. The Authority is administered by a five-member board, of which two members are appointed by the Governor and three are elected officials. The Authority can obligate sales tax

revenue as a source of payment or security for bonds issued, which imposes a potential direct financial burden on the State. (<https://sto.idaho.gov/debt-management/idaho-bond-bank-authority-ibba>)

The *Idaho Health Insurance Exchange* was created by Idaho Code Section 41-6104 with the purpose to establish a state-created, market-driven, health insurance exchange that will facilitate the selection and purchase of individual and employer health benefit plans. The Exchange is financially self-supporting and does not request financial support from the State. The Exchange is administered by a 19-member board with 17 total voting members. Of the 17 voting members, 14 are appointed by and serve at the pleasure of the Governor. The Director of the Department of Insurance shall review and approve all bylaws for the regulation and conduct of business of the Exchange. Financial statements may be obtained from the following address: Your Health Idaho, P.O. Box 50143, Boise ID 83705.

Fiduciary Component Unit

Component units that are fiduciary in nature are required by GAAP to be reported with the fiduciary funds of the primary government rather than as discretely presented component units. In accordance with GAAP, primary government fiduciary funds and component units that are fiduciary in nature are excluded from the government-wide financial statements, included only in the fund financial statements.

The *Idaho Petroleum Clean Water Trust Fund* was created by Idaho Code Section 41-4905 to provide pollution liability insurance for eligible owners and operators of petroleum storage tanks. The Governor appoints the members of the board and the State approves, and may modify, the Fund's plan of operation. The Legislature sets the fees charged for enrollment in the Fund and imposes a transfer fee on petroleum products. Thus, the State has the ability to impose its will on the Fund. Financial statements may be obtained from the following address: Idaho Petroleum Clean Water Trust Fund, P.O. Box 83720, Boise, ID 83720.

Related Organizations

The *State Insurance Fund*, created by Idaho Code Section 72-901, and the *Idaho Health Facilities Authority*, created by Idaho Code Section 39-1444, are related organizations for which the State is not financially accountable although the State appoints a voting majority of the organizations' boards. The financial reports of these organizations are excluded from the State's financial statements.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

B. Government-Wide and Fund Financial Statements**Government-Wide Statements**

The *Statement of Net Position* and *Statement of Activities* report information on non-fiduciary activities of the primary government and its component units. Primary government activities distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Internal service funds are included with governmental activities in the government-wide statements and are included with the proprietary funds in the fund statements.

The *Statement of Net Position* presents the State's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources with assets. Assets and deferred outflows of resources are added while liabilities and deferred inflows of resources are subtracted to report the net position.

The *Statement of Activities* demonstrates the degree to which the direct expenses of governmental functions, business-type activities, and component units are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific governmental function, business-type activity, or component unit. Revenues are broken out by program and general designations. Program revenues include charges to customers who purchase, use, or directly benefit from goods or services provided by a given function, activity, or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Program revenues display the extent to which programs are self-funded. The difference between direct expenses and program revenue displays the net cost of the function to be financed from the State's general revenues. Taxes and other revenue sources that are not attributable to specific programs are shown as general revenues.

State agencies share the cost of some centralized services. These administrative overhead charges are reported as direct program expenses of each of the various functions. Certain indirect costs are paid by the general government function and are not allocated to the other governmental functions.

Fund Statements

Separate fund financial statements are presented for the governmental, proprietary, and fiduciary funds. The emphasis in the fund statements is on major funds. Major governmental and business-type funds are reported as separate columns in the fund statements. The remaining

governmental and business-type funds are considered to be nonmajor funds and are consolidated in a nonmajor funds column. The nonmajor funds are displayed individually in combining statements.

The State reports the following major governmental funds:

The *General Fund* is the State's primary operating fund. It accounts for services that include general government, public safety and correction, health and human services, education, economic development, and natural resources. The General Fund includes all financial resources of the general government except those accounted for in another fund.

The *Health and Welfare* special revenue fund accounts for resources primarily from federal grants that are used for public assistance, medical care, foster care, and other relief for eligible citizens of Idaho.

The *Transportation* special revenue fund accounts for resources primarily from federal grants, fuel taxes, and registration fees that are used for administration, construction, and maintenance of the state highway and aviation systems.

The *Federal Stimulus* special revenue fund accounts for resources from federal grants that are used for expenditures related to the COVID-19 Emergency, upgrading infrastructure, and premium pay for essential workers.

The *Land Endowments* permanent fund manages and invests the revenues generated from the sale or lease of lands granted from the federal government under the Idaho Admission Act.

The State reports the following major proprietary funds:

The *College and University* fund accounts for resources used by the State's system of higher education.

The *Unemployment Compensation* fund accounts for resources used to provide unemployment benefits to eligible unemployed workers.

The *Loan* fund accounts for loans to make improvements to irrigation, wastewater, and drinking water systems.

Additionally, the State reports the following fund types:

Governmental Fund Types

Special revenue funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The *capital projects fund* accounts for financial resources that are restricted, committed, or assigned to

finance construction of transportation infrastructure.

Permanent funds account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support certain state programs.

Proprietary Fund Types

Enterprise funds account for governmental operations that function in a manner similar to private business enterprises. The intent is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal service funds account for a variety of independent operations that provide goods or services to other state agencies or governmental units on a cost-reimbursement basis. Internal service fund activities of the State include health, disability, property, liability, and other types of insurance; data processing services; and other general services such as facilities rentals.

Fiduciary Fund Types

Pension (and other employee benefits) trust funds account for resources held in trust for the members and beneficiaries of the State's defined benefit pension plans, defined contribution plans, and other employee benefits.

Investment trust funds account for external participants' investments with the State's Local Government Investment Pool and Diversified Bond Fund.

The *private-purpose trust fund* accounts for resources held in trust by the Petroleum Clean Water Trust Fund (PCWTF); the principal and interest of the trust benefits individuals of the respective trust. Financial statements for PCWTF may be obtained from the following address: Idaho Petroleum Clean Water Trust Fund, P.O. Box 83720, Boise, ID 83720.

The *custodial fund* accounts for residual idle cash and investments held by the State on behalf of other governmental entities and administered by the State Treasurer's Office. The fund also accounts for resources collected or held by the State, acting in a custodial capacity, for distribution to other governmental units or designated beneficiaries. These resources include deposits of securities by banks and insurance companies.

Classification of Revenues and Expenses of Proprietary Funds

Operating and non-operating revenues and expenses are presented separately on the operating statements. Operating transactions generally occur if they directly

result from the provision of goods or services to customers or are otherwise directly related to the principal and usual activity of the fund. All other revenues and expenses are reported as non-operating.

Reconciling Government-Wide Statements to the Fund Statements

The governmental fund statements include a reconciliation between the fund statements and the government-wide statements. Differences that make a reconciliation necessary include the two differing measurement focuses and bases of accounting between the statements and the inclusion of internal service funds with governmental activities on the government-wide statements.

The proprietary fund statements include a reconciliation between the fund statements and the government-wide statements for internal service fund activity that is included in the enterprise fund statements but eliminated in the government-wide statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Reimbursements are eliminated in the government-wide Statement of Activities to reduce the grossing-up effect of internal transactions. Reimbursements are repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements include payments for maintenance and construction projects, federal grant pass-through from one state agency to another, insurance premiums, technical services, and the allocation of central human resource costs to all agencies.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they become susceptible to accrual, generally when they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the State generally considers revenues to be available if they are collected within 60 days of the end of the fiscal period. Significant revenue sources

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

susceptible to accrual include sales tax, individual and corporate taxes, motor fuel taxes, and federal grants. Licenses, permits, fees, and other miscellaneous revenues, which are derived from an underlying transaction, are recognized when received since they are normally only measurable at that time. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to debt service, compensated absences, and claims and judgments are recorded when paid.

The State reports only enterprise funds as business-type activities. The business-type activities follow all current GASB pronouncements.

THC and the foundations of BSU, ISU, and Fish and Wildlife issue financial statements in accordance with generally accepted accounting principles for not-for-profit organizations. The Idaho Petroleum Clean Water Trust Fund issues statutory basis financial statements. The financial statements and note disclosures of THC, these foundations, and the Idaho Petroleum Clean Water Trust Fund have been reformatted to comply with GASB requirements.

D. Financial Statement Elements***Assets******Cash and Cash Equivalents***

Cash and Cash Equivalents consist of bank accounts; petty cash; cash in transit; money market accounts; FDIC insured nonnegotiable certificates of deposit; and short-term, highly-liquid investments with a maturity of three months or less from the date of acquisition.

Pooled Cash and Investments

Cash balances of most funds are deposited with the State Treasurer's Office (STO). Balances not required to meet immediate needs are pooled in an internal investment pool. Idaho Code Sections 67-2725 through 67-2749 and Sections 67-1210, 67-1210A, and 67-1210B govern STO deposit and investment policies for the pooled balances. See Note 2 for more information.

Investments

The State reports most investments at fair value based on published market prices and quotations from investment brokers. Investments held in lieu of surety deposits, which are not held for investment purposes, are carried at historical cost in the State's custodial fund. Certain entities disclosed in Note 2 report money market investments and other highly liquid investments with a remaining maturity of one year or less at the time of purchase using amortized cost. See Note 2 for more information.

Receivables, Net

Receivables in the General Fund consist primarily of

income and sales taxes. Special revenue fund receivables consist primarily of federal health, education, and transportation grants, fuel taxes, and vendor receipts. Proprietary fund receivables consist mainly of loans, unemployment assessments, and student tuition and fees. Fiduciary fund receivables consist primarily of investments sold in the pension trust funds. The receivables are disaggregated on the financial statements. See Note 5 for more information on noncurrent receivables.

Internal Balances

Interfund receivables and payables consist of unpaid balances for goods and services provided by one fund to another and for certain statutorily required transfers due at year-end. Interfund goods and services provided are reported as revenues in seller funds and expenditures or expenses in purchaser funds. These balances are generally short-term receivables and payables. See Note 4 for interfund schedules and any receivables not expected to be collected within one year. Interfund receivable and payable balances and activity have been eliminated from the government-wide Statement of Net Position, except for the residual amounts due between governmental and business-type activities, which are shown as Internal Balances.

Inventories and Prepaid Items

Inventory consists of materials and supplies that will be consumed within a year. Governmental and proprietary fund-type inventories of supplies and materials are valued at cost, which approximates market value, generally using the first-in, first-out method. Prepaid expenses represent amounts paid in the current period for services that will benefit future periods. Inventory and prepaid expenses are accounted for using the consumption method.

Other Assets

Other assets include interest receivable, and other miscellaneous items.

Restricted Assets

Assets are reported as restricted when constraints on asset use are imposed by constitutional provisions, enabling legislation, or external parties; and the constraints change the nature or normal understanding of the availability of the asset. See Note 2 for more information.

Capital Assets, Net

Capital assets include land, improvements to land, land use rights, buildings, improvements to buildings, machinery, equipment, software, historical art and collections, capital assets in progress, all infrastructure regardless of acquisition date, and other tangible or intangible assets used in operations. Tangible assets with a value of \$5,000 or more and intangible assets with a value of \$200,000 or more, and a useful life of more than

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

one year are capitalized. The costs of normal repairs and maintenance that do not add to the asset's functionality or materially extend an asset's useful life are not capitalized. Interest expense related to capital asset construction is capitalized for enterprise funds.

Capital assets are reported at cost or estimated historical cost, if actual cost is not available. In cases where historical cost is not available, assets are valued using comparable assets indexed forward or backward with the Consumer Price Index. Donated capital assets are reported at their acquisition value at the date of donation. Endowment land originally granted to the State by the federal government is reported at one dollar per acre.

Capital assets are depreciated or amortized with the exception of roads, rights-of-way, land, capital assets in progress, historical art and collections, and certain intangible assets with an indefinite useful life. Depreciation and amortization are recorded as depreciation expense. For all depreciable major asset classes, depreciation and amortization are calculated on a straight-line basis over their estimated useful lives, as follows:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements to Buildings	30 - 50
Improvements Other Than Buildings	5 - 50
Machinery, Equipment, and Other	3 - 40
Infrastructure – Bridges	75
Infrastructure – Other	30 - 50

Roads are not depreciated but rather are accounted for under the modified approach. The modified approach recognizes that this class of infrastructure will be indefinitely maintained at a certain condition level and as such does not have a limited lifespan. Costs to maintain the roads at the set condition levels are expensed rather than capitalized, unless the road's service potential is increased or additions are made. The Idaho Transportation Department (ITD) has the responsibility for determining and assessing the condition levels, maintaining the inventory of roads, and making annual estimates of costs to maintain the roads. Further information regarding infrastructure can be found in the Required Supplementary Information.

Historical art and collections include historical artifacts, documents, rare books, paintings, portraits, state capitol-related artifacts, furnishings, films, statues, and monuments. Some of the State's historical art and collections have not been capitalized because they are preserved and protected for public display, education, or research. The proceeds from the sales of collection items are used to acquire other items for the collection. Historical art and collections already capitalized at

June 30, 1999 have remained capitalized even if they meet the conditions for exemption from capitalization.

Intangible assets acquired in fiscal years ending after June 30, 1980, and not previously capitalized, are retroactively reported as of July 1, 2009. Some intangible assets with indefinite useful lives as of July 1, 2009, and some internally generated intangible assets created prior to or in progress as of July 1, 2009, were retroactively reported if appropriate historical costs were determinable.

See Note 6 for more information on capital assets.

Deferred Outflows of Resources

Deferred outflows of resources consist of costs related to debt defeasance and decreases in the amortized value of hedging derivative instruments to be recognized in a future period. At the time that the instrument is terminated, the amount will be reported as a decrease of investment income. Deferred outflows of resources also consist of pension and other postemployment benefit contributions made subsequent to the actuarially-determined pension liability measurement date and the State's proportionate share of the total pension and other postemployment benefit related deferred outflows of resources.

See Notes 7, 8, and 9 for more information.

Liabilities

Payables

Payables in the General Fund consist primarily of sales taxes due to local governments and vendor obligations. Payables in the special revenue funds relate primarily to vendor obligations, fuel taxes to be distributed to local governments, and Medicaid. Medicaid Payable includes the amount the State expects to pay within 60 days of fiscal year end. The remaining amount, estimated Medicaid claims expected to be presented within the next year, is reported as Claims and Judgments within the Long-Term Liabilities Due Within One Year on the government-wide Statement of Net Position. Proprietary fund payables consist mostly of payroll liabilities and vendor obligations. The pension trust fund payable is comprised primarily of investments purchased by the Public Employee Retirement System of Idaho.

Unearned Revenue

Unearned revenue is recorded when cash is received prior to being earned.

Amounts Held in Trust for Others

Amounts held in trust for others consist of cash or other assets held for an individual or entity until certain conditions of an agreement are met, at which time the asset is returned to the owner. Occasionally the owner may default on the conditions; at that time, the asset held

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

in trust becomes the property of the State and revenue is recorded.

Other Accrued Liabilities

Other accrued liabilities primarily consist of interest payable and other miscellaneous liabilities.

Long-Term Liabilities

Government-wide and proprietary financial statements report long-term obligations as liabilities, with the portion payable within 12 months designated separately from the portion payable in more than 12 months. Long-term liabilities include the following:

Bonds and Notes Payable consists of bonds and notes issued for the construction or acquisition of facilities and for funding various projects. Bond premiums and discounts are deferred and amortized over the life of the loan. See Note 13 for more information.

Right to Use Payables consists of contracts that convey control of the right to use another entity's nonfinancial asset or underlying IT asset as specified in the contract for a period of time in an exchange or exchange-like transaction. These contracts include leases, SBITAs and P3s. See Note 11 for more information.

Compensated Absences Payable includes vacation and compensatory time earned by employees but not paid. See Note 13 for more information.

Policy Claim Liabilities includes amounts for probable claims that have been incurred and the amount of the loss that has been reasonably estimated. See Notes 10 and 13 for more information.

Other Long-Term Liabilities consists of payables on behalf of the State and its agencies for various legal proceedings and claims, a net pension liability, other postemployment benefit liability, and other miscellaneous liabilities. See Notes 8, 9, and 13 for more information.

Deferred Inflows of Resources

Deferred inflows of resources consists of unavailable revenue, which is revenue that has been earned but is not available within 60 days of fiscal year end, government mandated nonexchange transactions, service concession arrangements, lease related deferrals which is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods, and the State's proportionate share of the total pension and other postemployment benefit related deferred inflows of resources. See Notes 7, 8, 9, and 11 for more information.

E. Net Position / Fund Balance

Net Position

Net position is the difference between assets and deferred outflows of resources minus liabilities and deferred inflows of resources on the government-wide, proprietary, and fiduciary fund financial statements.

Net position is displayed in the following three categories:

Net Investment in Capital Assets consists of capital assets net of accumulated depreciation, deferred outflows of resources, deferred inflows of resources, and reduced by outstanding related debt.

Restricted Net Position results when third parties, constitutional provisions, or enabling legislation impose constraints on net position use. The State does not have a policy regarding the preferred first usage of unrestricted or restricted net position. Expense allocation decisions are made on a program-by-program basis when both restricted and unrestricted net positions are available.

Unrestricted Net Position consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position may have constraints or designations placed upon them by management, which can be unilaterally removed.

Fund Balance

Fund balance is the difference between assets and both liabilities and deferred inflows of resources on the governmental fund financial statements. The Legislature approves appropriations for State agencies and in so doing specifies the funding sources and the order in which restricted, committed, assigned, or unassigned fund balances are spent. Fund balances are classified in the following five categories:

Non-spendable fund balances consist of amounts that cannot be spent because they are in non-spendable form, such as inventories, prepaid items, and long-term receivables; or they are legally or contractually required to be maintained intact, such as the corpus of the permanent fund.

Restricted fund balances consist of amounts that are constrained by either external parties or imposed by law through constitutional provisions or enabling legislation and can only be used for specific stated purposes.

Committed fund balances consist of amounts that are constrained by statutes enacted by the Legislature and approved by the Governor. The committed amounts cannot be used for any other purposes unless subsequent legislation changes or removes the

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

specified purposes. The legislation that constrains the use of the resources is separate from the authorization to raise the underlying revenue.

Assigned fund balances consist of amounts that are constrained by the Legislature's or agency director's intent to be used for specific purposes and are neither restricted nor committed.

Unassigned fund balance is the residual classification

for the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

See Note 14 for more information.

NOTE 2. DEPOSITS, INVESTMENTS, AND RESTRICTED ASSETS**A. Deposits**

Cash and cash equivalents are deposited with various financial institutions. Legal provisions regarding deposits are found throughout Idaho Code Title 67. The State Treasurer's Office (STO) acts as the State's bank, receiving and disbursing all monies except for the following: college and university foundations, some of the colleges' and universities' accounts, the Dairy Products Commission, some of the endowment fund accounts, the Idaho Bond Bank Authority, the Idaho Housing and Finance Association, the Idaho Individual High Risk Reinsurance Pool, the Idaho Small Employer Health Reinsurance Program, the Idaho State Building Authority, the Potato Commission, some of the Public Employee Retirement System of Idaho accounts, the State Bar, the Wheat Commission, and Your Health

Idaho. In accordance with Idaho Code Sections 67-1210 and 67-1210A the STO invests the pooled cash not needed to meet immediate obligations in various types of investments. The pool balances are available on demand to the participants. Interest received on the pooled cash and investments is paid into the General Fund, unless Idaho statute requires allocation of interest to specific funds. The weighted average maturity of pooled cash and investments held by the STO was 1.06 years.

Custodial credit risk is the risk that in the event of a financial institution failure, the State's deposits may not be returned. The State does not have a formal policy to address custodial credit risk.

Custodial Credit Risk at June 30, 2023*(dollars in thousands)*

	Governmental and Business- Type Activities	Fiduciary Funds	Component Units
Bank Value of Deposits	\$ 120,788	\$ 565,375	\$ 362,869
Uninsured and Uncollateralized Deposits	37,182	527,321	33,865
Uninsured Deposits Collateralized with Securities Held by the Pledging Financial Institution	74,697	28,964	

B. Investments**General Investment Policies**

The Idaho Uniform Prudent Investor Act (Idaho Code Sections 68-501 through 68-514) stipulates standards state investment personnel must follow. The primary focus of the Act is preservation of capital and avoidance of speculative transactions through exercise of reasonable care, skill, and caution. The goal is to provide a reasonable return while following specific objectives of various trusts. The Act may be expanded, restricted, eliminated, or altered by provisions of Idaho statute or a trust.

The STO invests idle moneys in accordance with Idaho Code Sections 67-1210, 67-1210A, and 67-2739. Some investments are made directly by an agency rather than by the STO. Only a few agencies are authorized to make such investments and then only for specific programs. Investments are valued as described in Note 1.

Millennium Permanent Endowment Fund is the settlement between the tobacco companies and several states, including Idaho. This fund is managed by STO under the Prudent Investor Act, Idaho Code Chapter 5, Title 68.

Internal participant funds of the investment pools generally receive income from investments generated by their participation in the external investment pools, with the exception of the Unemployment Compensation enterprise fund. The investment income from that fund is assigned to the miscellaneous Special Administrative fund per Idaho Code Section 72-1347A.

Types of Investments

Idaho Code Section 67-1210 authorizes the STO and agencies with investment authority to make direct investments in the following types of investments:

- U.S. government obligations, which pledge the full faith and credit of the U.S. government
- General obligation or revenue bonds of the State or any Idaho county, city, or taxing district
- Obligations issued under the Farm Credit Act of 1971; obligations issued by the Federal National Mortgage Association and the Federal Home Loan Bank; and obligations issued or guaranteed by other agencies or instrumentalities of Idaho or of the United States, including the U.S. Small Business Administration

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

guaranteed portion of any approved loan by an Idaho banking corporation and by the STO

- Repurchase agreements covered by any legal investment for the State
- Tax and revenue anticipation instruments of the State or Idaho taxing districts
- Time deposit and savings accounts in state depositories, state and federal savings and loan associations, or state and federal credit unions located within the boundaries of Idaho
- Obligations issued by public corporations of the State
- Revenue bonds of Idaho higher education institutions
- Money market funds whose portfolios consist of investments specified in this section and are denominated in U.S. dollars

Idaho Code Section 67-1210A authorizes the STO to enter into the following additional types of transactions:

- Prime banker's acceptances and prime commercial paper
- Sale and repurchase of call options on securities owned by the STO or the Local Government Investment Pool
- Bonds, notes, and debentures of any U.S. corporation with at least an A rating, at the time of purchase, by a nationally recognized statistical rating organization such as Standard & Poor's or Moody's

The STO manages two external investment pools, the Local Government Investment Pool (LGIP) and the Diversified Bond Fund (DBF). In order to earn a higher yield, Idaho governmental entities may voluntarily deposit moneys not needed to meet immediate operating obligations in these pools. The STO must operate and invest the funds of both pools for the benefit of the participants. Separately issued financial reports for LGIP and DBF may be obtained from the State Treasurer's Office, P.O. Box 83720, Boise, Idaho 83720-0091.

The Endowment Fund Investment Board (EFIB) manages investments of Idaho's permanent fund, the Land Endowments fund. Idaho Code Section 57-720 gives the EFIB the authority to formulate investment policies of the permanent endowment fund and earnings reserve funds. Idaho Code Section 57-723 stipulates that the EFIB and its investment managers are governed by the Idaho Uniform Prudent Investor Act and the Idaho Constitution. In addition to the investment types mentioned previously, the EFIB approved investments types are as follows:

- Collateralized mortgage obligations
- Domestic and international equities and bank loans
- Non-investment grade bonds
- Exchange-traded funds
- Financial index futures, options, and certain derivative instruments as approved by the EFIB

The Retirement Board of the Public Employee Retirement System of Idaho (PERSI) has established a Statement of Investment Policy in accordance with Idaho Code Sections 68-501 through 68-514 and Sections 59-1301 through 59-1399. In addition to the investments mentioned above for the STO and the EFIB, types of investments approved for PERSI funds are as follows:

- Derivative instruments, specifically, swaps, futures, options, and forward foreign currency contracts by a few selected managers
- Private equity real estate investments in open-end commingled real estate funds, private real estate, publicly traded real estate investment trusts (REITs), and REIT index collective funds
- Alternative investments upon the recommendation of a qualified consultant after due diligence and with approval by the Board or subcommittee appointed by the Board

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Fair Value of Investments

GASB Statement No. 72, Fair Value Measurement and Application, defines the generally accepted accounting principles required for fair value reporting. Fair value is

the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following tables display the fair value of the state's investments at June 30, 2023:

Primary Government and Fiduciary Funds Fair Value of Investments at June 30, 2023 (Except Endowment Funds and PERSI) (dollars in thousands)								
Investment Type	Quoted Price in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total Fair Value	Net Asset Value (NAV)	Amortized Cost	Not Rated	Total
<u>Debt Securities:</u>								
Money Market Funds	\$ 2,870			\$ 2,870		\$ 775		\$ 3,645
Certificates of Deposit*						102	\$ 250	352
Certificates of Deposit	245	\$ 8,568		8,813				8,813
Repurchase Agreements*		398,036		398,036			294,055	692,091
Commercial Paper		1,083,551		1,083,551				1,083,551
U.S. Gov't Obligations	20,835	4,454,702		4,475,537			365,396	4,840,933
U.S. Gov't Agency Obligations	32,911	4,431,369		4,464,280				4,464,280
U.S. Gov't Agency Mortgage-Backed Securities*		225,548		225,548				225,548
Asset-Backed Securities*		342,361		342,361				342,361
Commercial Mortgages*		14,825		14,825				14,825
Corporate Obligations	29,487	546,134		575,621				575,621
Municipal and Public Entity Obligations		397		397	\$ 573		12,071	13,041
Bond Mutual Funds and Other Pooled Fixed-Income Securities	412,821	58,153		470,974				470,974
External Investment Pools*		10,147		10,147				10,147
Foreign Agencies		1,245		1,245				1,245
External Investment Pools							154,938	154,938
Total Debt Securities	499,169	11,575,036	0	12,074,205	573	877	826,710	12,902,365
<u>Other Investments:</u>								
Mutual Funds Without Maturity Dates	863			863				863
Equity Securities and Mutual Funds	201,609	20,682		222,291	16,041			238,332
Real Estate and Perpetual Trusts					16,357			16,357
Real Estate and Perpetual Trusts		70		70				70
Commodities		4,545		4,545				4,545
Total	\$ 701,641	\$11,600,333	\$ 0	\$12,301,974	\$ 32,971	\$ 877	\$ 826,710	\$ 13,162,532

* Securities are reported using weighted-average life to more accurately reflect the projected term of the security, considering interest rates and repayment factors.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Endowment Funds Fair Value Measurements			
Investments and Derivative Instruments Measured at Fair Value at June 30, 2023			
(dollars in thousands)			
	June 30, 2023 (value before accruals)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by Fair Value Level			
Cash and Cash Equivalents			
<u>Debt Securities:</u>			
Asset-Backed Securities	\$ 20,970		\$ 20,970
Bank Loans	752		752
Commercial Mortgage-Backed Securities	15,899		15,899
Corporate Bonds	177,392		177,392
Corporate Convertible Bonds	684		684
Funds - Corporate Bond	12,325		12,325
Funds - Government Agencies	2,549		2,549
Funds - Other Fixed Income	30,657		30,657
Government Agencies	10,687		10,687
Government Bonds	197,126		197,126
Government Mortgage Backed Securities	165,133		165,133
Gov't-issued Commercial Mortgage-Backed Securities	4,325		4,325
Index Linked Government Bonds	1,961		1,961
Municipal/Provincial Bonds	2,405		2,405
Non-Government Backed C.M.O.s	14,982		14,982
Total Debt Securities	657,847		657,847
<u>Equity Securities:</u>			
Common Stock Funds	96,862	\$ 96,862	
Communication Services	107,414	107,414	
Consumer Discretionary	229,073	229,073	
Consumer Staples	100,054	100,054	
Energy	71,286	71,286	
Financials	283,653	283,653	
Health Care	253,168	253,168	
Industrials	277,735	277,735	
Information Technology	376,213	376,213	
Materials	85,125	85,125	
Miscellaneous	75	75	
Real Estate	34,803	34,803	
Utilities	30,283	30,283	
Equity ETFs	619	619	
Total Equity Securities	1,946,363	1,946,363	
<u>Derivatives:</u>			
Swaps	763	763	
Foreign Exchange Contracts	(590)	(590)	
Options on Futures	7	7	
Total Derivative Instruments	180	180	
<u>Preferred Stock Securities:</u>			
Consumer Discretionary	211	211	
Financials	1,017	1,017	
Materials	509	509	
Total Preferred Stock Securities	1,737	1,737	
Total Investments by Fair Value Level	2,606,127	\$ 1,948,280	\$ 657,847
Investments Measured at Amortized Cost			
Money Market Fund	71,796		
Investments Measured at the Net Asset Value (NAV)			
Real Estate (private)	268,826		
Total Investments Measured at Fair Value	\$ 2,946,749		

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

EFIB debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The EFIB has three real estate funds, UBS TPI, CBRE, and DB RAR II, primarily invested in U.S. commercial real estate and reported at Net Asset Value (NAV). The fair value of the investment

in this type has been determined using the NAV per share (or its equivalent) in accordance with accounting principles generally accepted in the United States, NCREIF Real Estate Information Standard, and market-based accounting rules where appropriate and applicable. NAV is based on the fund's gross asset value less the value of any debt or other outstanding liabilities, whether held directly or indirectly through another entity or entities, anticipated distributions and similar items, as determined by the Advisor at its discretion.

PERSI Fair Value Measurements					
Investments and Derivative Instruments Measured at Fair Value at June 30, 2023					
(dollars in thousands)					
Investment Type	Fair Value at June 30, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Valuation Technique
<u>Fixed Income Securities:</u>					
U.S. Government	\$ 3,741,949	\$ 3,717,384	\$ 24,565		Market
Asset backed-Securitized	514,406		499,264	\$ 15,142	Market
Corporate	1,086,776		1,086,527	249	Market
Idaho Mortgages	802,865		802,865		Market
Non-U.S. Government	144,259		142,692	1,567	Market
Total Fixed Income Securities	6,290,255	3,717,384	2,555,913	16,958	
<u>Equities:</u>					
Domestic	7,450,411	7,450,411			Market
Developed Markets	3,328,332	3,328,332			Market
Emerging Markets	309,168	309,168			Market
Total Equities	11,087,911	11,087,911	0	0	
<u>Other Investments:</u>					
Preferred Securities	6,167	5,350	817		Market
Mutual Funds-Defined Contribution Investment Options	935,023	934,664	359		Market
Total investments by fair value level*	\$ 18,319,356	\$ 15,745,309	\$ 2,557,089	\$ 16,958	
* The Total Return Fund and Short Term Investment Portfolio are unitized Defined Contribution investment options included with the Equity and Fixed Income totals above and Private Equity Partnerships and Private Real Estate totals below.					
Investments measured at the net asset value (NAV)	Fair Value at June 30, 2023	Unfunded Commitments	Redemption Frequency	Redemption Notice	
<u>Private Equity Partnerships:</u>					
Growth Equity	\$ 68,003	\$ 192,315			
Corporate Finance/Buyout	1,422,245	888,334			
Distressed Debt	32,408	12,940			
Co/Direct Investment	108,176	46,276			
Secondaries	77,787	127,831			
Venture Capital	24,655	22,228			
<u>Private Real Estate:</u>					
Open Ended Co-mingled Insurance Company Separate Account	91,151				
Affordable Housing					
Multifamily properties (Olympic)	60,884				
Value Added Apartments	283,882				
Value Added Offices	14,156				
Value Added Retail	56,225				
Office/Industrial Properties	99,826				
Core Office	140,918				
Industrial	424,208				
Development Properties	107,361				
<u>Collective Funds:</u>					
REIT Index Collective Fund	4,698		Daily	Daily	

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Investments measured at the net asset value (NAV)	Fair Value at June 30, 2023	Unfunded Commitments	Redemption Frequency	Redemption Notice
TIPS Index Collective Fund	5,129		Daily	Daily
US Broad Equity Market Index Collective Fund	135		Daily	Daily
Emerging Equity Market Index Fund	114		Daily	Daily
US Large Cap Equity Market Index Collective Fund	69,438		Daily	Daily
US Bond Market Index Collective Fund	12,053		Daily	Daily
International Equity Index Collective Fund	11,976		Daily	Daily
US Small/Midcap Equity Index Collective Fund	30,072		Daily	Daily
BNYM DB NSL Emerging Market Stock Index Fund - Non-DC	847,454		Daily	2 days
Bernstein Emerging MV Delaware Business Trust				
<u>Utilitized Fund</u>				
Short Term investment Portfolio account	44,625		Daily	Daily
<u>Sick Leave Insurance Reserve Trust Fund:</u>				
Russell 3000 Index Co-Mingled Fund	262,516		Daily	Same day
Government Credit Bond Index Co-Mingled Fund	299,883		Daily	1 day
MSCI ACWI Ex-US Strategy Co-mingled Fund	65,779		Daily	3 days
Total investments measured at the NAV	4,665,757			
Total investments measured at fair value	\$ 22,985,113			

The PERSI has the following investments reported at Net Asset Value (NAV):

- Private Equity Partnerships include limited partnerships invested in the following strategies: Growth Equity, Corporate Finance/Buyout, Distressed Debt, Co/Direct Investments, Secondaries, and Venture Capital. Fair value is obtained by using a valuation provided by the General Partner, adjusting for interim cash flows and rolling forward to the measurement date of the Plan. A gatekeeper is used to monitor values, cash flows, and provide due diligence for new investments. The fair values presented may differ from actual amounts realized from these investments.
- Real Estate Investment Trust (REITs) are publicly traded securities and are included with Equities: Domestic, level 1, as those securities are traded in an active market. Private Real Estate are investments owned directly or with other partnership interests and are in several general categories to include Affordable Housing, Multifamily properties, Value added apartments, Office/Industrial Properties, and Development Properties and are listed with investments measured at the NAV. Each property in the Portfolio is externally appraised at a minimum every year. Appraisals are completed by third-party MAI certified appraisers. For properties not subject to an external appraisal during a quarter, internal valuations are completed by AEW (the Plan's private real estate consultant) (or Pinnacle and reviewed by AEW), based on updated operational performance at the subject property and any relevant sale comparable.

A discounted cash flow analysis is utilized to determine asset value. Prior to finalizing the values, Altus (an independent professional advisory with expertise in appraisals) reviews every valuation quarterly and communicates its questions/findings to AEW before approval. The valuation of the Affordable Housing properties is calculated by a third party valuation and accounting specialist in the affordable housing industry once a year at December 31st. Development properties are initially valued at their accumulated cost amounts until completion, upon which an appraisal is done. Prudential is an open ended co-mingled insurance company separate account comprised primarily of real estate investments either directly owned or through partnership interests and mortgage and other loans on income producing real estate. Fair value is generally determined through an appraisal process that is conducted by independent appraisers within a reasonable amount of time following acquisition and no less frequently than annual thereafter.

- Collective Trust Funds are eight trust funds offered as investment options in the Defined Contribution Plan and one Defined Benefit Plan. For current fiscal year there was an additional converted collective fund in the Defined Benefit, reported at the Net Asset Value. The NAV is based on the value of the underlying investments. Collective Trusts are regulated, but not registered investment vehicles.
- Co-Mingled Funds are the investment vehicle used for the Plan's Sick Leave Insurance Reserve Trust Fund where funds are pooled from numerous plans. They

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

are valued at net asset value of units held at the end of the period based upon the fair value of the underlying investments.

Component Unit Fair Value of Investments at June 30, 2023								
(dollars in thousands)								
Investment Type	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Un- observable inputs (Level 3)	Total Fair Value	Net Asset Value (NAV)	Amortized Cost	Not Rated	Total
Debt Securities:								
Money Market Funds	\$ 325,935			\$ 325,935				\$ 325,935
U.S. Gov't Obligations	337,376	\$ 10,282		347,658				347,658
U.S. Gov't Agency Obligations	492,630	56,551		549,181				549,181
U.S. Gov't Agency Mortgage-Backed Securities	223,637			223,637				223,637
Corporate Obligations	35,970	25,445		61,415				61,415
Municipal and Public Entity Obligations	1,900			1,900				1,900
Bond Mutual Funds and Other Pooled Fixed- Income Securities	42,384	28,768		71,152				71,152
Total Debt Securities	1,459,832	121,046	0	1,580,878	0	0	0	1,580,878
Other Investments:								
Cash Equivalents included with Investments	95			95				95
Domestic Equities	127,736			127,736				127,736
Foreign Equities	51,328			51,328				51,328
Private Equities**					61,734			61,734
Preferred Securities without Maturity Dates	14			14				14
Equity and Income Mutual Funds	8,651	51,255		59,906	12,900			72,806
Mutual Funds	154,059			154,059				154,059
International Equity Funds	39,690			39,690				39,690
Real Estate and Perpetual Trusts	12,148	90		12,238				12,238
Insurance Annuities		333		333				333
Commingled Funds**					37,164			37,164
Interest Rate Swaps*		2,298		2,298				2,298
Land Held by Endowment**		2,776		2,776	6,475			9,251
Total	\$ 1,853,553	\$ 177,798	\$0	\$ 2,031,351	\$ 118,273	\$0	\$0	\$ 2,149,624
* Investment valued at proprietary pricing.								
**Investment valued at NAV.								

The private equity shown at NAV above are invested in real estate, venture funds, and international funds. The fair values have been determined using the NAV per share. The fair value of the private equity limited partnerships have no readily ascertainable market prices. Similar to real estate, costs closely approximate fair value of recent acquisitions. Therefore, the fair value of private equity limited partnership investments are based on the valuations as presented in the funds' March 31st capital statements. Generally, the companies within a fund are valued by the general partner, taking into account many

factors such as the purchase price, estimated liquidation value, significant events like initial public offerings, bankruptcies, additional rounds of financing, and other relevant factors. The fair value may differ significantly from the values that would have been used had a ready market for the investments existed. Although these differences could be material to the individual values, private equity only represents 14.74 percent of total investments.

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

The commingled funds shown at NAV above are held in an investment trust that invests in debt securities. The trust's investment objective is to outperform the Barclays U.S. Government/Credit Index. The trust may invest in out-of-benchmark securities in order to provide value and diversification.

Custodial Credit Risk of Investments

Custodial credit risk for investments is the risk that in the event of the failure of a counterparty, the value of investments or collateral securities that are in the possession of an outside party will not be recovered. The State does not have a formal policy to address custodial credit risk. The following describes the policies and risks for those state entities that are exposed to custodial credit risk:

- The Idaho Fish and Wildlife Foundation does not have a formal policy that would limit its exposure to custodial credit risk. The Foundation has \$9.6 million in investments that were uninsured and held in the name of the counterparty.
- The Idaho Workers' Compensation Law (Idaho Code Title 72) requires sureties to maintain a security deposit with the STO in order to write workers' compensation insurance or to be self insured. The amount of sureties that are held by the bank in the name of the insurance company and subject to custodial credit risk was \$377.5 million.
- The PERSI investment policy mitigates custodial credit risk by requiring that investments, to the extent possible, be registered in the name of the PERSI and be delivered to a third-party custodian. Short-term investments are created through daily sweeps of excess cash. The PERSI had various short-term investments of \$7.0 million held by various counterparties, not in the PERSI's name.
- The University of Idaho Retiree Benefits (RBT) Trust does not have a formal policy to limit its exposure to custodial credit risk. The Trust had \$42.2 million in investments and at December 31, 2022, all investments were held by the RBT or its counterparty in the RBT's name.
- The Boise State University Foundation does not have a formal policy that would limit its exposure to custodial credit risk. The Foundation had various investments of \$179.1 million that were uninsured and held in the name of the broker.
- The University of Idaho Foundation minimizes exposure to custodial credit risk by requiring that investments, to the extent possible, be clearly marked as to Foundation ownership and further to the extent possible, be held in the Foundation's name. At June 30, all Foundation funds were held in the name of the counterparty for benefit of the Foundation.

Interest Rate Risk of Debt Securities

Investments in debt securities that are fixed for longer periods are likely to experience greater variability in fair values due to future changes in interest rates. The State has not adopted a formal policy that addresses interest rate risk, except as follows:

- The EFIB has adopted the policy that the fixed-income weighted average of the EFIB portfolio may range that of the Barclays Capital Aggregate Bond Index from 2-8 years. The separate Endowment Funds Interest Rate Risk schedule quantifies the interest rate risk of EFIB fixed-income securities.
- The PERSI manages interest rate risk using the effective duration methodology, which takes into account the options on bonds and scales the risk of price changes on bonds depending upon the degree of change in rates and the slope of the yield curve. All of the PERSI fixed-income portfolios are managed in accordance with operational guidelines, which include an expected range of interest rate risk in the portfolio. Per the PERSI policy, these characteristics are established and monitored within each portfolio, with variances reported by the manager. The reporting of effective duration found in the separate schedule following the PERSI investments schedule quantifies the interest rate risk of the PERSI fixed-income assets. Some of the large durations are due to the use of options and forward foreign currency contracts.
- The Idaho Housing and Finance Association has adopted bond indentures, bond resolutions, and trust resolutions that provide investment maturities based upon the cash requirements of the Association's accounts, as determined by authorized Association investment officers. The Association's investment maturities are presented as part of the Component Units Maturity of Debt Investments at June 30, 2023.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Primary Government and Fiduciary Funds Investments and Maturities at June 30, 2023 (Except Endowment Funds and PERSI) (dollars in thousands)									
Investment Type	Less than 1 year	1-5 Years	6-10 Years	11-15 Years	16-20 Years	21-25 Years	26-30 Years	More than 30 Years	Total Fair Value
<u>Debt Securities:</u>									
Money Market Funds ²	\$ 3,645								\$ 3,645
Certificates of Deposit ^{1,3}	597	\$ 8,568							9,165
Repurchase Agreements ^{1,4}	692,091								692,091
Commercial Paper	1,083,551								1,083,551
U.S. Gov't Obligations	2,529,891	2,260,005	\$ 51,037						4,840,933
U.S. Gov't Agency Obligations	4,111,289	351,344	1,420	\$ 127	\$ 21	\$ 25	\$ 54		4,464,280
U.S. Gov't Agency Mortgage-Backed Securities ¹	110	28,964	196,328	146					225,548
Asset -Backed Securities ¹	250,080	92,281							342,361
Commercial Mortgages ¹	2,244	11,366	1,215						14,825
Corporate Obligations	94,876	443,319	37,426						575,621
Municipal and Public Entity Obligations ⁷	12,176	508	244	113					13,041
Bond Mutual Funds and Other Pooled Fixed-Income Securities	366,578	20,582	21,822	5,467	9,382	1,374	2,830	\$ 255	428,290
Foreign Agencies		1,245							1,245
External Investment Pools ^{1,5}	165,085								165,085
Total Debt Securities	\$ 9,312,213	\$ 3,218,182	\$ 309,492	\$ 5,853	\$ 9,403	\$ 1,399	\$ 2,884	\$ 255	12,859,681
<u>Other Investments:</u>									
Mutual Funds Without Maturity Dates									43,547
Equity Securities and Mutual Funds									238,332
Real Estate & Perpetual Trusts ⁶									16,427
Commodities									4,545
Total									\$ 13,162,532
¹ Securities are reported using weighted-average life to more accurately reflect the projected term of the security, considering interest rates and repayment factors.									
² \$1 million valued at cost									
³ 0.3 million valued at cost									
⁴ Repurchase agreements valued at cost									
⁵ 10.1 million valued at cost									
⁶ Investment measured at NAV									
⁷ 0.6 million measured at NAV									

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Endowment Funds Interest Rate Risk at June 30, 2023

(dollars in thousands)

Investment Type	Fair Value	Modified Duration In Years
<u>Debt Securities:</u>		
Asset Backed Securities	\$ 20,970	2.8
Bank Loans	752	0.2
Commercial Mortgage-Backed	15,899	3.5
Corporate Bonds	177,392	5.8
Corporate Convertible Bonds	684	-0.5
Funds - Corporate Bond	12,325	0.0
Funds - Government Agencies	2,549	0.0
Funds - Other Fixed Income	30,657	0.0
Government Agencies	10,687	3.7
Government Bonds	197,126	8.3
Government Mortgage Backed Securities	165,133	7.9
Gov't-issued Commercial Mortgage-Backed Securities	4,325	6.1
Index Linked Government Bonds	1,961	5.8
Municipal/Provincial Bonds	2,405	8.4
Non-Government Backed C.M.Os	14,982	3.4
Total Endowment Fund Debt Securities	657,847	
<u>Other Investments:</u>		
Equity Investments	2,101,683	
Money Market Funds	10,776	
Real Estate Investment Trust (Private)	163,793	
Total Other Endowment Fund Investments	2,276,252	
<u>Unsettled Trades:</u>		
Receivable for Investments Sold	(37,139)	
Payable for Investments Purchased	49,789	
Total Endowment Fund Investments	\$ 2,946,749	

PERSI Investments at June 30, 2023

(dollars in thousands)

Investment Type	Fair Value
Domestic Fixed-Income	\$ 5,185,196
Commingled Domestic Fixed-Income	299,883
International Fixed-Income	14,661
Idaho Commercial Mortgages	760,774
Short-Term Domestic Investments	284,176
Real Estate	1,211,577
Domestic Equities	9,241,726
Commingled Domestic Equity	262,516
International Equities	2,847,143
Commingled International Equity	65,778
Private Equity	1,642,405
Mutual Funds	1,475,488
Total PERSI Investments	\$ 23,291,323

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

PERSI Effective Duration of Fixed Income Assets by Security Type at June 30, 2023

(dollars in thousands)

Investment Type	Domestic Securities		International Securities		Total Fair Value
	Fair Value	Effective Duration in Years	Fair Value	Effective Duration in Years	
Asset -Backed Securities	\$ 19,407	2.91			\$ 19,407
Asset -Backed Securities	4,290	*			4,290
Mortgages	25,519	3.51			25,519
Mortgages	420	*			420
Commercial Paper	122,113	0.02			122,113
Commercial Paper	(16)	*			(16)
Corporate Bonds	1,271,605	7.46			1,271,605
Corporate Bonds	7,712	*			
Fixed-Income Derivative Instruments	(2,443)	16.88			(2,443)
Fixed-Income Derivative Instruments	(262)	*			(262)
Government Agencies	119,454	7.67			119,454
Government Bonds	1,590,075	7.51	\$ 15,349	7.19	1,605,424
Government Mortgage-Backed Securities	303,269	5.95			303,269
Pooled Investments	32,376				32,376
Pooled Investments-SLIRF Domestic Fixed Income	299,883	*			299,883
Private Placements	132,469	3.98			132,469
Private Placements	6,094	*			6,094
U.S. Treasury Inflation-Protected Securities	2,156,359	8.86			2,156,359
Idaho Mortgages	802,865				802,865
Total PERSI Fixed Income Securities	\$ 6,891,189		\$ 15,349		\$ 6,898,826

* Duration calculations for some securities are not available.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Component Units Maturity of Debt Investments at June 30, 2023									
(dollars in thousands)									
Investment Type	Less than 1 Year	1-5 Years	6-10 Years	11-15 Years	16-20 Years	21-25 Years	26-30 Years	More than 30 Years	Total Fair Value
<u>Debt Securities:</u>									
Money Market Funds	\$ 325,935								\$ 325,935
U.S. Gov't Obligations	77,733	\$ 269,275	\$ 650						347,658
U.S. Gov't Agency Obligations	36,894	71,405	8,869	\$ 843		\$ 12,211	\$ 417,948	\$ 1,011	549,181
U.S. Gov't Mortgage-Backed Securities	223,637								223,637
Corporate Obligations	6,238	45,673	9,057					447	61,415
Municipal Obligations						900	1,000		1,900
Bond Mutual Funds	10,706	4,568	20,544	34,379	\$ 250		680	25	71,152
Total Debt Securities	\$ 681,143	\$ 390,921	\$ 39,120	\$ 35,222	\$ 250	\$ 13,111	\$ 419,628	\$ 1,483	1,580,878
<u>Other Investments:</u>									
Cash Equivalents included with Investments									95
Domestic Equities									127,736
Foreign Equities									51,328
Private Equities**									61,734
Preferred Securities Without Maturity Dates									14
Equity and Income Mutual Funds									72,806
Mutual Funds									154,059
International Equity Funds									39,690
Real Estate and Perpetual Trusts									12,238
Insurance Annuities									333
Commingled Funds**									37,164
Interest Rate Swaps*									2,298
Land Held by Endowment**									9,251
Component Units Investments									\$ 2,149,624
* Investment valued at proprietary pricing.									
** Investments valued at NAV.									

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Credit Risk of Debt Securities

The risk that an issuer of debt securities or another counterparty to an investment transaction will not fulfill an obligation is commonly expressed in terms of the credit quality rating issued by a national rating organization. Investments explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality ratings. Unless otherwise stated, the ratings presented use the Moody's scale. The State does not have a formal policy to address credit risk of debt securities. The following Boards have formally adopted policies that address credit quality ratings of debt securities:

- The State Board of Education policy allows colleges and universities to invest in corporate bonds and mortgage-backed securities of A grade or better and commercial paper of prime or equivalent grade without prior Board approval.
- The EFIB investment policy states that the average credit quality of the fixed income portfolio must be investment grade or higher. Individual fixed income securities may be rated below investment grade, and money market funds shall contain securities with an

absolute minimum of investment grade by Standard & Poor's (S&P) or Moody's.

- The PERSI has no strict limitations for credit risk exposures. Each PERSI portfolio is managed in accordance with operational guidelines that outline expected portfolio characteristics which usually, but not always, include credit quality and exposure levels. Per the PERSI policy, these characteristics are established and monitored within each portfolio, with variances reported by the manager.
- The Idaho Housing and Finance Association policies permit investments for each bond issue in accordance with the various bond indentures, bond resolutions, and trust resolutions adopted by the Association. Program account investments are restricted to those allowed by Idaho Code Section 67-6215B or by federal regulations. The Association has adopted resolutions as policy for authorized investments in the Affordable Housing Investment Trust and the Loan Guaranty Trust. The Association has not adopted a formal policy related to the Association's business operations investments.

Primary Government and Fiduciary Funds Credit Quality Ratings of Debt Securities at June 30, 2023

(Except Endowment Funds and PERSI)

(dollars in thousands)

Investment Type	Aaa	Aa	A	Baa	Ba	B	C	A1-P1	NP	Unrated	Fair Value
Money Market Funds ¹	\$ 2,459	\$ 830								\$ 356	\$ 3,645
Certificates of Deposit ²	2,353	754	\$ 1,002	\$ 751					\$ 1,250	3,055	9,165
Repurchase Agreements ³										692,091	692,091
Commercial Paper								\$ 1,083,551			1,083,551
U.S. Gov't Agency Obligations	1,524,432	766	1,339					2,907,818	24,923	5,002	4,464,280
U.S. Gov't Agency Mortgage-Backed Securities	225,400	148									225,548
Asset-Backed Securities	333,657							8,672		33	342,361
Commercial Mortgages	14,152									673	14,825
Corporate Obligations	37,038	92,690	445,292	601							575,621
Municipal and Public Entity Obligations	70	713	187							12,071	13,041
Bond Mutual Funds and Other Pooled Fixed-Income Securities	11,105	41,528	5,342	3,194	\$ 728	\$ 282	\$ 246			365,865	428,290
External Investment ⁴										165,085	165,085
Foreign Agencies	1,245										1,245
Total	\$ 2,151,910	\$ 137,429	\$ 453,162	\$ 4,546	\$ 728	\$ 282	\$ 246	\$ 4,000,040	\$ 26,173	\$ 1,244,231	\$ 8,018,748

¹ \$1 million valued at cost² \$0.3 million valued at cost³ Investment measured at cost⁴ \$10.1 million valued at cost

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Endowment Funds
Credit Quality Ratings of Debt Investments at June 30, 2023
(dollars in thousands)

Investment Type	Aaa	Aa	A	Baa	Ba	B	Caa	Agy	Not Rated	Fair Value
Asset Backed Securities	\$ 1,301	\$ 1,755	\$ 3,241	\$ 7,590	\$ 1,449		\$ 3,407		\$ 2,228	\$ 20,971
Bank Loans					352	\$ 401				753
Commercial Mortgage-Backed	7,284	2,144	2,758	1,697	486	209	202		1,119	15,899
Corporate Bonds	3,032	7,099	65,805	83,599	11,747	4,313	987		810	177,392
Corporate Convertible Bonds			46	331	307					684
Funds - Corporate Bond		12,324								12,324
Funds - Government Agencies								\$ 2,549		2,549
Funds - Other Fixed Income					17,483	13,174				30,657
Government Agencies	8,416	839	531	263	144	163		204	127	10,687
Government Bonds	178,664	79	521	11,186	1,153	156	69	5,297		197,125
Government Mortgage Backed Securities								165,134		165,134
Gov't-issued Commercial Mortgage-Backed Securities	306							4,019		4,325
Index Linked Government Bonds	1,961									1,961
Municipal/Provincial Bonds	377	1,350	492				48		138	2,405
Non-Government Backed C.M.O.s	4,312	774	231	748	637		5,094		3,185	14,981
Total	\$ 205,653	\$ 26,364	\$ 73,625	\$ 105,414	\$ 33,758	\$ 18,416	\$ 9,807	\$ 177,203	\$ 7,607	\$ 657,847

PERSI Credit Quality Ratings of Fixed-Income Securities at June 30, 2023

(dollars in thousands)

S & P Rating Level	Investment Type		Fair Value
	Domestic Securities	International Securities	
A-1+	\$ 19,469		\$ 19,469
A-1	82,802		82,802
A-2	9,981		9,981
AAA	110,206		110,206
AA*	460,218		460,218
A	534,938		534,938
BBB	610,181	\$ 10,482	620,663
BB**	27,201		27,201
B*	3,268		3,268
CCC**	5,053		5,053
CC**	505		505
Not Rated	151,563	4,867	156,430
Total	\$ 2,015,385	\$ 15,349	\$ 2,030,734

* Includes US Government Agencies implicitly guaranteed by US Government

** Active bond managers are allowed to invest a portion of their portfolios in non-investment grade securities. These positions are monitored on a regular basis.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Component Units Credit Quality Ratings of Debt Securities at June 30, 2023

(dollars in thousands)

Investment Type	Aaa	Aa	A	Baa	Ba	B	Caa	C	D	A1/P1	Unrated	Fair Value
Money Market Funds											\$ 325,935	\$ 325,935
U.S. Gov't Agency Obligations	\$493,385	\$ 55,609										548,994
U.S. Gov't Agency Mortgage Backed Securities											223,637	223,637
Corporate Obligations	1,389	6,738	\$ 36,024	\$ 15,672	\$ 378		\$ 13			\$ 144	3,011	63,369
Municipal Obligations											1,900	1,900
Bond Mutual Funds	7,471	35,977	3,970	4,954	8,918	\$ 1,236	575				8,051	71,152
Total	\$502,245	\$ 98,324	\$ 39,994	\$ 20,626	\$ 9,296	\$ 1,236	\$ 588	\$0	\$0	\$144	\$562,534	\$1,234,987

Concentration of Credit Risk

Concentration of credit risk describes the heightened exposure to loss when a considerable number of investments exist in a single issuer. The State has adopted a principle that governments should provide note disclosure when at least 5 percent of the total government investments are concentrated in any one issuer. Investments in obligations explicitly guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. State statute places no limit on the amount that may be invested in any one issuer.

- The State and the colleges and universities have not adopted a formal policy to address concentration of credit risk.
- The STO investment policy limits the amount that

can be invested in any one issuer. The policy may be obtained from their website at <http://sto.idaho.gov>.

- The Idaho Housing and Finance Association places no limit on the amount the Association may invest in one issuer.
- The Idaho Individual High Risk Reinsurance Pool's policy provides that no more than 10 percent of the short-term fund balance may be invested in the securities of any one issuer. The policy exempts the following types of investments: obligations of the U.S. government or its agencies, repurchase agreements collateralized by obligations of the U.S. government or its agencies, federally insured certificates of deposit, mutual funds, and money market mutual funds.

Primary Government and Fiduciary Funds Concentration of Credit Risk at June 30, 2023

(dollars in thousands)

Portfolio	Issuer	Fair Value	Percent of Portfolio Investments
Idaho State Bar:	Federal Home Loan Bank	\$ 286	14.9
	Federal Farm Credit Bank	138	7.2
	First Interstate Bank	103	5.3
STO IDLE Pool:	Federal Home Loan Bank	1,738,660	27.6
Idaho State University:	Federal Farm Credit Banks Funding Corp	2,349	7.4
	Federal National Mortgage Association	16,125	50.7
	Federal Home Loan Mortgage Corporation	1,862	5.9
University of Idaho:	Federal Home Loan Mortgage Corp.	4,540	5.7
	Morgan Stanley	4,266	5.4
Petroleum Clean Water Trust:	Federal Home Loan Mortgage Corporation	3,884	11.6
Idaho Fish and Wildlife Foundation	Vanguard FTSE Emerging	534	5.6

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Component Unit Concentration of Credit Risk at June 30, 2023

(dollars in thousands)

Component Unit	Issuer	Fair Value	Percent of Portfolio Investments
Health Reinsurance:	First Federal Community Bank	\$ 2,989	6.2
	Federal Home Loan Bank (FHLB)	25,637	53.1
	Federal Home LN	9,547	19.8
	Federal Home LN B	4,759	9.9
Idaho Housing and Finance Association:	Ginnie Mae	430,552	31.6
	Federal Home Loan	265,008	19.4
	Fidelity	325,415	23.8

Foreign Currency Denominated Investments

Investments denominated in foreign currencies face a potential risk of loss in fair value from changes in currency exchange rates. The following describes the policies related to foreign currency risk for those state entities that have investments denominated in a foreign currency:

- The EFIB investment policy statement permits investments in international securities.
- The PERSI investment policy provides individual manager guidelines, which outline at a minimum, a range of currency exposure. Each portfolio is

monitored for currency exposure. Managers are required to report variances.

- The Lewis-Clark State College Foundation investment policy permits investments in equities and debt securities denominated in foreign currencies. The policy limits the investments in international equities to no more than 17.5 percent of the Foundation's total investment portfolio.
- The University of Idaho Foundation investment policy limits the exposure to foreign investment holdings in the portfolio.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Endowment Foreign Currency Risk at June 30, 2023

(dollars in thousands)

Currency	Investment Type	Fair Value in U.S. Dollars
Argentinian Peso	Equities	\$ 1
Australian Dollar	Equities	14,198
Brazilian Real	Equities	5,262
Canadian Dollar	Equities	22,498
Chinese Yuan	Equities	(952)
Czech Republic Koruna	Equities	103
Danish Krone	Equities	22,722
Euro	Equities	119,524
Hong Kong Dollar	Equities	25,063
Hungarian Forint	Equities	756
Indian Rupee	Equities	216
Indonesian Rupiah	Equities	3,515
Israeli Shekel	Equities	1
Japanese Yen	Equities	64,232
Malaysian Ringgit	Equities	557
Mexican Peso	Equities	7,782
Norwegian Krone	Equities	3,356
Polish Zloty	Equities	338
Russian Ruble	Equities	16
Singapore Dollar	Equities	5,664
South African Rand	Equities	1,763
South Korean Won	Equities	10,215
Swedish Krona	Equities	17,304
Swiss Franc	Equities	38,769
Taiwan Dollar	Equities	11,134
Thailand Thai Baht	Equities	1,575
U.K. Pound	Equities	81,534
Total		\$ 457,146

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

PERSI Foreign Currency Risk at June 30, 2023

(dollars in thousands)

Currency	Investment Type			Fair Value of Currency in U.S. Dollars
	Short-Term Investments	Equities	Fixed Income	
Argentina Peso	\$ 2			\$ 2
Australian Dollar	4,416	\$ 77,632	\$ (27)	82,021
Brazilian Real	77	23,243		23,320
Canadian Dollar	5,532	39,589		45,121
Chinese R Yuan HK	(1,874)			(1,874)
Danish Krone	3,428	146,408		149,836
Euro	14,811	1,159,541	(36)	1,174,316
Hong Kong Dollar	188	129,247		129,435
Indian Rupee	585			585
Indonesian Rupiah	647		3,276	3,923
Israeli Shekel	49	2,883		2,932
Japanese Yen	3,420	420,162	(33)	423,549
Malaysian Ringgit		6,235		6,235
Mexican Peso	(1,726)	11,363	9,929	19,566
New Taiwan Dollar	53	23,029		23,082
New Zealand Dollar	1	1,475		1,476
Norwegian Krone	1,244	4,567		5,811
Polish Zloty	7			7
Russian New Ruble			1,646	1,646
Singapore Dollar	9	38,137		38,146
South Korean Won	1,154	43,150		44,304
Swedish Krona	269	56,141		56,410
Swiss Franc	6,784	218,462		225,246
Thailand Baht		5,706		5,706
U.K. Pound	(1,781)	632,658	(36)	630,841
Total	\$ 37,295	\$ 3,039,628	\$ 14,719	\$ 3,091,642

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

College and University Foundations
Foreign Currency Risk at June 30, 2023
(dollars in thousands)

Currency	Investment Type	Fair Value in U.S. Dollars
Australian Dollar	Equities	\$ 649
Brazilian Real	Equities	33
Canadian Dollar	Equities	976
Chilean Peso	Equities	7
Chinese Yuan	Equities	123
Danish Krone	Equities	1,127
Euro	Equities	5,613
Hong Kong Dollar	Equities	534
Hungarian Forint	Equities	1
Indian Rupee	Equities	69
Indonesian Rupiah	Equities	11
Israeli Shekel	Equities	13
Japanese Yen	Equities	2,812
Malaysian Ringgit	Equities	6
Mexican Peso	Equities	22
New Zealand Dollar	Equities	3
Norwegian Krone	Equities	12
Peruvian Nuevo Sol	Equities	3
Philippine Peso	Equities	6
Polish Zloty	Equities	5
Singapore Dollar	Equities	272
South African Rand	Equities	13
South Korean Won	Equities	57
Swedish Krona	Equities	194
Swiss Franc	Equities	2,052
Taiwan Dollar	Equities	67
Thai Baht	Equities	9
Turkish Lira	Equities	3
U.K. Pound	Equities	1,772
Other	Equities	89
Total		\$ 16,553

Debt Investments with Terms That May Cause the Fair Value to Be Highly Sensitive To Interest Rate Changes

Mortgage-Backed Securities have a return based on the cash flows from interest and principal payments on the underlying mortgages. As a result, they are sensitive to prepayments, which are likely to occur in declining interest rate environments. To the extent possible, this prepayment risk is reflected in the interest rate risk of the portfolios by using the weighted average method to calculate interest rate risk for long-term investments and the modified duration method used by the EFIB and the PERSI.

Treasury Inflation Protected Securities (TIPS) are fixed-income securities issued by the U.S. Treasury that pay a fixed coupon rate plus an adjustment for subsequent inflation. The PERSI and EFIB had investments in TIPS with a fair value of \$2.2 billion.

IHFA is invested in pay-fixed, receive-variable interest rate swaps. The Association pays fixed rate payments between 3.7 percent and 5.5 percent and receives variable rate payments based on the Securities Industry and Financial Markets Association (SIFMA) and the London Interbank Offered Rate (LIBOR) indices.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Repurchase Agreements

Repurchase agreements are purchases of securities with simultaneous agreements to resell those same securities in the future at a higher price.

The Idaho Housing and Finance Association invests excess cash overnight in repurchase agreements that are held in the Association's account in the name of the bank and are collateralized by the U.S. government and agency obligations. The Association had repurchase agreements of \$30.9 thousand.

STO is permitted to participate in repurchase agreements per the Idaho Code 67-1210 and 67-1210A. Repurchase agreements are secured by collateral which is held by a third party in the name of the STO in the amount of \$294.1 million, \$165.9 million, and \$239.0 million for IDLE, LGIP, and DBF respectfully.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

C. Restricted Assets

A portion of cash and investments are classified as restricted assets for governmental activities, business-type activities, and component units on the Statement of

Net Position. The breakout of purpose and amount are as follows:

Primary Government and Component Units	
Restricted Assets at June 30, 2023	
(dollars in thousands)	
Purpose	Amount
<u>Governmental Activities:</u>	
Restricted Cash:	
Bond Covenants	\$ 140
Debt Service	17,379
Donations for Various Projects	19,676
Group Insurance Reserves	40,629
Juvenile Corrections Social Security Benefits	1,163
Legislation and Donations	245,411
Matching Fund Contributions	9,579
Petroleum Violation Escrow	2,216
Pollution Clean Up	12,027
The Idaho State Bar Client Assistance Fund	833
American Rescue Plan Act (ARPA) & CARES Act-COVID 19	755,921
Federal Grant	871
Restricted Investments:	
Donations for Various Projects	3,157
Legal Settlements	3,817
Legislation and Donations	57,033
Millennium Permanent Endowment Fund	455,230
Pollution Clean Up	137,273
Total Governmental Activities	\$ 1,762,355
<u>Business-Type Activities:</u>	
Restricted Cash:	
Debt Service	\$ 6,135
Idaho Lottery Dividends Payout	87,749
Wastewater Facility Loan Program and Drinking Water Systems Loan Program	32,516
Restricted Investments:	
Wastewater Facility Loan Program and Drinking Water Systems Loan Program	89,302
Total Business-Type Activities	\$ 215,703
<u>Component Units:</u>	
Restricted Cash:	
Donations for the College and University Foundations	\$ 19,383
Bond Indentures and Escrow and Reserve Deposits	449,895
Restricted Investments:	
Donations for the College and University Foundations	430,948
Total Component Units	\$ 900,226

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

NOTE 3. DERIVATIVE INSTRUMENTS

Derivative instruments are often complex financial arrangements used by governments to manage specific risks or to make investments.

Component Units

The Idaho Housing and Finance Association has entered into multiple interest rate swap agreements to reduce the Association's overall cost of borrowing long-term capital and protect against the risk of rising interest rates. The fair value of the swaps was a negative \$2.9 million and reported in other accrued liabilities on the Statement of Net Position. The Association has determined that a

substantial portion of its interest rate swaps effectively hedge against changes in variable interest rates. Changes in fair value for hedge swaps are reported on the Statement of Net Position as deferred outflows of resources of \$7.9 million and deferred inflow of resources of \$0.0 million. A portion of the interest rate swaps are considered non-effective for hedging purposes and are reported in the Statement of Revenues, Expenses, and Changes in Net Position at \$2.3 million. The Association has the following interest rate swap agreements:

Idaho Housing and Finance Association - Hedging Derivative Instruments							
Interest Rate Swap Agreements at June 30, 2023							
(dollars in thousands)							
Series	Notional Amount	Fair Value	Change in Fair Value	Inception Date	Termination Date	Terms	
						Fixed Rate Paid	Variable Rate Received
2001 Series D			\$ 2	11/6/2008	7/1/2022	4.73%	68% 1M (or SIFMA 1M<3.5%) +20
2001 Series E			2	11/6/2008	7/1/2022	4.53%	68% 1M (or SIFMA 1M<3.5%) +20
2002 Series D			1	11/6/2008	7/1/2022	4.71%	68% 1M (or SIFMA 1M<3.5%) +20
2002 Series F	\$ 310	\$ 4	10	11/6/2008	1/1/2024	3.79%	68% 1M (or SIFMA 1M<3.5%) +20
2002 Series G	310	4	11	11/6/2008	1/1/2024	4.14%	68% 1M (or SIFMA 1M<3.5%) +20
2003 Series A	1,615	3	52	11/6/2008	1/1/2026	4.52%	68% 1M (or SIFMA 1M<3.5%) +20
2003 Series B	630	8	17	11/6/2008	7/1/2024	4.04%	100% 1W SIFMA + 20 bp
2003 Series C	665	7	15	11/6/2008	7/1/2025	3.78%	100% 1W SIFMA + 20 bp
2003 Series D	1,330	5	46	11/6/2008	7/1/2025	4.84%	100% 1W SIFMA + 20 bp
2003 Series E		(16)	48	7/6/2016	7/1/2025	4.53%	100% 1W SIFMA + 20 bp
2004 Series A	1,445	12	39	7/6/2016	1/1/2026	4.03%	68% 1M (or SIFMA 1M<3.5%) +20
2004 Series B	1,950	(7)	61	7/6/2016	1/1/2027	4.37%	68% 1M (or SIFMA 1M<3.5%) +20
2004 Series C		(19)	48	7/6/2016	7/1/2025	4.33%	68% 1M (or SIFMA 1M<3.5%) +20
2004 Series D	2,920	(12)	72	7/6/2016	1/1/2028	3.85%	68% 1M (or SIFMA 1M<3.5%) +20
2005 Series A	3,180	(32)	78	7/6/2016	1/1/2029	3.90%	68% 1M (or SIFMA 1M<3.5%) +20
2005 Series B		62	(15)	11/7/2008	7/1/2028	3.99%	68% 1M (or SIFMA 1M<3.5%) +20
2005 Series C		59	(14)	11/7/2008	7/1/2028	3.73%	68% 1M (or SIFMA 1M<3.5%) +20
2005 Series D	3,180	(25)	79	7/6/2016	7/1/2028	3.87%	68% 1M (or SIFMA 1M<4.0%) +20
2005 Series E	3,290	(35)	83	7/6/2016	1/1/2029	3.93%	68% 1M (or SIFMA 1M<4.0%) +20
2005 Series F		73	(18)	11/7/2008	1/1/2029	4.10%	68% 1M (or SIFMA 1M<4.0%) +20
2006 Series A	3,530	(76)	100	11/7/2008	1/1/2029	4.10%	68% 1M (or SIFMA 1M<4.0%) +20
2006 Series B	1,170	(6)	42	11/7/2008	7/1/2025	4.35%	68% 1M (or SIFMA 1M<4.0%) +20
2006 Series C	1,030	(4)	38	11/7/2008	1/1/2025	4.36%	68% 1M (or SIFMA 1M<4.0%) +20
2006 Series D	1,200	(5)	50	11/7/2008	1/1/2025	4.45%	68% 1M (or SIFMA 1M<4.0%) +20
2006 Series E		(5)	43	7/3/2017	1/1/2026	5.52%	100% 1M LIBOR + 75 bp
2006 Series F		(1)	39	7/3/2017	1/1/2026	5.29%	100% 1M LIBOR + 75 bp
2006 Series G	1,790	27	66	7/3/2017	1/1/2026	5.17%	100% 1M LIBOR + 75 bp

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

2007 Series A	2,385	32	97	7/3/2017	7/1/2026	5.03%	100% 1M LIBOR + 45 bp
2007 Series B	2,700	32	110	7/3/2017	1/1/2027	4.88%	100% 1M LIBOR + 45 bp
2007 Series C		(39)	59	7/3/2017	1/1/2027	4.97%	100% 1M LIBOR + 45 bp
2007 Series D	2,600	70	88	7/1/2016	1/1/2026	4.89%	100% 1M LIBOR + 71 bp
2007 Series G	9,125	(156)	506	1/1/2013	7/1/2028	4.69%	100% 1M LIBOR + 5 bp
2007 Series H		(1,169)	443	7/1/2016	7/1/2030	5.20%	100% 1M LIBOR + 76 bp
2007 Series J	9,725	(134)	516	7/3/2017	7/1/2028	4.42%	100% 1M LIBOR + 5 bp
2007 Series K		(686)	39	7/3/2017	7/1/2030	4.23%	100% 1M LIBOR + 5 bp
2008 Series A		(695)	228	7/3/2017	7/1/2030	4.38%	100% 1M LIBOR + 5 bp
2008 Series B		(185)	84	7/3/2017	7/1/2029	4.24%	100% 1M LIBOR + 5 bp
2008 Series C		(8)	64	7/3/2017	7/1/2026	4.72%	100% 1M LIBOR + 45 bp
2008 Series D			17	7/3/2017	7/1/2026	4.44%	100% 1M LIBOR + 45 bp
	<u>\$ 56,080</u>	<u>\$ (2,917)</u>	<u>\$ 3,246</u>				

Idaho Housing and Finance Association - Investment Derivative Instruments							
Interest Rate Swap Agreements at June 30, 2023							
(dollars in thousands)							
Series	Notional Amount	Fair Value	Change in Fair Value	Inception Date	Termination Date	Terms	
						Fixed Rate Paid	Variable Rate Received
2003 Series E	\$ 1,330	\$ 25	\$ (7)	7/6/2016	7/1/2025	4.53%	100% 1W SIFMA + 20 bp
2004 Series C	1,435	30	(5)	7/6/2016	7/1/2025	4.33%	68% 1M (or SIFMA 1M<3.5%) +20
2005 Series B	3,035	(108)	99	11/7/2008	7/1/2028	3.99%	68% 1M (or SIFMA 1M<3.5%) +20
2005 Series C	3,090	(90)	91	11/7/2008	7/1/2028	3.73%	68% 1M (or SIFMA 1M<3.5%) +20
2005 Series F	3,505	(145)	117	11/7/2008	1/1/2029	4.10%	68% 1M (or SIFMA 1M<4.0%) +20
2006 Series E	1,845	29	32	7/3/2017	1/1/2026	5.52%	100% 1M LIBOR + 75 bp
2006 Series F	1,865	28	32	7/3/2017	1/1/2026	5.29%	100% 1M LIBOR + 75 bp
2007 Series C	2,970	67	67	7/3/2017	1/1/2027	4.97%	100% 1M LIBOR + 45 bp
2007 Series H	13,485	1,190	223	7/1/2016	7/1/2030	5.20%	100% 1M LIBOR + 76 bp
2007 Series K	9,510	474	474	7/3/2017	7/1/2030	4.23%	100% 1M LIBOR + 5 bp
2008 Series A	9,510	475	286	7/3/2017	7/1/2030	4.38%	100% 1M LIBOR + 5 bp
2008 Series B	7,635	237	256	7/3/2017	7/1/2029	4.24%	100% 1M LIBOR + 5 bp
2008 Series C	3,415	63	63	7/3/2017	7/1/2026	4.72%	100% 1M LIBOR + 45 bp
2008 Series D	1,280	24	27	7/3/2017	7/1/2026	4.44%	100% 1M LIBOR + 45 bp
	<u>\$ 63,910</u>	<u>\$ 2,299</u>	<u>\$ 1,755</u>				

The Association is exposed to a negligible amount of counterparty credit risk on certain outstanding swaps due to their positive fair values. The Association's counterparty has a current rating of A+ (Fitch), A1 (Moody's), and A (S&P).

All but twenty-one of the Association's swaps have a dual basis: the SIFMA Index plus 20 basis points when the one-month London InterBank Offered Rate (LIBOR) Index is less than either 3.5 percent or 4.0 percent (depending on the bond series) and 68 percent of the LIBOR Index when the LIBOR Index is 3.5 percent or greater. Four non-dual basis swaps have a basis of the

SIFMA Index plus 20 basis points, five have a basis of LIBOR plus 5 basis points, three have a basis of LIBOR plus 15 basis points, five have a basis of LIBOR plus 45 basis points, three have a basis of LIBOR plus 75 basis points, three has a basis of LIBOR plus 71 basis points, and two has a basis of LIBOR plus 76 basis points. The Association is exposed to basis risk on dual basis swaps when variable payments received are based on the LIBOR Index and do not offset the variable-rate paid on bonds, which is based on the SIFMA Index. On June 30, 2023, the SIFMA Index was 3.57 percent and the one-month LIBOR Index was 5.07 percent.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Rollover risk relates to a mismatch in the amortization of the swaps with the amortization of the variable-rate bonds. The Association has structured its debt such that not all variable debt is matched by interest rate swaps and calls certain variable-rate bonds independent of the expiration of the associated interest rate swap. This exposes the Association to the risk of incurring a higher interest expense than it might otherwise incur. Swap notional amounts no longer associated with variable-rate debt are reported as investment derivative instruments.

The Association or Barclays Capital may terminate an interest rate swap if the other party fails to perform under the terms of the contract. If any of the swaps are terminated, the associated variable-rate bonds would no longer carry synthetic fixed interest rates and the Association would be exposed to changing interest rates and incurring interest rate risk. The risk may be offset by identifying a suitable counterparty willing to enter into identical swap contracts at the termination date.

The swaps were entered into for the purpose of hedging the change in interest rates of specific series of variable rate bonds. From time to time, certain hedged bonds may be redeemed early, refinanced or reissued resulting in the termination of existing hedging relationships and the creation of new hedging relationships if permitted. The accounting rules provide that at the time such events occur, the swap's then fair value, or balance in the

deferral account, for the related swap should be reduced to zero and offset by a new balance which shall be amortized on fixed rate interest expense basis over a period equal to the shorter of the remaining term of the refunding bonds, refunded bonds, or swap. In future periods reductions in the amortizing balances are recorded as interest expense, and to the extent a new hedging relationship can be established by the swap, it is a hedging swap and future changes in fair value are recorded as deferred inflows/outflows. If no new hedging relationship can be established, it is an investment swap and the change in fair value for the swap is recognized as investment earnings in the current period.

At June 30, 2023, the Association had \$752.0 million in forward sales contracts ("To Be Announced" or "TBA" contracts) to issue GNMA securities in order to lock in the sales price for the securitization of single-family loans. These securities represent pools of qualified first mortgage loans originated by Association-approved lenders and brokers. Under this program, the Association periodically enters into forward contracts to sell GNMA Mortgage Backed Securities to investors before the securities are ready for delivery. The Association enters into TBA mortgage-backed security Contracts to hedge the interest rate risk for loan commitments made to originating mortgage lenders. These contracts are considered investment derivative instruments and are not rated.

Idaho Housing and Finance Association - Investment Derivative Instruments

TBA Forward Contracts at June 30, 2023

(dollars in thousands)

Contract	Notional Amount	Fair Value	Coupon Rate	Counterparty Credit Rating
July, 2023	\$ 40,000	\$ 169	6.00%	Aaa
July, 2023	3,000	34	4.50%	Aaa
August, 2023	6,000	35	5.00%	Aaa
September, 2023	10,000	40	5.50%	Aaa
July, 2023	5,000	1	3.50%	Aaa
August, 2023	6,000	30	4.50%	Aaa
July, 2023	110,000	309	6.00%	Aaa
August, 2023	5,000	(19)	6.00%	Aaa
July, 2023	29,000	127	5.00%	Aaa
August, 2023	32,500	196	5.00%	Aaa
July, 2023	10,000	10	6.00%	Aaa
July, 2023	6,000	47	6.00%	Aaa
August, 2023	8,000	(60)	5.00%	Aaa
July, 2023	8,000	95	5.50%	Aaa
July, 2023	9,000	(1)	6.00%	Aaa
July, 2023	5,000	20	5.50%	Aaa
August, 2023	5,000	(26)	4.50%	Aaa
August, 2023	2,000	5	6.00%	Aaa
July, 2023	5,000	21	6.00%	Aaa
July, 2023	20,000	25	5.50%	Aaa
July, 2023	5,000	16	5.00%	Aaa
July, 2023	6,000	18	4.00%	Aaa

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

August, 2023	40,000	207	5.50%	Aaa
July, 2023	4,000	13	4.50%	Aaa
August, 2023	7,000	30	6.00%	Aaa
July, 2023	5,000	69	5.00%	Aaa
July, 2023	5,000	68	5.50%	Aaa
August, 2023	4,000	21	5.50%	Aaa
July, 2023	5,000	72	4.50%	Aaa
July, 2023	9,000	20	5.00%	Aaa
August, 2023	6,000	(7)	5.50%	Aaa
August, 2023	16,000	101	5.00%	Aaa
August, 2023	3,500	21	5.00%	Aaa
July, 2023	20,000	131	6.00%	Aaa
August, 2023	7,000	21	5.00%	Aaa
August, 2023	5,000	29	4.50%	Aaa
August, 2023	3,000	11	4.50%	Aaa
July, 2023	13,000	181	5.00%	Aaa
July, 2023	3,000	49	5.00%	Aaa
September, 2023	10,000	42	4.50%	Aaa
July, 2023	3,000	27	5.50%	Aaa
July, 2023	10,000	17	4.50%	Aaa
September, 2023	15,000	59	5.50%	Aaa
July, 2023	7,250	83	5.50%	Aaa
July, 2023	20,000	148	5.50%	Aaa
July, 2023	20,000	38	5.50%	Aaa
July, 2023	6,000	69	5.50%	Aaa
July, 2023	8,000	96	5.50%	Aaa
August, 2023	5,000	28	5.50%	Aaa
August, 2023	750	3	4.00%	Aaa
July, 2023	55,000	(204)	3.50%	Aaa
July, 2023	15,000	49	6.00%	Aaa
August, 2023	5,000	22	4.50%	Aaa
August, 2023	6,000	22	5.50%	Aaa
July, 2023	30,000	52	5.00%	Aaa
August, 2023	6,000	32	5.50%	Aaa
July, 2023	6,000	78	4.50%	Aaa
August, 2023	10,000	(58)	6.00%	Aaa
September, 2023	10,000	6	4.50%	Aaa
July, 2023	13,000	117	4.50%	Aaa
	<u>\$ 752,000</u>	<u>\$ 2,855</u>		

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

NOTE 4. INTRAENTITY TRANSACTIONS

A. Interfund Balances

Interfund balances consist of the following receivables and payables (*dollars in thousands*):

		Interfund Payables							
Interfund Receivables	General Fund	Health and Welfare	Transportation	Federal Stimulus	Nonmajor Governmental	College and University	Nonmajor Enterprise	Pension Trust	Total
	General Fund		\$ 35	\$ 10	\$ 11,158	\$ 306	\$ 10,336		\$ 21,845
	Nonmajor Governmental	\$ 27	\$ 112	83	30		538		789
	College and University	713	1,757	17	3,674				6,161
	Nonmajor Enterprise	14	20		83				117
	Internal Service	937	39	524	146	35			1,681
	Pension Trust							\$ 35	35
	Total	\$ 1,691	\$ 1,869	\$ 194	\$ 534	\$ 15,091	\$ 341	\$ 10,874	\$ 30,628

Interfund receivables and payables generally consist of short-term receivables and payables for goods and services provided by one fund within the State to another and for certain statutorily required transfers due at year-end. Most balances result from the time lag between the dates that:

- 1) Interfund goods and services are provided or reimbursable expenditures occur.
- 2) Transactions are recorded in the accounting system.
- 3) Payments between funds are made.

B. Interfund Transfers

Interfund transfers for the fiscal year were as follows (*dollars in thousands*):

		Transfers In						
Transfers Out	General Fund	Health and Welfare	Transportation	Nonmajor Governmental	College and University	Loan	Internal Service	Total
	General Fund	\$930,066	\$115,002	\$276,730	\$395,201	\$226,000	\$1,771	\$1,944,770
	Health and Welfare	\$10,493		183				10,676
	Transportation	48		12,388				12,436
	Federal Stimulus	3				162	25,000	25,165
	Land Endowments	77,397			22,918			100,315
	Nonmajor Governmental	132,898	63	496	100	7,011		140,568
	College and University	620						620
	Unemployment Comp.			9,071				9,071
	Loan	716		1,074				1,790
	Nonmajor Enterprise	125,901	2,730	1,770				130,401
	Internal Service	8,157						8,157
	Total	\$356,233	\$932,796	\$115,065	\$301,712	\$418,219	\$233,173	\$2,383,969

Interfund transfers are primarily performed for two reasons:

- 1) Taxes, fees, penalties, earnings, and other revenues are transferred from the agencies that initially collect them (such as the Tax Commission) to the General Fund and other funds as dictated by state law.
- 2) Revenues are transferred from the fund that is statutorily required to collect them to the fund that has budgetary authorization to spend them.

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

During fiscal year 2023, the following non-routine transfers were made:

- \$75.0 million from the General Fund to the Water Management Fund to be used for large water projects including the Anderson Ranch Dam Capacity Increase, Mountain Home Air Force Base water supply project, and recharge projects in the Upper Snake River Valley.
- \$2.4 million from the General Fund to the Opioid Settlement Fund
- \$80.0 million from the General Fund to the Local Highway Distribution Fund
- \$25.0 million from the American Rescue Plan Act (ARPA) Fund to the Group Insurance Fund
- \$85.0 million from the General Fund to the Parks and Recreation Fund for deferred maintenance, capital projects, and collaborative interagency projects
- \$35.0 million from the General Fund to the Aeronautics Fund
- \$150.0 million from the General Fund to the Water Management Fund to enhance and modernize surface water delivery systems, improve aging water infrastructure, flood management, and water infrastructure grants
- \$61.6 million from the Tax Rebate Fund to the School Districts Facilities Fund

During fiscal year 2023 the Idaho Health Insurance Exchange (IHIE) received assessment fees from Blue Cross of Idaho, represented on the IHIE Board, of \$3.4 million.

The Housing Company, a component unit of the IHFA, owes the IHFA \$4.6 million for notes payable secured by real property.

The Idaho Housing and Finance Association (IHFA) is holding a \$13.7 million bond for the construction of the Sunset Landing multi-family project in Caldwell, Idaho on behalf of The Housing Company (THC).

During fiscal year 2023 the Idaho Individual High Risk Reinsurance Pool received premium tax funds from the State, in accordance to Idaho Code Section 41-406(1)(d), in the amount of \$17.2 million to offset costs of the Pool.

During fiscal year 2023 the college and university foundations distributed \$68.5 million to the respective colleges and universities for support of academic and athletic programs.

During fiscal year 2023 the State purchased workers compensation insurance coverage from the State Insurance Fund, a related party, in the amount of \$14.4 million.

C. Significant Transactions With Related Parties

The primary government had the following transaction with the Idaho Housing and Finance Association (IHFA):

- The Transportation fund has notes payable in the amount of \$642.6 million to the IHFA for bonds issued on their behalf for transportation infrastructure projects.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

NOTE 5. NONCURRENT RECEIVABLES

The Accounts Receivable, Taxes Receivable, Due from Other Entities, Due from Primary Government, and Loans, Notes, Right to Use and Pledges Receivable line items on the government-wide Statement of Net Position contain aggregated current and noncurrent receivable balances net of allowances for doubtful accounts. The

following tables disaggregate the noncurrent receivables balances for the primary government and component units.

Noncurrent interfund receivables are discussed in Note 4.

Noncurrent Receivables - Primary Government							
(dollars in thousands)							
	Governmental Activities					Business-Type Activities	
	General Fund	Health and Welfare	Transportation	Nonmajor Governmental	Internal Service Fund	College and University	Loan
Accounts Receivable	\$ 79			\$ 2,720			
Taxes Receivable	101,703	\$ 43	\$ 8,788	1,007			
Leases Receivable	1,215	139			\$ 15,821	\$ 30,487	
Loans and Notes Receivable	45			3,737		4,721	\$ 500,517
Public-Private and Public-Public Partnerships Receivable						8,633	
Total Noncurrent Receivables	103,041	182	8,788	7,464	15,821	43,841	500,517
Less: Allowance for Doubtful Accounts							
Accounts Receivable	(79)			(871)			
Taxes Receivable	(225)		(1)	(1)			
Leases Receivable							
Loans and Notes Receivable						(1,155)	
Total Noncurrent Receivables, Net	<u>\$ 102,737</u>	<u>\$ 182</u>	<u>\$ 8,787</u>	<u>\$ 6,592</u>	<u>\$ 15,821</u>	<u>\$ 42,686</u>	<u>\$ 500,517</u>

Noncurrent Receivables - Component Units				
(dollars in thousands)				
	Idaho Housing and Finance Association	College and University Foundation	Idaho Health Insurance Exchange	Idaho Bond Bank Authority
Annuity Receivable		\$ 149		
Due from Primary Government	\$ 642,540			
Pledges Receivable		30,011		
Leases Receivable			\$ 3,547	
Loans and Notes Receivable	523,230			\$ 193,027
Total Noncurrent Receivables	1,165,770	30,160	3,547	193,027
Less: Allowance for Doubtful Accounts				
Due from Primary Government				
Pledges Receivable		(5,651)		
Loans and Notes Receivable	(18,474)			
Total Noncurrent Receivables, Net	<u>\$ 1,147,296</u>	<u>\$ 24,509</u>	<u>\$ 3,547</u>	<u>\$ 193,027</u>

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

NOTE 6. CAPITAL ASSETS

Capital asset activity for the fiscal year is as follows (*dollars in thousands*):

Primary Government	Balances at July 1, 2022 As Restated*	Increases	Decreases	Balances at June 30, 2023
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land and Land Use Rights	\$ 1,292,643	\$ 106,833	\$ (118)	\$ 1,399,358
Capital Assets in Progress	1,365,099	484,783	(36,733)	1,813,149
Infrastructure	3,402,954			3,402,954
Historical Art and Collections	332			332
Total Capital Assets not Being Depreciated	6,061,028	591,616	(36,851)	6,615,793
Capital Assets Being Depreciated:				
Buildings and Improvements	1,403,022	217,736	(274,789)	1,345,969
Improvements Other Than Buildings	231,886	9,782	(104)	241,564
Machinery, Equipment, and Other	961,788	63,074	(24,790)	1,000,072
Infrastructure	1,377,467			1,377,467
Total Capital Assets Being Depreciated	3,974,163	290,592	(299,683)	3,965,072
Intangible Right to Use Assets:				
Land	314	62	(31)	345
Buildings and Improvements	47,258	2,685	(556)	49,387
Machinery, Equipment, and Other	6,770	702	(139)	7,333
Subscription-Based IT Arrangements		88,469		88,469
Total Intangible Right to Use Assets	54,342	91,918	(726)	145,534
Less Accumulated Depreciation for:				
Buildings and Improvements	(576,270)	(28,052)	34,229	(570,093)
Improvements Other Than Buildings	(109,399)	(9,460)	71	(118,788)
Machinery, Equipment, and Other	(683,425)	(65,238)	15,107	(733,556)
Infrastructure	(376,991)	(19,931)		(396,922)
Total Accumulated Depreciation	(1,746,085)	(122,681)	49,407	(1,819,359)
Less Accumulated Amortization for Intangible Right to Use Assets	(15,938)	(32,082)	137	(47,883)
Total Capital Assets Being Depreciated, Net	2,266,482	227,747	(250,865)	2,243,364
Governmental Activities Capital Assets, Net	\$ 8,327,510	\$ 819,363	\$ (287,716)	\$ 8,859,157

* Beginning balances were restated due to prior period adjustments and reclassifications due to the implementation of GASB 96.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Depreciation expense was charged to functions of governmental activities as follows (*dollars in thousands*):

Governmental Activities:	
General Government	\$ 28,608
Public Safety and Correction	22,885
Health and Human Services	27,222
Education	1,814
Economic Development	47,432
Natural Resources	22,206
In addition, depreciation on capital assets held by the State's internal service funds is charged to the various functions based on their usage of the assets	4,596
Total Accumulated Depreciation Increase for Governmental Activities	\$ 154,763

Business-Type Activities:	Balances at July 1, 2022 As Restated*	Increases	Decreases	Balances at June 30, 2023
Capital Assets not Being Depreciated:				
Land and Land Use Rights	\$ 175,370	\$ 58	\$ (8)	\$ 175,420
Capital Assets in Progress	46,448	52,456	(20,353)	78,551
Historical Art and Collections	2,622	108		2,730
Total Capital Assets not Being Depreciated	224,440	52,622	(20,361)	256,701
Capital Assets Being Depreciated:				
Buildings and Improvements	1,884,695	30,728	(686)	1,914,737
Improvements Other Than Buildings	90,446	1,254		91,700
Machinery, Equipment, and Other	487,315	26,372	(16,107)	497,580
Total Capital Assets Being Depreciated	2,462,456	58,354	(16,793)	2,504,017
Intangible Right to Use Assets				
Land	388	10	(57)	341
Buildings and Improvements	40,967	6,835	(650)	47,152
Machinery, Equipment, and Other	1,641	760	(558)	1,843
Subscription-Based IT Arrangements	15,545	12,464	(316)	27,693
Total Intangible Right to Use Assets	58,541	20,069	(1,581)	77,029
Less Accumulated Depreciation for:				
Buildings and Improvements	(815,955)	(48,418)	493	(863,880)
Improvements Other Than Buildings	(60,154)	(2,774)		(62,928)
Machinery, Equipment, and Other	(399,463)	(22,050)	14,945	(406,568)
Total Accumulated Depreciation	(1,275,572)	(73,242)	15,438	(1,333,376)
Less Accumulated Amortization for Intangible Right to Use Assets	(8,597)	(13,139)	847	(20,889)
Total Capital Assets Being Depreciated, Net	1,236,828	(7,958)	(2,089)	1,226,781
Business-Type Activities Capital Assets, Net	\$ 1,461,268	\$ 44,664	\$ (22,450)	\$ 1,483,482

* Beginning balances were restated due to prior period adjustments and reclassifications due to the implementation of GASB 96.

Interest incurred during construction is capitalized in enterprise funds. The total cost of interest incurred during the fiscal year was \$13.8 million, of that \$0 million was capitalized.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Component Units:	Balances at July 1, 2022 As Restated	Increases	Decreases	Balances at June 30, 2023
Capital Assets not Being Depreciated:				
Land	\$ 11,013	\$ 8,128		\$ 19,141
Capital Assets in Progress	2,087	4,224	\$ (851)	5,460
Intangible Assets	12			12
Total Capital Assets not Being Depreciated	13,112	12,352	(851)	24,613
Capital Assets Being Depreciated:				
Buildings and Improvements	142,214	15,863	(1,813)	156,264
Improvements Other Than Buildings	1,126	84		1,210
Machinery, Equipment, and Other	59,549	1,956	(20)	61,485
Total Capital Assets Being Depreciated	202,889	17,903	(1,833)	218,959
Intangible Right to Use Assets				
Buildings and Improvements	3,605	400	(526)	3,479
Machinery, Equipment, and Other	262			262
Subscription-Based IT Arrangements		1,023		1,023
Total Intangible Right to Use Assets	3,867	1,423	(526)	4,764
Less Accumulated Depreciation for:				
Buildings and Improvements	(50,887)	(5,643)	483	(56,047)
Improvements Other Than Buildings	(522)	(116)		(638)
Machinery, Equipment, and Other	(55,610)	(1,281)	12	(56,879)
Total Accumulated Depreciation	(107,019)	(7,040)	495	(113,564)
Less Accumulated Amortization for Intangible Right to Use Assets	(2,170)	(645)	228	(2,587)
Total Capital Assets Being Depreciated, Net	97,567	11,641	(1,636)	107,572
Component Unit Activities Capital Assets, Net	\$ 110,679	\$ 23,993	\$ (2,487)	\$ 132,185

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

NOTE 7. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

The Deferred Outflows of Resources and Deferred Inflows of Resources line items on the government-wide Statement of Net Position and governmental funds Balance Sheet contain aggregated types of deferrals.

deferrals, Note 8 for pension-related deferrals, Note 9 for OPEB-related deferrals, and Note 11 for lease and Public-Public and Public-Private Partnerships related deferrals.

The following tables disaggregate the deferrals:
See Note 3 for further details regarding derivative-related

A. Deferred Outflows of Resources – Government-Wide (dollars in thousands)

	Primary Government		Component Units
	Governmental Activities	Business-Type Activities	
Debt Defeasance	\$ 3,914	\$ 7,098	
Hedging Derivative Instruments			
Interest Rate Swap Contracts - Amortized			\$ 7,095
Interest Rate Swap Contracts - Fair Value			816
Pension-Related			
Contributions Subsequent to Measurement Date	101,360	17,017	
Proportionate Share	405,820	65,713	
OPEB-Related			
Contributions Subsequent to Measurement Date	1,601	1,174	
Proportionate Share	31,865	33,911	
Asset Retirement Obligation		7,081	
Total Deferred Outflows of Resources	\$ 544,560	\$ 131,994	\$ 7,911

B. Deferred Inflows of Resources – Government-Wide (dollars in thousands)

	Primary Government		Component Units
	Governmental Activities	Business-Type Activities	
Debt Defeasance		\$ 2,803	
Imposed Nonexchange Revenue	\$ 2,597		
Nonexchange Transactions		669	
Pension-Related			
Proportionate Share	20,387	7,347	
OPEB-Related			
Proportionate Share	26,227	44,151	
Public-Public and Public-Private Partnerships		253,965	
Lease Related Deferrals	86,715	31,779	\$ 4,109
Unavailable Revenue	0		
Other Deferred Inflows		9,429	4,198
Total Deferred Inflows of Resources	\$ 135,926	\$ 350,143	\$ 8,307

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

C. Deferred Inflows of Resources – Governmental Funds (*dollars in thousands*)

	Governmental Funds				
	General	Health and Welfare	Transportation	Federal Stimulus	Nonmajor Governmental
Imposed Nonexchange Revenue					\$ 2,597
Lease Related Deferrals	\$ 64,170	\$ 272			16
Unavailable Revenue	166,489	205,588	\$ 27,013	\$ 12,884	22,655
Total	\$ 230,659	\$ 205,860	\$ 27,013	\$ 12,884	\$ 25,268

NOTE 8. PENSION PLANS**A. Summary of Plans Administered by the Public Employee Retirement System of Idaho****General**

The Public Employee Retirement System of Idaho (PERSI) administers the PERSI Base Plan, the Judges' Retirement Fund (JRF), the Firefighters' Retirement Fund (FRF), and two defined contribution retirement plans. A retirement board appointed by the Governor and confirmed by the State Senate manages the PERSI, which includes selecting the funding agents, establishing funding policy, and setting contribution rates. The PERSI issues a publicly available financial report that includes financial statements and required supplementary information, which can be found on their website: (<http://www.persi.idaho.gov/news>). The PERSI also provides a 'Schedule of Employer Allocations and Collective Pension Amounts' for the Base Plan and the FRF, which can be found on their website: (<http://www.persi.idaho.gov/employers-1/gasb/>).

Summary of Significant Accounting Policies

The PERSI basic financial statements are prepared using the economic resource measurement focus and accrual basis of accounting. Employee and employer contributions are recognized as additions to net position when due and receivable; investment income is recognized when earned; and benefit payments, refunds, and other expenses are recorded when the benefits are due and payable in accordance with the plans' terms. For purposes of measuring the net pension liability (asset) and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERSI Base Plan and JRF and additions/deductions from PERSI's and JRF's fiduciary net position have been determined on the same basis as they are reported by PERSI.

Investments are presented at fair value. Purchases and sales are recorded at the trade date. The fair value of investments is based on published market prices and quotations from major investment brokers when available. Mortgages have been valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar instruments of matching duration. The fair value of real estate investments is based on industry practice. For recent acquisitions, cost closely approximates fair value. The fair value of longer-term real estate holdings is estimated based on the PERSI's consultant assessments and/or independent appraisals. Short-term investments are reported at fair value when published market prices and quotations are available, or at cost plus accrued interest, which approximates fair value. The fair values of private equity limited partnership investments by their nature

have no readily ascertainable market prices. Similar to real estate, cost closely approximates fair value for recent acquisitions. Thereafter, the fair values of limited partnership funds are based on the valuations as presented by the general partner, approved by the funds' advisory committee, and reviewed by consultants. Investments of the PERSI Base Plan, JRF, and FRF are pooled for investment purposes.

Actuarial Assumptions

The last actuarial valuation was performed as of July 1, 2022, for the Base Plan, and FRF; and as of July 1, 2023, for the JRF.

The entry age normal cost method and the following actuarial assumptions applied to all periods included in the measurement:

	Base Plan	JRF
Inflation	2.30 %	2.30 %
Salary increases including inflation*	3.05 %	3.05%*
Investment rate of return**	6.35 %	6.35 %
Cost of Living (COLA) adjustments	1.00 %	***
*3.05 percent or 1.00 percent depending on whether the member was hired on or before July 1, 2012 and by whether the judge (if it was an option available) made an irrevocable election to use the PERSI COLA		
**Net of investment fees		
***There is an additional component of assumed salary grown (on top of the 3.05%) that varies for each individual member based on years of service		

There were no changes in assumptions for the Base Plan since the prior measurement date.

Mortality Rates

Economic assumptions for the Base Plan, FRF, and JRF were studied in an experience study performed for the period 2015 through 2020. Demographic assumptions, including mortality, for the Base Plan and FRF were studied for the period 2015 through 2020. Demographic assumptions, including mortality, for JRF were studied for the period 2013 through 2018.

Several different sets of mortality rates were used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2021:

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Contributing Members, Service Retirement Members, and Beneficiaries - Base Plan and FRF Members

General Employees and All Beneficiaries - Males	Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries - Females	Pub-2010 General Tables, increased 21%
Teachers - Males	Pub-2010 Teacher Tables, increased 12%
Teachers - Females	Pub-2010 Teacher Tables, increased 21%
Fire & Police - Males*	Pub-2010 Safety Tables, increased 21%
Fire & Police - Females*	Pub-2010 Safety Tables, increased 26%
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%

*5% of Fire and Police active member deaths are assumed to be duty related. This assumption was adopted July 1, 2021.

Mortality rates for JRF were based on the General Pub-2010 Above Meridian tables for males or females, and employees or healthy retirees, as appropriate, with no offsets:

Contributing Members, Service Retirement Members, and Beneficiaries - Judicial Members

Males - Pre-Commencement	General Pub-2010 Above Median tables for male employees
Males - Post-Commencement	General Pub-2010 Above Median tables for male healthy annuitants
Females - Pre-Commencement	General Pub-2010 Above Median tables for female employees
Females - Post-Commencement	General Pub-2010 Above Median tables for female healthy annuitants

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The PERSI used the 2021 Callan Associates capital market assumptions for the Base Plan. The PERSI used the January 1, 2021 Callan Associates capital market assumptions for the JRF in analyzing asset allocation. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Long-term expected rates of return on investments are shown below:

Base Plan Long-Term Expected Rate of Return

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Cash	0.00%	0.00%
Large Cap	18.00%	4.50%
Small/Mid Cap	11.00%	4.70%
International Equity	15.00%	4.50%
Emerging Markets Equity	10.00%	4.90%
Domestic Fixed	20.00%	(0.25)%
TIPS	10.00%	(0.30)%
Real Estate	8.00%	3.75%
Private Equity	8.00%	6.00%

JRF Long-Term Expected Rate of Return			
Asset Class	Index	Target Allocation*	Long-Term Expected Real Rate of Return (Arithmetic)**
Cash	Citigroup 90-Day T-Bills	0.00 %	
Large Cap	S&P 500	18.00 %	4.50 %
Small/Mid Cap	Russell 2500	11.00 %	4.70 %
International Equity	MSCI World ex USA	15.00 %	4.50 %
Emerging Markets Equity	MSCI Emerging Markets	10.00 %	4.90 %
Domestic Fixed	Bloomberg Barclays Aggregate	20.00 %	(0.25) %
TIPS	Bloomberg Barclays TIPS	10.00 %	(0.30) %
Real Estate	NCREIF ODCE	8.00 %	3.75 %
Private Equity	Cambridge Private Equity	8.00 %	6.00 %
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses			3.91 %
Portfolio Standard Deviation			12.84 %
Valuation Assumptions Chosen by PERSI Board			
Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.05 %
Assumed Inflation			2.30 %
Long-Term Expected Nominal Rate of Return, Net of Investment Expenses			6.35 %
*As outlined in PERSI's investment policy			
** Net of investment expenses			

Discount Rate

The actuary used a discount rate of 6.35 percent (no change from the prior measurement date) to measure the total pension liability for the Base Plan and a discount rate of 6.35 percent (no change from the prior measurement date) to measure the total pension liability for the JRF plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the Base Plan's and JRF's net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

1. PERSI Base Plan**Plan Description***Organization and Purpose*

The PERSI Base Plan is a cost-sharing, multiple-employer defined benefit retirement plan. The Base Plan

is governed by Idaho Code Title 59 Chapter 13.

Membership

State agencies, school districts, cities, counties, highway districts, water and sewer districts, and other political subdivisions contribute to the PERSI Base Plan. Participation is mandatory for state employees who normally work 20 or more hours a week for 5 or more consecutive months. The number of participating employer units were 850 and 840 for the fiscal years ending June 30, 2023 and 2022, respectively.

Benefits

The annual service retirement allowance for each month of credited service is 2 percent (2.3 percent for police/firefighters) of the average monthly salary for the highest consecutive 42 months. In addition, benefits are provided for disability or death, and to survivors of eligible members or beneficiaries. Members are eligible for retirement benefits upon attainment of the age specified for their employment classification or a combination of age plus service.

The benefit payments are calculated using a benefit formula adopted by the Idaho Legislature. The PERSI Base Plan is required to provide a 1 percent minimum cost of living increase per year on the condition the

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Consumer Price Index increases 1 percent or more. The PERSI Retirement Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6 percent, whichever is less; however, any amount above the 1 percent minimum is subject to approval by the Legislature.

Funding Policy

Funding and Contributions

Funding policy for the PERSI Base Plan is determined by the Board as defined by Idaho law. The Board may make periodic changes to employer and employee contributions based upon actuarially-determined rates that are adequate to accumulate sufficient assets to pay benefits when due. Actuarially-determined rates are expressed as percentages of annual covered payroll.

Level percentages of payroll normal costs are determined using the entry age normal cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The PERSI Base Plan amortizes any net pension liability (asset) based on a level percentage of payroll. The maximum amortization period permitted under Idaho Code Section 59-1322 is 25 years.

Contributions from members and employers, in addition to earnings from investments, fund the PERSI Base Plan benefits. Member and employer contributions are percentages of member compensation. As defined by state law, the member contribution rate is a percentage of the employer contribution rate. Employer contribution rates are recommended by periodic actuarial valuations and are subject to the approval of the PERSI Retirement Board and limitations set forth in state statute. Contributions are based on actuarial assumptions, benefit formulas, and employee groups of the PERSI. Costs of administering the plans are financed through the contributions and investment earnings of the System.

Contribution rates for the year:

Employee Group	Employer	Employee
General	11.94%	7.16%
Police and Fire	12.28%	9.13%

Employer contributions required and paid were \$118.7 million and \$108.7 million for the fiscal years ended June 30, 2023 and 2022, respectively.

Although enrollees in the College and University Optional Retirement Plan no longer belong to the PERSI, the colleges and universities are required to contribute to the PERSI Base Plan through July 1, 2025. The contribution rate for the year was 1.49 percent for colleges and universities.

Vesting

After five years of credited service (five months for elected or appointed officials), members become fully vested in retirement benefits earned to date. Upon termination of employment, accumulated member contributions plus interest are refundable. The interest was compounded monthly per annum and accrued at 1.00 percent from January 1, 2023 through June 30, 2023, and at 24.69 percent from July 1, 2022 through December 31, 2022. Withdrawal of such accumulated contributions results in forfeiture of the member's accrued benefit; however, state law does include provisions for reinstatement of forfeited service upon repayment of the accumulated contributions plus interest.

Net Pension Liability (Asset), Pension Expense, and Deferrals

At June 30, 2023, the total net pension liability (asset) amount for all employers that contributed to the Base Plan was \$3.9 billion. At June 30, 2023, the State recognized a \$909.6 million liability (asset) (23.1 percent proportion of the collective net pension liability (asset)), measured at June 30, 2022, a 0.2 percent decrease from its proportion measured at June 30, 2021. Employer proportionate shares were determined utilizing a single-period measure of contributions as of June 30, 2022. The State also recognized a \$227.3 million pension expense (expense offset) and the following deferred outflows of resources and deferred inflows of resources:

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

PERSI Base Plan
As of June 30, 2023
(dollars in thousands)

	Deferred Outflows of Resources*	Deferred Inflows of Resources*
Difference between expected & actual experience	\$ 100,018	\$ 4,060
Changes of assumptions	148,285	
Changes in proportion	9,793	23,718
Net difference between projected & actual investment earnings	209,278	
Contributions subsequent to the measurement date	118,741	
Total	\$ 586,115	\$ 27,778

*For fiscal year 2023, the total deferred outflows and total deferred inflows in this table do not tie to the pension deferred outflows and deferred inflows in Note 7. This is primarily due to timing differences between the information for this table that comes from the PERSI, and the information in Note 7 that, in part, comes from the Dairy Products Commission, the Potato Commission, and the State Bar. Those entities report on a different year-end than the PERSI and the State.

The \$118.7 million reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2024. Other amounts reported above as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows (*dollars in thousands*):

Amortized Deferrals	
Fiscal Year	Expense (Revenue)
2024	\$ 102,515
2025	112,764
2026	51,774
2027	172,543
2028	
Total	\$ 439,596

Discount Rate Sensitivity

The following presents the net pension liability (asset) of the State calculated using the expected discount rate of 6.35 percent and discount rates based upon a 1 percent discount rate lower and a 1 percent discount rate higher (*dollars in thousands*):

1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
\$ 1,605,279	\$ 909,557	\$ 340,127

2. Judges' Retirement Fund**Plan Description***Organization and Purpose*

The Judges' Retirement Fund (JRF) is a single-employer

defined benefit retirement plan, which provides retirement benefits for Idaho Supreme Court justices, court of appeals judges, and district court judges. The JRF is managed by the PERSI and is governed in accordance with Idaho Code Title 1 Chapter 20.

Membership and Vesting

Members become fully vested in their retirement benefits after four years of credited service. If a member terminates from the retirement plan prior to four years of service, the member's contributions plus 6.5 percent per annum will be returned. Members are eligible for retirement benefits upon meeting one of the following criteria:

- Attainment of age 65 and a minimum of 4 years of service
- Attainment of age 60 and a minimum of 10 years of service
- Attainment of age 55 and a minimum of 15 years of service
- After 20 years of service

The JRF has 115 retired members or beneficiaries collecting benefits, 1 terminated member entitled to, but not yet receiving benefits, and 56 active members.

Benefits

The benefit structure is based on each member's years of service and compensation. In addition, benefits are provided for disability or death, and to survivors of eligible members. The benefit payments for the JRF are calculated using a benefit formula adopted by the Idaho Legislature, effective July 1, 2000. Members serving prior to July 1, 2000 and who were receiving benefits from the judges' retirement fund before July 1, 2000, for such service, and members who assumed office on or

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

after July 1, 2012, and attained both the age of 55 years and a minimum service of 15 years, are paid under Option A. Other members serving on or after July 1, 2000, who meet one of the remaining eligibility requirements referenced earlier, may choose between two benefit payment options, A or B. Both options are based upon current annual compensation of the highest office in which the member served, with benefits for Option A accumulating as follows:

For the first 10 years of service, benefits are credited at 5 percent per year of the member's compensation. For the remaining years of service, benefits are credited at 2.5 percent per year of the member's compensation.

In addition to the above benefits, Option B includes:

Benefits credited at 12.5 percent per year for senior judges with five years of service.

The maximum benefit is 75 percent of compensation. Additionally, members who begin service on or after July 1, 2012 are eligible to receive annual inflationary adjustments to calculated benefits in accordance with Idaho Code Section 59-1355. After four years of credited service, any member retiring by reason of disability will be entitled to benefits calculated using Option A. Upon the death of retired or sitting members who assumed office prior to July 1, 2012, surviving spouses will be entitled to benefits equal to 50 percent of the member's calculated benefit. Surviving spouses of members who assumed office on or after July 1, 2012 are entitled to benefits equal to 30 percent of the member's calculated benefit.

Summary of Significant Accounting Policies

Generally speaking, significant accounting policies, actuarial assumptions, and discount rate information are the same as detailed for the PERSI Base Plan. This information can be found at the beginning of this note.

Contribution Requirements

The JRF's benefits are funded by contributions from members and the Judicial Department and earnings from investments. Costs of administering the JRF are financed through the contributions and investment earnings of the JRF.

Members and the Department contribute to the JRF during the members' first 20 years of employment.

Member and Department contributions are a percentage of member compensation as defined by state law. The JRF policy provides for Department and member contributions at 62.5 percent and 11.6 percent, respectively, of annual covered payroll. The payroll for members covered by the JRF was approximately \$8.7 million for the fiscal year.

Investments

Policies and Procedures

The Board utilizes and directs individual fund managers to provide whatever investment management and custodial functions the Board has determined best achieves the System's investment objectives. Each fund manager is generally granted full discretion in making investment decisions within asset allocation policy, portfolio investment policy, specific investment guidelines, and other special restrictions set by contract with the Board. The Board monitors overall investment performance and periodically evaluates the performance of each fund manager. The Board is empowered in its sole discretion to limit, control, and designate the types and amounts of investments.

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 9.24% percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amount actually invested.

Net Pension Liability, Pension Expense, and Deferrals

Net Pension Liability

Net pension liability components as of the measurement date of June 30, 2023 (*dollars in thousands*):

Total Pension Liability	\$ 132,000
Plan Fiduciary Net Position	(111,017)
Net Pension Liability	<u>\$ 20,983</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.1 %
Covered Payroll	\$ 8,698
Net Pension Liability as a Percentage of Covered Payroll	241.2 %

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Changes in net pension liability for the fiscal year ended June 30, 2023 (*dollars in thousands*):

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning Balances	\$ 125,836	\$ 103,936	\$ 21,900
Changes for the Year			
Service Cost*	3,817		3,817
Interest**	7,964		7,964
Benefit Changes			
Economic/Demographic Gains (Losses)	2,993		2,993
Assumptions Changes			
Benefit Payments, Including Refunds	(8,611)	(8,611)	0
Contributions - Employer		5,439	(5,439)
Contributions - Employee		924	(924)
Net Investment Income		9,445	(9,445)
Other Income			
Administrative Expense		(116)	116
Net Changes	6,163	7,081	(918)
Ending Balances	\$ 131,999	\$ 111,017	\$ 20,982
*Service cost and interest are measured after reflecting the effect of plan changes but before reflecting the effect of assumption changes			
**Includes interest on total pension liability, service cost, plan changes, and benefit payments			

There were no changes in assumptions from the prior measurement date.

*Pension Expense and Deferrals*The State recognized a \$6.3 million pension expense and the following deferrals for the fiscal year ended June 30, 2023 (*dollars in thousands*):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected & actual experience	\$ 2,167	\$ 0
Changes of assumptions		
Net difference between projected & actual investment earnings	2,007	
Contributions subsequent to the measurement date		
Total	\$ 4,174	\$ 0

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as pension expense (revenue) as follows (*dollars in thousands*):

Year	Expense (Revenue)
2024	\$ 1,297
2025	336
2026	3,125
2027	(584)
2028	
	\$ 4,174

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Discount Rate Sensitivity

The following presents the net pension liability of the JRF calculated using the discount rate of 6.35 percent, as well as what the employer's liability would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher than the current rate as of June 30, 2023 (*dollars in thousands*):

1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
\$ 34,344	\$ 20,982	\$ 9,566

3. Firefighters' Retirement Fund**Plan Description**

The FRF is a closed cost-sharing multiple-employer defined benefit retirement plan. The FRF is governed by Idaho Code Title 72 Chapter 14. The FRF is administered by the PERSI, which is part of the primary government. However, the State does not employ firefighters participating in the FRF; therefore, no employer costs are disclosed. Twenty-two employer units, all consisting of local fire departments, participated in the FRF. The significant accounting policies are the same as detailed for the PERSI. Complete FRF disclosures may be found in the PERSI financial statements.

4. Defined Contribution Retirement Plans**Plan Description***Organization and Purpose*

The defined contribution retirement plans include the 401(k) and the 414(k). The plans are governed by Idaho Code Title 59 Chapter 13. The 414(k) plan was established for gain-sharing allocations from the PERSI Base Plan. The gain-sharing amount (if any) is based on funding levels in the PERSI Base Plan and is subject to board approval.

Membership

The 401(k) plan is open to all active PERSI Base Plan members. Eligibility for the 414(k) gain sharing requires 12 months of active PERSI membership as defined in Idaho statutes and PERSI rules. The plans have 850 employer units eligible to have participating employees.

Summary of Significant Accounting Policies

The assets of the 401(k) and the 414(k) plans are commingled for investment and recordkeeping purposes. The other significant accounting policies are the same as for the PERSI Base Plan.

Funding Policy*Contributions*

Employees in the 401(k) plan can make tax-deferred contributions up to 100 percent of their gross salary, less deductions, and subject to the IRS annual contribution limit; employees are immediately vested. Participants direct their investment mix with limited restrictions and may elect to change their salary deferrals. Additionally, the 401(k) plan is open to some voluntary employer matching contributions at rates determined by the employers. Employers (participants) in the plans contributed \$9.6 (\$80.1) million, \$8.5 (\$76.4) million, and \$7.7 (\$68.3) million during fiscal years 2023, 2022, and 2021, respectively.

B. Other State-Sponsored Retirement Plans**1. College and University Optional Retirement Plan****Plan Description***Organization and Purpose*

Effective July 1, 1990, the State Legislature authorized the Idaho State Board of Education to establish the Optional Retirement Plan (ORP), a defined contribution plan for college and university faculty and exempt employees. The ORP is governed by Idaho Code Sections 33-107A and 33-107B and administered by the Idaho State Board of Education. Vendor options include Teachers' Insurance and Annuity Association (TIAA) and AIG Retirement Services (formerly known as VALIC). TIAA and AIG Retirement Services may be reached at (888) 842-7782 and (800) 448-2542, respectively.

Membership

Faculty and exempt employees hired July 1, 1990, or thereafter, automatically enroll in the ORP and select their vendor option. Faculty and exempt employees hired before July 1, 1990, had a one-time opportunity to enroll in the ORP.

Funding Policy*Contributions and Vesting*

The employee contribution requirement for the ORP is based on a percentage of total payroll. Employer contributions are determined by the State. The contribution requirement and amount paid for the fiscal year was \$73.4 million, which consisted of \$41.9 million from the colleges and universities and \$31.5 million from employees.

Participants are immediately fully vested in the ORP. Retirement benefits are available either as a lump sum or any portion thereof upon attaining 55 years of age.

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

2. Department of Labor Retirement Plan

Plan Description

Organization and Purpose

This stand-alone, defined benefit, insured retirement plan provides retirement benefits for certain employees (and their beneficiaries) of the Idaho Department of Labor hired prior to October 1, 1980, excluding anyone hired after age 65. The Plan is governed by Idaho Code Section 72-1335 and U.S. Department of Labor Rules and Regulations. The Labor Retirement Plan is administered by the Idaho Department of Labor, which may be reached at (208) 332-3570.

Membership

As of September 30, 2022, the number of Idaho Department of Labor retired members and beneficiaries are as follows:

Currently Receiving Lifetime Benefits	234
Currently Receiving Guaranteed Payments Only	2
Total Currently Receiving Benefits	236

Benefits

Retirement benefit payments are calculated using a benefit formula established in the Plan. This monthly benefit is payable for life, through an annuity purchased for each retired employee from Prudential Insurance Company, with 120 payments guaranteed to the annuitant or their survivor. Upon the purchase of an annuity, Prudential assumes the risk for the insured benefit and has guaranteed to pay benefits in the event the trust funds are depleted. The Plan provides that the contributions paid by the employer to Prudential are in complete discharge of the employer's financial obligation under the Plan. At September 30, 2022, the last actuarial valuation date, no unfunded liability existed. The normal service retirement allowance is the average annual salary for the highest three consecutive years times 2 percent for each year of credited service.

As of September 30, 2022, the present value of future retirement benefits is \$77.0 million. The actuary assumed a 3.5 percent average rate of return in determining the actuarial present value of accumulated plan benefits. Net position available for benefits (at fair value) is \$157.6 million.

Funding Policy

Contributions

Since September 30, 1997, plan assets have exceeded the actuarial present value of future benefit payments for all members. In accordance with plan requirements, employees continued to contribute 7 percent of payroll even though contributions were not actuarially needed to finance future benefits. However, in August 1999, the U.S. Department of Labor approved a plan change to allow the plan actuary to determine the employee contribution rate. Employee contributions have since been suspended through September 30, 2022, consistent with recent actuarial valuations. The current valuation certified that the total contribution rate should remain at zero through September 30, 2024. Total employer contribution for federal fiscal year 2023 was zero.

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

A. Summary of Plans

The Department of Administration administers other post-employment benefits (OPEB) for healthcare, disability, and life insurance for retired or disabled employees of State agencies, public health districts, community colleges, and other political subdivisions that participate in the plans. The Retiree Healthcare, Retiree Life, and Long-Term Disability plans are reported as multiple-employer defined benefit plans. Idaho Code Sections 67-5760 to 67-5768 and 72-1335 establish the benefits and contribution obligations. The plans do not issue publicly available financial reports. The most recent actuarial valuation is as of July 1, 2022. No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4; these benefits are funded on a pay-as-you-go basis. The costs of administering the plans were financed by a surcharge to employers on all active employees of \$0.05 and \$0.06 per person per month for fiscal years 2022 and 2023, respectively. The rate is reviewed annually.

The Public Employee Retirement System of Idaho

(PERSI) administers the Sick Leave Insurance Reserve Fund (SLIRF) which is subject to the guidance of GASB Statements No. 74, 75, and 85.

The University of Idaho administers a single-employer defined benefit plan which provides medical, dental, and life insurance. The benefits may be amended by the University or the State Board of Education. The University issues a publicly available financial report which includes financial statements and required supplementary information for these benefits. The report may be obtained by writing to Office of the General Counsel, University of Idaho, 875 Perimeter Drive, MS 3158, Moscow, ID 83844-3158. The most recent actuarial valuation is as of December 31, 2022. The University established a trust to fund the medical and dental portions of these benefits. The trust statements are for the fiscal year ended December 31, 2022.

The following table shows the number of participating employers and the classes of employees covered by the various plans, with the exception of the University of Idaho plan which is shown later in this note.

Classes of Employees and Number of Participating Employers			
	Retiree Healthcare Plan	Long-Term Disability Healthcare	Retiree Life Insurance Plan
Active Employees	6,605	21,666	5,336
Retired/Disabled Employees	654	10	1,649
Number of Participating Employers	27	27	2

1. State OPEB Plans

Plan Descriptions and Funding Policy

Retiree Healthcare Plan

A retired officer or employee of a state agency, department, institution, or other political subdivision, including an elected official, who receives monthly retirement benefits from the Public Employee Retirement System of Idaho (PERSI) may elect to purchase retiree health insurance coverage for themselves and eligible dependents. Additionally, the retiree must be under age 65, receiving monthly PERSI pension benefits at the time of retirement, and must have 10 or more years (20,800 or more hours) of credited service. An officer or employee must have been an active employee on or before June 30, 2009, and must retire directly from state service. Retirees eligible for medical health insurance pay the majority of the premium cost; however, the retiree plan costs are subsidized by the active employee plan. The

benefit is at least \$1,860 per retiree per year. The retired plan members contribution percentage of the total premium cost decreased from 81.9 percent in 2022 to 74.7 percent in 2023. In 2023, employers were charged \$8.06 per active employee per month towards the retiree premium cost, or 25.3 percent of the total cost of the retiree plan, compared to \$8.16 per active employee per month or 19.1 percent of the total cost of the retiree plan in 2022.

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

Long-Term Disability Plan

Disabled employees are defined as persons unable to perform each of the substantial and material duties of the job for which they were hired and unable to earn more than 70 percent of their monthly salary for the first 30 months of disability. If after 30 months the employee is unable to perform any job for which they are reasonably qualified by experience, education, or training, and unable to earn more than 60 percent of their monthly salary, the employee is considered totally disabled. To qualify for long-term disability benefits, the waiting period of the longer of 26 continuous weeks of total disability or exhaustion of accrued sick leave must be met.

For up to 6 months following the date of disability an employee may continue healthcare coverage under this plan. The employer's share of the premium is paid from the Office of Group Insurance reserve. The employee is required to pay the normal active employee contribution to the plan and rate category for which the employee is enrolled. In fiscal years 2022 and 2023, employers were not charged to fund the reserve, as the medical continuation premiums were paid from the excess reserve.

The plan provides long-term disability income benefits to active employees who become disabled, generally up to a maximum age of 70. The gross benefit equals 60 percent of monthly pre-disability salary or \$6,000, whichever is less. The benefit does not increase with inflation and may be offset by benefits from Social Security, Workers' Compensation, or PERSI. Effective July 1, 2020, employees disabled prior to July 1, 2003 who were included in previous valuations will no longer be included due to a change from self-insured to insured. As of July 1, 2020, all employees have an insured benefit. Premium payments are made before a disabled member's separation from employment. The amount of the contribution is based on active claims and the number of insured individuals.

Principal Life Insurance Company insures employees disabled on or after July 1, 2003, and the obligation for the payment of income benefits has been effectively transferred. The employer pays 100 percent of the cost of the premiums; the contribution rate for fiscal years 2022 and 2023 was 0.290 percent of payroll. The employers' current-year OPEB expense/expenditure was \$3.4 million and \$3.8 million in fiscal years 2022 and 2023, respectively. This portion of the long-term disability income benefit is not included in the actuarial estimate as this is considered an insured benefit.

The plan also provides basic life insurance and dependent life insurance to disabled employees, generally up to a maximum age of 70. The life insurance benefit amount is

generally 100 percent of annual salary, but not less than \$20,000. The amount of life insurance will be reduced to 75% after the date the employee turns age 70, and will be reduced to 50% after the date the employee turns age 75. In addition, the plan provides a \$2,000 life insurance benefit for spouses and a \$1,000 life insurance benefit for dependent children of all certified officials who are in active status and who are elected members of Legislature (Class A), as well as all police officer members of the Idaho State Police (Class C) as defined in Section 59-1303(3) of Idaho Code. The plan provides a \$10,000 life insurance benefit for spouses and a \$5,000 life insurance benefit for dependent children of all other certified officials (Class B), not included in Class A, and certified employers in active status except for those individuals included in Class C. These benefits do not increase with inflation. Prior to July 1, 2020, the State was self-insured for employees who became disabled prior to July 1, 2012; the employer paid 100 percent of the cost. Effective July 1, 2020, employees disabled prior to July 1, 2012 who were included in previous valuations will no longer be included due to a change from self-insured to insured. As of July 1, 2020, all employees have an insured benefit. Premium payments are made before a disabled member's separation from employment.

Principal Life Insurance Company insures disabled employees, and the obligation for the payment of basic life and dependent life coverage benefits has been effectively transferred. The employer pays 100 percent of the premiums, which are included in the current-year expense/expenditure amount for long-term disability income insured benefits provided in the previous paragraph.

Retiree Life Insurance Plan

Boise State University, Idaho State University, and Lewis-Clark State College provide basic life insurance to certified retired employees. An employee of Boise State University must have completed at least 30 years of credited service with the University or be age 65 with 15 years of credited service with the University, or their age and years of credited service with the University must total at least 80. An employee of Idaho State University must retire from the University and the retiree's age and years of credited service with the University must total at least 80. An employee of Lewis-Clark State College must retire from the College and have worked 5 years for the College. Eligible retirees receive basic life insurance coverage equal to 100 percent of their annual salary at retirement. Employees will have 75 percent of the benefit amount after age 65 and 50 percent after age 70.

The Judicial Department provides basic life insurance for life to all retired Idaho Supreme Court justices, State Court of Appeals judges, district court judges, magistrate

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

judges, and court administrators. Eligible retirees receive life insurance coverage equal to 100 percent of the annual salary of the position from which they retire. Employees will have 75 percent of the benefit amount after age 65 and 50 percent after age 70.

The Department of Labor provides basic life insurance to all certified employees of the Department who retired before July 1, 2021. Eligible retirees receive insurance equal to 50 percent of their annual salary at retirement, not to exceed \$5,000.

These participating agencies pay 100 percent of the cost of basic life insurance for eligible retirees.

Summary of Significant Accounting Policies

The financial statements of the OPEB plans are reported using the accrual basis of accounting. Contributions are recorded when earned and expenses, including benefits and refunds paid, are recorded when a liability is incurred, regardless of the timing of cash flows.

Actuarial Assumptions

The last actuarial valuation was performed as of July 1, 2022. Actuarial valuations are performed biennially as of July 1 for accounting purposes only.

There have been significant changes on and after the July 1, 2022 valuation date:

Effective July 1, 2022, the College of Eastern Idaho Life benefit will no longer be offered to participants who retire after July 1, 2022.

Effective September 1, 2022, school districts may participate in the retiree medical program with the same provisions as described in Appendix B of the May 22, 2023 Milliman Reporting Valuation. These members are not included in the results. The estimated impact on the Total OPEB Liability if the school districts were included would have been an additional \$2,200,000 for retiree healthcare.

Effective July 1, 2023, the retiree healthcare plan will have a \$155 explicit subsidy with no implicit subsidy. The \$155 is not expected to change. There is no change to the LTD Healthcare benefit.

The total OPEB liability as of June 30, 2022 was based on the 2021 PERSI Experience study for demographic assumptions. The economic and OPEB specific assumptions were based on the July 1, 2022 OPEB valuation.

The entry age normal cost method and the following actuarial assumptions and other inputs applied to all periods included in the measurement:

	Retiree Healthcare Plan	Long-Term Disability Healthcare	Retiree Life Insurance Plan
Inflation	2.30%	2.30%	2.30%
Salary Increases	3.05% general wage growth plus increases due to promotions and longevity	3.05% general wage growth plus increases due to promotions and longevity	3.05% general wage growth plus increases due to promotions and longevity
Discount Rate	3.54%	3.54%	3.54%
Healthcare Cost Trend Rates	N/A	5.7% claims from year ending June 30, 2023 to year ending June 30, 2024, grading to an ultimate rate of 3.7% after fiscal year ending June 30, 2073	N/A
Retirees' Share of Benefit- Related Costs	81.9% of projected health insurance premiums for retirees	N/A	N/A

Mortality Rates

Mortality rates for the Retiree Healthcare, Long-Term Disability Healthcare, and the Retiree Life Insurance plans were based on the Pub-2010 Mortality for Employees, Healthy and Disabled Retirees with generational projection and adjustments.

Discount Rate

The actuary used a discount rate of 3.54 percent to measure the total OPEB liability. The discount rate was based on 20 year Bond Buyer Go Index.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Total OPEB Liability, OPEB Expense, and Deferrals*Total OPEB Liability*

The ending balance in the following table represents the State's total OPEB liability as of the measurement date of June 30, 2022 and recorded in fiscal year 2023. The State's proportionate share of the liability of the collective total OPEB liability for the Retiree Healthcare plan and the Long-Term Disability plans is 91.0 percent, a 0.1 percent decrease from its proportion measured at June 30, 2021. The State's proportionate share of the collective

total OPEB liability for the colleges and universities portion of the Retiree Life Insurance plan is 98.9 percent, a 0.2 percent increase from its proportion measured at June 30, 2021. Employer proportionate shares were determined utilizing a single-period measure of benefit payments as of June 30, 2022.

The table illustrates the changes in total OPEB liability for the fiscal year ended June 30, 2023 (*dollars in thousands*):

	Increase (Decrease)			
	Retiree Healthcare Plan	Long-Term Disability Healthcare	Retiree Life Insurance Plan	Total
Beginning Balances	\$ 19,291	\$ 1,091	\$ 88,072	\$108,454
Effects of Change in Proportion	(23)	(1)	108	84
Adjusted Beginning Balances	19,268	1,090	88,180	108,538
Changes for the Year				
Service Cost	802	191	3,893	4,886
Interest on Total OPEB Liability	414	25	1,975	2,414
Effect of Plan Changes	(9,658)			(9,658)
Effect of Economic/Demographic Gains (Losses)	(294)	177	6,702	6,585
Effect of Assumptions Changes or Inputs	(1,933)	(509)	(22,777)	(25,219)
Expected Benefit Payments	(1,828)	(167)	(1,241)	(3,236)
Net Changes	(12,497)	(283)	(11,448)	(24,228)
Ending Balances	<u>\$ 6,771</u>	<u>\$ 807</u>	<u>\$ 76,732</u>	<u>\$ 84,310</u>

Changes in assumptions resulted from an update to per capita medical benefit costs and trends; and updated rates for the discount rate, general wage scale, rate of inflation, retiree enrollment, and spouse enrollment.

OPEB Expense and Deferrals

The State recognized the following OPEB expense and deferrals for the year ended June 30, 2023 (*dollars in thousands*):

	Increase (Decrease)			
	Retiree Healthcare Plan	Long-Term Disability Healthcare	Retiree Life Insurance Plan	Total
OPEB Expense	\$ (10,564)	\$ 211	\$ 5,618	\$ (4,735)

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

	Increase (Decrease)*			
	Retiree Healthcare Plan	Long-Term Disability Healthcare	Retiree Life Insurance Plan	Total
Deferred Outflows				
Difference between Expected & Actual Experience	\$ 2,168	\$ 434	\$ 5,942	\$ 8,544
Changes of Assumptions	5,597	49	15,398	21,044
Changes in Proportion	1,478	70	1,372	2,920
Benefit Payments Subsequent to the Measurement Date	1,701	15	1,058	2,774
Total Deferred Outflows	\$ 10,944	\$ 568	\$ 23,770	\$ 35,282
Deferred Inflows				
Difference between Expected & Actual Experience	\$ 8,239	\$ 91	\$ 4,770	\$ 13,100
Changes of Assumptions	3,505	581	20,746	24,832
Changes in Proportion	1,616	75	866	2,557
Total Deferred Inflows	\$ 13,360	\$ 747	\$ 26,382	\$ 40,489
*For fiscal year 2023, the total deferred outflows and total deferred inflows in this table do not tie to the OPEB deferred outflows and deferred inflows in Note 7. This is primarily due to State Bar, the Dairy Commission, and the Potato Commission reporting on a different year-end than the State.				

The total of \$2.8 million reported as deferred outflows of resources related to OPEB resulting from benefit payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2024. Other amounts reported

above as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows (*dollars in thousands*):

Fiscal Year	Expense (Revenue)			
	Retiree Healthcare Plan	Long-Term Disability Healthcare	Retiree Life Insurance Plan	Total
2024	\$ (2,122)	\$ (6)	\$ 11	\$ (2,117)
2025	(527)	(6)	(11)	(544)
2026	(1,252)	(13)	(123)	(1,388)
2027	57	(54)	(68)	(65)
2028	(274)	(54)	(510)	(838)
Thereafter		(62)	(2,968)	(3,030)
	\$ (4,118)	\$ (195)	\$ (3,669)	\$ (7,982)

Discount Rate Sensitivity

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the

State calculated using the discount rate of 3.54 percent, as well as what the State's total OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (2.54%) or 1 percent higher (4.54%) than the current rate (*dollars in thousands*):

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

	Retiree Healthcare Plan	Long-Term Disability Healthcare	Retiree Life Insurance Plan	Total
1% Decrease 2.54%	\$ 6,970	\$ 844	\$ 93,662	\$ 101,476
Discount Rate 3.54%	6,773	807	76,736	84,316
1% Increase 4.54%	6,577	768	63,767	71,112

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the State calculated using the current healthcare cost trend

rates as well as what the State's total OPEB liability would be if it were calculated using trend rates that are 1 percent lower or 1 percent higher than the current trend rates (*dollars in thousands*):

	Retiree Healthcare Plan*	Long-Term Disability Healthcare	Retiree Life Insurance Plan*	Total
1% Decrease		\$ 635		\$ 635
Current Trend Rate		807		807
1% Increase		985		985

*Healthcare cost trend sensitivity is not applicable because healthcare trends are not used for this benefit.

2. University of Idaho OPEB Plan***Plan Description***

The University of Idaho administers an OPEB plan for permanent full-time general employees. Management of the OPEB is overseen by University of Idaho Administration. The University established the Retiree Benefits Trust (RBT) in 2008 and the Death Benefits Trust (DBT) in 2019 to fund the future payments required for its OPEB obligation. The RBT and DBT are independent, irrevocable trusts administered on behalf of the University by Wells Fargo as trustee. Funding and payment of the annual, ongoing retiree medical and pharmaceutical benefits through the University's Health Benefits Trust (HBT) apply toward the ongoing annual funding required of the RBT and DBT. The HBT is administered by a board of trustees who are members of the University's active staff and faculty. This trust account is maintained under the sole control of the HBT board of trustees. The University as employer retains authority for establishing and amending benefits under this self-insured health plan.

The University plan provides medical benefits to eligible retirees, disabled employees, spouses, and survivors; life insurance is provided only to eligible retirees. In general, the employee must have completed at least 30 years of credited service or the sum of his/her age and years of credited service must total at least 80 to qualify for these

benefits. The University pays a portion of the coverage for retirees and disabled employees; the retiree or disabled employee pays the remainder. Spouses and survivors are required to pay 100 percent of the cost for the medical benefits. Employees hired on or after January 1, 2002 are not eligible for this benefit.

Employees hired after January 1, 2002, but before June 30, 2020 are eligible to participate in the University's health insurance plan; however, the employee pays the entire cost of the premiums. For employees eligible to retire by January 1, 2021, once they reach Medicare age, the benefit phases out between 2021 and 2024. Employees are eligible to convert 50 percent of unused accrued sick time, up to 600 hours, to pay for their medical premiums.

The University offers a death benefit only to retirees who qualify for and are enrolled in the Tier I retiree health plan, and were hired by the University on or prior to January 1, 2002. The death benefit plan pays a benefit to a spouse or other designated beneficiary upon the death of a Tier I retiree. Retirees who are disabled, using sick leave conversion or are enrolled in the University's Retiree Health Plan on a self-pay basis or who retire under Tier II, III or IV eligibility criteria are not eligible for death benefits.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

The University makes an annual determination of funding needs for the OPEB liability. After the University has paid off the entire Net OPEB Liability, contributions will be equal to the annual normal cost.

The employer contributed \$2.6 million to the plan in fiscal year 2023.

The University's plan membership at December 31, 2022 is as follows:

	Medical	Life	Sick-Leave
Retired members or beneficiaries currently receiving benefits	755	518	62
Active members	502	12	1,312
Total	1,257	530	1,374

Summary of Significant Accounting Policies

The financial statements of the RBT and DBT are prepared using the accrual basis of accounting. University contributions are recorded and recognized in the period in which they are paid into the RBT and DBT. Investments are reported at fair value.

Actuarial Assumptions

The total OPEB liability was measured by an actuarial valuation as of December 31, 2022 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

	University of Idaho Plan
Inflation	2.50 %
Salary Increases	3.00%, including inflation
Discount Rate	5.75 %
Healthcare Cost Trend Rates	
Non-Medicare Medical & Prescription Drugs	7.25% graded to 4.50% over 10 years
Medicare Medical	5.00% graded to 4.50% over 10 years
Medicare Prescription Drugs	8.50% graded to 4.50% over 10 years

Mortality Rates

Healthy	PUB-2010 General Healthy Retiree Headcount-Weighted Mortality Tables, projected generationally with Scale MP-2021 from 2010
Disabled	PUB-2010 Disabled Retiree Headcount-Weighted Mortality Tables, projected generationally with Scale MP-2021 from 2010

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Long-term Expected Rate of Return

The long-term expected rate of return on OPEB plan assets was determined using the building block method in which best estimate ranges of expected future rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates

of return by the target asset allocation percentage and by adding expected inflation and subtracting expected investment expenses and a risk margin.

The current allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized as follows:

University of Idaho Plan Long-Term Expected Rate of Return			
Asset Class	Allocation at December 31, 2022	Long-Term Expected Real Rate of Return	Money Weighted Real Rate of Return
Domestic Equity	41.25 %	5.93 %	2.45 %
International Equity, Developed Markets	11.00 %	5.80 %	0.64 %
International Equity, Emerging Markets	2.75 %	6.90 %	0.19 %
Fixed Income, Core	42.00 %	1.30 %	0.55 %
Short-term Governmental Money Market	3.00 %	(0.40)%	(0.01)%
Total	100.00 %		3.82 %
Inflation			2.50 %
Investment Rate of Return (Gross)			6.32 %
Investment Expenses			(0.25)%
Investment Rate of Return (Net)			6.07 %
Long-Term Expected Rate of Return Used in Valuation			5.75 %

Discount Rate

The projection of cash flows used to determine the discount rate assumed that the University's contributions would be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 5.75% on plan investments was applied to all periods of projected benefit payments to determine the Total OPEB Liability.

*Net OPEB Liability, OPEB Expense, and Deferrals**Net OPEB Liability*

The reporting date for the University under GASB Statement No. 75 is June 30, 2023 and under GASB Statement No. 74 is December 31, 2022. The Net OPEB Liability (Asset) was measured as of December 31, 2022.

Plan Fiduciary Net Position (plan assets) was valued as of the measurement date and the Total OPEB Liability was determined from actuarial valuations as of December 31, 2022 using standard actuarial techniques.

The University's net OPEB liability (asset) components as of the measurement date of December 31, 2022 (*dollars in thousands*):

Total OPEB Liability	\$ 36,376
Plan Fiduciary Net Position	(43,565)
Net OPEB Liability (Asset)	<u>\$ (7,189)</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	119.76 %
Covered Payroll	\$ 133,814
Net OPEB Liability as a Percentage of Covered Payroll	(5.37)%

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Changes in net OPEB liability for the fiscal year ended June 30, 2023 (*dollars in thousands*):

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Beginning Balances	\$ 40,874	\$ 51,550	\$ (10,676)
Changes for the Year			
Service Cost	132		132
Interest	2,283		2,283
Change of Benefit Terms			
Difference Between Expected and Actual Experience	(1,914)		(1,914)
Change of Assumptions	(2,357)		(2,357)
Economic/Demographic Gains (Losses)			
Contributions - Employer		2,766	(2,766)
Contributions - Employee			
Net Investment Income		(7,974)	7,974
Benefit Payments, Including Refunds	(2,643)	(2,643)	
Administrative Expense		(133)	133
Other*			
Net Changes	(4,499)	(7,984)	3,485
Ending Balances	\$ 36,375	\$ 43,566	\$ (7,191)

*Includes Death Benefits

Changes in assumptions from the previous valuation resulted in an increase of the net OPEB liability. The increase was the net effect of several factors including combined actuarial experience losses. These were comprised of gains due to differences between expected and actual experience on liabilities resulting from demographic changes and actual 2022 contributions and benefit payments that were different from expected, and losses due to differences between expected and actual earnings on investments. In addition, valuation assumption changes decreased the net OPEB liability. This was a result of updating the valuation for year per capita health costs and retiree contribution rates, updating the actuarial factors used to estimate individual retiree and spouse costs by age and gender, modifying future trends on such costs, updating the mortality rates, and modifying the percentage of future retirees assumed to elect Plan A versus Plan B.

OPEB Expense and Deferrals

The University recognized a (\$2.1) million OPEB expense and the following deferrals for the fiscal year ended June 30, 2023 (*dollars in thousands*):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected & actual experience	\$ 1,250	\$ 3,258
Changes of assumptions		9,600
Net difference between projected & actual investment earnings	4,967	
Contributions subsequent to the measurement date		
Total	\$ 6,217	\$ 12,858

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as OPEB expense (revenue) as follows (*dollars in thousands*):

<u>Fiscal Year</u>	<u>Expense (Revenue)</u>
2024	\$ (2,434)
2025	(1,557)
2026	(519)
2027	292
2028	(1,207)
Thereafter	(1,216)
	<u>\$ (6,641)</u>

Discount Rate Sensitivity*Sensitivity of the Net OPEB Liability to Changes in the Discount Rate*

The following presents the net OPEB liability of the University as well as what the University's net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (4.75%) or 1 percent higher (6.75%) than the current rate (*dollars in thousands*):

<u>1% Decrease 4.75%</u>	<u>Discount Rate 5.75%</u>	<u>1% Increase 6.75%</u>
\$ (3,911)	\$ (7,189)	\$ (10,034)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the University calculated using the current healthcare cost trend rates as well as what the University's net OPEB liability would be if it were calculated using trend rates that are 1 percent lower or 1 percent higher than the current trend rates (*dollars in thousands*):

<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
\$ (9,593)	\$ (7,189)	\$ (4,461)

3. Sick Leave Insurance Reserve Trust Funds**Plan Description**

The PERSI administers the Sick Leave Insurance Reserve Fund (SLIRF), cost sharing, multiple-employer defined benefit OPEB plan that provides payments of eligible postretirement insurance premiums on behalf of retired state and public school district employees, based on accumulated unused sick leave at the time of retirement. The SLIRF is classified as a trust fund. For State and

school employers, unused sick leave benefits are subject to the guidance of Governmental Accounting Standard Board (GASB) Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, and GASB Statement 85, Omnibus 2017.

The PERSI issues a publicly available financial report that includes financial statements and required supplementary information. The PERSI also provides a 'Schedule of Employer Allocations and Collective OPEB Amounts' for the SLIRF. This information is publically available and can be found by utilizing the search function on their website at <http://www.persi.idaho.gov>.

The SLIRF is made up of two trust funds administered by the PERSI - a trust for payment of school district employee benefits and a trust for payment of State employee benefits. The SLIRF trust for payment of State employee benefits is governed by Idaho Code Sections 67-5333 and 59-1365.

The SLIRF is a fund that exists for the payment of unused sick leave benefits in the form of insurance premiums for State and school district employees who separate from service by reason of retirement. The assets of the two trusts are commingled for investment purposes.

All State government employers are statutorily required to contribute to a sick leave account administered by the PERSI. Employer's contributions are a percentage of payroll collected each pay cycle and are held in trust for future benefits. The State is responsible for any unfunded benefit obligations through contribution rate adjustments.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

The number of participating employers and membership in the State SLIRF as of June 30, 2023 is as follows:

Active	21,701
Retirees and Beneficiaries	6,502
Total	28,203
Number of Participating Employers	14

State employees are limited to the number of allowable hours of sick leave they may use as part of the unused sick leave program as follows:

Credited Hours of Service	Maximum Allowable Sick Leave Hours
0-10,400 (0-5 years)	420
10,401-20,800 (5-10 years)	480
20,801-31,200 (10-15 years)	540
31,201+ (15 years or more)	600

Members may use one-half of sick leave hours accrued up to the allowable maximum multiplied by their rate of compensation at retirement.

Contributions for employers and the net OPEB liability (asset) are recognized on an accrual basis of accounting. Contribution percentages are based on the number of days of paid sick leave earned during the contract year. The PERSI Board approved an 18 month Sick Leave employer contribution holiday effective January 1, 2020 with an end date of June 30, 2021. In the November 2021 Board Meeting, the PERSI Board extended the rate holiday for employer contributions for the State to June 30, 2031. There were no contributions received in the current fiscal year because of the holiday. Employer contributions required and paid were \$0 for the fiscal year ended June 30, 2023.

Summary of Significant Accounting Policies

Generally speaking, significant accounting and investment policies for the SLIRF are the same as detailed for the PERSI pension plans as described in the beginning of Note 8 below the section 'Summary of Significant Accounting Policies'. For purposes of measuring the net OPEB liability (asset) and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB and additions/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by PERSI.

Actuarial Assumptions

The OPEB liability (asset) was determined by an actuarial valuation as of July 1, 2022. Actuarial

valuation involves estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the State net OPEB liability (asset) are subject to continual revision as actual results are compared with the past expectations and new estimates are made about the future.

The following are the actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement:

Actuarial Assumptions	
Inflation	2.30 percent
Salary Increases Including Inflation	3.05 percent
Investment Rate of Return (Net of OPEB plan investment expenses)	5.45 percent
Healthcare Trend Rate	N/A*
*Healthcare trend rate is not applicable as the benefit is based on the unused sick leave hours at retirement, and is calculated as a fixed dollar amount that can be applied to premiums.	

Changes in assumptions since the prior measurement date resulted from an update to assumptions for member data that was missing the amount of unused sick leave days/hours as of the valuation date. In prior valuations, these members were treated as having no unused sick leave. The assumptions have been updated to assume that their unused sick leave is based on their vesting service and the applicable accumulation rate from the 2022 actuarial valuation report.

Long-term Expected Rate of Return

The long-term expected rate of return on State OPEB Fund investments was determined using the building block approach and a forward-looking model in which best estimates ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

For the years ended June 30, 2022 and June 30, 2023, the annual money-weighted rate of return on SLIRF investments, net of investment expense was (12.8) percent and 8.2 percent, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Even though history provides a valuable perspective for setting the investment return assumption, the PERSI relies primarily on an approach which builds upon the latest capital market assumptions. The assumptions and the PERSI's formal policy for asset allocation are shown

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

below. The formal asset allocation policy is more conservative than the current allocation of the PERSI's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Capital market assumptions is as follows:

SLIRF Long-Term Expected Rate of Return		
Capital Market Assumptions from Callan		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Broad U.S. Equity	39.30 %	8.53 %
Global EX U.S. Equity	10.70 %	9.09 %
Fixed Income	50.00 %	2.80 %
Cash Equivalents	0.00 %	2.25 %

Discount Rate

The discount rate used to measure the OPEB liability (asset) was 5.45 percent. The projection of cash flows used to determine the discount rate assumed that contributions from Fund employers will be made at the current contribution rate. Based on these assumptions, the OPEB Fund's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Fund investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Net OPEB Liability (Asset), OPEB Expense, and Deferrals

At June 30, 2023, the total net OPEB liability (asset) for all employers that contributed to the State's SLIRF was \$(141.5) million. At June 30, 2023, the State recognized a \$(125.8) million liability (asset) (88.9 percent proportion of the collective net OPEB liability (asset)), measured at June 30, 2022, no change from its proportion measured at June 30, 2021. Employer proportionate shares were determined utilizing a single-period measure of contributions as of June 30, 2020 as there were no contributions during fiscal year ending June 30, 2022, and it was determined that June 30, 2020 continues to be a reasonable allocation method based on the activity of the Fund.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

The components of the net OPEB liability (asset) as of the measurement date of June 30, 2022 (*dollars in thousands*):

Plan Total OPEB Liability	\$ 103,036
Plan Fiduciary Net Position	244,503
Net OPEB Liability (Asset)	<u><u>\$(141,467)</u></u>
Proportionate Share of Net OPEB Liability (Asset)	\$(125,792)
Plan Fiduciary Net Position as a Percentage of Plan Total OPEB Liability (Asset)	237.30 %

The State recognized a \$(4.4) million expense (expense offset) and the following deferrals for the fiscal year ended June 30, 2023 (*dollars in thousands*):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected & Actual Experience	\$ 3,213	\$ 3,837
Changes of Assumptions	5,439	12,911
Changes in Proportion	1,428	1,816
Net difference between projected & actual investment earnings	17,095	
Contributions Subsequent to the Measurement Date	(1)	
Total	<u><u>\$ 27,174</u></u>	<u><u>\$ 18,564</u></u>

The \$0 million reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a decrease (increase) of the net OPEB liability (asset) in the year ended June 30, 2023. Other amounts reported above as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows (*dollars in thousands*):

Fiscal Year	Expense (Revenue)
2024	\$ 687
2025	1,567
2026	601
2027	7,772
2028	(1,255)
Thereafter	(759)
	<u><u>\$ 8,613</u></u>

The State net OPEB liability (asset) is calculated using a discount rate of 5.45%, which is the expected rate of return on investments reduced by investment expenses.

Sensitivity of the net OPEB liability (asset) to changes in the discount rate

The following presents the State net OPEB liability (asset) of the Fund's employers calculated using the discount rate of 5.45% as well as what the employers' liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate (*in thousands*):

1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
\$ (117,558)	\$ (125,792)	\$ (133,127)

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

NOTE 10. RISK MANAGEMENT

The State maintains a combination of commercial and self-insurance to cover the risk of losses to which it may be exposed. This is accomplished through the Group Insurance and Risk Management internal service funds and various outside entity insurance providers.

The Group Insurance fund is used to account for and finance life, health, and disability insurance programs which are experience rated and fully insured. However, when the claims exceed 100 percent of the annual premium paid to the insurer, the State is responsible for up to an additional 10 percent of the annual premiums for medical, 10 percent for dental, and is not responsible for any claims exceeding premium payments for life and disability coverage. The insurance carrier assumes the risk of loss for claims above the contractual ceilings. Policy claim liabilities are composed of the amounts required to fund any additional payments of life, health, and disability premiums. The liabilities include an estimate for claims that have been incurred but not reported and are net of any contractual adjustments and coordination of benefits. The fiscal year 2023 refunds from the Group Insurance carriers reflect favorable claims experience. Unpaid claim liabilities at fiscal year-end of \$5.3 million for Group Insurance are not discounted. The State maintains program and premium stabilization balances; these amounts are included with the restricted net position in the Group Insurance fund.

The Risk Management fund manages property and general liability risk. The Fund also finances and accounts for other risks not covered by Group Insurance and various outside entity insurance providers. General liability claims are self-insured up to the Idaho Tort Claims Act maximum of \$500 thousand for each occurrence. Property damage claims are commercially insured up to \$500.0 million for all risk (subject to various sub-limits), including outdoor property, limited to \$5.0 million for owned fine art and \$1.0 thousand for fine art of others, and are subject to an overall \$1.0 million per occurrence deductible. Energy systems are commercially insured up to \$500.0 million for equipment

breakdown, are subject to various sublimits, and are subject to an overall \$1.0 million per occurrence deductible. Employee bond/crime is commercially insured up to \$10.0 million for public employee dishonesty, \$10.0 million for computer fraud, \$10.0 million for wire transfer fraud, \$1.0 million for theft, disappearance and destruction, \$1.0 million for faithful performance, and \$1.0 million for robbery and safe burglary, and is subject to a \$250 thousand per occurrence deductible. Cyber liability is self-insured up to \$500 thousand. Physical damages to covered vehicles are self-insured for actual cash value. Physical damages to covered inland marine are self-insured for replacement value at \$2.5 thousand or less. The State purchases commercial insurance for claims not self-insured by the above coverages and for other identified risks of loss, including workers' compensation insurance.

Estimated liabilities for Risk Management include claims that have been incurred but not reported; incremental claim adjustment expenses related to specific claims; claim adjustment costs, both allocated and unallocated; and any anticipated subrogation receipts. The State records its Risk Management premium liability using discounted amounts provided by actuaries. The discounted liabilities take into account anticipated investment income. At fiscal year-end, \$20.6 million of unpaid claim liabilities for Risk Management are recorded at the present value of \$18.9 million, using a 3.5 percent discount interest rate.

All state entities may participate in the Group Insurance and Risk Management programs. Payments made to the Group Insurance fund are based on actuarial estimates of the amounts needed to pay for negotiated coverage and projected claims experience. Claim settlements have not exceeded insurance coverage for each of the past three fiscal years. Liabilities are reported when the occurrence of loss is probable and the amount of the loss can be reasonably estimated. Payments are made to the Risk Management fund based on actuarial estimates, loss experience, exposure, and asset value covered.

Changes in policy claim liabilities are as follows (*dollars in thousands*):

	Fiscal Year	Beginning Balance	Current Year Claims and Changes in Estimate	Claims (Payments) Refunds	Ending Balance
Group Insurance	2022	\$ 3,438	\$ 3,315	\$ (1,481)	\$ 5,272
	2023	5,272	(22,755)	22,754	5,271
Risk Management	2022	16,084	9,231	(8,169)	17,146
	2023	17,146	10,761	(8,979)	18,928

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

NOTE 11. LEASES, SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS, AND PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIPS**A. State as Lessee**

The State leases land, buildings, vehicles, and office equipment. Although the lease terms vary, leases are subject to annual appropriations from the Legislature to continue the lease obligations. If a legislative appropriation is reasonably assured, leases are considered noncancelable for financial reporting purposes. Any escalation clauses, sublease rentals, and contingent rentals are considered immaterial to the future minimum lease payments and current rental expenditures.

Leases Payable

The State has entered into leases that are, in substance, financings of the right to use an underlying asset. At the commencement of the lease term the assets are valued on the balance sheet at the present value of the future

minimum lease payments, plus any payments made before the start of the lease term and initial direct costs, minus any lease incentives. Lease assets, interest liability, and lease liabilities are recorded in the respective funds. Amortization of the lease assets may be combined with depreciation expense related to capital assets for financial reporting purposes, but is disclosed separately from other capital assets in the schedule below.

The State entered into lease agreements for land, buildings, machinery, equipment, and other with various lease terms ranging from a couple years to 30 or more. The interest rates for each lease vary ranging from 0.5-19.0%.

Right-to-use assets under lease are as follows (*dollars in thousands*):

Asset Class	Governmental Activities	Business-Type Activities	Total Primary Government	Component Units
Land	\$ 345	\$ 341	\$ 686	
Buildings and Improvements	49,738	47,153	96,891	\$ 3,479
Machinery, Equipment, and Other	6,982	1,844	8,826	
Accumulated Amortization	(27,598)	(11,757)	(39,355)	(2,564)
Total Assets under Lease	\$ 29,467	\$ 37,581	\$ 67,048	\$ 915

Future minimum lease commitments for noncancelable leases payable are as follows (*dollars in thousands*):

Fiscal Year	Leases Payable							
	Governmental Activities		Business-type Activities		Total Primary Government		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 10,721	\$ 701	\$ 5,419	\$ 1,232	\$ 16,140	\$ 1,933	\$ 603	\$ 25
2025	5,915	480	4,476	1,090	10,391	1,570	503	10
2026	5,282	350	3,492	959	8,774	1,309	108	3
2027	2,802	234	3,080	868	5,882	1,102	57	1
2028	2,009	213	1,913	778	3,922	991	4	
2029-2033	2,888	437	2,877	3,507	5,765	3,944		
2034-2038	2,969	192	2,090	3,213	5,059	3,405		
2039-2043	1,464	25	2,896	2,918	4,360	2,943		
2044-2048	333	4	3,907	2,245	4,240	2,249		
2049-2053			3,641	1,184	3,641	1,184		
2054-2058			1,298	841	1,298	841		
2059-2063			1,906	573	1,906	573		
2064-2068			1,934	188	1,934	188		
Total Present Value of Minimum Lease Payments	\$ 34,383	\$ 2,635	\$ 38,929	\$ 19,596	\$ 73,312	\$ 22,232	\$ 1,275	\$ 39

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

B. State as Lessor

Leases Receivable

The State recognized a lease receivable and a deferred inflow of resources at the beginning of the lease term. The lease receivable is measured at the present value of lease payments expected to be received during the lease term, and the deferred inflow is measured at the value of the lease receivable plus any payments received at or before the start of the lease term.

The State leases land, buildings, machinery, and other with various lease terms ranging from a couple years to 50 or more. The interest rates for each lease vary ranging from 0.6-4.3%.

In FY23, under Governmental Activities 2.5 million was recognized for interest revenue and 9.2 million was recognized for lease revenue. For Business-type Activities 0.8 million was recognized for interest revenue and 4.9 million for lease revenue.

Component Units

Idaho Health Insurance Exchange is the only component unit of the State with a lease receivable. They lease office and storage space in their building under various long term lease arrangements. The total lease receivable recognized for the year was 4.1 million. Interest revenue was 0.1 million and lease revenue was 0.6 million for the year.

C. Subscription-Based Information Technology Arrangements (SBITAs)

The State recognized a subscription liability and a subscription asset at the commencement of the subscription term. The liability is measured at the present value of subscription payments expected to be made during the subscription term, and the subscription

asset is measured at the value of the subscription liability plus any payments received at at or before the subscription term and any capitalizable initial implementation costs.

The State has entered into multiple SBITA arrangements with terms ranging from 1.5 years to 6 years, and the interest rates range from .25-5.6%.

Right-to-use subscription assets are as follows (*dollars in thousands*):

Asset Class	Governmental Activities	Business-Type Activities	Total Primary Government	Component Units
Subscription Assets	\$ 88,469	\$ 27,688	\$ 116,157	\$ 1,023
Accumulated Amortization	(19,906)	(9,049)	(28,955)	(23)
Total Subscription Assets	\$ 68,563	\$ 18,639	\$ 87,202	\$ 1,000

Future minimum SBITA commitments are as follows (*dollars in thousands*):

Fiscal Year	Subscription-Based Information Technology Arrangements							
	Governmental Activities		Business-Type Activities		Total Primary Government		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 16,398	\$ 1,731	\$ 4,546	\$ 199	\$ 20,944	\$ 1,930	\$ 179	\$ 25
2025	15,066	1,222	6,027	177	21,093	1,399	164	20
2026	14,298	768	4,155	82	18,453	850	169	16
2027	8,398	333	2,123	29	10,521	362	173	11
2028	5,056	159	1,078	9	6,134	168	178	5
2029-2033	9,657	305	30	1	9,687	306		
2034-2038	664	76			664	76		
Total Present Value of Minimum Subscription Payments	\$ 69,537	\$ 4,593	\$ 17,959	\$ 498	\$ 87,496	\$ 5,091	\$ 863	\$ 77

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

D. Public-Private and Public-Public Partnerships (P3s)

Service Concession Arrangement - BSU

Boise State University entered into a public/private partnership agreement with Greystar Real Estate Partners, LLC (formerly Education Realty Trust) in 2015 to develop and operate a residential Honors College and Sawtooth Hall a freshman housing facility. The \$37 million project was funded with developer equity and is on land owned by the University and leased to Greystar for a 50-year term. At the conclusion of the agreement, the building reverts to the University. Greystar pays fixed annual rent and a share of the project's gross rental revenue to the University. Greystar is responsible for the daily operations and maintenance of the facility and the University is responsible for campus life programming. The 236,000 square foot facility is located in the center of campus across from the Student Union Building and includes 656 beds, Honors College offices and classrooms, student common areas, and an approximately 15,000 square foot food service facility. The table below displays the current capital asset, lease receivable and deferred inflow of resources for the year ended June 30, 2023. (dollars in thousands):

Value of Assets and Deferred Inflows Related to the Honors College			
	Capital Asset	Lease Receivable	Deferred Inflow of Resources
Honors College, net of depreciation	\$ 31,428		
Receivable for ground lease		\$ 8,833	
Deferred Inflows of Resources:			\$ 38,127

Total future minimum lease payments under SCA lease agreements are as follows:

Future Minimum Lease Payments To Be Received Under SCA Lease Agreements			
As of June 30, 2023			
(Dollars in Thousands)			
Year			
2024	\$	200	
2025		200	
2026		200	
2027		200	
2028		200	
2029-2068		7,833	
Total minimum SCA lease receipts	\$	8,833	

P3 State as Transferor - U of I

On November 2, 2020, the University's Board of Regents approved the University entering into a 50-year agreement, a public-private partnership (P3) with Sacyr Plenary Utility Partners Idaho LLC (SPUPI), and grant it the right to provide utility services to the University of Idaho campus and the exclusive right to operate the University of Idaho utility system. On December 30, 2020, the University received an upfront payment of \$225.0 million. The upfront payment is reported as Deferred inflows related to public private partnership and is being amortized to lease income on a straight-line basis over the term of the agreement. Deferred inflows related to the P3 are \$213.8 million in FY23.

Under the agreement, SPUPI operates, maintains, and makes capital investments in the utility system and charges the University a Utility Fee, which includes fixed, variable, and operating and maintenance (O&M) components. SPUPI capital investments in the utility system are recognized as capital assets and a related long-term payable to the concessionaire. As of June 30, 2023 \$1.6 million in capital improvements have been made related to the P3. The balance of construction in progress related to the P3 agreement was \$1.7 million in FY23. The fixed and O&M components of the Utility Fee are recognized as operating expense. The variable component of the Utility Fee will be recognized as a reduction in the long-term payable to the concessionaire and interest expense.

The University recognized fixed and O&M utility fee expenses totaling \$12.0 million for the year ended June 30, 2023.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

NOTE 12. SHORT-TERM DEBT

Component Units

The Idaho Housing and Finance Association utilizes short-term borrowing in the form of commercial paper to provide funds to purchase single-family mortgage loans on an interim basis and to finance multi-family construction loans. As of June 30, 2023, the Association has \$157.6 million of commercial paper outstanding, maturing within 32 to 46 days from date of issue, with a weighted average interest rate of 0.05 percent.

The borrowings at PNC Bank and Zions Bank are not backed by collateral. As of June 30, 2023, the Association had \$136.8 million of borrowings outstanding with PNC Bank maturing in May 2025 with a variable interest rate equal to the Bank Index Rate,

which means the sum of the Daily BSBY Rate and sixty hundredths of a percent. As of June 30, 2023, the Association had \$94.0 million of borrowings outstanding with Zions Bank maturing in July 2023, with a variable interest rate of the sum of the AMERIBOR 30-Day Index and sixty-five hundredths of a percent.

The borrowings with the Federal Home Loan Bank are collateralized with pledged securities. As of June 30, 2023, the Association had paid in full the balance outstanding.

The Idaho Small Employer Health Reinsurance Program had a \$0.5 million line-of-credit with a local bank. The line-of-credit matured July 10, 2022 and was paid off in full.

Short-term debt activity included the following (*dollars in thousands*):

Component Units	Balances at July 1, 2022	Issued/Draws	Redeemed/ Repayments	Balances at June 30, 2023
Commercial Paper	\$ 210,000		\$ (52,380)	\$ 157,620
Line of Credit	\$ 19	\$ 18	\$ (37)	\$
Other Short Term Borrowings	\$ 104,162	\$ 298,347	\$ (171,759)	\$ 230,750

NOTE 13. BONDS, NOTES, AND OTHER LONG-TERM LIABILITIES**A. Compensated Absences*****Primary Government***

Idaho's compensated absences policy permits employees to accumulate earned but unused vacation, compensatory time, and sick leave benefits. Employees earn vacation based on hours worked and years of service; compensatory time earned is based on hours worked in excess of 40 hours per week. Upon termination of employment, an employee is paid for unused vacation time and administrative leave. All employees covered by the Fair Labor Standards Act are paid compensatory balances at termination.

A liability is accrued in the government-wide, proprietary, and fiduciary fund financial statements for all vacation pay and compensatory time when incurred. The liability is based on the pay rate in effect at the balance sheet date. The State assumes a first-in, first-out flow for compensated absence balances.

B. Revenue Bonds***Primary Government***

The Idaho State Building Authority is authorized by Idaho Code Title 67 Chapter 64 to issue bonds to finance construction, restoration, or acquisitions of facilities for lease to state agencies per prior legislative approval. Bonds are direct obligations of the Authority payable from and secured by a pledge of lease revenues and other funds and reserves held under the bond resolutions. There is no debt service reserve requirements at June 30, 2023 for any of the outstanding bonds.

The State's colleges and universities have a number of outstanding bonds for the primary purpose of funding various construction projects. University bonds are secured by student fees, the sale of goods and services, grants, contributions, and certain other revenues. The colleges and universities issued \$468 million in bonds

between 2006 and 2022. Annual principal and interest payments on the bonds are expected to require 7.7 percent of the revenues.

The total principal and interest payments remaining on the bonds are \$553.9 million, payable through 2050. For the current year, principal and interest payments and total pledged revenues were \$37.5 million and \$483.3 million, respectively.

Component Units

The Idaho Housing and Finance Association is authorized to issue and sell revenue bonds under provisions of Idaho Code Sections 67-6201 through 67-6227. The Association issued bonds to finance various single and multi-family housing developments and the construction of highway transportation projects. The bonds are either special or general obligations of the Association and do not constitute a debt of the State or any of its political subdivisions. The bonds have been issued in a variable-rate mode. The bulk of the bonds are re-marketed on a weekly basis at the prevailing interest rates. The multi-family housing bonds are limited obligations of the Association and are secured by the respective mortgages on each development as well as a lien on all revenues as defined in each respective bond indenture. The transportation bonds are secured by principal and interest payments from the Idaho Transportation Department.

The Idaho Bond Bank Authority is authorized to issue and sell revenue bonds under provisions of the Idaho Constitution Article VIII Section 2A and Idaho Code Sections 67-8701 through 67-8729. The bonds are used by the Authority to make loans to local governments in order to finance infrastructure needs. The bonds are limited obligations of the Authority and do not constitute a debt of the State or any of its political subdivisions.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Revenue bond debt service requirements to maturity are as follows (*dollars in thousands*):

Fiscal Year Ending June 30	Primary Government					
	Governmental Activities		Business-Type Activities		Total	
	Nonmajor Special Revenue		College and University			
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 6,770	\$ 6,617	\$ 16,251	\$ 16,344	\$ 23,021	\$ 22,961
2025	7,030	6,355	17,005	15,559	24,035	21,914
2026	7,315	6,067	17,248	14,739	24,563	20,806
2027	7,690	5,785	17,002	13,965	24,692	19,750
2028	10,725	5,513	16,971	13,224	27,696	18,737
2029-2033	44,955	23,026	90,842	54,473	135,797	77,499
2034-2038	51,445	13,613	97,979	32,396	149,424	46,009
2039-2043	26,285	5,013	56,390	15,257	82,675	20,270
2044-2048	10,745	1,467	33,325	5,750	44,070	7,217
2049-2053	2,125	43	8,510	624	10,635	667
Total	\$ 175,085	\$ 73,499	\$ 371,523	\$ 182,331	\$ 546,608	\$ 255,830
Interest Rate	1.7% to 5.98%		0.67% to 5.26%			

Fiscal Year Ending June 30	Component Units					
	Idaho Housing and Finance Association		Idaho Bond Bank Authority		Total	
	Principal	Interest	Principal	Interest		
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 62,053	\$ 47,607	\$ 12,945	\$ 7,475	\$ 74,998	\$ 55,082
2025	76,042	77,372	13,160	6,887	89,202	84,259
2026	77,382	70,979	12,670	6,317	90,052	77,296
2027	80,297	67,032	13,140	5,752	93,437	72,784
2028	83,564	62,906	13,260	5,171	96,824	68,077
2029-2033	352,327	253,538	65,670	17,527	417,997	271,065
2034-2038	313,515	175,248	39,910	6,827	353,425	182,075
2039-2043	254,900	104,216	12,560	2,180	267,460	106,396
2044-2048	246,520	46,821	6,425	564	252,945	47,385
2049-2053	21,525				21,525	
2054-2058	44,590				44,590	
Total	\$ 1,612,715	\$ 905,719	\$ 189,740	\$ 58,700	\$ 1,802,455	\$ 964,419
Interest Rate	2.02% to 6.35%		1.25% to 5.00%			

C. Advance and Current Refundings

Primary Government

In prior years, the Idaho State Building Authority (ISBA) defeased bonds by placing governmental securities into irrevocable trusts sufficient to provide for all future debt service payments on those bonds. The related liability was appropriately removed from the financial statements in the year of defeasance.

In the current year, ISBA defeased certain other bonds by placing funds into an irrevocable trust that are sufficient to provide for all future debt payments on these bonds. Consequently, the related liabilities was appropriately removed from the financial statements in the year of

defeasance. The remaining outstanding debt payable as of June 30, 2023 for the defeased bond totals \$161.9 million.

During fiscal year 2023, the Idaho State Legislature appropriated \$175.8 million to be applied by the Authority to defease certain outstanding bonds. The Board of Commissioners of the Authority adopted Resolution No. 2022-001 on May 4, 2022, authorizing the Executive Director to receive the appropriated funds and arrange for defeasing the outstanding bonds. On July 20, 2022, the amount of \$161.7 million was transferred to the escrow agent to defease such bonds with a carrying value of \$171.6 million resulting in a gain on defeasance of \$10.0 million being recorded in fiscal year 2023. Unused funds totaling \$14.3 million were remitted back to the state after all costs were paid during fiscal year

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

2023.

Component Units

The Idaho Bond Bank Authority defeased bonds in the amount of \$0.7 million. The City of Ketchum deposited

\$0.7 million to purchase United States Treasury instruments and placed them into an irrevocable escrow to advance refund \$0.7 million of various bonds.

As a result, the Series 2014C Bonds are considered partially defeased and the receivable from the City and the liability for the defeased bonds have been reduced by the defeased amount. The City achieved cash flow savings of \$0.03 million and an economic gain of \$0.02 million as a result of the refunding. The remaining outstanding debt payable as of June 30, 2023 for the defeased bond totals is \$29.5 million.

The bond defeasance appropriation for each defeased debt issue is as follows (*dollars in thousands*):

Issuer	Debt Issue	Amount Defeased
Idaho State Building Authority	2005 Series A, 2013 Series B Bonds	2,704
	2012 Series A Bonds	1,784
	2012 Series C Bonds	889
	2012 Series D Bonds	634
	2012 Series E Bonds	854
	2012 Series F Bonds	729
	2012 Series G Bonds	804
	2012 Series H Bonds	395
	2012 Series I Bonds	170
	2013 Series A Bonds	5,710
	2017 Series A, 2017 Series B Bonds	132,393
	2018 Series C Bonds	14,589
Idaho Bond Bank Authority	2012 Series B Bonds	7,940
	2012 Series D Bonds	26,320
	2014 Series C Bonds	700
	2017 Series A Bonds	370

D. Notes Payable

Primary Government

The Idaho Transportation Department (ITD) financed the improvement of various roads and related infrastructure within the State through borrowings from the Idaho Housing and Finance Association in the amount of \$1.01 billion of a possible \$1.01 billion of bonds issued. The notes are related to GARVEE bonds issued by the Association and will be repaid by grant revenues received by the Department from the Federal Highway Administration and by matching state funds. Annual principal and interest payments on the notes are expected to require 24.0 percent of the revenues. The total principal and interest payments remaining on the notes are \$709.6 million, payable through 2040. For the current year, principal and interest payments and total pledged revenues were \$111.0 million and \$463.4 million, respectively. The amount of the balance owing does not equal the amount of the receivable recorded by the Association due to the timing of principal and interest payments.

The Idaho Legislature has authorized the issuance of Transportation Expansion and Congestion Mitigation (TECM) bonds financed through borrowings from the Idaho Housing and Finance Association. TECM bonds are used for projects to expand the state system to address the improvement of traffic flow and mitigation of traffic times and transportation congestion. The TECM bonds have a final maturity date of 2048. Per Idaho Code Section 63-3638(16), the TECM bonds are to be repaid from up to \$80 million in continuously appropriated annual sales tax revenues. Total par amount for the bonds issued are \$534.3 million of which \$124.3 million has been borrowed by ITD. Annual principal and interest payments on the notes are expected to require 2.1 percent of the revenues. For the current year, principal and interest payments and total pledged revenues were \$20.0 million and \$943.3 million, respectively.

The Department of Administration purchased operating and capital equipment through the issuance of a note payable for \$3.8 million in 2004. The remaining principal balance of \$0.2 million was paid off in November 2022.

Component Units

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

The Idaho Housing and Finance Association issued notes payable for the construction and purchase of affordable multi-family housing complexes. The notes are secured by the deeds of trust on the buildings and equipment or an assignment or pledge of purchase rights for security purposes.

The BSU Foundation issued a \$3.0 million note payable to a large healthcare organization. The proceeds were invested, and the investment earnings will generate scholarships for health science students.

The ISU Foundation entered into an agreement with the University to refinance its note payable to a commercial lender in the amount of \$3.0 million. The remaining liability at June 30, 2023 is \$3.0 million.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Note debt service requirements to maturity are as follows (dollars in thousands):

Fiscal Year Ending June 30	Governmental Activities							
	Transportation		Nonmajor Special Revenue		Internal Service		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 11,820	\$ 35,409					\$ 11,820	\$ 35,409
2025	49,865	46,295					49,865	46,295
2026	52,477	30,725					52,477	30,725
2027	55,314	28,436					55,314	28,436
2028	57,509	26,000					57,509	26,000
2029-2033	190,005	80,336					190,005	80,336
2034-2038	166,779	28,312					166,779	28,312
2039-2043	58,858	2,393					58,858	2,393
Total	\$ 642,627	\$ 277,906					\$ 642,627	\$ 277,906
Interest Rate	2.11% to 4.73%							

Fiscal Year Ending June 30	Business-Type Activities					
	College and University		Nonmajor Enterprise Funds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 30	\$ 1			\$ 30	\$ 1
2025						
2026						
2027						
2028						
Total	\$ 30	\$ 1			\$ 30	\$ 1
Interest Rate	6.0%					

Fiscal Year Ending June 30	Component Units					
	Idaho Housing and Finance Association*		College and University Foundations		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 29,384	\$ 1,629		\$ 30	\$ 29,384	\$ 1,659
2025	1,422	1,601		30	1,422	1,631
2026	1,466	1,557		30	1,466	1,587
2027	2,451	1,497	\$ 3,000	30	5,451	1,527
2028	1,196	1,534			1,196	1,534
2029-2033	8,156	6,238			8,156	6,238
2034-2038	7,955	4,557			7,955	4,557
2039-2043	12,918	1,855			12,918	1,855
2044-2048	1,470	1,142			1,470	1,142
2049-2053	6,221	642			6,221	642
2052-2056	3,811	409			3,811	409
2057-2061	755	17			755	17
Total	\$ 77,205	\$ 22,678	\$ 3,000	\$ 120	\$ 80,205	\$ 22,798
Interest Rate	0.00% to 6.50%		1%			

*IHFA netted unamortized debt issuance costs of \$2.2 million against their debt service requirements; however, the costs are not included in changes in Long-Term Liabilities schedule on page 114.

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

E. Claims and Judgments***Primary Government***

Claims and judgments are payable on behalf of the State and its agencies for various legal proceedings and claims.

In general, the State records liabilities for material claims and judgments when they are considered probable and estimable. The State recorded the following claims and judgments:

The Department of Health and Welfare estimates Medicaid claims incurred in fiscal year 2023 but not reported at year end in the amount of \$111 million.

The Idaho Transportation Department (ITD) experienced contractor claims for reimbursement of additional expenses incurred for the performance of construction contract requirements. The State recorded a liability of \$0.9 million.

The Department of Environmental Quality entered into a contract with the Environmental Protection Agency (EPA) in April 1995 for the purpose of environmental remediation within the Bunker Hill Superfund Site. Federal Superfund law requires the State to match 10 percent of federal funds spent on actual remediation work and to meet all costs of future site operation and maintenance costs. As of June 30, 2023 the amended remediation cost estimate was \$137.9 million, which was measured using the expected cash flow technique. The State's share was \$13.8 million. The State has expended \$16.9 million toward the required match leaving an overpayment of the match liability of \$2.5 million. The overpayment can be used to meet match requirements in the Coeur d'Alene Basin Superfund site. The contract work was completed during fiscal year 2008. The State has taken ownership of 1,400 acres of remediated and unremediated land with approximately 400 additional acres yet to be transferred from the EPA to the State. The land's value has not been established and has development limitations which may reduce property values.

In August 2002, the federal government, Idaho, Washington, and tribal officials signed a memorandum of agreement to create the Coeur d'Alene Basin Commission, which will direct cleanup of the Coeur d'Alene Basin in Idaho. The EPA issued a Record of Decision (ROD) in September 2002. The State and federal government signed the Coeur d'Alene Basin Superfund contract on October 2, 2003. The original estimate of the remediation cost was \$310.0 million. In 2012, an amended ROD was released with a revised estimated cleanup costs of \$635.0 million. The State has not agreed to match any additional cost. Idaho's match is 10 percent or \$31.0 million, which was measured using the expected cash flow technique. The State has expended \$4.2 million toward the required match, leaving a liability of \$26.8 million. Washington State will match the remainder of the liability. Work began in 2003 and will take 30 years to complete. Environmental liability estimates are subject to amendment due to changes in prices, technology, laws, regulations, and other factors. The State does not anticipate any recovery from other parties for the Coeur d'Alene Basin project.

Component Units

The component units recorded the following claims and judgments:

The Idaho Individual High-Risk Reinsurance Pool and the Idaho Small Employer Reinsurance Program had policy claim liabilities of \$7.5 million for unpaid claims.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

F. Changes in Long-Term Liabilities

The changes in long-term liabilities are summarized as follows (*dollars in thousands*):

Long-Term Liabilities	Balances at July 1, 2022 As Restated*	Increases	Decreases	Balances at June 30, 2023	Amounts Due Within One Year
Primary Government					
Governmental Activities:					
Revenue Bonds	\$ 348,371		\$ (175,890)	\$ 172,481	\$ 6,770
(Premiums)/Discounts/Other	7,611		(2,724)	4,887	
Notes Payable	522,352	\$ 194,715	(74,441)	642,626	11,820
Total Bonds and Notes Payable	878,334	194,715	(253,055)	819,994	18,590
Right-to-Use Payables	36,181	96,618	(28,879)	103,920	27,095
Compensated Absences	66,152	71,908	(71,400)	66,660	66,660
Policy Claim Liabilities	22,419	(11,994)	13,774	24,199	10,456
Claims and Judgments	266,234	111,946	(212,666)	165,514	117,997
Net Pension Liability	23,641	794,187	(16,903)	800,925	
Total OPEB Liability	35,344	26	(10,280)	25,090	
Total Governmental Activity	\$ 1,328,305	\$ 1,257,406	\$ (579,409)	\$ 2,006,302	\$ 240,798
Business-Type Activities:					
Revenue Bonds	\$ 381,970	\$ 9,765	\$ (20,212)	\$ 371,523	\$ 16,251
(Premiums)/Discounts	48,536	234	(4,071)	44,699	1,711
Notes Payable	60	\$ 1	(30)	31	30
Total Bonds and Notes Payable	430,566	10,000	(24,313)	416,253	17,992
Right-to-Use Payables	37,781	33,494	(14,388)	56,887	9,965
Compensated Absences	28,314	30,488	(28,287)	30,515	30,515
Net Pension Liability		132,252	(2,636)	129,616	
Total OPEB Liability	73,148		(13,877)	59,271	
Other Long-Term Obligations	233,313	729	(221,729)	12,313	443
Total Business-Type Activity	\$ 803,122	\$ 206,963	\$ (305,230)	\$ 704,855	\$ 58,915
Component Units:					
Revenue Bonds	\$ 1,160,161	\$ 758,105	\$ (115,811)	\$ 1,802,455	\$ 74,998
(Premiums)/Discounts	131,281	81,059	(40,888)	171,452	43,102
Notes Payable	80,997	11,579	(14,582)	77,994	29,384
Total Bonds and Notes Payable	1,372,439	850,743	(171,281)	2,051,901	147,484
Right-to-Use Payables	1,494	1,023	(379)	2,138	781
Compensated Absences	109	77	(109)	77	77
Policy Claim Liabilities	7,330	21,385	(21,187)	7,528	7,528
Claims and Judgments	632		(540)	92	
Other Long-Term Obligations	215,714		(31,715)	183,999	
Total Component Unit Activity	\$ 1,597,718	\$ 873,228	\$ (225,211)	\$ 2,245,735	\$ 155,870

*Beginning balances were restated due to prior period adjustments. For FY23, the total OPEB and Pension liabilities in this table do not tie to the OPEB and Pension liabilities in Note 8, Note 9, and the Government-wide Statement of Net Position. This is primarily due to State Bar, the Dairy Commission, and the Potato Commission reporting on a different year-end than the State.

Internal service funds predominantly serve the governmental funds. Accordingly, \$2.0 million of compensated absences, \$25.1 million of policy claim liabilities, \$20.9 million of net pension liability, and \$0.1 million of net OPEB liabilities were included in the governmental activities for internal service fund liabilities.

In the past, the compensated absences liability attributable to governmental activities has been liquidated by the General Fund, special revenue funds, and internal service funds. Primarily, the same funds that have been used in prior years will be used to liquidate the following other governmental activity long-term liabilities: policy claim liabilities will be liquidated through the State's

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Group Insurance and Risk Management funds; claims and judgments will be liquidated by the Health and Welfare and Transportation special revenue funds and nonmajor special revenue funds; the net pension liability will be liquidated by the General Fund; the net OPEB liability will be liquidated by the General Fund, Health and Welfare and Transportation special revenue funds, nonmajor special revenue funds, and internal service funds.

G. Conduit Debt

Primary Government

The Idaho Water Resource Board has outstanding revenue bonds for the promotion, construction, rehabilitation, and repair of water projects. The bonds are secured by the financed property and are payable solely from revenue of the projects. Upon payment of the bonds, ownership of the acquired facilities transfers to the entity served by the bond issuance. Such bonds do not constitute a debt or obligation of the State or any political subdivision, agency thereof, or of the Board except to the extent of the revenues pledged under the indenture.

Accordingly, these bonds are not reported in the accompanying financial statements. Seven series of Water Resource bonds that qualified as conduit debt are outstanding with an aggregate principal amount payable of \$29.0 million.

Component Unit

The Idaho Housing and Finance Association has outstanding bonds to provide financial assistance to entities for the construction of facilities deemed to be in the public interest. The bonds are secured by the financed property and are payable solely from payments received on the underlying investments. Upon repayment of the bonds, ownership of the constructed facilities transfers to the individuals served by the bond issuance. The Association is not obligated in any manner for repayment of these bonds. Accordingly, the bonds are not reported as Association liabilities. Sixty-eight series of bonds that meet the description of conduit debt obligations are outstanding with an aggregate principal amount payable of \$645.9 million.

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

NOTE 14. EQUITY**A. Restatement of Beginning Fund Balances and Net Position**

The beginning net position of the agriculture and natural resources fund decreased by \$0.2 million due to the implementation of GASB 87.

The beginning net position of the college and university fund increased by \$0.2 million due to the implementation of GASB Statement 96.

The government-wide Statement of Activities includes the above restatements in the Governmental and Business-Type Activities columns. In addition, Governmental Activities beginning net position decreased by \$5.6 million due to adjustments to infrastructure and construction-in-progress and increased by \$19.8 million due to an error in accounting for certain capital assets.

B. Net Position Restricted by Enabling Legislation

Net position is reported as restricted when constraints are placed on net position use by external parties such as creditors, grantors, contributors, or other governments; or by state law through constitutional provisions or enabling legislation. Enabling legislation authorizes the State to assess, levy, charge, or otherwise mandate payment of resources and requires that those resources be used only for the purposes stipulated in the legislation.

The government-wide Statement of Net Position reported restricted net position of \$4.9 billion for governmental activities, \$2.4 billion for business-type activities, and \$0.9 billion for component units. These amounts include \$939.0 million of net position restricted by enabling legislation for governmental activities and \$1.3 billion of net position restricted by enabling legislation for business-type activities.

C. Governmental Fund Balances – Restricted, Committed, and Assigned

The governmental funds report a hierarchy of fund balance classifications based primarily on the extent to which the State is bound to honor limitations on the use of the funds' resources. When a fund has more than one revenue stream, equity is classified according to the materiality of any limitations on the fund.

Restricted fund balances represent those amounts that are legally restricted for specific purposes due to limitations imposed by external parties, such as creditors and grantors, or imposed through constitutional provisions or enabling legislation.

Committed fund balances represent amounts that can only be used for a specific purpose imposed by formal action of the Legislature and signed by the Governor.

Assigned fund balances represent amounts the government intends to use for a specific purpose but are neither restricted nor committed.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

The following schedule presents the nature and purpose of these fund balances at June 30, 2023:

Restricted, Committed, and Assigned Governmental Fund Balances (dollars in thousands)				
Funds	Restricted	Committed	Assigned	Total
General				
Courts		\$ 2,441		\$ 2,441
Economic Development	\$ 50	19,620	\$ 12,211	31,881
Education	26,557	450,307	16,388	493,252
Environmental Quality		50,644	(653)	49,991
Fire Suppression			35,044	35,044
General Government Administrative Costs	2,493	115,130	37,438	155,061
Health and Human Services	4,211	11,738	1,525	17,474
Millennium Endowment Fund	478,365			478,365
Municipal Revenue Sharing	189,723			189,723
Natural Resources			(563)	(563)
Opportunity College Scholarships		5,081		5,081
Public Safety	1,163		9,344	10,507
School Building Maintenance and Repair		63,665		63,665
State Building Construction and Maintenance		1,108,024		1,108,024
Transportation Projects		388,058		388,058
Veterans Recognition		797		797
Other Purposes	22,765	2,477	(8,380)	16,862
Total	\$ 725,327	\$ 2,217,982	\$ 102,354	\$ 3,045,663
Health and Welfare				
Health and Human Services		\$ 48		\$ 48
Total	\$ 0	\$ 48	\$ 0	\$ 48
Transportation and Transportation Infrastructure				
GARVEE Debt Service	\$ 2,256			\$ 2,256
TECM Debt Service	174			174
Transportation Programs	242,364	\$ 240,866		483,230
Total	\$ 244,794	\$ 240,866	\$ 0	\$ 485,660
Land Endowments				
Endowment Fund Beneficiaries	\$ 788,784			\$ 788,784
Total	\$ 788,784	\$ 0	\$ 0	\$ 788,784
Nonmajor Special Revenue				
Agricultural Programs	\$ 61,657			\$ 61,657
Corrections	12,104	\$ 1,473		13,577
Courts	2,071	8,793		10,864
Economic Development	2,744			2,744
Education	8	8,926		8,934
Employment Administration and Training Programs	9,842	31,851		41,693
Environmental Quality	146,647	151,273	\$ 963	298,883
Professional Licensing and Monitoring	115,724			115,724
Public Recreation	100,258	68,354		168,612
Public Safety	8,140	31,300		39,440
State Building Debt Service	17,981			17,981
State Land Management	1,443			1,443
Tourism and Promotion	19,525			19,525
Transportation Infrastructure - Capital Projects	5			5
Wildlife Management	132,520			132,520
Workers Compensation	29,749			29,749
Other Purposes	5,780	62,039		67,819
Total	\$ 666,198	\$ 364,009	\$ 963	\$ 1,031,170

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

D. Budget Stabilization and Minimum Fund Balance

The Legislature has the authority to set aside resources through the appropriation process for use in an emergency or when budgetary imbalances occur. The State has the following budget stabilization arrangements:

- The *Higher Education Budget Stabilization Fund* can only be used for the maintenance, use, and support of the colleges and universities subject to appropriation by the Legislature. Idaho Code Section 33-3726 requires interest earnings from the College and University Fund and other amounts provided for by law to be transferred into the Higher Education Budget Stabilization Fund. As of June 30, 2023, the fund balance was \$15.0 million.
- The *Budget Stabilization Fund* was created to cover General Fund revenue shortfalls, expenses incurred because of a major disaster declared by the Governor, or to provide any appropriated one-time tax relief payments to the citizens of Idaho. Idaho Code Section 57-814 requires that receipts to the General Fund for the fiscal year just ending that have exceeded the previous fiscal year's receipts by more than 4 percent be transferred to the Budget Stabilization Fund. The transfers should not be more than 1 percent of actual General Fund receipts for the prior fiscal year. A concurrent resolution by the majority of the Legislature can require the State Controller to reduce the transfer. Idaho Code requires the money in the Budget Stabilization Fund shall not exceed 15 percent of the total General Fund receipts for the fiscal year just ending. Appropriations from the Budget Stabilization Fund are limited to 50 percent after the fund balance has reached the 10 percent of General Fund receipts for the fiscal year just ending. Idaho Code Section 57-814A authorizes the Board of Examiners to transfer unencumbered moneys from the

Budget Stabilization Fund to the General Fund, should General Fund moneys be insufficient to meet General Fund appropriations for that same fiscal year. Such transfers are limited to the amount of the insufficiency or one-half of 1 percent, whichever is less. As of June 30, 2023, the fund balance was \$782.2 million.

- The Public Education Stabilization Fund may be used to offset declining distributions from the public school earnings reserve, declining endowment distributions, and shortfalls in discretionary funding as spelled out in Idaho Code Section 33-1018. According to Idaho Code Sections 33-1018A and 33-1018B, the fund may also be used to cover any proportional share of the public schools' General Fund budgetary holdbacks, for state matching funds for the School District Building Fund, or for other purposes as stated in appropriation bills. Per Idaho Code Section 33-907, for the period July 1, 2021 through June 30, 2023, no moneys from the public education stabilization fund shall be withdrawn for any purpose, including those in the sections above. Additions to the Public Education Stabilization Fund are from interest, transfers, and appropriations. Idaho Code Section 33-905 requires any excess balance over the amount needed for school building maintenance and discretionary spending be transferred to the Public Education Stabilization Fund. As of June 30, 2023, the fund balance was \$205.7 million.
- Idaho Code Section 26-31-110 requires that the *Mortgage Recovery Fund*, part of the Regulatory nonmajor special revenue fund, maintain a minimum balance of \$1.5 million. The Mortgage Recovery Fund account, as defined in Idaho Code Section 26-31-109, is used to reimburse persons who have been awarded damages resulting from violations of the Idaho Residential Mortgage Practices Act.

NOTE 15. DONOR-RESTRICTED ENDOWMENTS***Primary Government***

The Land Endowments fund has a non-expendable permanent corpus and an earnings reserve account; the earnings reserve is used to receive earnings and to pay beneficiaries and expenses. The Endowment Fund Investment Board (EFIB) invests the revenues generated from the management and/or sale of endowment lands. The Board of Land Commissioners (Land Board) and the EFIB spend the net appreciation and other revenues in accordance with Idaho Code Title 57 Chapter 7 and Title 67 Chapter 16. For the fiscal year ended June 30, 2023, net appreciation on investments of the donor-restricted endowments available for expenditure for the Land Endowments fund was \$49.1 million, which is included in net position restricted for permanent trust-expendable. The Land Board has set the current distribution policy for the endowments at 5 percent of the three-year rolling average permanent fund balances. The EFIB may adjust the distributions depending on the amount in the earnings reserve accounts, transfers to the permanent funds, and other factors.

The Idaho Fish and Wildlife Foundation receives certain gift assets that are to be held in perpetuity for the benefit of the Foundation. The Foundation board of directors spends the net appreciation in accordance with Idaho Code Title 68 Chapter 12. The endowments had net appreciation of \$0.1 million during the fiscal year available for expenditure. Accumulated earnings are reported in net position restricted for permanent trust - non-expendable. The Foundation board of directors must approve spending of investment income. Limits are set by individual agreements for each endowment fund established.

The Department of Parks and Recreation has a \$1.7 million donor-restricted endowment for the preservation, operation, and management of the Ritter Island Unit of the Thousand Springs Complex. The Department of Parks and Recreation also has a \$3.7 million donor-restricted endowment for the management of the Trail of the Coeur d'Alenes. Only earnings from investments may be expended by the Idaho Parks and Recreation Board, although no less than 3 percent of the total value of the endowment shall be designated as earnings, even if such designation temporarily reduces the principal. The Board maintains sole discretion in determining the amount of earnings to be distributed to the Department of Parks and Recreation and to be deposited to increase the principal of the endowment. For the fiscal year ended, net appreciation available for expenditure was \$2.2 million, which is reported in net position restricted for other purposes.

Component Units

Endowments for the Boise State University Foundation, Idaho State University Foundation, Lewis-Clark State College Foundation, and University of Idaho Foundation are managed in accordance with Idaho Code Title 33 Chapter 50 and rules adopted by their boards as specified below.

The Boise State University Foundation receives certain gift assets that are to be held in perpetuity for the benefit of the University. The endowments had net appreciation of \$6.2 million during the fiscal year for expenditure. Accumulated earnings are reported in net position restricted for permanent trust-expendable. The Foundation has set a "total return" spending policy that specifies 4 percent of the three-year rolling average of the ending market value of each individual account be made available for expenditure toward the established purpose.

The Idaho State University Foundation receives certain gift assets that are to be held in perpetuity for the benefit of the University. The endowments had net depreciation of \$6.6 million during the fiscal year. Accumulated earnings are reported in net position restricted for permanent trust-expendable. Donor-imposed restrictions requiring earnings to be contributed back to the corpus are not formally complied with by the Foundation. The Foundation addresses this indirectly through the strategy established through its investment and spending policies. The Foundation has a policy of appropriating for annual distribution 4 percent of its endowment fund's average fair value over the prior 12 quarters through the calendar year-end proceeding the current fiscal year.

The Lewis-Clark State College Foundation receives certain gift assets that are to be held in perpetuity for the benefit of the College. The endowments had a net appreciation of \$1.4 million during the fiscal year for expenditures. Accumulated earnings are reported in net position restricted for permanent trust-expendable. The Foundation established a spending rate of 4 percent of the five-year rolling average of the market value of each endowment account as of December 31 for each fiscal year. This amount may be reduced if an account has insufficient accumulated earnings to cover the payout.

The University of Idaho Foundation receives certain gift assets that are to be held in perpetuity for the benefit of the University. The endowments had net appreciation of \$19.2 million during the fiscal year for expenditure. Unrealized appreciation (depreciation) is included in net position restricted for permanent trust-expendable. The Foundation Board of Directors establishes an annual spending rate. For fiscal year 2023, the spending rate was set at 4.3 percent of the three-year rolling average of the endowment's monthly fair market value.

NOTE 16. LITIGATION, CONTINGENCIES, COMMITMENTS, AND ENCUMBRANCES**A. Litigation and Contingencies*****Primary Government***

The State is a defendant in numerous legal proceedings pertaining to matters incidental to the performance of governmental operations. Such litigation includes, but is not limited to: claims asserted against the State arising from alleged torts, alleged breaches of contracts, condemnation proceedings, and other alleged violations of state and federal laws. The State is unable to estimate the ultimate outcome or liability, if any, in respect to the various proceedings. However, the State believes that any ultimate liability resulting from these suits will not have a material effect on the financial condition of the State.

Idaho Code Section 33-5303 requires the State to guarantee the bonds of any school district qualified by the State Treasurer. If the State is required to make the bond payment of any school district, the State will redirect distributions normally made to the school district to reimburse the State. As of June 30, 2023, the principal amount of qualified school district bonds outstanding was \$1.0 billion, and the interest amount outstanding was \$279.2 million.

Idaho Code Section 67-8716 requires the State to guarantee the bonds of any municipality qualified by the State Treasurer. If the State is required to make the bond payment of any municipality, the State will redirect distributions normally made to the municipality to reimburse the State. As of June 30, 2023, the Idaho Bond Bank Authority had a principal amount of qualified municipal bonds outstanding of \$189.7 million, and the interest amount outstanding was \$58.7 million. One water district, two hospital districts, and two fire districts do not have distributions to intercept in the event they are unable to make the bond payments. If the State is required to pay the obligation, the State will pursue legal action to recover the amount paid. The total principal outstanding for these districts is \$18.8 million, payable through 2047.

The State receives significant financial assistance from the federal government in the form of grants. The receipt of federal grants is generally conditioned upon compliance with terms and conditions of the grant agreements and is subject to financial and compliance audits. Questioned costs as a result of these audits may be disallowed after review by federal agencies. The State's opinion is that these questioned costs, if any, will not have a significant effect on the financial position of the State.

Revenue from federal grants includes amounts for the recovery of overhead and other costs. The State may be

required to make refunds of federal reimbursements as a result of audits. The State's opinion is that these refunds, if any, will not have a significant effect on the financial position of the State.

In *Cortez v. Tewalt* Plaintiffs are seeking injunctive relief to address their concerns about treatment of Hepatitis C in Idaho's prisons. The parties have reached a resolution that requires the Idaho Department of Correction to spend \$29.3 million over the next several fiscal years to address those concerns. Idaho Department of Corrections financial commitment will be handled through its budgeting process.

B. Commitments***Primary Government***

The Idaho Transportation Department (ITD) has a total of \$873.3 million in outstanding commitments for infrastructure and \$29.0 million for other capital asset-related construction projects underway at year-end. In addition, the ITD has a commitment to repay the Idaho Housing and Finance Association principal and interest related to Grant Anticipation Revenue Vehicle (GARVEE) bonds and the Transportation Expansion and Congestion Mitigation (TECM) program for construction costs to improve and enhance the State's highway infrastructure. To date, the ITD has borrowed \$1.1 billion against the total; of that amount, \$504.7 million has been repaid, resulting in a \$642.6 million liability being recorded. Details can be found in Note 13.

The Department of Administration has a total of \$559.5 million in outstanding commitments for capital asset-related construction projects underway at year-end.

The colleges and universities estimate costs of \$134.8 million to complete a variety of capital asset-related construction projects underway at year-end.

The Office of the State Controller has a total of \$14.1 million in outstanding commitments for software implementation projects underway at year-end.

The Department of Labor has a total of \$5.9 million in outstanding commitments for capital asset-related construction projects underway at year-end.

The Department of Water Resources has a total of \$5.0 million in outstanding commitments for capital asset-related construction projects underway at year-end.

The Department of Environmental Quality (DEQ) administers two revolving loan funds. The funds provide financing sources for the construction of publicly owned wastewater and drinking water treatment facilities. The

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

Clean Water Loan fund had loan commitments of \$95.0 million and the Drinking Water Loan fund had commitments of \$58.2 million. These loan commitments will be funded either from new capitalization grants, generally 80 percent federal funds and 20 percent state matching dollars, or from accumulated repayments and investment revenues, which are perpetually appropriated for this purpose. The DEQ Cooperative Welfare fund had various service commitments of \$14.2 million

The Department of Correction had the following commitments at year-end:

- A contract with Management and Training Corporation to operate a 432-bed substance abuse treatment prison facility. This contract ended June 30, 2023 due to the Idaho Department of Corrections exercising the Lease Option Buyout and took over operations of the facility July 1, 2023.
- A contract with CoreCivic for a 1200-bed maximum prison facility. The Department has committed to pay daily per diems based on offender count. The estimated cost for fiscal year 2024 is \$17.1 million.
- Medical services contract with Centurion Healthcare, Inc. had estimated costs for fiscal year 2024 of \$62.9 million.
- Hepatitis C Treatment contract with Full Circle Health, LLC of Idaho had estimated costs for fiscal year 2024 of \$5.3 million.
- Connection and intervention stations contract with GEO Reentry Stations had estimated costs for fiscal year 2024 of \$3.7 million
- Offender food services contract with Sysco had estimated costs for fiscal year 2024 of \$8.5 million
- Offender housing contracts with County jails throughout the state had estimated costs of \$23.5 million for fiscal year 2024
- Concessions contract with Keefe Group. The estimated annual contract value for fiscal year 2024 was \$1.3 million minimum annual guarantee for commissary sales to \$6.2 million, and forty percent of all sales over \$6.2 million.

The Dairy Products Commission has entered into a contract for services with the Dairy and Food Nutrition Council of the Southeast, Inc. dba Dairy West, a jointly governed organization, for Dairy West to provide dairy program and administrative services for the Commission. The Commission's 2023 commitment is \$17.0 million.

The State Lottery negotiated a new 10 year contract with INTRALOT, Inc. through October 1, 2027 to pay an all-in price based on a percentage of sales, which is 2.3 percent of Total Net Sales. The State Lottery also has

purchased prize annuities in the name of the individual winners, but is still liable in the event the insurance companies default on payments. The amount of payments for the year ended June 30, 2024 is \$7.1 million.

The Public Employee Retirement System of Idaho has a total of \$1.3 billion in outstanding commitments for investments to private equity partnerships.

Asset Retirement Obligation (ARO)

Idaho State University (ISU) has ARO's related to radioactive material licenses and nuclear research facilities. The University has identified several legally enforceable liabilities associated with the retirement of tangible capital assets due to nuclear decommissioning requirements. The Nuclear Regulatory Commission (Nuclear Radiation Center) requires a decommissioning report valuing the cost of decommissioning the nuclear radiation centers.

As of June 30, 2023, the University has recorded an asset retirement obligation of \$8.2 million. The remaining useful life of the assets with retirement obligations are: nuclear reactor 46 years, EAMES building 37.9 years, CAES building 35.5 years, and Idaho Accelerator Center 26.5 years.

The University of Idaho has \$14.4 million in outstanding commitments for investments.

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

Asset Retirement Obligations (in thousands)	Balance Outstanding June 30, 2022	Additions	Reductions	Balances Outstanding June 30, 2023	Due within 1 year
Idaho State University	\$ 8,166			\$ 8,166	

Component Unit

The Idaho Housing and Finance Association has commitments to purchase \$1.1 billion of single-family mortgages. The Association has commitments to sell or secure \$69.2 million of single-family mortgages.

The University of Idaho Foundation has \$31.4 million in outstanding commitments for investments.

C. Encumbrances

Encumbrances within the restricted, committed, and assigned fund balances of the governmental funds are as follows (*dollars in thousands*):

	General Fund	Health and Welfare	Transportation	Federal Stimulus	Nonmajor Governmental
Encumbrances	\$ 61,761	\$ 7,787	\$ 43,250	\$ 4,462	\$ 58,598

NOTE 17. TAX ABATEMENTS

As of June 30, 2023, the State of Idaho provides tax incentives under four programs which meet the definition of tax abatements as provided in GASB Statement No. 77: Tax Reimbursement Incentives (TRI), Idaho Business Advantage, Broadband Income Tax Credit, and Sales Tax Rebates.

Tax Reimbursement Incentives (TRI)

Pursuant to Idaho Code Sections 67-4737 through 67-4744, the Tax Reimbursement Incentive program is designed to accelerate the growth of new business opportunities, encourage the creation of high-paying jobs, and diversify the State's and local community's economy. The Tax Reimbursement Incentive is a performance-based economic development tool that provides a refundable tax credit up to 30 percent for up to 15 years on new Business Entity income tax, sales tax, and payroll taxes paid as a result of the meaningful project. The TRI will perpetually generate the revenues needed to fund the incentive.

This credit is available to both existing and new companies, in any industry, seeking expansion in the State. The tax credit percentage and project term are negotiable based upon the quantity and quality of jobs created, state/regional economic impact, and return on taxpayer investment for Idaho, among others.

A company must complete an in-depth application and meet the following requirements to qualify for the Tax Reimbursement Incentive:

- Create 20 new jobs in rural communities (city population of 25,000 or less) or 50 in urban centers.
- New jobs must be full time (30 hours or more) and pay an average wage of equal to or greater than the average county wage.
- Demonstrate a meaningful community match.
- Confirm the company's stability and the projects' potential to be a significant economic impact in the community and Idaho.
- Prove that the incentive is a critical factor in the company's decision to expand in Idaho.

Idaho Business Advantage

Pursuant to Idaho Code Sections 63-4401 through 63-4409, the Idaho Business Advantage offers businesses that invest a minimum of \$500,000 in new facilities and create at least 10 new jobs averaging \$40,000 annually with benefits, may qualify for a variety of incentives.

The following incentives are available through this program: an enhanced investment tax credit of 3.75 percent up to \$750,000 or 62.5 percent of corporate

income tax liability in any one year, a new jobs tax credit from \$1,500-\$3,000 for new jobs paying \$24.04 per hour or more, and a 2.5 percent real property improvement corporate income tax credit up to \$125,000 in any one year along with a 25 percent rebate on sales and use tax paid on construction materials for the new facilities.

A company must meet the following requirements to qualify for the Idaho Business Advantage incentive:

- The business must invest at least \$500,000 in new facilities.
- The business must create at least 10 new jobs paying on average \$40,000/year (\$19.23/hour) plus benefits.
- The average wage of any additional new employee during project period must be \$15.50/hour plus benefits.
- Project period ends when the facilities are put into service, but no later than December 31, 2030.

In the event that any person to whom a tax credit allowed by Idaho Code Sections 63-4403, 63-4404 or 63-4405, fails to meet the tax incentive criteria, the full amount of the credit shall be subject to recapture by the commission.

Broadband Income Tax Credit

Pursuant to Idaho Code Section 63-3029I, businesses that purchase qualified broadband equipment and infrastructure for the benefit of end users in Idaho may earn a 3 percent income tax credit up to \$750,000.

"Qualified broadband equipment" means equipment that qualifies for the credit for capital investment permitted by Idaho Code Section 63-3029B and is capable of transmitting signals at a rate of at least 200,000 bits per second to a subscriber and at least 125,000 bits per second from a subscriber. A taxpayer must apply to and obtain from the Idaho Public Utilities Commission an order confirming that the installed equipment is qualified broadband equipment.

Each taxpayer must retain and make available, on request, records for each item of property included in the computation of the broadband equipment investment credit claimed on an income tax return subject to examination. The records must include all of the following:

- The order from the Idaho Public Utilities Commission confirming that the installed equipment is qualified broadband equipment.
- A description of the property.
- The asset number assigned to the item of property, if applicable.
- The acquisition date and date placed in service.
- The basis of the property.

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

- The retirement, disposition, or date transferred out of Idaho, or date no longer used in Idaho, if applicable.

In the event that qualified broadband equipment upon which the credit allowed by this section has been used ceases to qualify for the credit allowed by Idaho Code Section 63-3029B, or is subject to recapture of that credit, the recapture of credit under this section shall be in the same proportion and subject to the same provisions as the amount of credit required to be recaptured under Idaho Code Section 63-3029B.

Sales Tax Rebate

Pursuant to Idaho Code Section 63-3641, a developer of a retail complex shall receive a rebate of sales taxes collected and remitted to the State Tax Commission by qualified retailers within the retail complex to reimburse the developer for project expenses incurred for the installation of approved transportation improvements.

An “approved transportation improvement” means a highway project whose cost is in excess of \$6.0 million for the installation of an interchange from an interstate highway or expended on the improvement of an existing highway. To qualify as an approved highway improvement, the developer of a retail complex must enter into an agreement with the Idaho Transportation Board and/or political subdivision.

An approved highway improvement shall include those costs directly associated with the highway project but shall not include any improvement not within the right-of-way of the proposed public highway improvement, improvements not specifically authorized in the agreement entered into, or developer financed improvements required by state or local agencies as part of the permitting and development process not within the public highway right-of-way.

To obtain the rebate provided by Idaho Code Section 63-3641, the developer of a retail complex shall file a written claim within two (2) years of the developer's last

expenditure on approved transportation improvements, with the state tax commission. The claim shall:

- Identify the location and boundaries of the retail complex.
- Identify the qualified retailers making retail sales within the complex.
- Include verification that the developer has met the expenditure requirements of a minimum of \$4.0 million.
- Include certification from the Idaho Transportation Department or political subdivision of the amount expended on the approved transportation improvements related to the retail complex.
- Contain such additional information as the State Tax Commission may require by rule.

Upon approval by the State Tax Commission, the developer is entitled to receive a rebate of 60 percent of all sales and use taxes imposed by this chapter and remitted to the State Tax Commission after the date of approval by qualified retailers in the retail complex. Once a total of thirty-five million dollars (\$35,000,000) has been paid in as a rebate on a particular approved transportation improvement, no additional rebates shall be paid in regard to that approved transportation improvement.

The following table displays the total amount of taxes abated per program for the year ended June 30, 2023:

Tax Abatement Program	Taxes Abated (In Dollars)
Tax Reimbursement Incentive	\$ 1,612,091
Idaho Business Advantage	1,055,899
Broadband Income Tax Credit	2,191,657
Sales Tax Rebate	13,105,766

Notes to the Financial Statements**For the Fiscal Year Ended June 30, 2023**

NOTE 18. SUBSEQUENT EVENTS

Subsequent to June 30, 2023, the following events occurred:

Primary Government

In September 2023, the Idaho State Department of Agriculture identified a quagga muscle outbreak in the Magic Valley. The area has been identified as a state of emergency for the state of Idaho. The costs are being incurred in FY 2024 and are based upon an identification of an early outbreak, eradication, and then will be considered a monitoring area for the next five years. We have estimated \$2.3 million for the eradication, and continued monitoring costs of \$2 million per fiscal year for the next five years.

The Department of Administration has contracted for the sale of the Idaho Transportation Department Campus on State Street for \$51.8 million. A preliminary agreement has been drafted with the buyer, but could take up to 18 months before closing and transfer of ownership.

On September 14, 2023 Boise State University closed on \$43.5 million of General Revenue Project Bonds, Series 2023A to finance a portion of the construction of a new residence hall. The new facility is designed as a 450-bed, first-year student residence hall that consists of mixed single and double occupancy rooms and support spaces. The six-story, 146,000 square foot facility will be built adjacent to the Albertsons Library, existing University housing and other support facilities.

Component Units

On July 1, 2023, the Idaho Housing Finance Association (IHFA) had special redemptions in the following:

Single-Family Mortgage Bonds

- 2000 indenture, \$1.3 million
- 2003 indenture, \$1.8 million
- 2006 indenture, \$5.6 million
- 2019 indenture, \$2.4 million

The Idaho Individual High Risk Reinsurance Pool received a 1332 State Innovation Waiver for the period of January 1, 2023 through December 31, 2027. Any premium tax credit savings generated under this waiver will be passed through to the Pool for operation of the program. The amount of the premium tax credit savings is unknown at this time.

Effective January 1, 2023, the Pool updated their Administrative Services Agreement (the Agreement) with River 9 Consulting, Inc. (River 9). The new Agreement stipulates a base rate of \$4,500/month in addition to an \$11 monthly fee for the first 2,000 ceded lives and then \$10.75 for each ceded life above 2,000. The rates will increase 3.0% each year starting January 1, 2024, for the duration of the contract.

Required Supplementary Information



Idaho Farm Country

Required Supplementary Information
Budgetary Comparison Schedule
General Fund and Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	General			
	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
REVENUES				
Sales Tax	\$ 2,933,788	\$ 2,933,788	\$ 2,933,788	
Individual and Corporate Taxes	3,879,790	3,879,790	3,879,790	
Other Taxes	55,408	55,408	55,408	
Licenses, Permits, and Fees	36,559	36,559	36,559	
Sale of Goods and Services	31,237	31,237	31,237	
Grants and Contributions	58,784	58,784	58,784	
Investment Income	96,903	96,903	96,903	
Tobacco Settlement	23,095	23,095	23,095	
Other Income	44,942	44,942	44,942	
Total Revenues	<u>\$ 7,160,506</u>	<u>\$ 7,160,506</u>	<u>7,160,506</u>	
EXPENDITURES				
General Government	\$ 2,868,475	\$ 3,172,199	2,041,147	\$ 1,131,052
Public Safety and Correction	501,507	520,497	472,358	48,139
Health and Human Services	34,614	34,798	33,945	853
Education	3,161,963	3,186,127	3,015,967	170,160
Economic Development	554,133	808,642	238,268	570,374
Natural Resources	49,338	53,418	76,313	(22,895)
Total Expenditures	<u>\$ 7,170,030</u>	<u>\$ 7,775,681</u>	<u>5,877,998</u>	<u>\$ 1,897,683</u>
Revenues Over (Under) Expenditures			<u>1,282,508</u>	
OTHER FINANCING SOURCES (USES)				
Lease and SBITA Acquisitions			51,053	
Sale of Capital Assets			1,961	
Transfers In			356,233	
Transfers Out			(1,944,770)	
Total Other Financing Sources (Uses)			<u>(1,535,523)</u>	
Revenues and Other Financing Sources Over (Under)			<u>(253,015)</u>	
Expenditures and Other Financing Uses				
Reconciling Items				
Changes Affected by Accrued Revenues			(647,447)	
Changes Affected by Accrued Expenditures			930,359	
Fund Balances - Beginning of Year			<u>4,468,915</u>	
Fund Balances - End of Year			<u>\$ 4,498,812</u>	

continued

Health and Welfare				Transportation			
Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
				\$ 113,420	\$ 113,420	\$ 113,420	
\$ 57,147	\$ 57,147	\$ 57,147		375,123	375,123	375,123	
27,700	27,700	27,700		218,983	218,983	218,983	
462,534	462,534	462,534		9,431	9,431	9,431	
3,587,840	3,587,840	3,587,840		394,301	394,301	394,301	
403	403	403		9,902	9,902	9,902	
29,094	29,094	29,094		3,076	3,076	3,076	
<u>\$ 4,164,718</u>	<u>\$ 4,164,718</u>	<u>4,164,718</u>		<u>\$ 1,124,236</u>	<u>\$ 1,124,236</u>	<u>1,124,236</u>	
\$ 4,902	\$ 4,902	2,764	\$ 2,138				
4,892,066	5,334,156	5,068,186	265,970				
				\$ 1,705,618	\$ 1,754,710	1,245,048	\$ 509,662
<u>\$ 4,896,968</u>	<u>\$ 5,339,058</u>	<u>5,070,950</u>	<u>\$ 268,108</u>	<u>\$ 1,705,618</u>	<u>\$ 1,754,710</u>	<u>1,245,048</u>	<u>\$ 509,662</u>
		(906,232)				(120,812)	
		231				6,568	
		19				9,225	
		932,796				115,065	
		(10,676)				(12,436)	
		<u>922,370</u>				<u>118,422</u>	
		16,138				(2,390)	
		(163,359)				27,992	
		81,954				(59,305)	
		47,098				545,618	
		<u>\$ (18,169)</u>				<u>\$ 511,915</u>	

Required Supplementary Information
Budgetary Comparison Schedule
General Fund and Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	Federal Stimulus			
	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
REVENUES				
Sales Tax				
Individual and Corporate Taxes				
Other Taxes				
Licenses, Permits, and Fees				
Sale of Goods and Services				
Grants and Contributions	\$ 292,115	\$ 292,115	\$ 292,115	
Investment Income	21,524	21,524	21,524	
Tobacco Settlement				
Other Income	16,436	16,436	16,436	
Total Revenues	<u>\$ 330,075</u>	<u>\$ 330,075</u>	<u>330,075</u>	
EXPENDITURES				
General Government	\$ 205,620	\$ 253,932	173,271	\$ 80,661
Public Safety and Correction	34,477	34,477	12,222	22,255
Health and Human Services	22,231	22,231	21,360	871
Education	664,963	664,963	324,186	340,777
Economic Development	17,001	142,101	7,672	134,429
Natural Resources	197,290	220,486	102,819	117,667
Total Expenditures	<u>\$ 1,141,582</u>	<u>\$ 1,338,190</u>	<u>641,530</u>	<u>\$ 696,660</u>
Revenues Over (Under) Expenditures			<u>(311,455)</u>	
OTHER FINANCING SOURCES (USES)				
Lease and SBITA Acquisitions				
Sale of Capital Assets				
Transfers In				
Transfers Out			<u>(25,165)</u>	
Total Other Financing Sources (Uses)			<u>(25,165)</u>	
Revenues and Other Financing Sources Over (Under)			<u>(336,620)</u>	
Expenditures and Other Financing Uses				
Reconciling Items				
Changes Affected by Accrued Revenues			321,160	
Changes Affected by Accrued Expenditures			(36,990)	
Fund Balances - Beginning of Year			<u>(47,436)</u>	
Fund Balances - End of Year			<u>\$ (99,886)</u>	

NOTE TO BUDGETARY REPORTING**Budgetary Process and Control**

Budgets are adopted in accordance with Idaho Code Title 67 Chapter 35. In September of each year, state agencies submit requests for appropriations to the Governor's Office, Division of Financial Management (DFM), so an executive budget may be prepared. The budget is generally prepared by agency, fund, program, and object and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. Legal level of budgetary control is maintained at the same level of detail as appropriated. Appropriated funds include the General Fund, special revenue funds, the capital projects fund, enterprise funds, internal service funds, earnings of the permanent fund, and pension trust funds. The appropriated funds are either appropriated annually or on a continuous basis. For those funds appropriated on a continuous basis, appropriation equals expenditures which can be made to the extent of available cash. Unexpended appropriation balances generally lapse at fiscal year-end unless reappropriated by the Legislature. Appropriations are subject to the provisions of Idaho Code Title 67 Chapter 36.

The Governor's budget recommendations are presented to the Legislature within the first five days of each regular legislative session, which begins in January. The Joint Finance and Appropriations Committee reviews the Governor's recommended budget, makes amendments, and prepares the annual appropriation bills for submission to both houses of the Legislature. A simple majority vote by both houses of the Legislature is required to pass the appropriation bills. The Governor has line item veto power over appropriation bills. Approval by two-thirds of both houses is required to override a governor's veto. The appropriation bills become the State's authorized operating budget upon the Governor's signature, or become law without the Governor's signature within five days after being presented to him, per Idaho Constitution Article IV Sections 10 and 11.

Agencies may request additional appropriations for the current year, which may be granted under authority of the Legislature. If expenditures are expected to exceed available cash, the State Board of Examiners (SBE) may authorize reduction of a portion of the General Fund appropriation. The Governor may issue an executive order for temporary reduction of spending authority, which is recorded in the accounting system as a negative supplemental appropriation. The Governor may call

extraordinary sessions as provided by Article IV Section 9 of the Idaho Constitution.

Limitations exist regarding the extent to which management may modify an appropriation. Legislative approval is required for the transfer of appropriations from one fund to another. The following adjustments may be made, with the appropriate approval:

Idaho Code Section 67-3511(1) allows agencies to transfer spending authority between account categories within a fund and program, with the exception of personnel costs. Appropriations for personnel costs may be transferred to other objects, but appropriations for other costs may not be transferred to personnel. Per Idaho Code Section 67-3511(3), appropriations for capital outlay may not be used for any other purpose, but appropriations for other objects may be transferred to capital outlay. The SBE must approve object transfers.

Idaho Code Section 67-3511(2) allows agencies to transfer spending authority from one program to another within an agency, provided the transfer is not more than 10 percent cumulative change from the appropriated amount for any program affected by the transfer. The DFM and the SBE must approve these transfers. The Legislature must approve transfers above 10 percent cumulative change.

Should any change occur that is not within the described limitations, legal compliance is not achieved.

The General Fund's natural resources function had a negative variance stemming from fire suppression deficiency warrants. This deficit is allowed by statute and will be funded with future appropriations. All other appropriated budgets of the State were within their authorized spending levels.

Budgetary Basis of Accounting

The State's legal budget is prepared using cash basis records. Revenues are generally recognized when cash is received. Expenditures are recorded when the related cash disbursement occurs. Encumbrances are allowed for budgetary control purposes. Fund balances are restricted or committed for obligations incurred for goods or services that have not been received. Encumbrances may be carried over to the next fiscal year with the approval of the DFM. The Budgetary Comparison Schedule is prepared on the budgetary basis and includes this

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

variation from generally accepted accounting principles (GAAP). The original budget amount represents the original appropriation, prior year reappropriations, and continuous appropriations. The final budget amount includes the original budget plus supplemental (positive or negative) appropriations, Governor's holdbacks, Board of Examiners reductions, object transfers, actual transfers, and receipts to the appropriation. The reconciliation at the bottom of the Budgetary Comparison Schedule shows the difference between the budgetary

basis and GAAP.

The State does not adopt a revenue budget. For financial reporting purposes, the Budgetary Comparison Schedule reflects budgeted revenues as being equal to actual revenues. The State issues a separate Legal Basis Financial Report, which demonstrates legal compliance with the budget. A copy of this report may be viewed online at www.sco.idaho.gov under "Transparency," "Idaho Statewide Reports," and "Legal Basis Report."

INFRASTRUCTURE – MODIFIED APPROACH REPORTING

Under GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, governments are allowed an alternative to depreciation for their infrastructure assets, referred to as the modified approach. Using the modified approach, governments report maintenance and preservation expenses and do not report depreciation expense on qualifying assets. In order to use the modified approach, the State must manage the infrastructure assets using an asset management system and maintain those assets at established condition levels. The asset management system must meet all of the following requirements:

- Maintain an up-to-date inventory of eligible infrastructure assets
- Perform condition assessments of eligible assets and summarize the results using a measurement scale
- Annually estimate the cost to maintain and preserve the assets at the condition level established
- Document the condition level at which the assets are being preserved and maintained

The State of Idaho has chosen to use the modified approach in reporting the roadway network, which consists of approximately 12,276 lane miles.

Measurement Scale

The Idaho Transportation Department (ITD) determines the State's roadway surface condition by use of the Pavement Management System. Idaho uses three measures to quantify performance: International Roughness Index (IRI), rutting depth, and Overall Condition Index (OCI). Developed as part of refinements to ITD's Transportation Asset Management System (TAMS), the OCI is unique to Idaho. The roadway surface condition data is collected as follows:

The International Roughness Index (IRI) is a primary indicator of pavement serviceability or the ability of a pavement to meet the demands and

expectations of motorists. IRI is measured in inches per mile. With IRI, the higher the value, the rougher the pavement.

Rutting Depth is a primary indicator of pavement distress caused by fatigue in the roadway wheelpath. The ITD annually collects longitudinal profiles and rutting depths of all pavement management sections statewide.

The ITD uses a Class II-type profilometer to measure IRI and rutting depth. A profiler van mounted with a profilometer, laser sensors, and personal computers travels at normal posted speeds and collects and stores road-profile information at one-tenth of a foot intervals.

Pavement distress (cracking) is the final important indicator of pavement condition. The profiler van used to collect roughness and rutting information also collects video of the entire state highway system each year. The video equipment records images of both the forward facing view and a downward facing view so that pavement distress is easily seen. New and innovative technology is in use at ITD that takes advantage of the data collected by the profiler van to automate the process of crack identification and classification. This process offers substantial advantages over traditional pavement rating methods. Among these are: improved safety because rating personnel are not required to enter roadway to survey cracks; reduced collection time because data and photos of the roadway are collected at up to 60 mph; improved crack detection, as the profiler van collects over 2.5-million data points from the roadway surface per second and can detect 0.5mm crack widths and depths which are not readily visible to the naked eye. The Auto Classification software offers improved

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

consistency as its algorithm is not subject to personal interpretation and judgment, as is the visual survey. It is not inferred or implied that auto detection and auto classification will run as a “black box” solution; that is to say, autonomously with results accepted blindly, rather the Asset Management Engineer reviews and verifies the results.

With respect to quantification of cracked pavement, ITD uses the Overall Condition Index (OCI) Method. The Overall Condition Index (OCI) provides an overall pavement serviceability measure. The OCI is the weighted average of many different pavement performance factors and there is flexibility to add other measures that are deemed relevant. The OCI varies between 100 representing the best possible pavement and zero (0) denoting the poorest possible pavement. The American Society for Testing & Materials (ASTM) has adopted this rating criteria as a standard for determining the pavement condition of a roadway.

The following table shows the various distresses that are considered and utilized during analysis.

OCI Pavement Distress Types	
Flexible	Rigid
Fatigue Cracking	Slab Cracking
Edge Cracking	Joint Seal Damage
Transverse Cracking	Joint Spalling
Block Cracking	Faulting
Patch Deterioration	Map Cracking
Raveling	Studded Tire Wear

Each distress type is quantified based on both the extent and severity. These values are then input, for each distress type, into an equation that yields an Individual Distress Index (IDI). When each individual distress type has been calculated, all of the IDI values are then input into the Overall Condition Index formula to compute the OCI for the pavement section. For each pavement type, two additional indices are computed with the

methodology. Rigid pavement has the Slab Index and the Joint Index computed, while flexible pavements have the Structural Distress Index and the Non-Structural Index computed. The main function of these values is to assist in Pavement Management System (PMS) decision tree configuration and treatment selection. A copy of the AgileAssets PMS Engineering Configuration Document is available upon request.

The surface condition is measured by International Roughness Index (IRI), Overall Condition Index (OCI) and Rutting Depth. Each category has its own thresholds, which differ slightly depending on the assigned functional class. The measurement ranges for each of these conditions is shown in the following chart:

Idaho Pavement Measures			
Pavement Rating	International Roughness Index (IRI)	Overall Condition Index (OCI)	Rutting Asphalt
Good	< 95	≥ 80	< 0.20 inches
Fair	95 - 170	79 - 60	0.20 - 0.40 inches
Poor	> 170	< 60	> 0.40 inches

Established Condition Level

Beginning in calendar year 2018, the ITD changed the rating system they use to measure surface condition, which included combining Poor and Very Poor categories. The effect of the change in the rating system served to make the evaluations more conservative and improves consistency and reduces variance due to interpretation and judgment. The new rating system was used to determine the condition assessments for 2018, as well as the estimated costs to preserve and maintain the roads at, or above, the established condition level for fiscal year 2023.

The ITD has established the condition level that no more than 30 percent of pavement shall be in poor condition. In calendar year 2022, the assessed level was maintained at 12.0 percent. Infrastructure preservation and restoration is a priority for the State. As a result of this focus, the ITD has provided all available funds to meet these goals.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

Assessed Condition Ratings of State Roadways

Most Recent Five Complete Condition Assessments											
Percent of Total Lane Miles per Pavement Condition											
	2022		2021		2020		2019		2018		
Good	4,413	36.0 %	4,807	39.4 %	5,709	46.9 %	5,672	46.2 %	7,879	64.2 %	
Fair	6,387	52.0 %	6,025	49.5 %	4,838	39.8 %	5,637	45.9 %	3,252	26.5 %	
Poor*	1,476	12.0 %	1,355	11.1 %	1,618	13.3 %	963	7.9 %	1,142	9.3 %	
Total Lane Miles	12,276	100 %	12,187	100 %	12,165	100 %	12,272	100 %	12,273	100 %	

*For 2021 and 2022, the pavement condition data is calculated based on each .01 miles individual performance section and contributed to the computation of the system overall performance. This method yields a better measure of overall pavement performance.

Estimated and Actual Costs to Maintain

The information below reflects the State's estimate of spending necessary to preserve and maintain the roads at, or above, the established condition level, and the actual amount spent during the past six fiscal years (*dollars in thousands*).

	FY2024	FY2023	FY2022	FY2021	FY2020	FY2019	FY2018
Estimated	\$ 237,724	\$ 225,331	\$ 137,758	\$ 114,875	\$ 134,408	\$ 128,923	\$ 100,691
Actual		\$ 142,237	\$ 101,458	\$ 94,469	\$ 124,559	\$ 184,973	\$ 179,193

PENSION

PERSI Base Plan

Schedule of Net Pension Liability (Asset) Proportionate Share*				
(dollars in thousands)				
	2016	2017	2018	2019
Proportion of Net Pension Liability (NPL) / (Asset (NPA))	25.8 %	25.5 %	25.8 %	24.8 %
Proportionate Share of NPL (NPA)	\$ 339,548	\$ 517,254	\$ 405,168	\$ 365,199
Covered Payroll	719,692	739,478	795,738	792,275
Proportionate Share of NPL (NPA) as a Percentage of Covered Payroll	47.18 %	69.9 %	50.9 %	46.1 %
Plan Fiduciary Net Position	\$13,956,663	\$13,884,164	\$15,296,682	\$16,274,830
Plan Total Pension Liability	\$15,273,500	\$15,911,317	\$16,868,511	\$17,749,848
Plan Fiduciary Net Position as a Percentage of Plan Total Pension Liability	91.4 %	87.3 %	90.7 %	91.7 %

*As of the Measurement Date of the Net Pension Liability

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

Schedule of Net Pension Liability (Asset) Proportionate Share*

(dollars in thousands)

	2020	2021	2022	2023
Proportion of Net Pension Liability (NPL) / (Asset (NPA))	24.5 %	24.1 %	(23.3)%	23.1 %
Proportionate Share of NPL (NPA)	\$ 280,128	\$ 559,462	\$ (16,881)	\$ 909,557
Covered Payroll	829,227	855,430	864,987	906,842
Proportionate Share of NPL (NPA) as a Percentage of Covered Payroll	33.78 %	65.4 %	(2.0)%	100.3 %
Plan Fiduciary Net Position	\$17,239,461	\$17,392,061	\$21,770,659	\$19,349,485
Plan Total Pension Liability	\$18,380,934	\$19,714,193	\$21,691,681	\$23,288,243
Plan Fiduciary Net Position as a Percentage of Plan Total Pension Liability	93.8 %	88.2 %	100.4 %	83.1 %

*As of the Measurement Date of the Net Pension Liability

Schedule of Contributions

(dollars in thousands)

Fiscal Year Ended June 30	(a) Statutorily Determined Contribution	(b) Contributions in Relation to Statutorily Determined Contribution	(c) Contribution Deficiency (Excess)* (a) - (b)	(d) Covered Payroll	Contributions as a Percentage of Covered Payroll (b) : (d)
2015	\$ 81,757	\$ 81,757	\$ —	\$ 719,692	11.36%
2016	84,555	84,555	—	739,478	11.43%
2017	90,555	90,555	—	795,738	11.38%
2018	90,161	90,161	—	792,275	11.38%
2019	94,267	94,267	—	829,227	11.37%
2020	102,566	102,566	—	855,430	11.99%
2021	103,712	103,712	—	864,987	11.99%
2022	108,730	108,730	—	906,842	11.99%
2023	118,741	118,741	—	990,335	11.99%

Schedules above intended to show information for 10 years. Information for additional years will be displayed as they become available.

Notes to PERSI Base Plan RSI Schedules:

There were no changes in assumptions for the Base Plan since the prior measurement date.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

Judges' Retirement Fund

Schedule of Changes in Employer's Net Pension Liability									
(dollars in thousands)									
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability									
Service Cost	\$ 3,251	\$ 3,111	\$ 3,179	\$ 2,963	\$ 3,178	\$ 3,344	\$ 3,490	\$ 3,835	\$ 3,817
Interest	6,590	6,889	7,056	7,329	7,502	7,930	8,127	7,728	7,964
Benefit Changes									
Economic/ Demographic Gains (Losses)	285	(1,648)	266	(890)	(829)	(962)	(106)	552	2,993
Assumption Changes				489	3,456		2,490		
Benefit Payments, Including Refunds	(5,577)	(5,975)	(6,173)	(6,692)	(7,168)	(7,640)	(7,680)	(8,167)	(8,611)
Net Change in Total Pension Liability	4,549	2,377	4,328	3,199	6,139	2,672	6,321	3,948	6,163
Total Pension Liability - Beginning	92,303	96,852	99,229	103,557	106,756	112,895	115,567	121,888	125,836
Total Pension Liability - Ending (a)	96,852	99,229	103,557	106,756	112,895	115,567	121,888	125,836	131,999
Plan Net Position									
Contributions - Employer	3,596	3,371	3,947	4,279	4,689	4,879	5,067	5,120	5,439
Contributions - Employee	629	624	630	715	779	846	876	909	924
Net Investment Income	2,052	1,094	9,157	6,938	6,937	2,536	25,477	(11,162)	9,445
Other Income					13	13			
Transfer In									
Benefit Payments, Including Refunds	(5,577)	(5,975)	(6,173)	(6,692)	(7,168)	(7,640)	(7,680)	(8,167)	(8,611)
Administrative Expense	(96)	(133)	(74)	(105)	(121)	(127)	(104)	(106)	(116)
Net Change in Plan Net Position	604	(1,019)	7,487	5,135	5,129	507	23,636	(13,406)	7,081
Plan Fiduciary Net Position - Beginning	75,864	76,468	75,449	82,936	88,071	93,200	93,707	117,343	103,937
Plan Fiduciary Net Position - Ending (b)	76,468	75,449	82,936	88,071	93,200	93,707	117,343	103,937	111,018
Net Pension Liability - Ending (a) - (b)	\$ 20,384	\$ 23,780	\$ 20,621	\$ 18,685	\$ 19,695	\$ 21,860	\$ 4,545	\$ 21,899	\$ 20,981
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.95 %	76.04 %	80.09 %	82.50 %	82.55 %	81.08 %	96.27 %	82.60 %	84.11 %
Covered Payroll	\$ 6,149	\$ 6,097	\$ 6,162	\$ 6,178	\$ 6,732	\$ 7,802	\$ 8,103	\$ 8,188	\$ 8,698
Net Pension Liability as a Percentage of Covered Payroll	331.50 %	390.03 %	334.63 %	302.44 %	292.58 %	280.21 %	56.11 %	267.47 %	241.24 %

Schedule intended to show information for 10 years. Information for additional years will be displayed as it becomes available.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

Schedule of Employer Contributions						
(dollars in thousands)						
Fiscal Year Ended June 30	(a) Actuarially Determined Contribution	(b) Contributions in Relation to Actuarially Determined Contribution	(c) Contribution Deficiency (Excess) (a) - (b)	(d) Covered Payroll	Contributions as a Percentage of Covered Payroll (b) : (d)	
2013	\$ 2,939	\$ 2,662	\$ 277	\$ 5,868	45.36%	
2014	2,949	2,717	232	5,634	48.23%	
2015	3,493	3,595	(102)	6,149	58.46%	
2016	3,463	3,370	93	6,097	55.27%	
2017	3,604	3,947	(343)	6,162	64.05%	
2018	3,273	4,279	(1,006)	6,178	69.26%	
2019	3,307	4,689	(1,382)	6,732	69.65%	
2020	3,897	4,879	(982)	7,802	62.54%	
2021	4,033	5,067	(1,034)	8,103	62.53%	
2022	3,368	5,120	(1,752)	8,188	62.53%	
2023	4,906	5,439	(533)	8,698	62.53%	

Schedule of Investment Returns											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual Money Weighted Rate of Return, Net of Investment Expense	8.8 %	16.9 %	2.7 %	1.5 %	12.4 %	8.5 %	8.0 %	2.8 %	27.6 %	(9.6)%	9.2 %

Schedule intended to show information for 10 years. Information for additional years will be displayed as it becomes available.

Note to the Judges' Retirement Fund Schedules:

Assumptions Used to Calculate Actuarially Determined Contributions	
Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Payroll - Open
Amortization Period	12.4 Years
Asset Valuation Method	Fair Market Value
Actuarial Assumptions:	
Investment Rate of Return - Net of Investment Expenses	6.35%
Projected Salary Increases, Including Inflation	3.05%
Post-retirement Cost of Living Allowance Increases	1.00% or 3.05%
Implied Price Inflation Rate	2.30%
Discount Rate	6.35%

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

OTHER POSTEMPLOYMENT BENEFITS

Plan Administered by the Idaho Department of Administration

Schedule of Changes in Employer's Total OPEB Liability						
Retiree Healthcare Plan						
(dollars in thousands)						
Proportionate Share of Total OPEB Liability	2018	2019	2020	2021	2022	2023
Service Cost	\$ 1,264	\$ 1,292	\$ 738	\$ 1,161	\$ 641	\$ 802
Interest	1,166	1,142	780	1,001	360	414
Effect of Plan Changes						(9,658)
Effect of Economic/ Demographic Gains (Losses)		(145)		(16,644)	3,313	(294)
Effect of Assumption Changes		(10,711)	8,967	5,064	139	(1,933)
Expected Benefit Payments	(2,842)	(3,012)	(2,250)	(2,986)	(1,561)	(1,828)
Net Change in Total OPEB Liability	(412)	(11,434)	8,235	(12,404)	2,892	(12,497)
Total OPEB Liability - Beginning	32,738	32,326	20,666	28,772	16,511	19,291
Effects of Change in Proportion		(226)	(129)	143	(112)	(23)
Adjusted Total OPEB Liability - Beginning	32,738	32,100	20,537	28,915	16,399	19,268
Total OPEB Liability - Ending	\$ 32,326	\$ 20,666	\$ 28,772	\$ 16,511	\$ 19,291	\$ 6,771
Covered-Employee Payroll	\$ 1,007,857	\$ 1,004,716	\$ 1,097,044	\$ 1,147,186	\$ 1,157,363	\$ 1,224,822
Total OPEB Liability as a Percentage of Covered-Employee Payroll	3.21 %	2.06 %	2.62 %	1.44 %	1.67 %	0.55 %
State's Proportion of Total OPEB Liability	92.50 %	91.85 %	91.28 %	91.73 %	91.11 %	91.00 %

Schedule of Changes in Employer's Total OPEB Liability						
Long-Term Disability Healthcare Plan						
(dollars in thousands)						
Proportionate Share of Total OPEB Liability	2018	2019	2020	2021	2022	2023
Service Cost	\$ 199	\$ 203	\$ 172	\$ 193	\$ 183	\$ 191
Interest	101	65	57	41	25	25
Effect of Plan Changes						
Effect of Economic/ Demographic Gains (Losses)		774		(144)	3	177
Effect of Assumption Changes		(392)	14	67	3	(509)
Expected Benefit Payments	(1,515)	(1,042)	(874)	(244)	(128)	(167)
Net Change in Total OPEB Liability	(1,215)	(392)	(631)	(87)	86	(283)
Total OPEB Liability - Beginning	3,358	2,143	1,736	1,094	1,012	1,091
Effects of Change in Proportion		(15)	(11)	5	(7)	(1)
Adjusted Total OPEB Liability - Beginning	3,358	2,128	1,725	1,099	1,005	1,090
Total OPEB Liability - Ending	\$ 2,143	\$ 1,736	\$ 1,094	\$ 1,012	\$ 1,091	\$ 807
Covered-Employee Payroll	\$ 1,007,857	\$ 1,004,716	\$ 1,097,044	\$ 1,147,186	\$ 1,157,363	\$ 1,224,822
Total OPEB Liability as a Percentage of Covered-Employee Payroll	0.21 %	0.17 %	0.10 %	0.09 %	0.09 %	0.07 %
State's Proportion of Total OPEB Liability	92.50 %	91.85 %	91.28 %	91.73 %	91.11 %	91.00 %

Schedules above intended to show information for 10 years. Information for additional years will be displayed as it becomes available.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

Schedule of Changes in Employer's Total OPEB Liability

Retiree Life Insurance Plan

(dollars in thousands)

	2018	2019	2020	2021	2022	2023
Total OPEB Liability						
Service Cost	\$ 2,097	\$ 2,113	\$ 2,058	\$ 2,411	\$ 3,709	\$ 3,893
Interest	2,114	2,178	2,377	2,435	1,914	1,975
Effect of Plan Changes					(895)	
Effect of Economic/Demographic Gains (Losses)		(659)		(6,706)		6,702
Effect of Assumption Changes		(2,303)	4,701	18,794	987	(22,777)
Expected Benefit Payments	(1,136)	(1,210)	(1,293)	(1,402)	(1,134)	(1,241)
Net Change in Total OPEB Liability	3,075	119	7,843	15,532	4,581	(11,448)
Total OPEB Liability - Beginning	57,514	60,589	59,430	67,863	83,384	88,072
Effects of Change in Proportion		(1,278)	590	(11)	107	108
Adjusted Total OPEB Liability - Beginning	57,514	59,311	60,020	67,852	83,491	88,180
Total OPEB Liability - Ending	\$ 60,589	\$ 59,430	\$ 67,863	\$ 83,384	\$ 88,072	\$ 76,732
Covered-Employee Payroll	\$ 325,265	\$ 319,806	\$ 336,776	\$ 356,961	\$ 345,863	\$ 370,369
Total OPEB Liability as a Percentage of Covered-Employee Payroll	18.63 %	18.58 %	20.15 %	23.36 %	25.46 %	20.72 %
State's Proportion of Total OPEB Liability	100.00 %	98.25 %	98.56 %	98.54 %	98.70 %	98.86 %

Schedule above intended to show information for 10 years. Information for additional years will be displayed as it becomes available.

For the above OPEB plans, no assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4; these benefits are funded on a pay-as-you-go basis.

Notes to Plans Administered by the Idaho Department of Administration:

Changes in assumptions resulted from an update to per capita medical benefit costs and trends; and updated rates for the discount rate, general wage scale, rate of inflation, retiree enrollment, and spouse enrollment.

There have been significant changes on and after the July 1, 2022 valuation date: Effective July 1, 2022, the College of Eastern Idaho Life benefit will no longer be offered to participants who retire after July 1, 2022. Effective September 1, 2022, school districts may participate in the retiree medical program with the same provisions as described in Appendix B of the May 22, 2023 Milliman Reporting Valuation. These members are not included in the results. The estimated impact on the Total OPEB Liability if the school districts were included would have been an additional \$2,200,000 for retiree healthcare. Effective July 1, 2023, the retiree healthcare plan will have a \$155 explicit subsidy with no implicit subsidy. The \$155 is not expected to change. There is no change to the LTD Healthcare benefit.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

University of Idaho Plan

Schedule of Changes in Employer's Net OPEB Liability						
University of Idaho Plan						
(dollars in thousands)						
	2018	2019	2020	2021	2022	2023
Total OPEB Liability						
Service Cost	\$ 505	\$ 505	\$ 579	\$ 569	\$ 145	\$ 132
Interest	3,606	3,698	3,837	3,347	2,494	2,283
Benefit Changes			(3,256)	(12,709)		
Economic/Demographic Gains (Losses)		3,654	(918)	(833)	(798)	(1,914)
Assumption Changes		(8,338)	(5,689)	(1,482)	(1,151)	(2,357)
Benefit Payments, Including Refunds	(2,676)	(3,189)	(2,549)	(2,916)	(2,445)	(2,643)
Net Change in Total OPEB Liability	1,435	(3,670)	(7,996)	(14,024)	(1,755)	(4,499)
Total OPEB Liability - Beginning	66,885	68,320	64,650	56,654	42,630	40,875
Total OPEB Liability - Ending (a)	68,320	64,650	56,654	42,630	40,875	36,376
Plan Net Position						
Contributions - Employer	2,961	3,895	2,660	3,041	2,557	2,766
Contributions - Employee						
Net Investment Income	3,528	(1,840)	6,414	6,367	4,999	(7,974)
Transfer In						
Benefit Payments, Including Refunds	(2,676)	(3,189)	(2,549)	(2,916)	(2,445)	(2,643)
Administrative Expense	(75)	(91)	(110)	(125)	(137)	(133)
Other*				35		
Net Change in Plan Net Position	3,738	(1,225)	6,415	6,402	4,974	(7,984)
Plan Fiduciary Net Position - Beginning	31,247	34,984	33,759	40,174	46,576	51,550
Plan Fiduciary Net Position - Ending (b)	34,984	33,759	40,174	46,576	51,550	43,566
Net OPEB Liability/(Asset) - Ending (a) - (b)	\$ 33,336	\$ 30,891	\$ 16,480	\$ (3,946)	\$ (10,675)	\$ (7,190)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	51.21 %	52.22 %	70.91 %	109.26 %	126.12 %	119.77 %
Covered Payroll	\$ 159,935	\$ 165,468	\$ 170,118	\$ 153,291	\$ 137,069	\$ 133,814
Net OPEB Liability/(Asset) as a Percentage of Covered Payroll	20.84 %	18.67 %	9.69 %	(2.57)%	(7.79)%	(5.37)%
*Includes Death Benefits						

Schedule above intended to show information for 10 years. Information for additional years will be displayed as it becomes available.

Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

Schedule of Employer Contributions					
University of Idaho Plan					
(dollars in thousands)					
Fiscal Year Ended June 30	(a) Actuarially Determined Contributions	(b) Contributions in Relation to Actuarially Determined Contributions	(c) Contributions Deficiency (Excess) (a) - (b)	(d) Covered Payroll	Contributions as a Percentage of Covered Payroll (b) : (d)
2014	3,368	3,178	190	132,777	2.39%
2015	3,177	3,233	(56)	140,728	2.30%
2016	2,711	2,751	(40)	150,995	1.82%
2017	3,321	3,157	164	152,999	2.06%
2018	3,537	3,592	(55)	157,589	2.28%
2019	3,451	2,937	514	162,317	1.81%
2020	3,285	3,048	237	172,651	1.77%
2021	2,151	3,179	(1,028)	155,573	2.04%
2022	(442)	N/A	N/A	139,110	N/A
2023	1,203	N/A	N/A	128,516	N/A

For years prior to the year ended June 30, 2017, the Actuarial Determined Contribution (ADC) was assumed to be equal to the Annual Required Contribution (ARC) as reported under GASB Statement No. 45 for each applicable year.

Notes to University of Idaho Plan Schedules:

Assumptions Used to Calculate Actuarially Determined Contributions	
Valuation Date	Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry Age, Level Percentage of Payroll
Amortization Method	Level Dollar, Closed
Remaining Amortization Period:	19 years remaining for the year ending June 30, 2018 18 years remaining for the year ending June 30, 2019 17 years remaining for the year ending June 30, 2020 16 years remaining for the year ending June 30, 2021 15 years remaining for the year ending June 30, 2022 14 years remaining for the year ending June 30, 2023
Asset Valuation Method	The market value of assets as of December 31, 2022 projected to the measurement date

Changes in assumptions from the previous valuation resulted in an increase of the net OPEB liability. The increase was the net effect of several factors including combined actuarial experience losses. These were comprised of gains due to differences between expected and actual experience on liabilities resulting from demographic changes and actual 2022 contributions and benefit payments that were different from expected, and losses due to differences between expected and actual earnings on investments. In addition, valuation assumption changes decreased the net OPEB liability. This was a result of updating the valuation for year per capita health costs and retiree contribution rates, updating the actuarial factors used to estimate individual retiree and spouse costs by age and gender, modifying future trends on such costs, updating the mortality rates, and modifying the percentage of future retirees assumed to elect Plan A versus Plan B.

Required Supplementary Information

For the Fiscal Year Ended June 30, 2023

Sick Leave Insurance Reserve Fund

Schedule of Net OPEB Liability (Asset) Proportionate Share*

(dollars in thousands)

	2018	2019	2020	2021	2022	2023
Proportion of Net OPEB Liability (Asset)	89.0 %	88.4 %	88.3 %	88.9 %	88.9 %	88.9 %
Proportionate Share of Net OPEB Liability (Asset)	\$ (84,677)	\$ (101,454)	\$ (111,192)	\$ (125,513)	\$ (161,793)	\$ (125,792)
Covered Payroll	\$ 977,312	\$ 973,898	\$ 1,018,146	\$ 1,229,613	\$ 976,352	\$ 998,981
Proportionate Share of Net OPEB Liability (Asset) as a Percentage of Covered Payroll	(8.7)%	(10.4)%	(10.9)%	(10.2)%	(16.6)%	(12.6)%
Plan Fiduciary Net Position	\$ 186,498	\$ 206,260	\$ 225,186	\$ 234,449	\$ 286,193	\$ 244,503
Plan Total OPEB Liability	\$ 91,368	\$ 91,490	\$ 99,214	\$ 93,297	\$ 104,239	\$ 103,036
Plan Fiduciary Net Position as a Percentage of Plan Total OPEB Liability	204.1 %	225.4 %	227.0 %	251.3 %	274.6 %	237.3 %

*As of the Measurement Date of the Net OPEB Liability (Asset)

Schedule of Employer Contributions

(dollars in thousands)

Fiscal Year Ended June 30*	(a) Statutorily Determined Contribution	(b) Contributions in Relation to Statutorily Determined Contribution	(c) Contribution Deficiency (Excess) (a) - (b)	(d) Covered Payroll**	Contributions as a Percentage of Covered Payroll (b) : (d)
2017	\$ 6,353	\$ 6,353	\$ —	\$ 977,312	0.65%
2018	6,330	6,330	—	973,898	0.65%
2019	6,618	6,618	—	1,018,146	0.65%
2020	3,996	3,996	—	1,229,613	0.33%
2021	(1)	(1)	—	976,352	—%
2022	—	—	—	998,981	—%
2023	(1)	(1)	—	1,450,648	—%

*The PERSI Board approved a sick leave holiday effective January 1, 2020 with an end date of June 30, 2021. In the November 2021 Board Meeting, the PERSI Board extended the rate holiday for employer contributions for the State to June 30, 2031. There were no contributions received in the current fiscal year because of the holiday. Any contributions shown during the holiday are due to adjustments made by PERSI.

** Revised based on updated information.

Schedules above intended to show information for 10 years. Information for additional years will be displayed as it becomes available.

Notes to SLIRF RSI Schedules:

Changes in assumptions since the prior measurement date resulted from an update to assumptions for member data that was missing the amount of unused sick leave days/hours as of the valuation date. In prior valuations, these members were treated as having no unused sick leave. The assumptions have been updated to assume that their unused sick leave is based on their vesting service and the applicable accumulation rate from the 2022 actuarial valuation report.



Combining Financial Statements



Shoshone Falls



NONMAJOR GOVERNMENTAL FUNDS include nonmajor special revenue funds. The following provides a brief description of the nonmajor governmental funds.

NONMAJOR SPECIAL REVENUE FUNDS account for specific revenues that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The Agriculture and Natural Resources Fund accounts for the financial position and operations associated with the maintenance, preservation, and regulation of the State's parks, water, air, and agricultural resources. The major sources of funding are dedicated user fees, taxes, and federal grants.

The Regulatory Fund accounts for the financial position and operations associated with various professional licensing and monitoring functions. The major sources of funding are taxes and license fees.

The Fish and Game Fund accounts for the financial position and operations associated with enforcing and administering the fish and game laws in Idaho and perpetuating and managing the State's wildlife resources. The major sources of funding are dedicated user fees and federal grants.

The Federal Fund accounts for a portion of the financial position and operations associated with federal grants received by the State. Some federal grants are included in other funds of the State.

The Miscellaneous Fund accounts for the financial position and operations associated with general government services. The major sources of funding are provided by the sale of goods and services, miscellaneous taxes and fees, and other revenues.

The Building Authority accounts for the financial position and operations associated with the construction and financing of facilities, such as office buildings and parking garages to be used by the State. The major sources of funding are the sale of goods and services and bonds issued. The Building Authority is a blended component unit.

THE CAPITAL PROJECTS FUND accounts for specific revenues that are restricted, committed, or assigned to finance construction of capital assets.

The Transportation Infrastructure Fund accounts for the financial position and operations associated with the construction and financing of roads, bridges, and rest areas. The major sources of funding are provided by federal highway funds and notes issued.

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2023

(dollars in thousands)

	Special Revenue		
	Agriculture and Natural Resources	Regulatory	Fish and Game
ASSETS			
Cash and Cash Equivalents	\$ 2,721	\$ 1,506	\$ 2,733
Pooled Cash and Investments	354,954	99,934	55,110
Investments	22,650	23,714	15,067
Accounts Receivable, Net	4,396	2,674	1,923
Taxes Receivable, Net	3,849		
Interfund Receivables		30	
Due from Other Entities	1,166		9,139
Inventories and Prepaid Items	3,248	1,085	14,474
Loans, Notes, Leases and Pledges Receivable, Net	4,532		10
Other Assets	728	288	161
Restricted Assets:			
Cash and Cash Equivalents	16,782	973	10,255
Investments	141,090		57,033
Total Assets	\$ 556,116	\$ 130,204	\$ 165,905
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 4,613	\$ 623	\$ 4,992
Payroll and Related Liabilities	3,324	2,109	3,547
Interfund Payables			132
Due to Other Entities	105		
Unearned Revenue	8,912	1,507	76
Amounts Held in Trust for Others	3,049	158	5
Other Accrued Liabilities	1,917	6,316	471
Total Liabilities	21,920	10,713	9,223
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows	1,158	2,682	513
Fund Balances			
Nonspendable:			
Permanent Trusts			9,005
Inventories and Prepaid Items	3,248	1,085	14,474
Restricted	309,200	115,724	132,690
Committed	219,627		
Assigned	963		
Unassigned			
Total Fund Balances	533,038	116,809	156,169
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 556,116	\$ 130,204	\$ 165,905

			Capital Projects	
Federal	Miscellaneous	Building Authority	Transportation Infrastructure	Total
		\$ 3,041		\$ 10,001
	\$ 220,867		\$ 5	730,870
	16,145			77,576
\$ 76	8,682		19,756	37,507
	3,133			6,982
210	550			790
59,909				70,214
1,463	2,428			22,698
				4,542
136	1,324			2,637
10,451	9	14,949		53,419
				198,123
\$ 72,245	\$ 253,138	\$ 17,990	\$ 19,761	\$ 1,215,359
\$ 40,469	\$ 3,658	\$ 9	\$ 19,756	\$ 74,120
5,472	3,069			17,521
14,815	144			15,091
				105
967				11,462
				3,212
21	157			8,882
61,744	7,028	9	19,756	130,393
12,212	8,702			25,267
				9,005
1,463	2,428			22,698
	90,598	17,981	5	666,198
	144,382			364,009
				963
(3,174)				(3,174)
(1,711)	237,408	17,981	5	1,059,699
\$ 72,245	\$ 253,138	\$ 17,990	\$ 19,761	\$ 1,215,359

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	Special Revenue		
	Agriculture and Natural Resources	Regulatory	Fish and Game
REVENUES			
Sales Tax	\$ 4,800		
Other Taxes	42,372	\$ 129,097	
Licenses, Permits, and Fees	62,619	75,512	\$ 62,689
Sale of Goods and Services	11,078	1,539	1,544
Grants and Contributions	17,933	99	67,313
Investment Income (Loss)	11,494	445	4,923
Other Income	8,777	81	2,567
Total Revenues	159,073	206,773	139,036
EXPENDITURES			
Current:			
General Government	590	4,480	
Public Safety and Correction		3,662	
Education			
Economic Development	54,040	79,543	100
Natural Resources	100,150	1,014	117,605
Capital Outlay	16,305	6,486	20,437
Intergovernmental Revenue Sharing	14,886		
Debt Service:			
Principal Retirement	3,794	17	2,465
Interest and Other Charges	255	12	1,246
Total Expenditures	190,020	95,214	141,853
Revenues Over (Under) Expenditures	(30,947)	111,559	(2,817)
OTHER FINANCING SOURCES (USES)			
Bonds and Notes Issued			
Payment to Refunded Bond Escrow Agent			
Lease and SBITA Acquisitions	4,418	4,977	7,714
Sale of Capital Assets	237	225	2,236
Transfers In	201,432	157	49
Transfers Out	(7,556)	(117,943)	(346)
Total Other Financing Sources (Uses)	198,531	(112,584)	9,653
Net Changes in Fund Balances	167,584	(1,025)	6,836
Fund Balances - Beginning of Year, as Restated	365,454	117,834	149,333
Fund Balances - End of Year	\$ 533,038	\$ 116,809	\$ 156,169

			Capital Projects	
Federal	Miscellaneous	Building Authority	Transportation Infrastructure	Total
	\$ 1,429			\$ 6,229
	45,858			217,327
\$ 1,012	28,052			229,884
581	19,433	\$ 13,811		47,986
487,663	601			573,609
78	5,578	1,236	\$ 3,604	27,358
580	16,828	158	89	29,080
489,914	117,779	15,205	3,693	1,131,473
56,146	12,722	408		74,346
9,297	60,052			73,011
269,132	4,962			274,094
92,327	37,232		200	263,442
5,338	22			224,129
20,922	15,337		198,215	277,702
48,959	17,386			81,231
1,765	1,406	5,840		15,287
120	45	8,887		10,565
504,006	149,164	15,135	198,415	1,293,807
(14,092)	(31,385)	70	(194,722)	(162,334)
			194,715	194,715
		(161,655)		(161,655)
3,358	6,407			26,874
54	169			2,921
163	99,911			301,712
(373)	(94)	(14,256)		(140,568)
3,202	106,393	(175,911)	194,715	223,999
(10,890)	75,008	(175,841)	(7)	61,665
9,179	162,400	193,822	12	998,034
\$ (1,711)	\$ 237,408	\$ 17,981	\$ 5	\$ 1,059,699

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual****Nonmajor Governmental Funds****For the Fiscal Year Ended June 30, 2023***(dollars in thousands)*

	Special Revenue			
	Agricultural and Natural Resources			
	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
REVENUES				
Sales Tax	\$ 4,800	\$ 4,800	\$ 4,800	
Other Taxes	42,241	42,241	42,241	
Licenses, Permits, and Fees	62,529	62,529	62,529	
Sale of Goods and Services	11,120	11,120	11,120	
Grants and Contributions	21,752	21,752	21,752	
Investment Income	2,638	2,638	2,638	
Other Income	6,390	6,390	6,390	
Total Revenues	<u>\$ 151,470</u>	<u>\$ 151,470</u>	<u>151,470</u>	
EXPENDITURES				
General Government	\$ 767	\$ 767	600	\$ 167
Public Safety and Correction				
Education				
Economic Development	64,398	64,411	56,076	8,335
Natural Resources	154,820	243,715	110,155	133,560
Total Expenditures	<u>\$ 219,985</u>	<u>\$ 308,893</u>	<u>166,831</u>	<u>\$ 142,062</u>
Revenues Over (Under) Expenditures			<u>(15,361)</u>	
OTHER FINANCING SOURCES (USES)				
Bonds and Notes Issued				
Payment to Refunded Bond Escrow Agent				
Lease and SBITA Acquisitions			4,418	
Sale of Capital Assets			237	
Transfers In			201,432	
Transfers Out			(7,556)	
Total Other Financing Sources (Uses)			<u>198,531</u>	
Revenues and Other Financing Sources Over (Under)			<u>183,170</u>	
Expenditures and Other Financing Uses				
Reconciling Items				
Changes Affected by Accrued Revenues			7,603	
Changes Affected by Accrued Expenditures			(23,189)	
Fund Balances - Beginning of Year, as Restated			<u>365,454</u>	
Fund Balances - End of Year			<u>\$ 533,038</u>	

continued

Special Revenue							
Regulatory				Fish and Game			
Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
\$ 134,404	\$ 134,404	\$ 134,404					
75,470	75,470	75,470		\$ 62,688	\$ 62,688	\$ 62,688	
1,539	1,539	1,539		1,544	1,544	1,544	
99	99	99		65,397	65,397	65,397	
146	146	146		(54)	(54)	(54)	
216	216	216		2,624	2,624	2,624	
<u>\$ 211,874</u>	<u>\$ 211,874</u>	<u>211,874</u>		<u>\$ 132,199</u>	<u>\$ 132,199</u>	<u>132,199</u>	
\$ 4,490	\$ 4,490	4,494	\$ (4)				
4,245	4,281	3,907	374				
89,859	90,047	76,997	13,050	\$ 100	\$ 100	100	
1,847	1,847	1,031	816	152,024	152,493	129,762	\$ 22,731
<u>\$ 100,441</u>	<u>\$ 100,665</u>	<u>86,429</u>	<u>\$ 14,236</u>	<u>\$ 152,124</u>	<u>\$ 152,593</u>	<u>129,862</u>	<u>\$ 22,731</u>
		<u>125,445</u>				<u>2,337</u>	
		4,977				7,714	
		225				2,236	
		157				49	
		(117,943)				(346)	
		<u>(112,584)</u>				<u>9,653</u>	
		12,861				11,990	
		(5,101)				6,837	
		(8,785)				(11,991)	
		117,834				149,333	
		<u>\$ 116,809</u>				<u>\$ 156,169</u>	

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual****Nonmajor Governmental Funds****For the Fiscal Year Ended June 30, 2023***(dollars in thousands)*

	Special Revenue			
	Federal			
	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
REVENUES				
Sales Tax				
Other Taxes				
Licenses, Permits, and Fees	\$ 1,012	\$ 1,012	\$ 1,012	
Sale of Goods and Services	514	514	514	
Grants and Contributions	514,781	514,781	514,781	
Investment Income	309	309	309	
Other Income	681	681	681	
Total Revenues	<u>\$ 517,297</u>	<u>\$ 517,297</u>	<u>517,297</u>	
EXPENDITURES				
General Government	\$ 125,639	\$ 164,198	91,548	\$ 72,650
Public Safety and Correction	17,266	17,325	12,518	4,807
Education	375,674	375,674	294,299	81,375
Economic Development	200,281	200,281	113,463	86,818
Natural Resources	36,848	36,848	10,945	25,903
Total Expenditures	<u>\$ 755,708</u>	<u>\$ 794,326</u>	<u>522,773</u>	<u>\$ 271,553</u>
Revenues Over (Under) Expenditures			<u>(5,476)</u>	
OTHER FINANCING SOURCES (USES)				
Bonds and Notes Issued				
Payment to Refunded Bond Escrow Agent				
Lease and SBITA Acquisitions			3,358	
Sale of Capital Assets			54	
Transfers In			163	
Transfers Out			(373)	
Total Other Financing Sources (Uses)			<u>3,202</u>	
Revenues and Other Financing Sources Over (Under)			<u>(2,274)</u>	
Expenditures and Other Financing Uses				
Reconciling Items				
Changes Affected by Accrued Revenues			(27,383)	
Changes Affected by Accrued Expenditures			18,767	
Fund Balances - Beginning of Year, as Restated			<u>9,179</u>	
Fund Balances - End of Year			<u>\$ (1,711)</u>	

continued

Special Revenue

Miscellaneous

Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
\$ 1,434	\$ 1,434	\$ 1,434	
45,772	45,772	45,772	
28,052	28,052	28,052	
14,838	14,838	14,838	
1,994	1,994	1,994	
5,680	5,680	5,680	
16,984	16,984	16,984	
<u>\$ 114,754</u>	<u>\$ 114,754</u>	<u>114,754</u>	
\$ 16,864	\$ 31,864	13,537	\$ 18,327
97,823	101,908	73,304	28,604
7,822	7,822	5,512	2,310
53,953	53,958	41,357	12,601
38	38	22	16
<u>\$ 176,500</u>	<u>\$ 195,590</u>	<u>133,732</u>	<u>\$ 61,858</u>

(18,978)

6,407

169

99,911

(94)

106,393

87,415

3,025

(15,432)

162,400

\$ 237,408

Building Authority

Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
\$ 13,811	\$ 13,811	\$ 13,811	
1,236	1,236	1,236	
158	158	158	
<u>\$ 15,205</u>	<u>\$ 15,205</u>	<u>15,205</u>	
\$ 15,135	\$ 15,135	15,135	
<u>\$ 15,135</u>	<u>\$ 15,135</u>	<u>15,135</u>	

70

(161,655)

(14,256)

(175,911)

(175,841)

193,822

\$ 17,981

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual****Nonmajor Governmental Funds****For the Fiscal Year Ended June 30, 2023***(dollars in thousands)*

	Capital Projects			
	Transportation Infrastructure			
	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
REVENUES				
Sales Tax				
Other Taxes				
Licenses, Permits, and Fees				
Sale of Goods and Services				
Grants and Contributions				
Investment Income	\$ 3,604	\$ 3,604	\$ 3,604	
Other Income	19	19	19	
Total Revenues	<u>\$ 3,623</u>	<u>\$ 3,623</u>	<u>3,623</u>	
EXPENDITURES				
General Government				
Public Safety and Correction				
Education				
Economic Development	\$ 198,406	\$ 198,406	198,406	
Natural Resources				
Total Expenditures	<u>\$ 198,406</u>	<u>\$ 198,406</u>	<u>198,406</u>	
Revenues Over (Under) Expenditures			<u>(194,783)</u>	
OTHER FINANCING SOURCES (USES)				
Bonds and Notes Issued			194,715	
Payment to Refunded Bond Escrow Agent				
Lease and SBITA Acquisitions				
Sale of Capital Assets				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)			<u>194,715</u>	
Revenues and Other Financing Sources Over (Under)			<u>(68)</u>	
Expenditures and Other Financing Uses				
Reconciling Items				
Changes Affected by Accrued Revenues			70	
Changes Affected by Accrued Expenditures			(9)	
Fund Balances - Beginning of Year, as Restated			<u>12</u>	
Fund Balances - End of Year			<u>\$ 5</u>	

Total			
Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
\$ 6,234	\$ 6,234	\$ 6,234	
222,417	222,417	222,417	
229,751	229,751	229,751	
43,366	43,366	43,366	
604,023	604,023	604,023	
13,559	13,559	13,559	
27,072	27,072	27,072	
<u>\$ 1,146,422</u>	<u>\$ 1,146,422</u>	<u>1,146,422</u>	
\$ 162,895	\$ 216,454	125,314	\$ 91,140
119,334	123,514	89,729	33,785
383,496	383,496	299,811	83,685
606,997	607,203	486,399	120,804
345,577	434,941	251,915	183,026
<u>\$ 1,618,299</u>	<u>\$ 1,765,608</u>	<u>1,253,168</u>	<u>\$ 512,440</u>
		(106,746)	
		194,715	
		(161,655)	
		26,874	
		2,921	
		301,712	
		(140,568)	
		<u>223,999</u>	
		117,253	
		(14,949)	
		(40,639)	
		998,034	
		<u>\$ 1,059,699</u>	

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

Major Permanent Fund

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	Land Endowments			
	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance with Final Budget
REVENUES				
Sale of Goods and Services	\$ 87,678	\$ 87,678	\$ 87,678	
Investment Income	278,404	278,404	278,404	
Total Revenues	<u>\$ 366,082</u>	<u>\$ 366,082</u>	<u>366,082</u>	
EXPENDITURES				
Natural Resources	\$ 105,290	\$ 105,337	96,857	\$ 8,480
Total Expenditures	<u>\$ 105,290</u>	<u>\$ 105,337</u>	<u>96,857</u>	<u>\$ 8,480</u>
Revenues Over (Under) Expenditures			<u>269,225</u>	
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets			26,223	
Transfers Out			(100,315)	
Total Other Financing Sources (Uses)			<u>(74,092)</u>	
Revenues and Other Financing Sources Over (Under)			<u>195,133</u>	
Expenditures and Other Financing Uses				
Reconciling Items				
Changes Affected by Accrued Revenues			660	
Changes Affected by Accrued Expenditures			(6,334)	
Fund Balances - Beginning of Year			<u>2,826,002</u>	
Fund Balances - End of Year			<u>\$ 3,015,461</u>	

NONMAJOR ENTERPRISE FUNDS account for those funds that provide goods or services to the general public and finance their operations primarily through user charges. The following provide brief descriptions of the nonmajor enterprise funds.

The State Lottery Fund accounts for the financial position and operations associated with lottery games. Established by the Legislature in 1988, the State Lottery's purpose is to adopt rules and regulations governing the establishment and operation of lottery games, to oversee lottery operations, and to maximize the net income of the lottery for the benefit of the State. Annually, on July 1, the State Lottery's surplus net income is distributed as follows: 3/8 of its net income to the permanent building account, 3/8 of its net income to the school district building account, and 1/4 of its net income to the bond levy equalization fund as dictated by Idaho Code Section 67-7434.

The State Liquor Fund accounts for the financial position and operations associated with the distribution, sale, and consumption of alcoholic beverages. Per Idaho Code Section 23-404, after deducting administrative and operating costs for the Liquor Division, distributions are made to cities, counties, the General Fund, and various other funds of the State.

The Correctional Industries Fund accounts for the financial position and operations associated with employment for inmates of the Department of Correction. Correctional Industries manufactures and sells a variety of items including license plates, furniture, highway signs, printing services, and other products and services.

Combining Statement of Net Position

Nonmajor Enterprise Funds

June 30, 2023

(dollars in thousands)

	State Lottery	State Liquor	Correctional Industries	Total
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 2,667		\$ 1	\$ 2,668
Pooled Cash and Investments		\$ 23,435	3,094	26,529
Accounts Receivable, Net	2,417	112	990	3,519
Interfund Receivables			118	118
Inventories and Prepaid Items	280	25,834	2,100	28,214
Other Current Assets		381	5	386
Total Current Assets	5,364	49,762	6,308	61,434
Noncurrent Assets				
Restricted Cash and Cash Equivalents	87,749			87,749
Other Noncurrent Assets	268	956	225	1,449
Capital Assets, Net	1,614	21,381	6,114	29,109
Total Noncurrent Assets	89,631	22,337	6,339	118,307
Total Assets	94,995	72,099	12,647	179,741
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows	1,555	6,264	1,369	9,188
Total Assets and Deferred Outflows of Resources	\$ 96,550	\$ 78,363	\$ 14,016	\$ 188,929
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 1,444	\$ 14,061	\$ 762	\$ 16,267
Payroll and Related Liabilities	259	874	163	1,296
Interfund Payables		10,874		10,874
Due to Other Entities		11,670		11,670
Other Accrued Liabilities	6,319			6,319
Compensated Absences Payable	234	682	162	1,078
Bonds, Notes, and Right to Use Payable	310	3,640	171	4,121
Total Current Liabilities	8,566	41,801	1,258	51,625
Noncurrent Liabilities				
Bonds, Notes, and Right to Use Payable	1,004	11,169	336	12,509
Other Long-Term Obligations	2,444	9,005	1,944	13,393
Total Noncurrent Liabilities	3,448	20,174	2,280	25,902
Total Liabilities	12,014	61,975	3,538	77,527
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows	11	515	168	694
NET POSITION				
Net Investment in Capital Assets	300	6,572	5,607	12,479
Restricted for:				
Other Purposes	84,225	9,301	4,703	98,229
Total Net Position	84,525	15,873	10,310	110,708
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 96,550	\$ 78,363	\$ 14,016	\$ 188,929

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**Nonmajor Enterprise Funds****For the Fiscal Year Ended June 30, 2023***(dollars in thousands)*

	State Lottery	State Liquor	Correctional Industries	Total
OPERATING REVENUES				
Licenses, Permits, and Fees		\$ 13		\$ 13
Sale of Goods and Services	\$ 423,147	315,221	\$ 20,859	759,227
Other Income	50	267	60	377
Total Operating Revenues	423,197	315,501	20,919	759,617
OPERATING EXPENSES				
Personnel Costs	4,422	18,770	3,232	26,424
Services and Supplies	47,883	170,256	2,170	220,309
Benefits, Awards, and Premiums	285,564			285,564
Depreciation	424	4,701	558	5,683
Other Expenses	390	9,902	11,725	22,017
Total Operating Expenses	338,683	203,629	17,685	559,997
Operating Income (Loss)	84,514	111,872	3,234	199,620
NONOPERATING REVENUES (EXPENSES)				
Investment Income (Loss)		486	85	571
Interest Expense	(31)	(487)	(85)	(603)
Intergovernmental Distributions		(57,470)		(57,470)
Gain (Loss) on Sale of Capital Assets			63	63
Other Nonoperating Revenues (Expenses)			(89)	(89)
Total Nonoperating Revenues (Expenses)	(31)	(57,471)	(26)	(57,528)
Income (Loss) Before Transfers	84,483	54,401	3,208	142,092
Transfers Out	(73,000)	(57,401)		(130,401)
Change in Net Position	11,483	(3,000)	3,208	11,691
Total Net Position - Beginning of Year	73,042	18,873	7,102	99,017
Total Net Position - End of Year	\$ 84,525	\$ 15,873	\$ 10,310	\$ 110,708

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	State Lottery	State Liquor	Correctional Industries	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 423,098	\$ 315,448	\$ 15,948	\$ 754,494
Receipts from Interfund Services		12	4,538	4,550
Payments to Employees	(4,038)	(18,021)	(2,944)	(25,003)
Payments to Suppliers	(48,326)	(178,521)	(11,133)	(237,980)
Payments for Interfund Services		(870)	(3,383)	(4,253)
Payments for Benefits, Awards, and Claims	(284,409)			(284,409)
Other Receipts		50		50
Other Payments		(940)	(133)	(1,073)
Net Cash Provided (Used) by Operating Activities	86,325	117,158	2,893	206,376
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental Distributions		(56,571)		(56,571)
Transfers Out	(73,000)	(56,606)		(129,606)
Net Cash Provided (Used) by Noncapital Financing Activities	(73,000)	(113,177)	0	(186,177)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING				
Principal Payments	(447)	(3,558)	(196)	(4,201)
Interest Payments	(31)	(487)	(85)	(603)
Proceeds from Disposition of Capital Assets			5	5
Acquisition and Construction of Capital Assets	(72)	(546)	(3,530)	(4,148)
Net Cash Provided (Used) by Capital and Related Financing Activities	(550)	(4,591)	(3,806)	(8,947)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipt of Interest and Dividends	—	497	88	585
Net Cash Provided (Used) by Investing Activities	—	497	88	585
Net Increase (Decrease) in Cash, Cash Equivalents, and Pooled Cash	12,775	(113)	(825)	11,837
Beginning Cash, Cash Equivalents, and Pooled Cash	77,641	23,548	3,920	105,109
Ending Cash, Cash Equivalents, and Pooled Cash	\$ 90,416	\$ 23,435	\$ 3,095	\$ 116,946
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 84,514	\$ 111,872	\$ 3,234	\$ 199,620
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by				
Depreciation and Amortization	424	4,701	558	5,683
Net Changes in Assets and Liabilities:				
Accounts Receivable/Interfund Receivables	(100)	(112)	(343)	(555)
Inventories and Prepaid Items		(127)	(338)	(465)
Other Assets	36	371	160	567
Accounts Payable/Interfund Payables	1,145	(22)	(412)	711
Unearned Revenue			(132)	(132)
Compensated Absences		4	12	16
Other Accrued Liabilities	30	8,851	1,928	10,809
Net Changes in Deferred Outflows/Inflows of Resources	276	(8,380)	(1,774)	(9,878)
Net Cash Provided (Used) by Operating Activities	\$ 86,325	\$ 117,158	\$ 2,893	\$ 206,376
Noncash Transactions (dollars in thousands):				

State Liquor recorded an interfund payable of \$795 due on July 1, 2023, and acquired capital assets by lease for \$6,700. Correctional Industries had acquired capital assets by lease for \$229.

INTERNAL SERVICE FUNDS account for those funds which provide goods or services to state agencies and governmental units on a cost-reimbursement basis. The following provide brief descriptions of operations included in the internal service funds.

The Group Insurance Fund, created by Idaho Code Section 67-5771, accounts for health insurance for all state employees and optional coverage for dependents and retirees. The fund also provides life insurance and short and long-term disability coverage.

The Risk Management Fund, created by Idaho Code Section 67-5776, accounts for insurance coverage and loss prevention to all state agencies. Coverage is provided using a combination of self-insurance and insurance purchased from commercial carriers.

The General Services Fund, created by Idaho Code Sections 67-5703, 67-5744, and 67-3516, accounts for statewide auditing, human resources, treasury, surplus property redistribution and sale, copying, purchasing, mail, and voice and data communication services.

The Data Processing Services Fund, created by Idaho Code Section 67-1021, accounts for data processing services provided by the Office of the State Controller to the various state agencies.

Combining Statement of Net Position

Internal Service Funds

June 30, 2023

(dollars in thousands)

	Group Insurance	Risk Management	General Services	Data Processing Services	Total
ASSETS					
Current Assets					
Pooled Cash and Investments	\$ 41,261	\$ 5,910	\$ 14,627	\$ 3,366	\$ 65,164
Accounts Receivable, Net			201		201
Interfund Receivables			1,198	483	1,681
Inventories and Prepaid Items			2,904	1,836	4,740
Loans, Notes, Leases and Pledges Receivable, Net			3,739		3,739
Other Current Assets	331	49	39	6	425
Total Current Assets	41,592	5,959	22,708	5,691	75,950
Noncurrent Assets					
Restricted Cash and Cash Equivalents	40,629				40,629
Investments	43,540	8,638			52,178
Loans, Notes, Leases and Pledges Receivable, Net			15,821		15,821
Other Noncurrent Assets	32	39	990	404	1,465
Capital Assets, Net	1	144	20,726	563	21,434
Total Noncurrent Assets	84,202	8,821	37,537	967	131,527
Total Assets	125,794	14,780	60,245	6,658	207,477
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows	236	322	11,901	2,907	15,366
Total Assets and Deferred Outflows of Resources	\$ 126,030	\$ 15,102	\$ 72,146	\$ 9,565	\$ 222,843
LIABILITIES					
Current Liabilities					
Accounts Payable			\$ 717		\$ 717
Payroll and Related Liabilities	\$ 31	\$ 35	1,953	\$ 261	2,280
Due to Other Entities	99				99
Unearned Revenue	24,225		95	2,091	26,411
Other Accrued Liabilities	2	4	245		251
Compensated Absences Payable	34	38	1,517	396	1,985
Bonds, Notes, and Right to Use Payable		81	3,062	117	3,260
Policy Claim Liabilities	5,271	5,185			10,456
Total Current Liabilities	29,662	5,343	7,589	2,865	45,459
Noncurrent Liabilities					
Bonds, Notes, and Right to Use Payable			6,298		6,298
Policy Claim Liabilities		13,743			13,743
Other Long-Term Obligations	335	424	16,049	4,251	21,059
Total Noncurrent Liabilities	335	14,167	22,347	4,251	41,100
Total Liabilities	29,997	19,510	29,936	7,116	86,559
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows	6	(21)	22,185	302	22,472
NET POSITION					
Net Investment in Capital Assets	1	63	11,138	445	11,647
Restricted for:					
Claims and Judgments	40,629				40,629
Other Purposes	55,397	(4,450)	4,988	1,702	57,637
Unrestricted			3,899		3,899
Total Net Position	96,027	(4,387)	20,025	2,147	113,812
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 126,030	\$ 15,102	\$ 72,146	\$ 9,565	\$ 222,843

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**Internal Service Funds****For the Fiscal Year Ended June 30, 2023***(dollars in thousands)*

	Group Insurance	Risk Management	General Services	Data Processing Services	Total
OPERATING REVENUES					
Sale of Goods and Services	\$ 408,986	\$ 12,570	\$ 63,167	\$ 7,695	\$ 492,418
Grants and Contributions			130		130
Other Income		54	17	17	88
Total Operating Revenues	408,986	12,624	63,314	7,712	492,636
OPERATING EXPENSES					
Personnel Costs	523	745	27,720	5,102	34,090
Services and Supplies	445	5,031	20,878	2,547	28,901
Benefits, Awards, and Premiums	421,566	10,562			432,128
Depreciation	1	23	4,115	457	4,596
Other Expenses	4,438	437	12,897	203	17,975
Total Operating Expenses	426,973	16,798	65,610	8,309	517,690
Operating Income (Loss)	(17,987)	(4,174)	(2,296)	(597)	(25,054)
NONOPERATING REVENUES (EXPENSES)					
Investment Income (Loss)	4,548	472	861	46	5,927
Interest Expense			(18)	(5)	(23)
Gain (Loss) on Sale of Capital Assets			(3)		(3)
Other Nonoperating Revenues (Expenses)			1		1
Total Nonoperating Revenues (Expenses)	4,548	472	841	41	5,902
Income (Loss) Before Transfers	(13,439)	(3,702)	(1,455)	(556)	(19,152)
Transfers In	25,000		1,771		26,771
Transfers Out	(65)		(7,255)	(837)	(8,157)
Change in Net Position	11,496	(3,702)	(6,939)	(1,393)	(538)
Total Net Position - Beginning of Year	84,531	(685)	26,964	3,540	114,350
Total Net Position - End of Year	\$ 96,027	\$ (4,387)	\$ 20,025	\$ 2,147	\$ 113,812

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	Group Insurance	Risk Management	General Services	Data Processing Services	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 74,624	\$ 364	\$ 5,072	\$ 1	\$ 80,061
Receipts from Interfund Services	339,354	12,268	57,469	7,726	416,817
Receipts from Grants and Contributions			130		130
Payments to Employees	(489)	(700)	(28,303)	(4,528)	(34,020)
Payments to Suppliers	(355)	(5,164)	(30,320)	(2,508)	(38,347)
Payments for Interfund Services	(101)	(184)	(2,311)	(82)	(2,678)
Payments for Benefits, Awards, and Claims	(421,567)	(8,781)			(430,348)
Other Payments	(4,530)	(238)	(1,175)	(143)	(6,086)
Net Cash Provided (Used) by Operating Activities	(13,064)	(2,435)	562	466	(14,471)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Intergovernmental Distributions					
Transfers In	25,000		1,771		26,771
Transfers Out	(65)		(7,255)	(837)	(8,157)
Interest Payments			(12)	(5)	(17)
Net Cash Provided (Used) by Noncapital Financing Activities	24,935	0	(5,496)	(842)	18,597
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal Payments		81	11,383	(234)	11,230
Interest Payments			(11)		(11)
Proceeds from Disposition of Capital Assets			(5)		(5)
Acquisition and Construction of Capital Assets		(164)	(11,369)	(211)	(11,744)
Net Cash Provided (Used) by Capital and Related Financing	0	(83)	(2)	(445)	(530)
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipt of Interest and Dividends	4,414	453	906	43	5,816
Purchase of Investments	(1,074)	(217)			(1,291)
Other Investing Activities	(1)	(4)	(52)		(57)
Net Cash Provided (Used) by Investing Activities	3,339	232	854	43	4,468
Net Increase (Decrease) in Cash, Cash Equivalents, and Pooled Cash	15,210	(2,286)	(4,082)	(778)	8,064
Beginning Cash, Cash Equivalents, and Pooled Cash	66,680	8,196	18,709	4,144	97,729
Ending Cash, Cash Equivalents, and Pooled Cash	\$ 81,890	\$ 5,910	\$ 14,627	\$ 3,366	\$ 105,793
Reconciliation of Operating Income (Loss) to Net Cash					
Operating Income (Loss)	\$ (17,987)	\$ (4,174)	\$ (2,296)	\$ (597)	\$ (25,054)
Adjustments to Reconcile Operating Income to Net Cash Provided					
Depreciation and Amortization	1	23	4,115	457	4,596
Net Changes in Assets and Liabilities:					
Accounts Receivable/Interfund Receivables		1	(727)	27	(699)
Inventories and Prepaid Items		80	155	21	256
Other Assets	(1)	113	897	5	1,014
Accounts Payable/Interfund Payables	(6)	(199)	(407)		(612)
Unearned Revenue	4,894		43	(21)	4,916
Compensated Absences	(3)	(1)	76	47	119
Policy Claim Liabilities	(1)	1,781			1,780
Other Accrued Liabilities	39	(59)	(1,294)	527	(787)
Net Cash Provided (Used) by Operating Activities	\$ (13,064)	\$ (2,435)	\$ 562	\$ 466	\$ (14,471)

Noncash Transactions (dollars in thousands):

Investments increased in fair value by \$94 for Group Insurance and by \$18 for Risk Management. Capital assets acquired by lease was \$339 for General Services and \$351 for Data Processing Services.

FIDUCIARY FUNDS report assets held in a trustee or agency capacity for others and therefore cannot be used to support the State's own programs. The following provide brief descriptions of the State's fiduciary funds.

PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS account for resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, deferred compensation plans, and other postemployment benefit plans. The State's pension trust funds include the following:

The PERSI Base Plan and the Firefighters' Retirement Fund are cost-sharing, multiple employer defined benefit retirement plans that provide benefits based on member's years of service, age, and highest average salary. In addition, benefits are provided for disability, for death, and to eligible members' beneficiaries.

The Judges' Retirement Fund is a single-employer defined benefit plan that provides retirement benefits to retired justices, judges, and eligible administrative directors. The Fund also provides allowances to surviving spouses.

The 414(k) Plan and the 401(k) Plan are defined contribution retirement plans that consist of gain sharing allocations, voluntary employee contributions, rollover contributions, and some employer matching contributions.

The Sick Leave Insurance Reserve-State Fund and the Sick Leave Insurance Reserve-Schools Fund provide payment of health insurance premiums on behalf of retired employees based on accumulated unused sick leave at the time of retirement.

The University of Idaho Retiree Benefit Trust Fund provides medical and dental benefits to eligible University of Idaho retirees, disabled employees, spouses, and survivors. Employees hired prior to January 1, 2002, are eligible to participate in this plan.

The University of Idaho Health Benefit Trust Fund provides medical, mental health, dental, and vision benefits to active and retired University of Idaho employees.

INVESTMENT TRUST FUNDS account for assets invested by the State on behalf of other governmental entities. The following provide brief descriptions of the State's investment trust funds:

The Local Government Investment Pool is an external investment pool sponsored by the State Treasurer's Office for Local Government Investment Pool participants. The purpose of the Pool is to provide a safe liquid vehicle for investing monies not needed to meet immediate operating obligations and to obtain the best interest rate available at the time of investment.

The Diversified Bond Fund is an external investment pool sponsored by the State Treasurer's Office for Diversified Bond Fund participants. The purpose of the Fund is to provide an investment vehicle with a reasonable level of current income and potential capital appreciation as measured on a long-term basis.

Combining Statement of Fiduciary Net Position

Pension and Other Employee Benefit Trust Funds

June 30, 2023

(dollars in thousands)

	PERSI Base Plan	Firefighters' Retirement	Judges' Retirement	Defined Contribution 414(k)
ASSETS				
Cash and Cash Equivalents	\$ 1,348	\$ 31		\$ 101
Pooled Cash and Investments	10,257	235	\$ 126	
Investments:				
Pooled Short Term	275,155	6,294	1,475	
Fixed Income Investments	5,057,063	115,684	27,109	
Marketable Securities	11,756,894	268,947	63,028	
Mutual Funds and Private Equities	1,597,303	36,539	8,563	57,467
Mortgages and Real Estate	1,918,188	43,880	10,283	
Receivables:				
Investments Sold	43,712	1,087	235	
Contributions	8,236		514	9
Interest and Dividends	71,246	1,772	383	146
Interfund Receivables	35			
Other Receivables				
Other Assets	98,004			
Capital Assets, Net	4,847			
Total Assets	20,842,288	474,469	111,716	57,723
LIABILITIES				
Accounts Payable				
Interfund Payables				
Investments Purchased	115,809	2,692	621	
Policy Claim Liabilities				
Other Accrued Liabilities	16,630	342	78	7
Total Liabilities	132,439	3,034	699	7
NET POSITION				
Held in Trust for:				
Net Position Restricted for Pensions	20,709,849	471,435	111,017	57,716
Net Position Restricted for OPEB				
Trust Beneficiaries				
Total Net Position	\$ 20,709,849	\$ 471,435	\$ 111,017	\$ 57,716

Defined Contribution 401(k)	Sick Leave Insurance Reserve-State	Sick Leave Insurance Reserve-Schools	U of I Retiree Benefits Trust	U of I Death Benefits Trust	U of I Health Benefits Trust	Total
\$ 2,082			\$ 1,330		\$ 1,660	\$ 6,552
	\$ 5	\$ 23				10,646
1,251						284,175
	122,592	177,291	18,123		7,818	5,525,680
	135,797	192,497				12,417,163
1,418,021			24,113			3,142,006
						1,972,351
						45,034
1,291						10,050
3,768					41	77,356
						35
					106	106
	479	1,032			314	99,829
						4,847
1,426,413	258,873	370,843	43,566	0	9,939	23,595,830
					237	237
	35					35
						119,122
					2,163	2,163
475	16	28				17,576
475	51	28			2,400	139,133
1,425,938						22,775,955
	258,822	370,815	43,566			673,203
					7,539	7,539
\$ 1,425,938	\$ 258,822	\$ 370,815	\$ 43,566	0	\$ 7,539	\$ 23,456,697

Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	PERSI Base Plan	Firefighters' Retirement	Judges' Retirement	Define Contribution 414(k)
ADDITIONS				
Contributions:				
Member	\$ 335,646		\$ 924	
Employer	513,828	\$ 3,347	5,439	
Transfers In from Other Plans				
Total Contributions	849,474	3,347	6,363	
Investment Income:				
Net Increase (Decrease) in Fair Value of Investments	1,432,564	32,613	7,694	\$ 5,179
Interest, Dividends, and Other	382,916	8,717	2,052	112
Less Investment Expense:				
Investment Activity Expense	(60,049)	(1,367)	(317)	(13)
Net Investment Income	1,755,431	39,963	9,429	5,278
Miscellaneous Income	519		16	
Total Additions	2,605,424	43,310	15,808	5,278
DEDUCTIONS				
Benefits and Refunds Paid to Plan Members	1,249,768	19,448	8,611	4,598
Administrative Expense	9,997	47	116	281
Total Deductions	1,259,765	19,495	8,727	4,879
Change in Net Position Held in Trust for:				
Employee Pension Benefits	1,345,659	23,815	7,081	399
Employee Postemployment Healthcare Benefits				
Trust Beneficiaries				
Net Position - Beginning of Year	19,364,190	447,620	103,936	57,317
Net Position - End of Year	\$ 20,709,849	\$ 471,435	\$ 111,017	\$ 57,716

Defined Contribution 401(k)	Sick Leave Insurance Reserve-State	Sick Leave Insurance Reserve- Schools	U of I Retiree Benefits Trust	U of I Death Benefits Trust	U of I Health Benefits Trust	Total
\$ 80,103					\$ 6,698	\$ 423,371
9,571	\$ (1)	\$ (12)		\$ 268	24,722	557,162
11,169						11,169
100,843	(1)	(12)	0	268	31,420	991,702
105,603	19,937	28,415	\$ (7,849)		(374)	1,623,782
23,698						417,495
(3,180)	(100)	(133)				(65,159)
126,121	19,837	28,282	(7,849)	0	(374)	1,976,118
	2	8				545
226,964	19,838	28,278	(7,849)	268	31,046	2,968,365
72,471	5,470	13,274		278	26,250	1,400,168
2,172	49	71	125		3,850	16,708
74,643	5,519	13,345	125	278	30,100	1,416,876
152,321						1,529,275
	14,319	14,933	(7,974)	(10)		21,268
					946	946
1,273,617	244,503	355,882	51,540	10	6,593	21,905,208
\$ 1,425,938	\$ 258,822	\$ 370,815	\$ 43,566	0	\$ 7,539	\$ 23,456,697

Combining Statement of Fiduciary Net Position**Investment Trust Funds****June 30, 2023***(dollars in thousands)*

	Local Government Investment Pool	Diversified Bond Fund	Total
ASSETS			
Investments:			
Pooled Short Term	\$ 784,664	\$ 81,030	\$ 865,694
Fixed Income Investments	3,023,687	110,809	3,134,496
Mortgages and Real Estate		36,948	36,948
Receivables:			
Interest and Dividends	10,020	1,021	11,041
Total Assets	3,818,371	229,808	4,048,179
LIABILITIES			
Accounts Payable	23	3	26
Other Accrued Liabilities	14,829	585	15,414
Total Liabilities	14,852	588	15,440
NET POSITION			
Held in Trust for:			
External Investment Pool Participants	3,803,519	229,220	4,032,739
Total Net Position	\$ 3,803,519	\$ 229,220	\$ 4,032,739

Combining Statement of Changes in Fiduciary Net Position

Investment Trust Funds

For the Fiscal Year Ended June 30, 2023

(dollars in thousands)

	Local Government Investment Pool	Diversified Bond Fund	Total
ADDITIONS			
Contributions			
Participant Deposits	\$ 6,377,833	\$ 18,255	\$ 6,396,088
Total Contributions	6,377,833	18,255	6,396,088
Investment Income:			
Net Increase (Decrease) in Fair Value of Investments	104,176	(7,750)	96,426
Interest, Dividends, and Other	37,310	5,971	43,281
Less Investment Expense:			
Investment Activity Expense	(281)	(29)	(310)
Net Investment Income	141,205	(1,808)	139,397
Total Additions	6,519,038	16,447	6,535,485
DEDUCTIONS			
Earnings Distribution	131,368	5,737	137,105
Participant Withdrawals	6,537,861	2,067	6,539,928
Total Deductions	6,669,229	7,804	6,677,033
Change in Net Position Held in Trust for:			
External Investment Pool Participants	(150,191)	8,643	(141,548)
Total Net Position - Beginning of Year	3,953,710	220,577	4,174,287
Total Net Position - End of Year	\$ 3,803,519	\$ 229,220	\$ 4,032,739

Statistical Section



Redfish Lake

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Sources: Unless otherwise noted, the information in the following schedules is derived from the State's Annual Comprehensive Financial Report.

Note: The schedules presented in the Statistical Section are not audited, and component unit data is not included.

Schedule 1 - Net Position by Component**Fiscal Years 2014-2023***(accrual basis of accounting, dollars in thousands)*

	2014 (as restated)	2015 (as restated)	2016 (as restated)	2017 (as restated)	2018 (as restated)	2019 (as restated)
Governmental Activities						
Net Investment in Capital Assets	\$ 5,447,960	\$ 5,638,703	\$ 5,777,987	\$ 6,018,594	\$ 6,215,298	\$ 6,538,568
Restricted ¹	2,619,433	2,885,392	3,043,809	3,406,489	3,767,494	3,849,071
Unrestricted ^{2,6}	737,576	893,542	947,045	1,122,934	1,229,977	1,277,840
Total Governmental Activities Net Position	\$ 8,804,969	\$ 9,417,637	\$ 9,768,841	\$ 10,548,017	\$ 11,212,769	\$ 11,665,479
Business-Type Activities						
Net Investment in Capital Assets	\$ 746,473	\$ 749,873	\$ 758,031	\$ 772,823	\$ 804,989	\$ 837,745
Restricted ³	1,130,154	1,222,537	1,353,036	1,449,554	1,544,643	1,675,978
Unrestricted ^{4,5}	226,545	291,420	303,825	239,141	237,345	204,554
Total Business-Type Activities Net Position	\$ 2,103,172	\$ 2,263,830	\$ 2,414,892	\$ 2,461,518	\$ 2,586,977	\$ 2,718,277
Primary Government						
Net Investment in Capital Assets	\$ 6,194,433	\$ 6,388,576	\$ 6,536,018	\$ 6,791,417	\$ 7,020,287	\$ 7,376,313
Restricted	3,749,587	4,107,929	4,396,845	4,856,043	5,312,137	5,525,049
Unrestricted	964,121	1,184,962	1,250,870	1,362,075	1,467,322	1,482,394
Total Primary Government Net Position	\$ 10,908,141	\$ 11,681,467	\$ 12,183,733	\$ 13,009,535	\$ 13,799,746	\$ 14,383,756

¹In fiscal year (FY) 2014-2017, net position increased primarily due to the increase in fair market value of investments, primarily related to the Land Endowment fund.

²Large fluctuations in governmental activities unrestricted net position balances occurred primarily as income tax and sales tax revenues increased and decreased due to significant changes in economic conditions.

³Increases and decreases of business-type activities restricted net position were primarily due to increases in unemployment compensation assessment collections and/or decreases in unemployment claims related to changes in economic conditions.

⁴FY2015 net position increased primarily due to increased student tuition and fees for the colleges and universities.

⁵FY2019 net position decreased due to removal of Eastern Idaho Technical College (EITC) from the reporting entity and prior period adjustments due to OPEB.

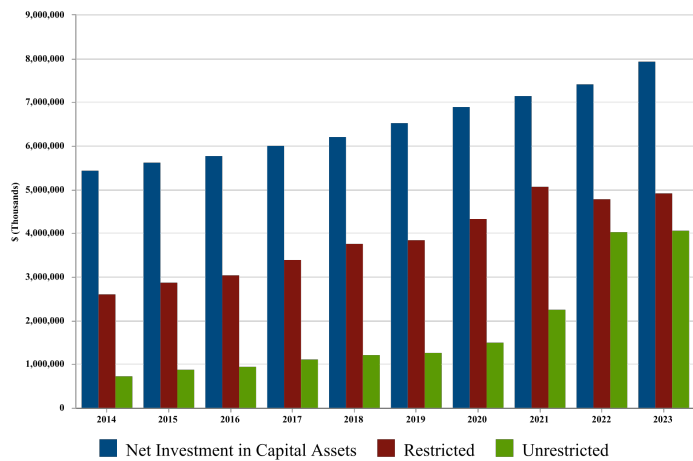
⁶FY2022 net position increased mainly due to higher than projected revenues, leaving a large cash balance at year end; a larger than usual year-end transfer due to market conditions; a new tax rebate and various transfers resulting from legislation; and the creation of a new fund related to the federal stimulus.

2020 (as restated)	2021 (as restated)	2022 (as restated)	2023
\$ 6,904,302	\$ 7,163,909	\$ 7,427,410	\$ 7,962,094
4,338,210	5,070,282	4,793,055	4,879,321
1,515,228	2,260,043	4,035,594	4,101,960
\$ 12,757,740	\$ 14,494,234	\$ 16,256,059	\$ 16,943,375

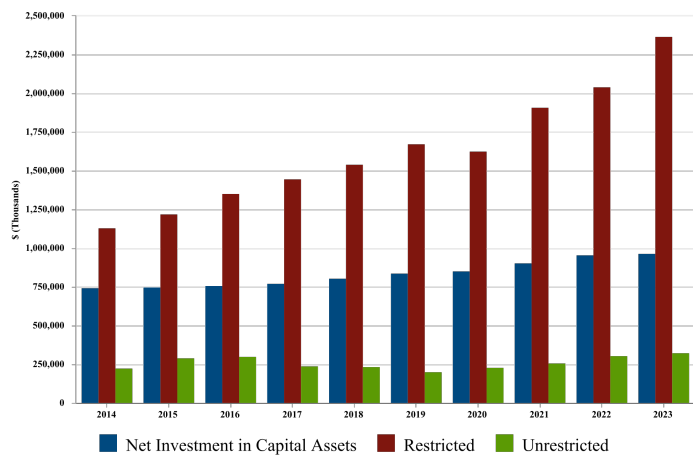
\$ 854,731	\$ 903,315	\$ 958,560	\$ 966,705
1,627,971	1,908,450	2,040,144	2,382,647
232,014	259,441	304,376	309,422
\$ 2,714,716	\$ 3,071,206	\$ 3,303,080	\$ 3,658,774

\$ 7,759,033	\$ 8,067,224	\$ 8,385,970	\$ 8,928,799
5,966,181	6,978,732	6,833,199	7,261,968
1,747,242	2,519,484	4,339,970	4,411,382
\$ 15,472,456	\$ 17,565,440	\$ 19,559,139	\$ 20,602,149

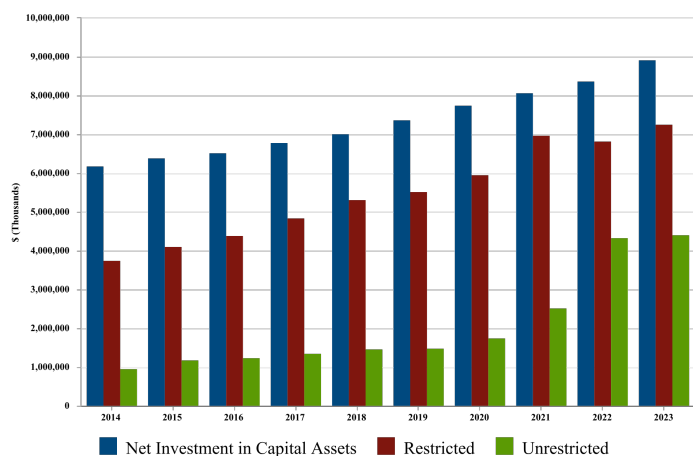
**Governmental Activities Net Position by Component
Fiscal Years 2014-2023**



**Business-Type Activities Net Position by Component
Fiscal Years 2014-2023**



**Primary Government Net Position by Component
Fiscal Years 2014-2023**



Schedule 2 - Changes in Net Position**Fiscal Years 2014-2023**

(accrual basis of accounting, dollars in thousands)

	2014 (as restated)	2015 (as restated)	2016 (as restated)	2017 (as restated)	2018 (as restated)	2019 (as restated)
Governmental Activities:						
Expenses						
General Government ¹	\$ 848,508	\$ 548,518	\$ 505,318	\$ 559,044	\$ 542,391	\$ 645,031
Public Safety and Correction	364,998	387,694	402,437	410,975	439,116	466,263
Health and Human Services ²	2,595,727	2,751,283	2,697,385	2,668,755	3,079,063	3,057,179
Education	1,756,231	1,845,144	1,956,032	2,090,661	2,229,172	2,325,261
Economic Development ⁶	810,023	761,384	866,345	903,462	1,068,663	1,050,489
Natural Resources	236,614	269,706	287,853	305,400	303,441	314,839
Interest Expense ⁹	51,600	46,860	45,271	15,879	52,271	87,846
Total Expenses	6,663,701	6,610,589	6,760,641	6,954,176	7,714,117	7,946,908
Program Revenues						
Charges for Services:						
General Government ⁷	90,314	227,915	178,132	252,281	103,489	149,788
Economic Development	271,894	287,525	333,616	343,285	384,872	386,778
Natural Resources	175,271	256,344	217,958	225,920	232,380	244,634
Other Activities	161,452	181,054	197,393	192,525	173,492	132,319
Operating Grants and Contributions ³	2,941,720	2,851,144	2,676,844	2,869,284	3,180,624	3,250,723
Capital Grants and Contributions	5,317	2,832	11,021	12,425	4,321	3,144
Total Program Revenues	3,645,968	3,806,814	3,614,964	3,895,720	4,079,178	4,167,386
Total Governmental Activities Net Program Expense	(3,017,733)	(2,803,775)	(3,145,677)	(3,058,456)	(3,634,939)	(3,779,522)
General Revenues and Other Changes in Net Position						
Taxes:						
Sales Tax ⁴	1,400,547	1,444,781	1,580,542	1,636,125	1,805,363	1,899,088
Individual and Corporate Taxes ⁴	1,739,957	1,686,455	1,518,740	1,848,281	2,091,958	1,958,640
Fuel Tax	262,479	243,826	357,858	331,399	350,134	341,559
Other Taxes	213,434	220,442	229,430	231,294	246,585	249,696
Tobacco Settlement	27,450	24,183	25,297	22,964	23,639	21,014
Unrestricted Investment Earnings	14,374	10,452	18,735	14,869	37,352	42,239
Transfers	(201,688)	(213,696)	(233,721)	(247,300)	(255,340)	(280,004)
Total General Revenues and Other Changes in Net Position	3,456,553	3,416,443	3,496,881	3,837,632	4,299,691	4,232,232
Total Governmental Activities Change in Net Position	\$ 438,820	\$ 612,668	\$ 351,204	\$ 779,176	\$ 664,752	\$ 452,710
Business-Type Activities:						
Expenses						
College and University	\$ 1,054,726	\$ 1,015,707	\$ 1,063,222	\$ 1,185,061	\$ 1,155,209	\$ 1,169,944
Unemployment Compensation ⁴	142,524	110,597	108,187	108,022	86,600	89,446
Loan	7,565	9,604	7,537	8,119	6,448	10,122
State Lottery	163,295	165,445	185,115	192,314	211,916	228,352
State Liquor	141,467	143,469	153,901	163,270	172,786	187,256
Correctional Industries	8,755	8,155	8,960	9,112	9,429	12,145
Total Expenses	1,518,332	1,452,977	1,526,922	1,665,898	1,642,388	1,697,265
Revenues						
Charges for Services:						
College and University	459,380	489,740	491,169	489,375	506,484	515,194
Unemployment Compensation ⁵	258,072	203,794	189,219	189,816	163,839	150,267
State Lottery ⁸	209,642	210,940	236,819	240,686	265,811	288,617
Other Activities ^{8,10}	185,082	196,043	218,024	227,837	231,065	259,557
Operating Grants and Contributions	305,150	282,646	291,830	293,977	301,757	305,727
Capital Grants and Contributions	17,594	16,776	17,200	23,533	43,551	29,199
Total Revenues	1,434,920	1,399,939	1,444,261	1,465,224	1,512,507	1,548,561
Total Business-Type Activities Net Program Revenue (Expense)	(83,412)	(53,038)	(82,661)	(200,674)	(129,881)	(148,704)
General Revenues and Other Changes in Net Position						
Special Item						
Transfers	201,688	213,696	233,723	247,300	255,340	280,004
Total General Revenues and Other Changes in Net Position	201,688	213,696	233,723	247,300	255,340	280,004
Total Business-Type Activities Change in Net Position	\$ 118,276	\$ 160,658	\$ 151,062	\$ 46,626	\$ 125,459	\$ 131,300
Total Primary Government Change in Net Position	\$ 557,096	\$ 773,326	\$ 502,266	\$ 825,802	\$ 790,211	\$ 584,010

¹In fiscal year (FY) 2014 prior period adjustments were made due to the implementation of GASB Statements No. 68 & 71 in FY2015.²In FY2014-2016 expenses for health and human services fluctuated due to changes in medical assistance payments related to Medicaid and rehabilitation services payments.³In FY2016 operating grant revenue decreased primarily due to decreased federal highway funds, slippages in the fair market value of Endowment Fund Investment Board investments, and decreased health and human services grant revenue due to the timing of federal reimbursements for expenses.

2020 (as restated)	2021 (as restated)	2022 (as restated)	2023
\$ 747,921	\$ 1,413,067	\$ 1,231,638	\$ 1,895,543
495,324	518,530	536,037	584,976
3,434,555	4,051,255	4,275,448	4,941,610
2,461,028	2,817,353	3,013,362	3,231,984
1,057,366	1,358,094	1,195,729	1,526,729
317,428	364,495	410,585	497,839
57,873	44,117	60,241	70,377
8,571,495	10,566,911	10,723,040	12,749,058
162,654	300,954	63,577	324,714
431,684	548,386	469,728	426,849
237,268	300,769	272,630	261,783
141,519	324,180	298,791	257,315
3,964,622	5,456,387	4,424,318	5,634,835
7,445	13,743	24,598	17,176
4,945,192	6,944,419	5,553,642	6,922,672
(3,626,303)	(3,622,492)	(5,169,398)	(5,826,386)

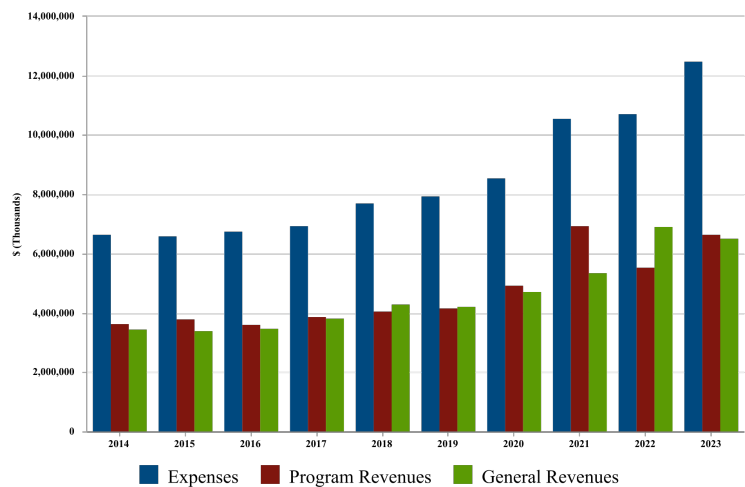
2,107,259	2,529,066	2,951,911	3,056,021
2,175,241	2,636,267	3,579,163	3,159,670
361,831	383,026	386,307	389,096
254,686	269,359	285,459	319,465
20,643	22,100	22,215	21,845
49,641	6,602	(42,512)	77,115
(250,737)	(487,434)	(251,320)	(509,510)
4,718,564	5,358,986	6,931,223	6,513,702
\$ 1,092,261	\$ 1,736,494	\$ 1,761,825	\$ 687,316

\$ 1,178,320	\$ 1,135,298	\$ 1,261,611	\$ 1,389,609
684,692	680,883	63,049	94,432
5,245	19,840	5,358	34,680
222,955	300,784	304,347	338,714
204,941	241,387	246,360	261,586
13,710	10,985	17,475	17,775
2,309,863	2,389,177	1,898,200	2,136,796

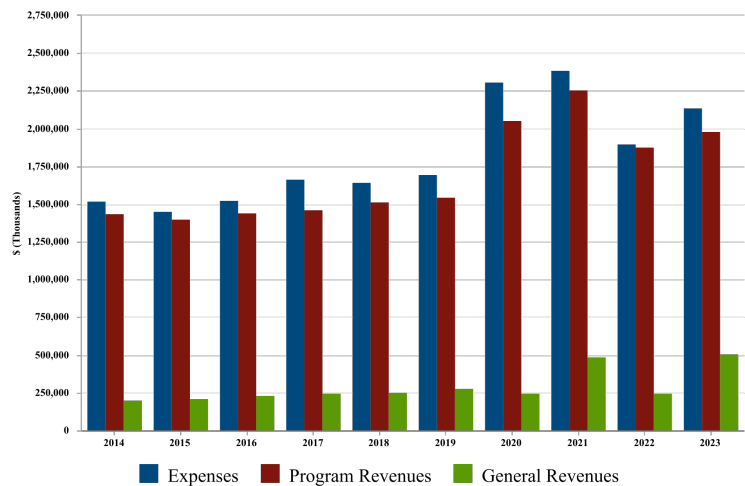
519,082	489,518	530,855	622,297
165,124	154,228	164,638	183,357
278,296	372,750	377,058	423,197
286,368	314,472	320,905	351,197
769,593	908,896	428,409	374,205
37,102	17,706	56,889	28,727
2,055,565	2,257,570	1,878,754	1,982,980
(254,298)	(131,607)	(19,446)	(153,816)

663	—		
250,737	487,434	251,320	509,510
250,737	488,097	251,320	509,510
\$ (3,561)	\$ 356,490	\$ 231,874	\$ 355,694
\$ 1,088,700	\$ 2,092,984	\$ 1,993,699	\$ 1,043,010

Expenses and Revenues - Governmental Activities Fiscal Years 2014-2023



Expenses and Revenues - Business-Type Activities Fiscal Years 2014-2023



⁴Increases and decreases are due to the degradation and improvement of economic conditions and the changes in employment and personal income levels.

⁵In FY2014 revenues decreased due to a lower employer contribution rate.

⁶In FY2016 economic development expenses rose primarily due to an increased number of state and local highway infrastructure improvements.

⁷In FY2015 the increase was due, in part, to a building transfer from the Idaho State Building Authority to the Idaho Department of Administration and due to the state receiving significant revenue from court settlements. In FY2016 the decrease in general government program revenues are due, in part, to falling revenue from charges for services.

⁸In FY2016 nonmajor enterprise funds net position improved primarily in consequence of increased lottery ticket and liquor sales.

⁹In FY2019 interest expense increased due to recording of the current interest payable for GARVEE notes payable.

¹⁰In FY2019 revenues increased primarily due to liquor sales.

Schedule 3 - Fund Balances - Governmental Funds**Fiscal Years 2014-2023***(modified accrual basis of accounting, dollars in thousands)*

	2014 (as restated)	2015 (as restated)	2016 (as restated)	2017 (as restated)	2018 (as restated)	2019 (as restated)
General Fund						
Nonspendable	\$ 12,012	\$ 10,294	\$ 10,580	\$ 11,307	\$ 19,289	\$ 18,791
Restricted ¹	252,627	274,121	298,798	349,697	399,972	432,728
Committed ²	263,443	339,169	337,231	332,704	369,516	484,934
Assigned ⁷	53,086	51,357	111,168	115,618	92,124	80,404
Unassigned ³	387,161	489,495	557,280	666,848	864,625	803,277
Total General Fund	968,329	1,164,436	1,315,057	1,476,174	1,745,526	1,820,134
All Other Governmental Funds						
Nonspendable ⁴	1,443,868	1,503,337	1,435,060	1,519,909	1,686,989	1,773,347
Restricted ⁵	851,410	1,027,465	1,208,118	1,453,421	1,562,178	1,539,416
Committed	76,970	87,298	99,202	110,143	144,873	150,335
Assigned	5,271	2,201	1,949	1,655	1,507	1,087
Unassigned ⁶	(6,533)	(18,822)	(13,597)	(26,550)	(63,860)	(49,507)
Total All Other Governmental Funds	2,370,986	2,601,479	2,730,732	3,058,578	3,331,687	3,414,678
Total Fund Balances - Governmental Funds	\$ 3,339,315	\$ 3,765,915	\$ 4,045,789	\$ 4,534,752	\$ 5,077,213	\$ 5,234,812

¹Increases and decreases in the General Fund restricted fund balance in each fiscal year occurred primarily due to changes in sales tax revenue caused by prevailing economic conditions.

²Fluctuations in the General Fund committed fund balance in each fiscal year resulted primarily from changes in personal and corporate income tax revenue. Significant variances occurred in response to prevailing economic conditions.

³Increases and decreases in the General Fund unassigned fund balance resulted from surging and weakening economic conditions.

⁴Large changes in the Governmental Funds nonspendable fund balance occurred primarily because of significant variances in Land Endowment fund fair market value.

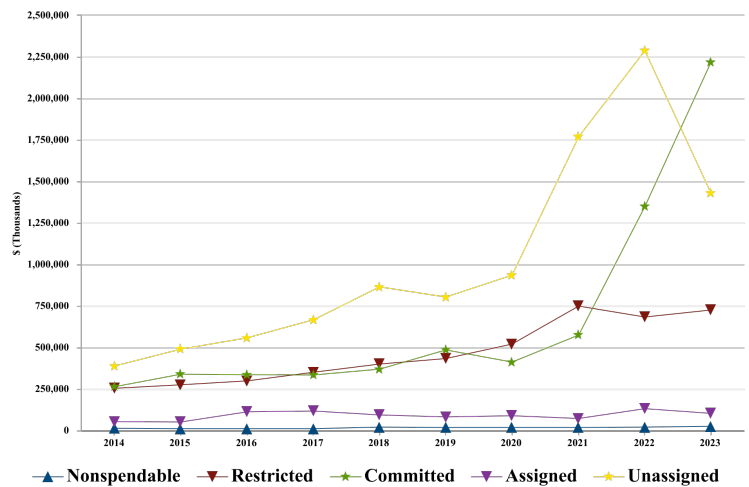
⁵In FY2016 the fund balance increased primarily due to mandated increases to personal and commercial vehicle registration fees and in the motor fuels tax rate as a result of House Bill 312 passing in 2015.

⁶In FY2014-2019 the Department of Health and Welfare reported a negative unassigned fund balance due to increased expenditures for health and human services.

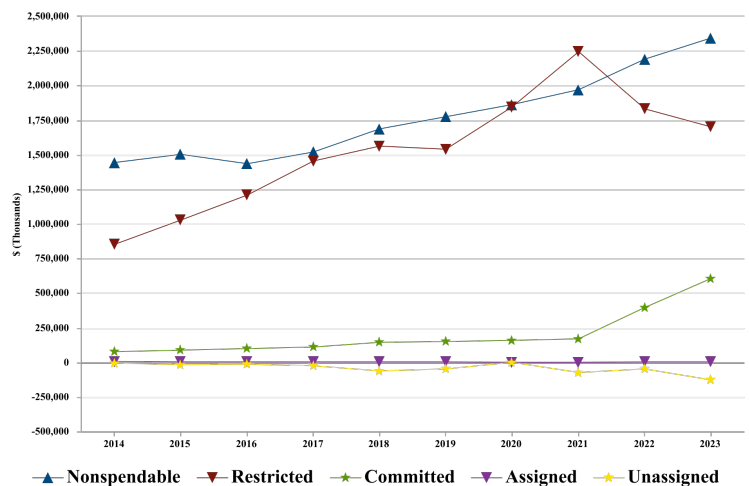
⁷In FY2016 the assigned fund balance increased primarily due to significant amount of funds that were allocated to the Fire Suppression - Deficiency fund. In FY2019, the assigned fund balance decreased primarily due to a decrease in the Fire Suppression - Deficiency fund.

2020 (as restated)	2021 (as restated)	2022 (as restated)	2023
\$ 16,619	\$ 17,686	\$ 19,046	\$ 24,738
520,570	749,161	682,964	725,327
411,403	575,159	1,348,775	2,217,982
88,109	71,181	130,802	102,354
934,101	1,766,582	2,287,328	1,428,411
1,970,802	3,179,769	4,468,915	4,498,812
1,862,277	1,970,155	2,189,429	2,290,944
1,844,479	2,243,800	1,830,078	1,699,776
157,030	167,928	396,049	604,923
842	257	1,292	963
0	(74,070)	(47,532)	(127,586)
3,864,628	4,308,070	4,369,316	4,469,020
\$ 5,835,430	\$ 7,487,839	\$ 8,838,231	\$ 8,967,832

**Fund Balances - General Funds
Fiscal Years 2014-2023**



**Fund Balances - All Other Governmental Funds
Fiscal Years 2014-2023**



Schedule 4 - Changes in Fund Balances - Governmental Funds**Fiscal Years 2014-2023***(modified accrual basis of accounting, dollars in thousands)*

	2014 (as restated)	2015 (as restated)	2016 (as restated)	2017 (as restated)	2018 (as restated)	2019 (as restated)
Revenues						
Sales Tax ¹	\$ 1,379,105	\$ 1,462,022	\$ 1,579,729	\$ 1,637,840	\$ 1,805,640	\$ 1,898,996
Individual and Corporate Taxes ²	1,497,935	1,684,680	1,696,834	1,854,375	2,086,130	2,001,934
Other Taxes ⁴	470,226	469,780	587,439	562,787	596,308	592,109
Licenses, Permits, and Fees	325,172	354,894	390,258	405,663	418,807	442,549
Sale of Goods and Services	260,489	288,388	272,024	250,403	263,897	203,106
Grants and Contributions	2,658,143	2,706,506	2,678,121	2,703,724	2,884,057	3,087,193
Investment Income ³	324,835	78,412	34,552	311,974	259,196	288,921
Tobacco Settlement	27,450	24,183	25,297	22,964	23,639	21,014
Other Income	61,016	151,062	88,132	54,481	66,367	79,893
Total Revenues	7,004,371	7,219,927	7,352,386	7,804,211	8,404,041	8,615,715
Expenditures						
General Government	197,639	195,667	203,783	208,067	224,707	238,615
Public Safety and Correction	338,865	359,132	369,982	383,070	407,550	436,675
Health and Human Services	2,561,572	2,573,782	2,622,307	2,672,573	2,858,524	2,945,767
Education	1,733,263	1,821,633	1,938,123	2,064,432	2,210,786	2,307,345
Economic Development	418,525	414,307	425,407	445,357	491,977	464,392
Natural Resources	223,017	237,478	248,671	256,845	271,792	279,452
Capital Outlay ^{4,8}	468,817	485,276	441,430	443,857	699,051	799,927
Intergovernmental Revenue Sharing	488,585	505,017	547,772	580,565	637,531	707,365
Debt Service:						
Principal	52,334	48,362	38,946	40,564	41,680	42,961
Interest	48,926	48,458	47,409	44,397	52,855	62,143
Total Expenditures	6,531,543	6,689,112	6,883,830	7,139,727	7,896,453	8,284,642
Revenues Over (Under) Expenditures	472,828	530,815	468,556	664,484	507,588	331,073
Other Financing Sources (Uses)						
Bonds and Notes Issued ^{5,7}	65,457	53,935	12,270		229,040	73,914
Issuance of Refunding Bonds						(30,850)
Premium/(Discount) on Bonds Issued					1,765	4,326
Payment to Refunded Bond Escrow Agent						(320)
Lease and SBITA Acquisitions	9	90	7	19	292	5,442
Sale of Capital Assets ⁶	30,382	57,988	47,642	73,498	60,858	38,733
Transfers In	855,318	872,222	902,365	977,802	1,007,860	1,122,930
Transfers Out	(1,059,542)	(1,088,450)	(1,150,966)	(1,226,840)	(1,264,942)	(1,387,649)
Total Other Financing Sources (Uses)	(108,376)	(104,215)	(188,682)	(175,521)	34,873	(173,474)
Net Changes in Fund Balances	\$ 364,452	\$ 426,600	\$ 279,874	\$ 488,963	\$ 542,461	\$ 157,599
Debt Service as a Percentage of Noncapital Expenditures	1.6	1.5	1.3	1.2	1.2	1.3

¹Sales tax revenue changed in response to fluctuating levels of employment and personal income.²Individual and corporate income tax revenues increased and decreased due to the relative strengthening and weakening of the economy.³Investment income increased and decreased primarily due to changes in the fair values of investments in the Land Endowment fund.

2020 (as restated)	2021 (as restated)	2022 (as restated)	2023
\$ 2,106,159	\$ 2,493,537	\$ 2,912,225	\$ 3,062,236
2,136,040	2,736,064	3,572,980	3,158,651
616,336	643,293	670,720	704,586
456,271	483,727	487,783	509,365
215,154	310,370	336,505	297,349
3,813,723	4,713,961	4,860,383	5,446,780
210,099	871,934	(510,759)	461,537
20,643	22,100	22,215	23,095
89,602	291,577	207,218	152,497
9,664,027	12,566,563	12,559,270	13,816,096
220,923	448,042	256,537	472,689
476,004	470,705	477,064	533,270
3,308,948	3,868,516	4,093,979	4,818,766
2,442,745	2,786,096	2,987,601	3,211,776
474,472	574,781	555,383	680,393
283,668	330,115	373,620	420,042
800,607	687,976	779,866	1,130,645
775,512	1,242,489	1,481,249	1,869,261
48,574	54,948	87,898	105,420
61,076	44,573	53,079	74,244
8,892,529	10,508,241	11,146,276	13,316,506
771,498	2,058,322	1,412,994	499,590
80,061	47,293	80,286	194,715
2,680			
(37,734)			(161,655)
13		43,405	84,726
27,401	27,216	58,525	40,349
1,209,961	1,409,994	1,726,765	1,705,806
(1,453,262)	(1,890,416)	(1,971,583)	(2,233,930)
(170,880)	(405,913)	(62,602)	(369,989)
\$ 600,618	\$ 1,652,409	\$ 1,350,392	\$ 129,601

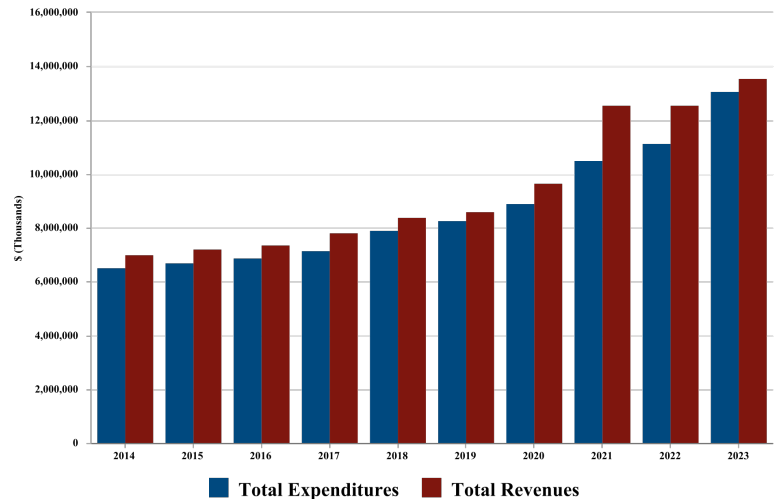
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Revenues and Expenditures - Governmental Funds Fiscal Years 2014-2023



⁴In FY2016 other taxes increased mainly due to an increase in the motor fuels tax rate as a result of the passage of House Bill 312 in 2015. The additional funds are to be used exclusively for the maintenance of bridges and roads and replacement projects at the state and local levels.

⁵In FY2016 the decrease in bonds and notes issued is primarily due to a large decrease in issued GARVEE bonds revenue.

⁶In FY2017 the increase in sale of capital assets is primarily due to the sale of state owned commercial properties. In FY2019 the decrease is primarily due to the state slowing the sale of its commercial properties.

⁷In FY2019 ISBA decreased the amount of bonds issued.

⁸In FY2019 capital outlay expenditures increased primarily due to land endowments.

State of Idaho

Schedule 5 - Revenue Base

Fiscal/Calendar Years 2014-2023 (dollars in thousands)

Taxable Sales by Industry¹

	Fiscal Year					
	2014	2015	2016	2017	2018	2019
Commercial Farms ²	\$ 11,756	\$ 16,197				
Agricultural/Forestry, Fishing, and Other	112,719	124,776	\$ 82,925	\$ 74,482	\$ 91,049	\$ 98,077
Mining	55,851	53,947	59,177	44,035	57,534	59,340
Construction	422,849	490,734	464,888	242,718	515,407	589,035
Manufacturing	844,024	924,586	1,101,280	884,684	1,256,853	1,414,472
Transportation and Public Utilities	543,205	555,498	166,992	49,072	218,973	201,361
Wholesale Trade	2,281,830	2,573,395	2,995,810	3,000,366	3,290,114	3,588,765
Retail Trade	15,057,644	16,080,503	14,000,015	14,576,989	16,058,752	17,054,413
Information ³			518,717	507,973	564,405	580,011
Finance, Insurance, and Real Estate	157,134	183,317	608,493	653,214	724,105	831,961
Services	2,367,364	2,584,259	4,975,587	5,094,919	5,550,830	6,007,029
State and Local Government	811,377	868,951	861,772	953,088	1,058,807	1,109,683
Unclassified			148,683	62,257	112,950	105,911
Unpermitted ⁴			14,739	231	2,470	2,473
Total Taxable Sales	\$ 22,665,753	\$ 24,456,163	\$ 25,999,078	\$ 26,144,028	\$ 29,502,249	\$ 31,642,531
Direct Sales Tax Rate	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%

Personal Income by Industry⁵

	Calendar Year					
	2014	2015	2016	2017	2018	2019
Farm Earnings	\$ 2,461,478	\$ 2,307,159	\$ 2,081,669	\$ 1,679,580	\$ 1,737,511	\$ 2,174,280
Agricultural/Forestry, Fishing, and Other	463,538	487,951	459,274	475,795	558,910	536,793
Mining	459,242	374,417	307,387	236,169	318,603	298,338
Construction/Utilities	3,041,448	3,287,801	3,543,736	3,943,523	4,203,785	4,771,083
Manufacturing	4,810,390	4,855,370	5,011,324	5,747,021	5,981,227	5,791,677
Transportation	1,343,839	1,447,710	1,458,537	1,556,990	1,708,980	1,782,596
Wholesale Trade	1,902,993	2,033,482	2,116,600	2,215,835	2,404,175	2,606,834
Retail Trade	3,444,087	3,733,293	3,973,887	4,424,636	4,994,441	5,629,795
Finance, Insurance, and Real Estate	2,237,023	2,550,169	2,784,250	2,870,593	3,116,283	3,567,218
Services	13,603,217	14,481,652	15,254,882	16,369,037	17,699,431	19,240,474
Federal, Civilian	1,114,508	1,167,825	1,220,238	1,263,107	1,329,448	1,362,155
Military	472,426	451,224	475,752	485,208	519,810	536,914
State and Local Government	5,110,137	5,462,644	5,613,838	5,938,905	6,253,756	6,502,172
Other ⁶	20,432,663	21,923,610	22,992,693	24,266,217	25,703,212	28,219,081
Total Personal Income	\$ 60,896,989	\$ 64,564,307	\$ 67,294,067	\$ 71,472,616	\$ 76,529,572	\$ 83,019,410
Total Direct Personal Income Tax Rate⁸	7.3%	7.3%	7.4%	7.4%	6.9%	6.9%

Corporate Income by Category^{7,8}

	Calendar Year					
	2014	2015	2016	2017	2018	2019
Corporations	\$ 124,853	\$ 1,145,583	\$ 785,071	\$ 469,660	\$ 1,565,970	\$ 1,611,821
Sub-S Corporations	54,694	125,936	135,698	159,298	132,004	174,205
Partnerships	(29,224)	2,769	31,080	55,851	76,994	83,236
Fiduciary	(10,847)	(3,278)	(43,298)	16,271	73,933	(2,197)
Total Corporate Income	\$ 139,476	\$ 1,271,010	\$ 908,551	\$ 701,080	\$ 1,848,901	\$ 1,867,065
Direct Corporate Income Tax Rate	7.4%	7.4%	7.4%	7.4%	6.9%	6.9%

Vehicle Fuel Sales by Category (in thousands of gallons)

	Fiscal Year					
	2014	2015	2016	2017	2018	2019
Diesel	\$ 255,171	\$ 267,381	\$ 273,136	\$ 291,576	\$ 295,988	\$ 313,640
Gasoline	643,806	691,065	712,309	706,415	763,344	755,165
Propane	151	115	221	(21)	26	67
Natural Gas ⁸	1,392	2,916	2,312	1,698	1,576	1,945
Aviation	1,678	1,592	1,696	1,495	1,653	1,666
Jet	27,389	15,537	19,818	33,496	23,626	41,464
Total Fuel Sales	\$ 929,587	\$ 978,606	\$ 1,009,492	\$ 1,034,659	\$ 1,086,213	\$ 1,113,947
Total Direct Fuel Tax Rate (per gallon of fuel)	\$ 0.244	\$ 0.247	\$ 0.314	\$ 0.311	\$ 0.314	\$ 0.310

Sources: Taxable sales, corporate income, and vehicle fuel sales--Idaho State Tax Commission; Personal income--U.S. Bureau of Economic Analysis and the Idaho State Tax Commission.

¹In 2016, the Tax Commission changed from using U.S. Standard Industrial Classification System (SIC) codes to using North American Industry Classification System (NAICS) codes. The change provides industry groupings that are more meaningful and useful for economic analysis. Some industry categories shown have significant variances due to the change in classification codes.

²Under the NAICS, commercial farming is combined with agriculture/forestry, fishing, and other.

³The information sector includes the publishing industries, the motion picture and sound recording industries, the broadcasting industries, and data processing, hosting, and related services.

⁴Taxable sales by individuals and businesses without a sales and use tax permit.

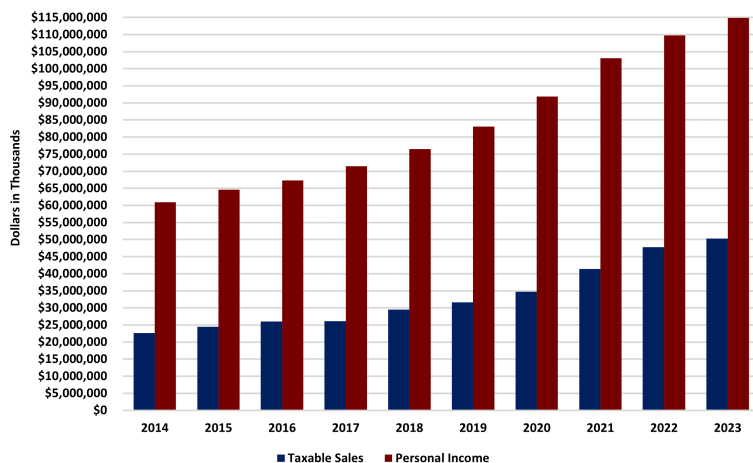
2020	2021	2022	2023
\$ 107,938	\$ 831	\$ 147,975	\$ 153,831
62,018	122,659	88,207	109,105
611,554	33,888	815,047	963,289
1,533,350	1,679,425	2,165,858	2,480,194
229,745	8,656,308	383,296	466,397
3,959,246	866,986	6,069,709	6,453,817
19,465,778	19,956,363	26,132,210	26,920,381
588,864	112,865	751,797	838,817
864,251	757,100	1,184,368	1,236,423
6,023,508	6,674,943	8,000,623	8,641,990
1,094,140	807,771	1,966,178	1,919,664
138,512	1,649,847	108,435	96,567
2,748	102,215	8	14
\$ 34,681,652	\$ 41,421,201	\$ 47,813,711	\$ 50,280,489
6.0%	6.0%	6.0%	6.0%

2020	2021	2022	2023
\$ 2,486,278	\$ 1,900,808	\$ 2,739,820	\$ 2,065,746
636,996	592,738	640,476	706,144
268,696	274,996	289,371	310,770
5,270,631	6,094,942	6,874,683	7,261,493
6,122,734	6,343,857	6,788,830	7,217,427
1,839,008	2,150,115	2,354,064	2,399,823
2,790,077	3,389,732	3,753,176	3,961,237
5,936,654	6,366,042	6,394,521	6,529,426
4,430,801	5,295,056	5,417,053	5,468,075
20,473,104	23,327,491	25,876,198	27,546,209
1,412,168	1,491,764	1,569,259	1,705,720
562,645	582,356	596,662	611,491
6,733,933	7,022,368	7,298,023	7,673,031
32,924,809	38,281,720	39,183,726	41,442,917
\$ 91,888,534	\$ 103,113,985	\$ 109,775,862	\$ 114,899,509
6.9%	6.5%	6.0%	NA

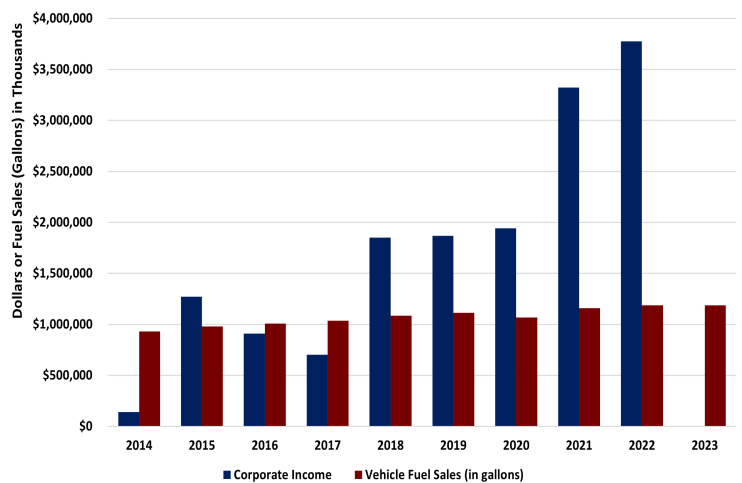
2020	2021	2022	2023
\$ 1,596,837	\$ 2,733,307	\$ 3,151,528	NA
225,065	232,694	240,900	NA
87,242	117,965	338,118	NA
31,000	237,889	43,205	NA
\$ 1,940,144	\$ 3,321,855	\$ 3,773,751	NA
6.9%	6.5%	6.0%	NA

2020	2021	2022	2023
\$ 326,058	\$ 349,613	\$ 358,107	\$ 351,286
732,609	773,262	778,190	782,124
104	99	97	237
1,847	2,142	2,171	2,132
398	1,734	1,693	1,673
6,970	30,637	48,022	49,603
\$ 1,067,986	\$ 1,157,487	\$ 1,188,280	\$ 1,187,055
\$ 0.318	\$ 0.313	\$ 0.309	\$ 0.309

**Taxable Sales and Personal Income
Fiscal/Calendar Years 2014-2023**



**Corporate Income and Vehicle Fuel Sales
Calendar/Fiscal Years 2014-2023**



⁵Personal income data for calendar years 2014-2023 are estimates. The U.S. Bureau of Economic Analysis revised personal income amounts for all calendar years shown to reflect revisions to the national income and product accounts and to incorporate newly available state-level source data.

⁶Other personal income includes dividends, interest, rental income, residence adjustment, government transfers to individuals, and deductions for social insurance.

⁷The large increase in corporate income in 2015 is primarily due to more corporate entities reporting positive taxable income rather than losses as a result of an improving economy. Corporate income data is currently not available for calendar year 2023.

⁸Data for calendar years 2017-2021 are revised based on updated information from the Tax Commission.

Schedule 6 - Revenue Rates

Fiscal/Calendar Years 2014-2023

Personal Income Tax Rates¹

	Calendar Year					
	2014	2015	2016	2017	2018	2019
Tax Rate	1.6%	1.6%	1.6%	1.6%	1.1%	1.1%
Income Levels (S, MFS) ²	\$0-1,428	\$0-1,451	\$0-1,453	\$0-1,471	\$0-1,503	\$0-1,540
Income Levels (MFJ, HoH, QW) ²	\$0-2,857	\$0-2,903	\$0-2,907	\$0-2,943	\$0-3,007	\$0-3,081
Tax Rate	3.6%	3.6%	3.6%	3.6%	3.1%	3.1%
Income Levels (S, MFS)	\$1,429-2,857	\$1,452-2,903	\$1,454-2,907	\$1,472-2,944	\$1,504-3,007	\$1,541-3,081
Income Levels (MFJ, HoH, QW)	\$2,858-5,715	\$2,904-5,807	\$2,908-5,815	\$2,944-5,889	\$3,008-6,015	\$3,082-6,161
Tax Rate	4.1%	4.1%	4.1%	4.1%	3.6%	3.6%
Income Levels (S, MFS)	\$2,858-4,286	\$2,904-4,355	\$2,908-4,361	\$2,945-4,416	\$3,008-4,510	\$3,082-4,621
Income Levels (MFJ, HoH, QW)	\$5,716-8,573	\$5,808-8,711	\$5,816-8,723	\$5,890-8,833	\$6,016-9,021	\$6,162-9,243
Tax Rate	5.1%	5.1%	5.1%	5.1%	4.6%	4.6%
Income Levels (S, MFS)	\$4,287-5,715	\$4,356-5,807	\$4,362-5,815	\$4,417-5,889	\$4,511-6,014	\$4,622-6,161
Income Levels (MFJ, HoH, QW)	\$8,574-11,431	\$8,712-11,615	\$8,724-11,631	\$8,834-11,779	\$9,022-12,029	\$9,244-12,323
Tax Rate	6.1%	6.1%	6.1%	6.1%	5.6%	5.6%
Income Levels (S, MFS)	\$5,716-7,144	\$5,808-7,259	\$5,816-7,269	\$5,890-7,361	\$6,015-7,518	\$6,162-7,702
Income Levels (MFJ, HoH, QW)	\$11,432-14,289	\$11,616-14,519	\$11,632-14,539	\$11,780-14,723	\$12,030-15,037	\$12,324-15,405
Tax Rate	7.1%	7.1%	7.1%	7.1%	6.6%	6.6%
Income Levels (S, MFS)	\$7,145-10,717	\$7,260-10,889	\$7,270-10,904	\$7,362-11,042	\$7,519-11,278	\$7,703-11,553
Income Levels (MFJ, HoH, QW)	\$14,290-21,435	\$14,520-21,779	\$14,540-21,809	\$14,724-22,085	\$15,038-22,557	\$15,406-23,107
Tax Rate	7.4%	7.4%	7.4%	7.4%	6.9%	6.9%
Income Levels (S, MFS)	\$10,718+	\$10,890+	\$10,905+	\$11,043+	\$11,279+	\$11,554+
Income Levels (MFJ, HoH, QW)	\$21,436+	\$21,780+	\$21,810+	\$22,086+	\$22,558+	\$23,108+
Total Direct Rate³	7.3%	7.3%	7.4%	7.4%	7.4%	6.9%

Vehicle Fuel Tax Rates per Gallon

	Fiscal Year					
	2014	2015	2016	2017	2018	2019
Diesel	\$0.250	\$0.250	\$0.320	\$0.320	\$0.320	\$0.320
Gasoline	0.250	0.250	0.320	0.320	0.320	0.320
Propane	0.181	0.181	0.232	0.232	0.232	0.232
Natural Gas	0.197	0.197	0.349	0.349	0.349	0.349
Aviation	0.070	0.070	0.070	0.070	0.070	0.070
Jet	0.060	0.060	0.060	0.060	0.060	0.060
Total Direct Rate (per gallon of fuel)	\$0.244	\$0.247	\$0.314	\$0.311	\$0.314	\$0.310

Source: Idaho State Tax Commission.

Note: The Idaho State Legislature can raise the income and vehicle fuel tax rates by legislation; no vote of the populace is required per Idaho Constitution Art. VII Section 16, and Idaho Code Sections 63-3024 and 63-2402.

¹Idaho's personal income tax brackets are adjusted each year for inflation.²Income categories are as follows: S = Single, MFS = Married Filing Separately, MFJ = Married Filing Jointly, HoH = Head of Household, QW = Qualifying Widower.³Personal Income data is currently not available for calendar year 2023. Data for calendar years 2018-2022 are revised based on updated information from the Tax Commission.⁴In calendar year 2022, the Idaho State Legislature passed House Bill No. 436 which revised the income tax rates.⁵In calendar year 2023, the Idaho State Legislature passed House Bill No. 172 which revised the income tax rates.

2020	2021	2022 ⁴	2023 ⁵
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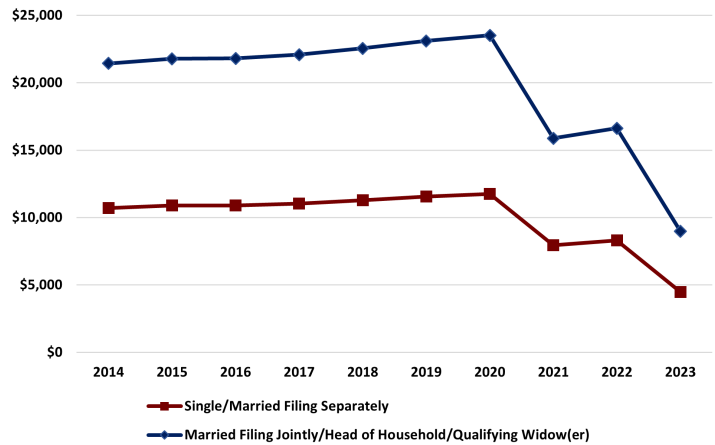
1.1% \$0-1,548 \$0-3,136	1% \$0-1,587 \$0-3,175	1% \$0-1,661 \$0-3,323	0% \$0-4,488 \$0-8,977
3.1% \$1,549-3,136 \$3,137-6,272	3.1% \$1,588-4,762 \$3,136-9,525	3% \$1,662-4,986 \$3,324-9,973	5.8% \$4,489+ \$8,978+
3.6% \$3,137-4,704 \$6,273-9,408	4.5% \$4,763-6,350 \$9,526-12,701	4.5% \$4,987-8,310 \$9,974-16,621	
4.6% \$4,705-6,272 \$9,409-12,544	5.5% \$6,351-7,938 \$12,702-15,877	6% \$8,311+ \$16,622+	
5.6% \$6,273-7,840 \$12,545-15,680	6.5% \$7,939+ \$15,878+		
6.6% \$7,841-11,760 \$15,681-23,520			
6.9% \$11,761+ \$23,520+			

6.9% 6.5% 6.0% NA

2020	2021	2022	2023
\$0.320	\$0.320	\$0.320	\$0.320
0.320	0.320	0.320	0.320
0.232	0.232	0.232	0.232
0.349	0.349	0.349	0.349
0.070	0.070	0.070	0.070
0.060	0.060	0.060	0.060

\$0.320 \$0.320 \$0.309 \$0.309

**Personal Taxable Income Level
Top Rate Payers Calendar Years 2014-2023**



State of Idaho

Schedule 7 - Revenue Payers by Industry/Category

Historical Comparison and Most Current Fiscal/Calendar Year

(dollars in thousands)

Sales Tax³

	As of June 30, 2014				As June 30, 2023			
	Number of Filers	Percent of Total	Tax Liability	Percent of Total	Number of Filers	Percent of Total	Tax Liability	Percent of Total
Farm Earnings ³	852	1.2	\$ 930	0.1				
Agricultural/Forestry, Fishing, and Other	1,056	1.5	6,867	0.5	1,480	1.9	\$ 9,220	0.3
Mining	175	0.3	3,280	0.2	169	0.2	6,532	0.2
Construction	3,925	5.6	24,147	1.8	3,860	4.9	57,403	1.9
Manufacturing	5,919	8.4	47,969	3.5	8,982	11.5	148,442	4.9
Transportation & Public Utilities	1,281	1.8	29,267	2.2	633	0.8	27,971	0.9
Wholesale trade	4,440	6.3	137,734	10.2	6,542	8.4	387,136	12.8
Retail trade	22,939	32.7	907,108	66.8	21,353	27.3	1,614,675	53.6
Information	0	0	0	0	1,635	2.1	50,320	1.7
Finance, Insurance, and Real Estate	884	1.3	9,562	0.7	2,317	3.0	74,168	2.5
Services	20,645	29.5	143,129	10.5	23,908	30.6	518,156	17.2
State and Local Government	7,667	10.9	47,483	3.5	379	0.5	115,179	3.8
Unclassified	321	0.5	193	0	6,905	8.8	5,736	0.2
Unpermitted ⁴	0	0	0	0	3	0	1	0.0
Total	70,104	100.0	\$ 1,357,476	100.0	78,166	100.0	\$ 3,014,939	100.0

Personal Income Tax⁵

Income Level	As of December 31, 2013				As of December 31, 2022			
	Number of Filers	Percent of Total	Tax Liability	Percent of Total	Number of Filers	Percent of Total	Tax Liability	Percent of Total
Under \$50,000	617,970	84.0	\$ 393,728	28.1	681,296	72.1	\$ 400,855	15.5
\$50,000 - \$99,999	80,440	10.9	371,410	26.4	150,104	15.9	537,209	20.7
\$100,000 - \$249,999	29,943	4.1	297,901	21.2	88,916	9.4	693,993	26.8
\$250,000 - \$999,999	6,474	0.9	195,877	13.9	21,408	2.3	485,516	18.7
\$1,000,000 and higher	842	0.1	146,375	10.4	2,874	0.3	473,446	18.3
Total	735,669	100.0	\$ 1,405,291	100.0	944,598	100.0	\$ 2,591,019	100.0

Corporate Income Tax⁵

	As of December 31, 2013				As of December 31, 2022			
	Number of Filers	Percent of Total	Tax Liability	Percent of Total	Number of Filers	Percent of Total	Tax Liability	Percent of Total
Corporations	13,220	15.4	\$ 110,800	82.9	15,142	12.6	\$ 247,039	30.0
Sub-S Corporations	30,967	35.9	8,951	6.7	46,589	38.8	327,279	39.8
Partnerships	31,548	36.6	4,535	3.4	46,062	38.3	226,722	27.6
Fiduciary	10,457	12.1	9,314	7.0	12,397	10.3	21,029	2.6
Total	86,192	100.0	\$ 133,600	100.0	120,190	100.0	\$ 822,069	100.0

Vehicle Fuel Tax

	As of June 30, 2014				As of June 30, 2023			
	Number of Filers ¹	Percent of Total	Tax Liability	Percent of Total	Number of Filers ²	Percent of Total	Tax Liability	Percent of Total
Diesel	108	41.3	\$ 63,796	28.1	88	41.5	\$ 112,411	30.7
Gasoline	113	43.1	160,966	71.0	88	41.5	250,280	68.3
Propane	15	5.7	28	0	8	3.8	55	0
Natural Gas	4	1.5	274	0.1	4	1.9	686	0.2
Aviation	6	2.3	118	0.1	7	3.3	117	0
Jet	16	6.1	1,643	0.7	17	8.0	2,976	0.8
Total	262	100.0	\$ 226,825	100.0	212	100.0	\$ 366,525	100.0

Source: Idaho State Tax Commission.

Note: Due to confidentiality, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's revenue. The most current period for personal and corporate income tax information is calendar year 2022.

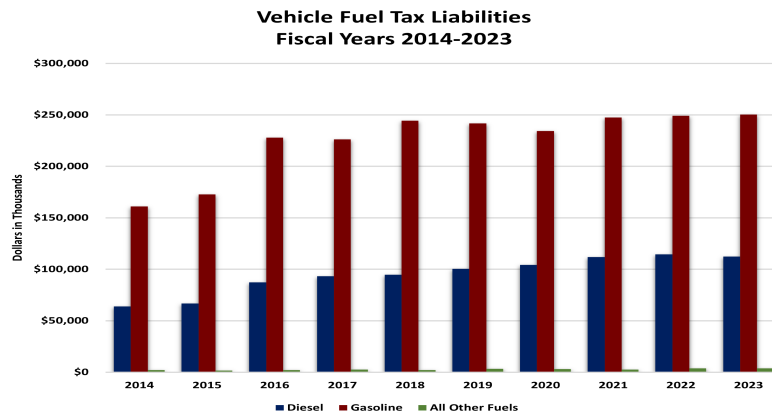
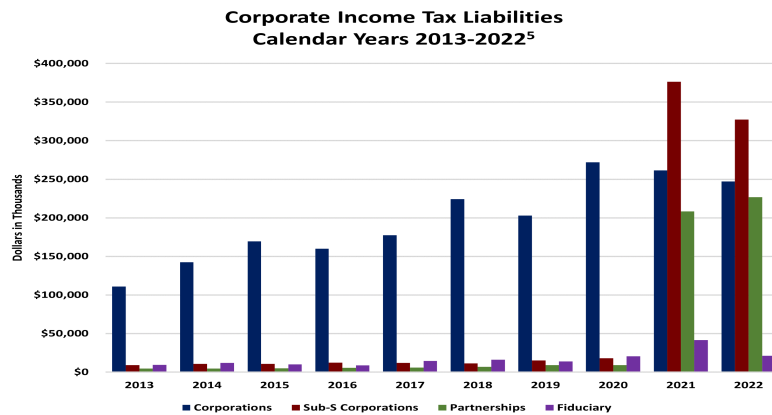
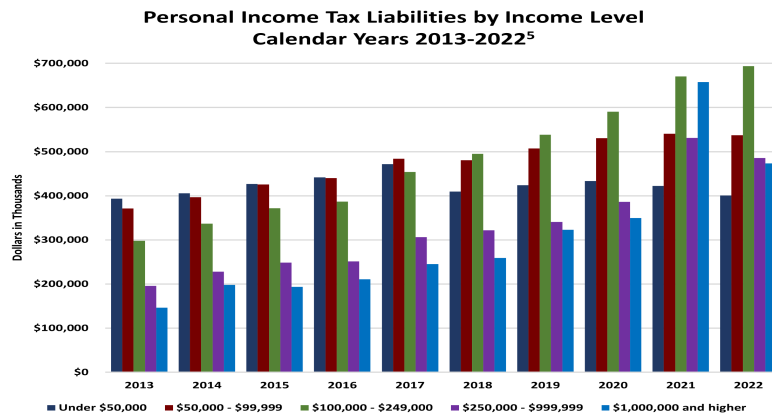
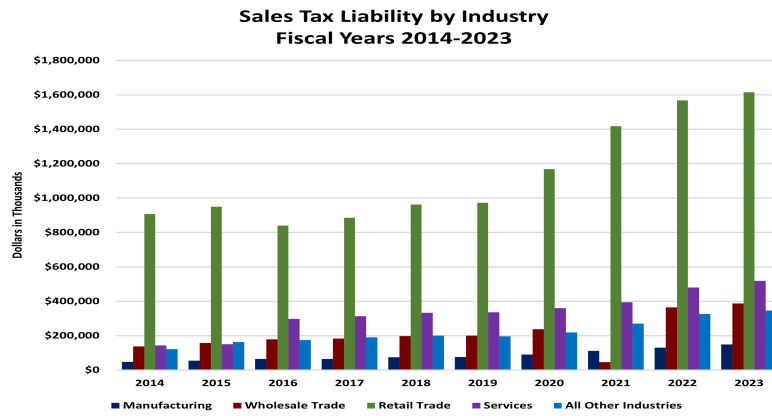
¹The total number of filers for vehicle fuel tax may contain the same filers counted more than once as some filers distribute more than one type of fuel.

²In 2016, the Tax Commission changed from using U.S. Standard Industrial Classification System (SIC) codes to using North American Industry Classification System (NAICS) codes. The change provides industry groupings that are more meaningful and useful for economic analysis. Some industry categories shown have significant variances due to the change in classification codes.

³Under the NAICS, commercial farming is combined with agriculture/forestry, fishing, and other.

⁴Taxable sales by individuals and businesses without a sales and use tax permit.

⁵Data for calendar Years 2017-2021 are revised based on updated information from the Tax Commission.



Schedule 8 - Outstanding Debt Ratios

Fiscal Years 2014-2023

(dollars in thousands, except per capita amount)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	
Governmental Activities										
Revenue Bonds ^{1,2}	\$ 170,640	\$ 150,379	\$ 146,516	\$ 136,844	\$ 356,334	\$ 388,896	\$ 8,605	\$ 377,361	\$ 355,982	\$ 177,368
Right to Use Payables ⁵	25,862	24,319	17,462	16,419	15,594	19,426	16,022	16,022	36,181	103,920
Notes Payable ³	595,362	621,767	595,116	564,331	524,263	496,460	497,341	497,341	522,352	642,626
Total Governmental Activities	\$ 791,864	\$ 796,465	\$ 759,094	\$ 717,594	\$ 896,191	\$ 904,782	\$ 521,968	\$ 890,724	\$ 914,515	\$ 923,914
Business-Type Activities										
Revenue Bonds ⁴	\$ 445,651	\$ 477,546	\$ 462,572	\$ 474,094	\$ 472,714	\$ 448,905	\$ 451,968	\$ 451,968	\$ 430,506	\$ 416,222
Right to Use Payables ⁵	1,158	780	4,995	4,148	302	393	827	827	37,781	56,887
Notes Payable ⁶	105,919	55,117	2,157	73	64	0	96	96	60	31
Total Business-Type Activities	\$ 552,728	\$ 533,443	\$ 469,724	\$ 478,315	\$ 473,080	\$ 449,298	\$ 452,891	\$ 452,891	\$ 468,347	\$ 473,140
Total Primary Government	\$1,344,592	\$1,329,908	\$1,228,818	\$1,195,909	\$1,369,271	\$1,354,080	\$ 974,859	\$1,343,615	\$1,382,862	\$1,397,054
Debt as a Percentage of Personal Income⁷	2.2%	2.0%	1.8%	1.7%	1.8%	1.6%	1.1%	1.3%	1.3%	1.2%
Amount of Debt Per Capita⁷	\$ 823.9	\$ 805.0	\$ 729.7	\$ 695.3	\$ 781.5	\$ 756.9	\$ 527.5	\$ 706.8	\$ 712.4	\$ 702.4

Note: The Idaho Constitution Article VIII Section 1 amended in 1998 specifies that the Legislature shall not create any debts or liabilities, except in extreme emergencies, unless authorized by law and then approved by the people at a general election. This does not apply to liabilities incurred for ordinary operating expenses, nor debts or liabilities that are repaid by the end of the fiscal year. The debts or liabilities of independent public bodies corporate and politic created by law and which have no power to levy taxes or obligate the General Fund of the State are not debts or liabilities of the State of Idaho. Details regarding the State's debt can be found in Note 13 to the financial statements.

¹ In FY2018 and FY2019 the Idaho State Building Authority issued revenue bonds for the State to acquire the HP Campus in Boise to be used by the State, for the Idaho State Board of Education to design and construct new facilities in Idaho Falls for research and related uses by the Idaho National Laboratory in collaboration with Idaho universities and colleges, and other parties, and for the Department of Health and Welfare to design and construct a new skilled nursing facility on the campus of Idaho's State Hospital South in Blackfoot.

² In FY2020 the Idaho Fish and Wildlife Foundation issued revenue bonds for a new 72,000 square foot, multi-story headquarters for Idaho Fish and Game programs and employees, and to enhance the entry to the MK Nature Center.

³ From FY2014-FY2015 the Idaho Transportation Department issued notes payable to the Idaho Housing and Finance Association for road and infrastructure improvements.

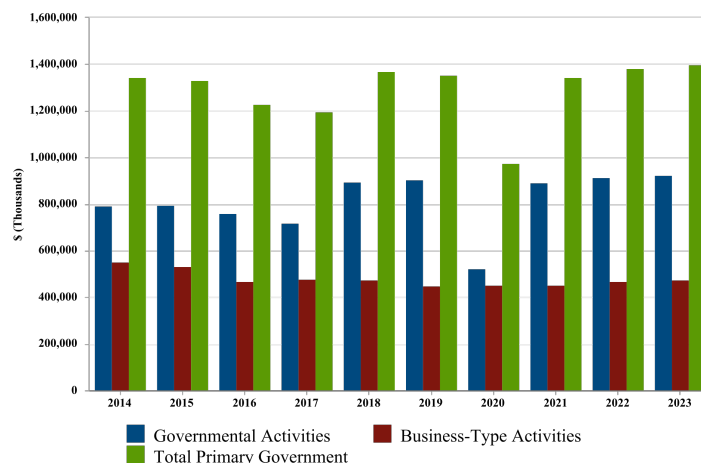
⁴ From FY2014-FY2018 the colleges and universities issued revenue bonds for various projects.

⁵ In FY2016 the increase in right to use payables is primarily due to Boise State University entering into two new lease agreements with the Boise State University Foundation. In FY2022 the increase is due to the implementation of GASB 87. In FY2023 the increase is due to the implementation of GASBS 94 & 96.

⁶ From FY2014-FY2017 the changes in notes payable resulted from repayment of loans from the Idaho Housing and Financing Association.

⁷ These ratios are calculated using personal income and population for the current calendar year. See Schedule 11 for personal income and population data.

**Outstanding Debt - Primary Government
Fiscal Years 2014-2023**



Schedule 9 - Other Long-Term Liabilities

Fiscal Years 2014-2023

(dollars in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	(as restated)	
Governmental Activities										
Compensated Absences	\$ 49,466	\$ 49,874	\$ 54,058	\$ 55,172	\$ 57,321	\$ 55,756	\$ 55,242	\$ 62,947	\$ 66,152	\$ 66,660
Policy Claim Liabilities	14,305	11,304	10,804	11,138	15,213	19,382	17,491	19,524	22,419	24,199
Claims and Judgments ¹	69,495	170,841	169,115	72,812	195,016	204,262	244,574	310,122	266,234	165,514
Net Pension Obligation ³	14,271									
Net Pension Liability ^{2,6}		176,577	306,439	452,474	357,313	325,734	257,027	476,326	23,640	800,925
Net OPEB Obligation	24,491	25,458	25,917							
Total OPEB Liability				43,185	42,103	33,446	39,293	32,841	35,344	25,090
Other Long-Term Liabilities	6,114	5,468	5,633	3,756	2,400			—		
Total Governmental Activities	\$ 178,142	\$ 439,522	\$ 571,966	\$ 638,537	\$ 669,366	\$ 638,580	\$ 613,627	\$ 901,760	\$ 413,789	\$1,082,388
Business-Type Activities										
Compensated Absences	\$ 20,844	\$ 21,640	\$ 21,373	\$ 22,670	\$ 23,616	\$ 24,143	\$ 26,739	\$ 27,534	\$ 28,314	\$ 30,515
Net Pension Liability ^{2,5}		31,898	56,602	85,399	65,526	59,160	44,962	87,680	—	129,616
Net OPEB Obligation	18,847	20,982	22,973							
Total OPEB Liability ⁴				55,643	55,838	52,150	61,715	68,117	73,148	59,271
Net OPEB Liability - U of I ⁴				34,737	33,336	30,891	16,482	16,482	—	
Other Long-Term Liabilities	1,309	1,139	928	785	596	8,625	13,741	241,171	233,313	12,313
Total Business-Type Activities	\$ 41,000	\$ 75,659	\$ 101,876	\$ 199,234	\$ 178,912	\$ 174,969	\$ 163,639	\$ 440,984	\$ 334,775	\$ 231,715
Total Primary Government	\$ 219,142	\$ 515,181	\$ 673,842	\$ 837,771	\$ 848,278	\$ 813,549	\$ 777,266	\$1,342,744	\$ 748,564	\$1,314,103

Note: Details regarding the liabilities listed above can be found in Note 13 to the financial statements.

¹ For FY2014-FY2015 claims and judgments include arbitrage liabilities. The decrease in claims and judgments during FY2014 resulted from a decrease in Medicaid claims. In FY2015 the increase was due to a change in calculation method by the Department of Health and Welfare. For FY2016-FY2017 there was a timing difference for Medicaid payments which resulted in a decrease in reported claims and judgments. In FY2020 the increase was primarily due to increases in Medicaid Medical and Pharmacy Children's Health Insurance Program (CHIP) claims and Non-Chip claims.

² Net pension liability was not required to be reported prior to FY2015.

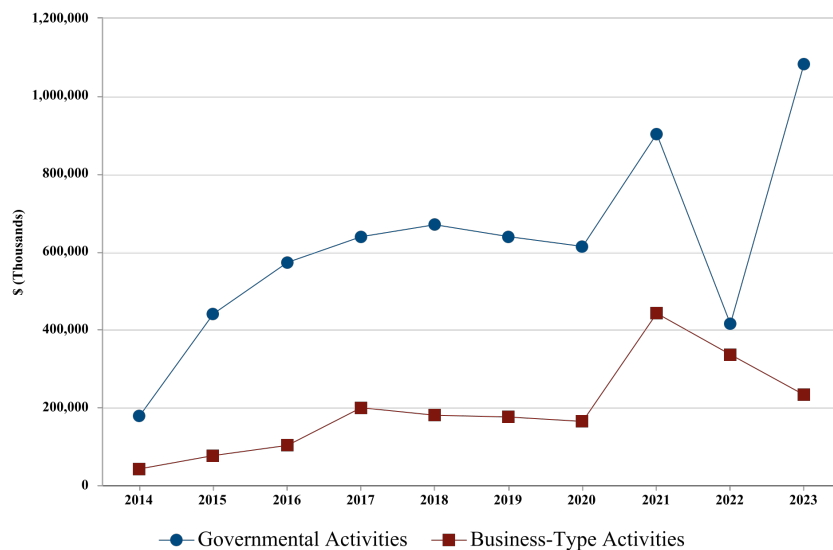
³ Due to the implementation of GASB Statement No. 68 in FY2015, the net pension obligation was removed and a net pension liability recorded.

⁴ Due to the implementation of GASB Statement No. 75 in FY2018, the net OPEB obligation was removed and a total and net OPEB liability recorded.

⁵ In FY2022, pension was in an asset position.

⁶ In FY2023, the large increase in governmental activities was due to pension returning to a liability position.

Other Long-Term Liabilities - Primary Government Fiscal Years 2014-2023



Schedule 10 - Pledged Revenue Coverage

Fiscal Years 2014-2023

(dollars in thousands)

	2014	2015	2016	2017	2018	2019
Governmental Activities						
Notes Payable - Idaho Transportation Department¹						
Revenue:						
Federal Highway Grants ²	\$ 294,620	\$ 324,598	\$ 297,093	\$ 294,499	\$ 313,887	\$ 334,095
State Funds	4,329	4,598	4,540			
Available Revenue	\$ 298,949	\$ 329,196	\$ 301,633	\$ 294,499	\$ 313,887	\$ 334,095
Debt Service:						
Principal	\$ 24,203	\$ 27,180	\$ 29,186	\$ 30,365	\$ 31,061	\$ 32,559
Interest	\$ 28,417	\$ 30,740	\$ 29,207	\$ 27,810	\$ 24,955	\$ 24,392
Coverage	5.7	5.7	5.2	5.1	5.6	5.9
Business-Type Activities						
Revenue Bonds - Colleges and Universities³						
Revenue:						
Student Fees Pledged	\$ 276,964	\$ 295,818	\$ 301,659	\$ 305,823	\$ 321,224	\$ 355,942
Sale of Goods and Services Pledged	89,031	94,327	88,135	88,847	78,686	103,680
Other Income Pledged ⁴	38,158	45,505	45,051	49,951	54,682	58,666
Less: Operating Expenses	(69,339)	(66,212)	(68,803)	(65,110)	(77,481)	(104,644)
Net Available Revenue	\$ 334,814	\$ 369,438	\$ 366,042	\$ 379,511	\$ 377,111	\$ 413,644
Debt Service:						
Principal	\$ 16,714	\$ 17,704	\$ 20,682	\$ 18,002	\$ 18,109	\$ 20,135
Interest	\$ 20,018	\$ 18,836	\$ 16,450	\$ 19,852	\$ 20,329	\$ 20,338
Coverage	9.1	10.1	9.9	10.0	9.8	10.2
Revenue Bonds - Idaho Water Resources Board^{7,8}						
Revenue:						
Sale of Goods and Services	\$ 983	\$ 1,261	\$ 897			
Less: Operating Expenses	(123)	(214)	(292)			
Net Available Revenue	\$ 860	\$ 1,047	\$ 605	\$ 0	\$ 0	\$ 0
Debt Service:						
Principal	\$ 425	\$ 450	\$ 2,065			
Interest	\$ 175	\$ 151	\$ 125			
Coverage	1.4	1.7	0.3			
Notes Payable - Colleges and Universities⁵						
Revenue:						
Student Fees Pledged	\$ 1,108	\$ 1,085	\$ 1,031			
Housing Fees Pledged	469	468	489			
Other Income Pledged	81	88	87			
Less: Operating Expenses	(442)	(428)	(480)			
Net Available Revenue	\$ 1,216	\$ 1,213	\$ 1,127	\$ 0	\$ 0	\$ 0
Debt Service:						
Principal ⁶	\$ 1,366	\$ 900	\$ 1,284			
Interest	\$ 118	\$ 84	\$ 60			
Coverage	0.8	1.2	0.8			

Note: Details regarding the State's outstanding bonds can be found in Note 13 to the financial statements. Operating expenses do not include interest or depreciation expense. Coverage equals net available revenue divided by debt service.

¹ For fiscal years (FY) 2014-2015 and 2019 the Idaho Transportation Department issued notes payable to the Idaho Housing and Finance Association to finance road and infrastructure improvements.

² In FY2014 grants decreased due to the near-term completion of the American Recovery and Reinvestment Act stimulus program. In FY2022 TECM bonds were added to this line.

³ In connection with the issuance of the 2019 bonds, the Idaho State University 2019 supplemental resolution amended the resolution to add other University revenues to pledged revenues resulting in a restatement. Additional details can be found in the Idaho State University's 2020 Annual Financial Report.

⁴ In FY2015 other pledged income increased due to an increase in student tuition and fees by the University of Idaho.

⁵ In FY2014 LCSC issued notes payable to refinance Student Fee Refunding Revenue Bonds. The LCSC issued notes payable were paid in full in FY2017.

⁶ In FY2014 the increase resulted from LCSC's principal only payments.

⁷ The Series 2006 Refunding Bonds were paid in full in FY2016.

⁸ The Idaho Water Resources Board revenue bonds were paid in full in FY2017.

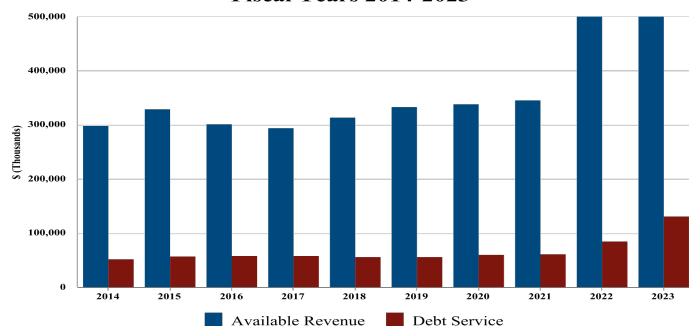
2020	2021	2022	2023
\$ 339,194	\$ 345,651	\$ 842,828	\$ 1,338,985
\$ 339,194	\$ 345,651	\$ 842,828	\$ 1,338,985
\$ 34,028	\$ 34,654	\$ 54,842	\$ 74,213
\$ 26,608	\$ 26,949	\$ 29,960	\$ 56,771
5.6	5.6	9.9	10.2

\$ 368,458	\$ 407,540	\$ 407,540	\$ 410,559
94,857	113,338	113,338	130,225
55,978	68,975	68,975	88,071
(101,561)	(86,944)	(112,566)	(145,604)
\$ 417,732	\$ 502,909	\$ 477,287	\$ 483,251
\$ 19,765	\$ 21,295	\$ 21,761	\$ 16,251
\$ 19,759	\$ 20,425	\$ 17,258	\$ 21,206
10.6	12.1	12.2	12.9

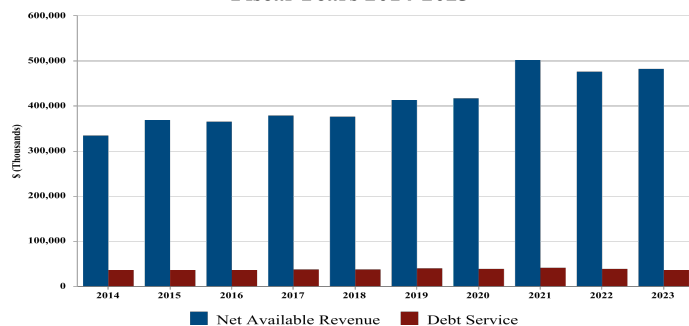
\$ 0	\$ 0	\$ 0	\$ 0
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\$ 0	\$ 0	\$ 0	\$ 0
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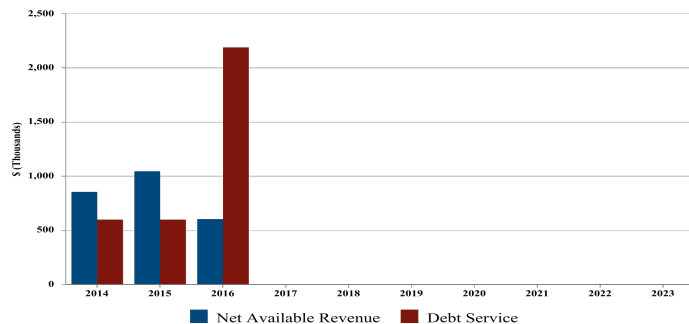
**Idaho Transportation Department, Notes Payable
Revenue and Debt Service
Fiscal Years 2014-2023**



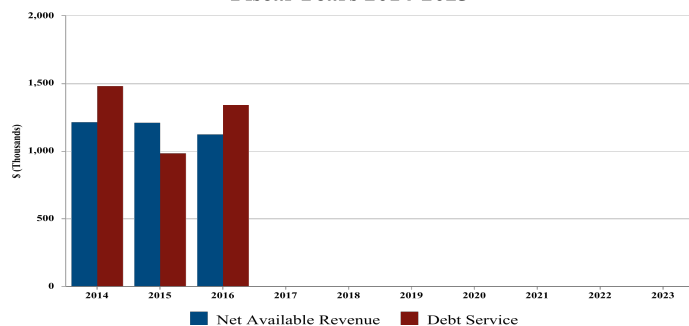
**Colleges and Universities, Revenue Bonds
Revenue and Debt Service
Fiscal Years 2014-2023**



**Idaho Water Resources Board, Revenue Bonds
Revenue and Debt Service
Fiscal Years 2014-2023**



**Colleges and Universities, Notes Payable
Revenue and Debt Service
Fiscal Years 2014-2023**



Schedule 11 - Demographic and Economic Indicators

Calendar Years 2014-2023

	2014	2015	2016	2017	2018	2019
Population						
Idaho (<i>in thousands</i>)	1,632	1,652	1,684	1,720	1,752	1,789
Change	1.3%	1.2%	1.9%	2.1%	1.9%	2.1%
National (<i>in thousands</i>)	319,880	322,408	324,900	327,113	329,025	330,651
Change	0.8%	0.8%	0.8%	0.7%	0.6%	0.5%
Total Personal Income ¹						
Idaho (<i>in billions</i>)	\$ 62	\$ 65	\$ 68	\$ 72	\$ 76	\$ 83
Change	5.8%	5.9%	3.9%	5.7%	6.3%	8.6%
National (<i>in billions</i>)	\$ 14,977	\$ 15,685	\$ 16,097	\$ 16,840	\$ 17,684	\$ 18,587
Change	5.5%	4.7%	2.6%	4.6%	5.0%	5.1%
Per Capita Personal Income						
Idaho	\$ 37,863	\$ 39,622	\$ 40,385	\$ 41,802	\$ 43,626	\$ 46,411
Change	4.5%	4.6%	1.9%	3.5%	4.4%	6.4%
National	\$ 46,819	\$ 48,650	\$ 49,544	\$ 51,480	\$ 53,746	\$ 56,213
Change	4.7%	3.9%	1.8%	3.9%	4.4%	4.6%
Median Age - Idaho ²						
	35.9	35.8	36.1	35.7	35.9	36.9
Educational Attainment ³						
8th Grade or Less	3.9%	3.7%	3.2%	3.3%	3.6%	3.0%
Some High School, No Diploma	6.0%	6.3%	6.4%	5.9%	5.5%	5.5%
High School Diploma	28.2%	27.5%	27.9%	28.2%	27.8%	26.1%
Some College, No Degree	27.6%	27.0%	25.3%	26.3%	25.5%	26.0%
Associate, Bachelor or Graduate Degree	34.4%	35.6%	37.2%	36.4%	37.6%	39.4%
Resident Civilian Labor Force and Employment in Idaho						
Civilian Labor Force	776,937	795,014	812,921	839,776	862,513	889,194
Employed	742,805	764,121	783,180	812,875	837,514	862,864
Unemployed	34,132	30,893	29,741	26,901	24,999	26,330
Unemployment Rate	4.4%	3.9%	3.7%	3.2%	2.9%	3%
Nonfarm Wage and Salary Workers Employed in Idaho						
Goods Producing Industries						
Mining	2,519	2,451	2,468	2,215	2,249	2,312
Logging and Wood Products	7,048	7,331	7,697	7,853	8,137	8,379
Computer and Electronics	11,425	11,899	12,124	12,232	12,728	12,202
Construction	35,863	38,265	41,642	45,009	49,229	52,952
Manufacturing-Durable Goods ⁴	36,060	37,490	38,674	39,579	41,067	41,106
Manufacturing-Nondurable Goods	25,531	26,121	27,106	28,108	28,610	29,216
Total Goods Producing Industries	118,446	123,557	129,711	134,996	142,020	146,167
Non-Goods Producing Industries						
Trade	108,417	111,728	114,156	115,718	117,176	118,753
Service	326,721	336,146	348,747	361,470	375,451	389,444
State and Local Government	105,848	106,614	108,293	110,117	111,806	113,447
Federal Government	12,337	12,584	12,833	12,976	13,079	13,199
Total Non-Goods Producing Industries	553,323	567,072	584,029	600,281	617,512	634,843
Total Nonfarm Wage and Salary Employment	671,769	690,629	713,740	735,277	759,532	781,010

Sources: Idaho Division of Financial Management, Idaho Department of Labor, Idaho State Board of Education, U.S. Bureau of Economic Analysis, and U.S. Census Bureau.

Note: Prior year amounts may change due to revisions by the U.S. Bureau of Economic Analysis, the U.S. Census Bureau, or the Idaho Division of Financial Management.

¹ Total personal income is comprised of earned income, dividends, interest, rents, and government transfer payments.

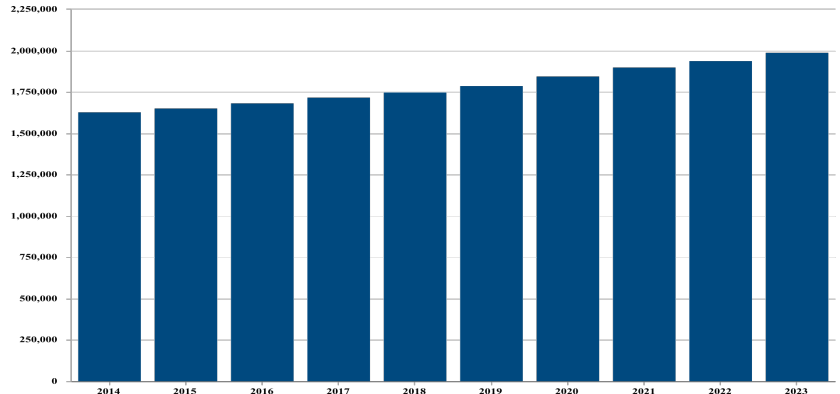
² Median age data for Idaho is not currently available for calendar year 2023.

³ Educational attainment information is not currently available for calendar year 2023.

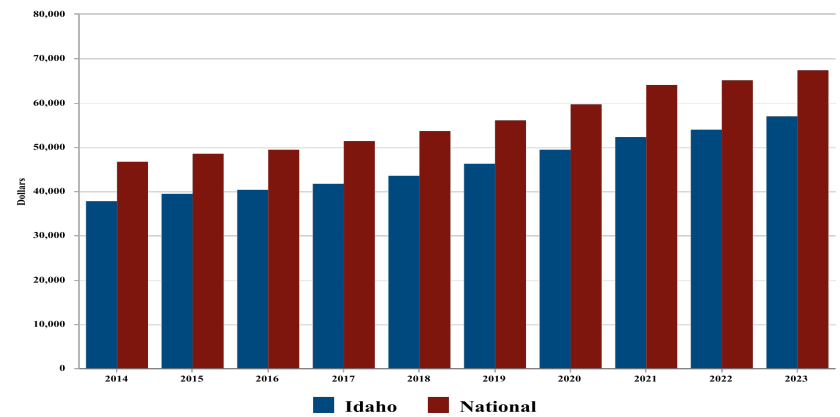
⁴ "Manufacturing-Durable Goods" amounts are net of "Logging and Wood Products" and "Computer and Electronics" amounts, which are presented separately in this schedule.

2020	2021	2022	2023
1,848	1,901	1,941	1,989
3.3%	2.9%	2.1%	2.6%
331,760	332,222	333,105	334,472
0.3%	0.1%	0.3%	0.4%
\$ 91	\$ 100	\$ 105	\$ 113
10.1%	8.9%	5.3%	7.6%
\$ 19,832	\$ 21,295	\$ 21,746	\$ 22,553
6.7%	7.4%	2.1%	3.7%
\$ 49,491	\$ 52,369	\$ 54,021	\$ 57,056
6.6%	5.8%	3.2%	4.9%
\$ 59,779	\$ 64,098	\$ 65,282	\$ 67,428
6.3%	7.2%	1.8%	3.3%
NA	37.3	37.5	NA
3.3%	3.2%	3.5%	NA
5.4%	5.6%	4.5%	NA
24.7%	26.9%	26.0%	NA
25.8%	23.6%	23.9%	NA
40.8%	40.8%	42.1%	NA
897,739	917,056	961,441	969,376
848,741	884,328	933,268	939,110
48,998	32,728	28,173	30,266
5.5%	3.6%	2.9%	3.1%
2,543	2,827	2,893	3,007
7,897	8,234	8,282	8,217
11,421	10,896	11,086	11,215
56,057	60,359	65,293	67,050
39,946	41,639	43,397	44,251
29,446	30,379	31,392	32,777
147,310	154,334	162,343	166,517
119,467	126,145	129,474	124,975
388,123	411,910	430,106	439,868
110,682	111,634	113,522	115,377
13,678	13,296	13,008	13,583
631,950	662,985	686,110	693,803
779,260	817,319	848,453	860,320

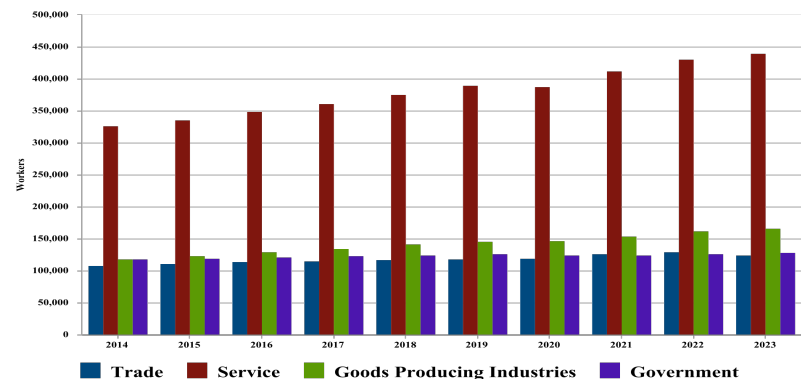
**Idaho Population
Calendar Years 2014-2023**



**Per Capita Personal Income
Calendar Years 2014-2023**



**Nonfarm Wage and Salary Workers
Employed in Idaho
Calendar Years 2014-2023**



Schedule 12 - Principal Employers
Current Year and Nine Years Ago

	As of June 30, 2014			As of June 30, 2023		
	Number of Employees	Rank	Percent of Total State Employment	Number of Employees	Rank	Percent of Total State Employment
Major Idaho Employers¹						
State of Idaho ²	19,000-19,500	1	2.6	24,000+	1	2.6
St. Luke's Health System	11,500-12,000	3	1.6	10,000+	2	1.1
Wal-Mart	6,500-7,000	4	0.9	5,000+	3	0.5
Micron Technology	5,500-6,000	5	0.8	5,000+	4	0.5
Albertson's Inc.	3,000-3,500	12	0.4	5,000+	5	0.5
St. Alphonsus Health System	3,000-3,500	10	0.4	5,000+	6	0.5
Battelle Energy Alliance	3,000-3,500	9	0.4	5,000+	7	0.5
West Ada School District				2,500-4,999	8	0.4
Boise School District	3,500-4,000	8	0.5	2,500-4,999	9	0.4
Kootenai Health				2,500-4,999	10	0.4
Federal Government	12,000-12,500	2	1.7			
Brigham Young University-Idaho	4,500-5,000	6	0.7			
Meridian Joint School District #2	4,000-4,500	7	0.6			
J.R. Simplot Co.	3,000-3,500	11	0.4			
Total	81,500		11.0	70,250		7.4

Source: Idaho Department of Labor, except state employee data, which comes from the Office of the Idaho State Controller.

Note: All figures, except for the State of Idaho as of June 30, 2023, are based on a calendar year average. Total number of employees is based on the sum of the mid-points in the ranges given.

¹Employers who have not yet signed a disclosure with the Idaho Department of Labor will not appear for the current year.

²The State of Idaho employee total as of June 30, 2023 was obtained from Schedule 14 of the statistical section.

Schedule 13 - Education Enrollment

Public School Enrollment Grades K-12

Academic Years 2013/2014-2022/2023

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Elementary	157,554	161,015	162,131	163,519	164,180	166,060	167,214	162,338	166,586	164,594
Secondary	128,651	130,007	132,340	135,268	138,289	141,168	144,777	148,315	149,573	150,589
Total All Grades	286,205	291,022	294,471	298,787	302,469	307,228	311,991	310,653	316,159	315,183

Source: Idaho Department of Education

Public Higher Education Enrollment

Student Headcount¹ (Calendar Years 2014-2023)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Boise State University	22,239	22,086	23,854	24,121	25,504	26,216	24,067	25,793	26,115	26,670
Idaho State University	13,455	13,032	12,928	12,505	12,372	12,425	11,786	12,157	12,319	12,623
University of Idaho	11,534	11,372	11,780	12,072	11,841	11,926	10,791	11,303	11,507	11,849
Lewis-Clark State College	3,616	3,635	3,909	3,733	3,677	3,748	3,856	3,710	3,783	3,769
Eastern Idaho Technical College (EITC) ²	686	687	676	809	1,288					
Total Colleges and Universities	51,530	50,812	53,147	53,240	54,682	54,315	50,500	52,963	53,724	54,911

Source: Idaho State Board of Education

Note: Total headcount includes academic full-time, academic part-time, and vocational students.

¹Figures are based on fall enrollment numbers for each year.

²In FY19 EITC became a community college (College of Eastern Idaho) and is no longer a state entity.

Schedule 14 - State Employees by Function

Fiscal Years 2014-2023

Full-Time Employees

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Tax Commission	425	425	422	436	428	429	425	404	394	403
Department of Administration	137	136	128	132	109	111	115	109	113	111
All Other	1,127	1,139	1,132	1,171	1,207	1,255	1,410	1,517	1,547	1,579
Public Safety and Correction										
Department of Correction	1,544	1,879	1,928	1,897	1,840	1,877	1,935	1,896	1,749	1,801
Idaho State Police	480	488	490	518	514	535	525	540	529	534
Department of Juvenile Corrections	387	398	391	405	398	400	400	392	369	374
All Other	566	417	428	421	437	440	457	461	452	473
Health and Human Services										
Department of Health and Welfare	2,647	2,614	2,650	2,648	2,668	2,670	2,725	2,693	2,716	2,774
Education										
Colleges and Universities	6,721	6,842	6,984	7,396	7,318	7,342	7,375	6,972	7,012	7,476
All Other	376	362	384	401	401	401	402	406	402	411
Economic Development										
Idaho Transportation Department	1,642	1,581	1,516	1,479	1,550	1,559	1,564	1,631	1,604	1,591
Department of Labor	547	539	497	477	459	459	473	550	515	511
Department of Agriculture	261	257	269	272	293	297	302	295	305	282
All Other	990	999	1,011	1,078	1,092	1,094	1,090	1,073	1,038	1,090
Natural Resources										
Department of Environmental Quality	328	322	329	337	353	353	351	335	328	341
Department of Fish and Game	534	533	530	528	547	546	542	522	517	525
Department of Lands	238	253	252	269	276	276	277	281	276	268
Department of Parks and Recreation	132	135	135	135	139	136	141	132	139	148
All Other	162	159	161	174	172	174	170	160	160	169
State Total	19,244	19,478	19,637	20,174	20,201	20,354	20,679	20,369	20,165	20,861

Part-Time and Temporary Employees¹

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	349	323	440	420	368	392	415	592	391	367
Public Safety and Correction	203	206	162	173	179	171	183	176	199	189
Health and Human Services	243	253	255	263	258	266	257	277	263	239
Education	2,514	2,441	2,578	2,742	2,377	2,176	2,115	1,219	1,327	1,444
Economic Development	705	643	632	647	548	507	509	495	482	490
Natural Resources ²	465	477	476	888	581	430	485	418	450	458
State Total	4,479	4,343	4,543	5,133	4,311	3,942	3,964	3,177	3,112	3,187

Source: Office of the Idaho State Controller.

¹ Part-time and temporary employees are those working less than full-time, including board and commission members.² The increase in the hiring of part-time and temporary employees in fiscal year 2017 is primarily due to the Department of Lands receiving additional appropriation to add needed fire fighting positions in response to the 2015 fire season. Also, the Department of Fish and Game hired more seasonal workers during the peak visitation period to serve the more than five million annual visitors to the State Parks.

Schedule 15 - Operating Indicators by Function

Fiscal/Calendar Years 2014-2023

	2014	2015	2016	2017	2018	2019
General Government						
Tax Commission						
Number of Returns Filed (<i>in thousands</i>)	2,390	2,415	2,484	2,531	2,680	2,844
Number of Returns Filed Electronically (<i>in thousands</i>)	616	695	731	764	797	831
Department of Administration						
Construction Projects Administered	296	311	366	359	428	473
Employees Covered by Benefit Plans	19,592	19,831	20,019	20,549	20,557	20,768
Public Safety and Correction						
Department of Correction ¹						
Incarcerated Offenders	8,120	8,157	7,715	8,212	8,645	9,030
Supervised Offenders	15,433	15,970	17,162	17,205	17,814	19,115
Idaho State Police						
Drug Related Arrests ²	1,559	1,456	1,389	1,948	2,098	2,224
DUI Arrests ²	1,304	1,197	1,089	1,316	1,410	1,518
All Other Arrests ²	1,071	876	702	710	826	911
Department of Juvenile Corrections						
Number of Juveniles Served	498	467	433	444	447	421
Rate of Recombitment to DJC Custody	13.0%	14.0%	14.0%	15.0 %	14.0 %	16.0 %
Health and Human Services						
Department of Health and Welfare ¹						
Medicaid Enrollees	261,639	289,303	299,611	314,584	306,459	291,990
Percent of Population	16.0%	17.5%	17.8%	18.3 %	17.5 %	16.3 %
Food Stamp Recipients	217,553	201,094	189,910	175,644	161,694	149,537
Percent of Population	13.3%	12.2%	11.3%	10.2 %	9.2 %	8.4 %
Education						
Colleges and Universities¹						
Enrollment	51,530	50,812	53,147	53,240	54,778	54,315
Number of Certificates and Degrees Awarded	10,356	10,518	10,648	10,983	11,386	11,341
Economic Development						
Idaho Transportation Department						
Percent of Pavement Which is Deficient ¹	14.0%	14.0%	16.0%	15.0 %	12.0 %	9.3 %
Vehicles Weighed (<i>in thousands</i>)	2,433	2,514	2,078	3,108	3,452	2,947
Department of Labor						
Individuals Registered for Employment ^{4,5}	255,891	200,771	121,672	84,933	75,310	61,431
Job Openings Received ⁷	101,897	107,353	279,856	165,004	178,129	197,022
Department of Agriculture						
Conduct Disease Tests on Animals	105,090	99,276	102,251	132,236	432,002	480,418
Inspections of Dairy Farms	8,854	8,688	8,419	7,378	7,535	7,518
Natural Resources						
Department of Environmental Quality						
Air Quality Sites Monitored	40	40	39	39	35	35
Water Sites Monitored ⁶	290	231	284	230	264	260
Department of Fish and Game						
Citations and Warnings Issued	4,868	4,348	2,635	3,387	3,752	4,060
Hatchery Fish Raised (<i>in thousands</i>) ²	35,253	30,774	33,573	33,853	30,042	29,011
Hunting and Fishing Licenses Sold ²	576,063	600,328	584,871	569,563	588,632	593,782
Department of Lands¹						
Forest Products Harvested (<i>in million board feet</i>)	274	222	201	173	179	191
Fires Responded to on IDL Land	351	321	168	213	259	239
Department of Parks and Recreation						
Park Visitation (<i>in thousands</i>) ^{1, 2, 3}	4,821	4,465	4,819	5,426	5,726	5,797
Recreational Registrations (<i>in thousands</i>) ³	270	277	288	282	290	301

Sources: Idaho Division of Financial Management, Idaho State Tax Commission, Office of the Idaho State Controller, Idaho State Police, Idaho State Board of Education, Idaho Departments of Administration, Correction, Juvenile Corrections, Health and Welfare, Transportation, Labor, Agriculture, Environmental Quality, Fish and Game, Lands, and Parks and Recreation

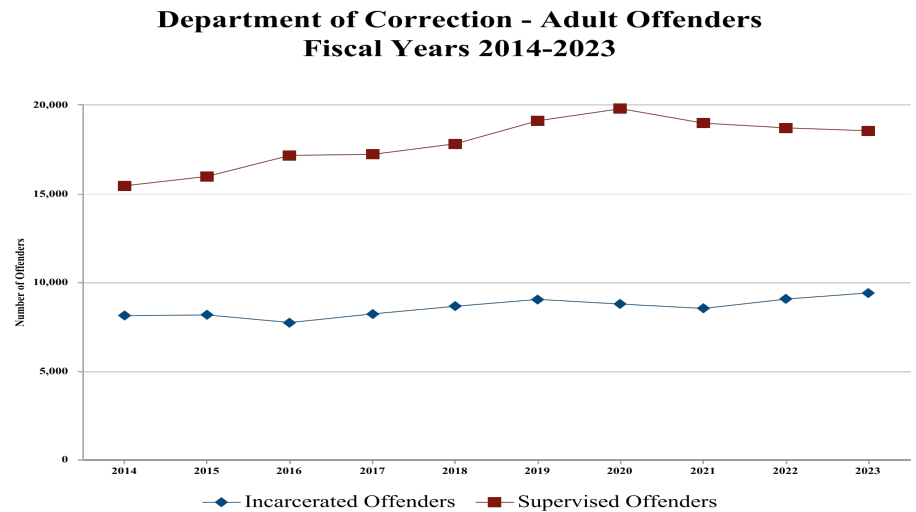
Note: Operating indicators for fiscal years (FY) 2022 and FY2023 are estimates unless otherwise noted below

¹ Operating indicators for FY2022 are actual amounts, not estimates.

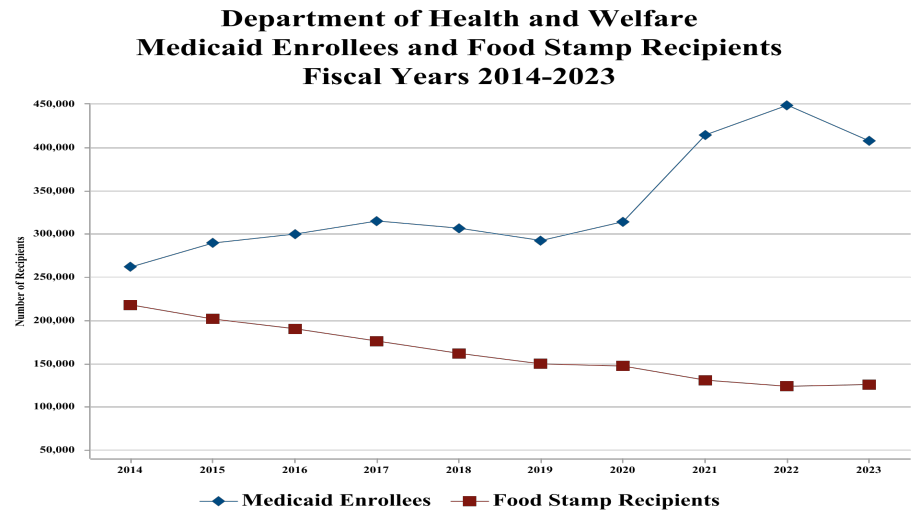
² Operating indicators are reported on a calendar year basis.

³ Park visitation is counted in visitor days. Recreational registrations include boats, snowmobiles, all-terrain vehicles, and Park N' Ski permits.

2020	2021	2022	2023
2,919	3,361	4,412	4,011
844	883	966	893
446	202	530	560
20,995	20,660	20,454	21,159
8,775	8,518	9,060	9,399
19,790	18,969	18,695	18,550
2,043	1,061	1,200	1,103
1,555	545	666	679
865	3,207	3,137	2,886
358	314	282	272
7.0 %	11.0 %	17.0 %	20.0 %



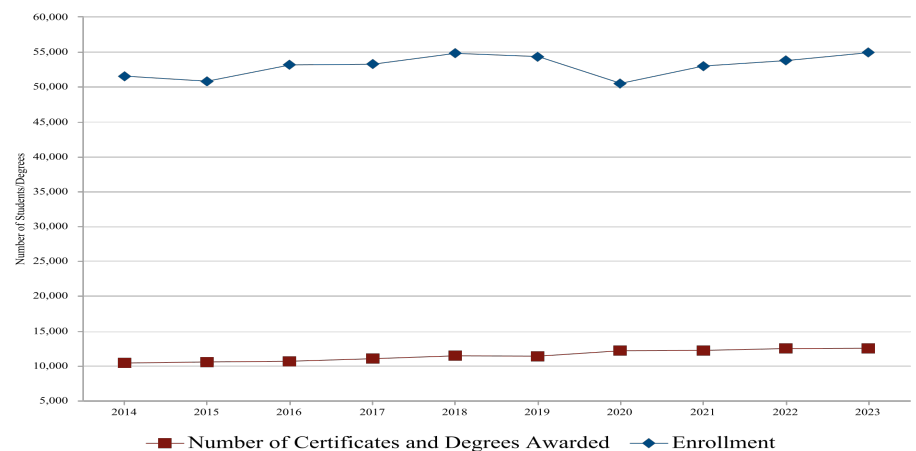
313,884	414,152	448,491	407,267
17.0 %	21.8 %	23.1 %	20.5 %
147,054	130,699	123,278	125,588
8.0 %	6.9 %	6.4 %	6.3 %



50,500	52,963	53,724	54,911
12,119	12,163	12,462	12,489
7.9 %	13.3 %	4.1 %	12.0 %
2,947	3,239	2,953	3,434

66,827	45,588	41,707	40,715
150,881	159,851	285,728	239,254
497,318	481,143	536,736	541,343
8,059	7,804	7,098	6,806

Colleges and Universities - Enrollment and Degrees Awarded Fiscal Years 2014-2023



34	34	33	32
0	265	258	240
3,727	3,110	3,464	4,486
29,700	28,948	29,997	28,304
651,511	653,889	547,861	560,079
247	302	301	NA
257	408	287	NA
7,024	6,846	6,003	NA
NA	312	296	258

⁴ In FY2016, the increase in job openings is due to an improving Idaho economy. A substantial decrease in unemployment has contributed to a decrease in the number of individuals registered for employment.

⁵ A new federal program was implemented in federal fiscal year 2016 which significantly changed the way the department reports Employment Service (ES) job seekers. The department now divides ES job seekers into two groups, those that use self-services (reportable individuals) and those receiving staff assisted services (participants). For FY2018 and FY2019, the count shown is the assumed total of the two groups.

⁶ Due to COVID budgeting decreases DEQ had to postpone monitoring water sites in FY20.

⁷ In FY2022, Idaho's job growth outpaced its population growth.

Schedule 16 - Capital Assets by Function

Fiscal Years 2014-2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Department of Administration										
Buildings (square footage in thousands) ¹	719	754	754	754	754	754	754	754	754	754
Public Safety and Correction										
Department of Correction										
Buildings	84	87	84	80	83	84	83	93	85	85
Vehicles	394	402	457	455	477	491	489	537	529	578
Idaho State Police										
Vehicles ²	466	493	497	514	538	574	604	633	578	616
Machinery and Equipment ²	1,084	1,138	1,210	1,288	1,312	1,677	1,688	1,729	1,786	1,837
Department of Juvenile Corrections										
Buildings (square footage in thousands)	224	224	242	244	244	244	244	244	244	244
Vehicles	60	56	62	64	60	60	59	58	58	60
Health and Human Services										
Department of Health and Welfare										
Buildings (square footage in thousands) ³	1,726	1,487	1,487	1,463	1,463	1,260	1,260	1,280	1,158	1,212
Vehicles	494	501	492	487	498	506	506	450	435	443
Education										
Colleges and Universities										
Buildings (square footage in thousands)	15,161	15,117	15,252	15,382	15,414	15,311	15,515	15,826	15,831	16,002
Economic Development										
Idaho Transportation Department										
Highway Lane Miles ⁴	12,236	12,269	12,271	12,274	12,273	12,273	12,272	12,165	12,156	12,276
Vehicles	766	748	680	705	712	705	860	907	890	920
Heavy Equipment	1,192	1,098	898	838	836	872	1,172	1,214	1,111	1,358
Department of Agriculture										
Scientific and Laboratory Equipment ⁵	156	100	106	112	114	112	105	108	148	162
Vehicles ⁵	223	206	210	237	237	237	213	223	228	255
Natural Resources										
Department of Environmental Quality										
Air Monitoring Instruments ⁵	185	156	148	158	165	177	190	194	198	209
Water Sampling/Quality Equipment ⁵	81	27	29	33	39	43	49	49	51	57
Department of Fish and Game										
Hatcheries	23	23	23	22	22	23	23	23	23	23
Vehicles	704	707	702	730	768	751	757	782	776	807
Boats ⁵	284	84	83	82	85	86	90	91	98	100
Wildlife Management Areas	32	32	32	31	31	31	31	31	31	31
Department of Lands										
Acres of Land (in thousands) ⁴	2,442	2,442	2,442	2,442	2,445	2,445	2,477	2,478	2,478	2,485
Vehicles	371	375	412	415	422	435	440	469	468	477
Department of Parks and Recreation										
State Parks	30	30	30	30	30	30	30	30	30	30
Acres of State Park Land (in thousands) ⁶	60	60	60	60	60	60	60	60	60	60
Buildings	372	348	356	364	366	372	390	392	392	394
Vehicles	318	314	317	322	321	337	332	339	337	348

Sources: Office of the Idaho State Controller, Idaho Departments of Juvenile Corrections, Health and Welfare, Transportation, Environmental Quality, Fish and Game, Lands, Parks and Recreation, and Idaho colleges and universities.

Note: The Idaho State Tax Commission, the Department of Commerce, and the Department of Labor are not capital-asset intensive.

¹ In FY2015, a new 35,000 square foot parking garage was built in Boise to provide additional parking for state employees.

² In FY2014-2021, Idaho State Police ordered more vehicles and related equipment than in prior years.

³ Leased buildings are included.

⁴ Highway lane miles and acres of land for FY2019-2023 are based on estimates.

⁵ For FY2015-2023, assets under \$5,000 are not included in capital assets.

⁶ Includes land under water.



Schedule 17 - Assets, Liabilities, and Fund Balances

General Fund Accounts

June 30, 2023

(dollars in thousands)

	State General Account	Permanent Building	Budget Stabilization	Millennium	Income Earnings
ASSETS					
Cash and Cash Equivalents	\$ 3				
Pooled Cash and Investments	457,845	\$ 513,313	\$ 795,964	\$ 77,991	\$ 357,858
Investments		635,498			
Accounts Receivable, Net	278			11,250	
Taxes Receivable, Net	240,015	1,162			83,068
Interfund Receivables	21,400	234			30
Due from Other Entities					
Inventories and Prepaid Items	9,979			370	51
Loans, Notes, Leases and Pledges Receivable, Net					
Other Assets	2,285	2,845	1,319	401	728
Restricted Assets:					
Cash and Cash Equivalents					
Investments				455,230	
Total Assets	\$ 731,805	\$ 1,153,052	\$ 797,283	\$ 545,242	\$ 441,735
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 27,718			\$ 51	\$ 409
Payroll and Related Liabilities	22,315	\$ 129		14	44
Interfund Payables	881	67			713
Due to Other Entities					
Unearned Revenue		37,530			
Amounts Held in Trust for Others	1,478				
Other Accrued Liabilities	977	5,619	\$ 12	14	6
Total Liabilities	53,369	43,345	12	79	1,172
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows	81,605	1,683		11,432	28,243
Fund Balances					
Nonspendable:					
Inventories and Prepaid Items	9,979			370	51
Noncurrent Receivables					
Restricted				478,365	
Committed		1,108,024			412,269
Assigned	10,708				
Unassigned	576,144		797,271	54,996	
Total Fund Balances	596,831	1,108,024	797,271	533,731	412,320
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 731,805	\$ 1,153,052	\$ 797,283	\$ 545,242	\$ 441,735

Sales Tax	Income Tax Refunds	Catastrophic Health Care	Legislative	Warrant Deficiency	Miscellaneous	Total
					\$ 47	\$ 50
	\$ 5,153	\$ 11,554	\$ 5,953	\$ 37,554	823,657	3,086,842
					4,667	640,165
				10,791	1,213	23,532
\$ 64,250	32,662				20,148	441,305
					181	21,845
					59	59
			181	11,568	2,564	24,713
					58,219	58,219
					1,423	9,001
232,492					1,213	233,705
					3,157	458,387
\$ 296,742	\$ 37,815	\$ 11,554	\$ 6,134	\$ 59,913	\$ 916,548	\$ 4,997,823
	\$ 153		\$ 93	\$ 3,052	\$ 52,638	\$ 84,114
			162	498	2,089	25,251
					30	1,691
\$ 84,527						84,527
					127	37,657
					26,945	28,423
					61	6,689
84,527	153	0	255	3,550	81,890	268,352
21,845	11,105			10,384	64,362	230,659
			181	11,568	2,564	24,713
					25	25
190,370	26,557				30,035	725,327
		\$ 11,554			686,135	2,217,982
			5,698	34,411	51,537	102,354
						1,428,411
190,370	26,557	11,554	5,879	45,979	770,296	4,498,812
\$ 296,742	\$ 37,815	\$ 11,554	\$ 6,134	\$ 59,913	\$ 916,548	\$ 4,997,823

Schedule 18 - Revenues, Expenditures, and Changes in Fund Balances**General Fund Accounts****For the Fiscal Year Ended June 30, 2023***(dollars in thousands)*

	State General Account	Permanent Building	Budget Stabilization	Millennium	Income Earnings
REVENUES					
Sales Tax	\$ 2,221,682	\$ 4,998			\$ 54,575
Individual and Corporate Taxes	3,092,854	9,845			635
Other Taxes	21,524	6,586			4,189
Licenses, Permits, and Fees	16,264				1,236
Sale of Goods and Services	168	263			4,888
Grants and Contributions	13	1			1
Investment Income (Loss)	23,773	19,523	\$ (2,909)	\$ 51,999	9,273
Tobacco Settlement				23,095	
Other Income	26,710	6			2,059
Total Revenues	5,402,988	41,222	(2,909)	75,094	76,856
EXPENDITURES					
Current:					
General Government	185,898	17,387	41,046	1,174	187
Public Safety and Correction	439,235				2,546
Health and Human Services	2			18,871	9,138
Education	201,389		368	277	2,347,087
Economic Development	38,102				1,046
Natural Resources	27,347				
Capital Outlay	45,172	71,053			1,969
Intergovernmental Revenue Sharing	42,737			1,289	
Debt Service:					
Principal Retirement	8,014				
Interest and Other Charges	639				
Total Expenditures	988,535	88,440	41,414	21,611	2,361,973
Revenues Over (Under) Expenditures	4,414,453	(47,218)	(44,323)	53,483	(2,285,117)
OTHER FINANCING SOURCES (USES)					
Lease Acquisitions	36,952				
Sale of Capital Assets	237	1,700			
Transfers In	5,911,516	548,188	120,620	43,657	2,724,194
Transfers Out	(11,299,314)	(48,713)		(43,657)	(206,756)
Total Other Financing Sources (Uses)	(5,350,609)	501,175	120,620	0	2,517,438
Net Change in Fund Balances	(936,156)	453,957	76,297	53,483	232,321
Fund Balances - Beginning of Year	1,532,987	654,067	720,974	480,248	179,999
Fund Balances - End of Year	\$ 596,831	\$ 1,108,024	\$ 797,271	\$ 533,731	\$ 412,320

Sales Tax	Income Tax Refunds	Catastrophic Health Care	Legislative	Warrant Deficiency	Miscellaneous	General Account Transfer Eliminations	Total
\$ 620,206	\$ 11,914				\$ 29,212		\$ 2,942,587
	48,325				6,992		3,158,651
	17,288				5,830		55,417
		\$ 27		\$ 97	18,721		36,345
				33	49,177		54,529
					44,023		44,038
2,489		246			13,903		118,297
							23,095
		4,677	\$ 31	1,506	45,111		80,100
622,695	77,527	4,950	31	1,636	212,969		6,513,059
1,712			8,717	31	35,550		291,702
					14,266		456,047
		2,930			389		31,330
					73,587		2,622,708
				638	110,762		150,548
				35,151	8,598		71,096
			17	70	100,593		218,874
939,691	611				107,575		1,091,903
					4,318		12,332
					460		1,099
941,403	611	2,930	8,734	35,890	456,098		4,947,639
(318,708)	76,916	2,020	(8,703)	(34,254)	(243,129)		1,565,420
					14,101		51,053
					24		1,961
636,652	2,724		8,511	472	511,931	\$ (10,152,232)	356,233
(341,221)	(71,315)				(86,026)	10,152,232	(1,944,770)
295,431	(68,591)	0	8,511	472	440,030	0	(1,535,523)
(23,277)	8,325	2,020	(192)	(33,782)	196,901		29,897
213,647	18,232	9,534	6,071	79,761	573,395		4,468,915
\$ 190,370	\$ 26,557	\$ 11,554	\$ 5,879	\$ 45,979	\$ 770,296	\$ 0	\$ 4,498,812

Schedule 19 - Miscellaneous Statistics

State Facts

State Capital	Boise
Admitted to the Union	July 3, 1890
Nickname	The Gem State
Motto	Esto Perpetua (Let It Be Perpetual)
Population	1,988,810
Highest Elevation Point	Mt. Borah - 12,662 Feet Above Sea Level
Lowest Elevation Point	Snake River at Lewiston - 710 Feet Above Sea Level
Number of Lakes	More Than 2,000
State Bird	Mountain Bluebird
State Dance	Square Dance
State Fish	Cutthroat Trout
State Flower	Syringa
State Fossil	Hagerman Horse
State Fruit	Huckleberry
State Gem Stone	Idaho Star Garnet
State Gemstone Cut	The Idaho Cut
State Horse	Appaloosa
State Dinosaur	Oryctodromeus
State Insect	Monarch Butterfly
State Raptor	Peregrine Falcon
State Amphibian	Idaho Giant Salamander
State Song	"Here We Have Idaho"
State Tree	Western White Pine
State Vegetable	Potato

Source: Idaho Blue Book, 2023-2024

Land Area and Use
(in square miles)

Land Area	83,569
Water Area	880
Federal Land	52,500
Total Non-Federal Land	31,025
Total Rural Land	79,348
Agricultural Land	12,529
Range Land	34,245
Forest Land	32,574

Land Area and Use amounts were converted from square acres to square miles at 640 acres to the mile.

Source: Idaho Blue Book, 2023-2024

Source: Idaho Fiscal Facts, 2023

Twenty Largest
Communities in Idaho

	2010 Census	2020 Census
Boise	205,671	235,684
Meridian	75,092	117,635
Nampa	81,557	100,200
Idaho Falls	56,813	64,818
Caldwell	46,237	59,996
Pocatello	54,255	56,320
Coeur d'Alene	44,137	54,628
Twin Falls	44,125	51,807
Rexburg	25,484	39,409
Post Falls	27,574	38,485
Lewiston	31,894	34,203
Eagle	19,908	30,346
Moscow	23,800	25,435
Kuna	15,210	24,011
Ammon	13,816	17,694
Mountain Home	14,206	15,979
Chubbuck	13,922	15,570
Hayden	13,294	15,570
Jerome	10,890	12,349
Blackfoot	11,899	12,346

Source: Idaho Blue Book, 2023-2024

Idaho Commodity Rankings

Commodity	U.S. Rank	U.S. %
Peppermint oil	1	40.7
Barley	1	37.1
Potatoes	1	32.2
Hay, alfalfa	1	8
Sugarbeets	2	18.3
Hops	2	15.9
Onion, dry	4	10.8
Wheat, spring	4	9.2
Lentils	4	2.6
Dry edible beans	5	3.5
Corn silage	5	5.5
Dry edible peas	5	6.5
Haylage	6	5.9
Wheat, all	6	4.6
Wheat, winter	8	3.6
Hay, all	8	3.8

Source: Idaho Agriculture Facts, 2022



Lake Coeur d'Alene

On the back cover:
Idaho State Capitol



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