



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK
AND
REVENUE ASSESSMENT COMMITTEE**

INFORMATION PACKET
Statewide and Industry Economic Trends, Analysis, and Questions

FISCAL YEARS 2007 AND 2008



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2007 AND 2008**

Committee Members

*Sen. John Goedde
Co-Chairman*

Sen. Brad Little

Sen. Brent Hill

Sen. Robert Geddes

Sen. Shawn Keough

Sen. Mike Burkett

*Rep. Scott Bedke
Co-Chairman*

Rep. Mike Moyle

Rep. Dennis Lake

Rep. Ken Roberts

Rep. Bert Brackett

Rep. Nicole LeFavour

Legislative Staff

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On-line Information

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COMMITTEE'S ROLE

Article VII, Section II of the Idaho Constitution provides that *"No appropriation shall be made, nor any expenditure authorized by the legislature, whereby the expenditure of the state during any fiscal year shall exceed the total tax then provided by law..."*

COMMITTEE'S MISSION

The Committee's mission is to: (1) make an overall assessment of Idaho's economy by providing a forum for expert testimony from economists, business leaders, and industry spokesmen regarding the status of Idaho's current economy and the economic outlook for the next eighteen months; and (2) review the Governor's fiscal years 2007 and 2008 General Fund revenue projections and provide advice to the Legislature regarding the total estimated revenues expected to be available for appropriation.



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2007 AND 2008**

Committee Members

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**EXAMPLE
INSTRUCTIONS AND QUESTIONS TO ASSIST THOSE MAKING
PRESENTATIONS TO THE ECONOMIC OUTLOOK AND REVENUE
ASSESSMENT COMMITTEE**

January 4, 5, and 11, 2007

We are grateful for your willingness to appear before our committee, and thank you for your commitment to our beautiful state and its citizens. The most important part of the committee's mission is to make an overall assessment of Idaho's economic outlook and the General Fund revenues for FY 2007 and FY 2008. In order to help guide your presentation to key areas of committee interest, please be prepared to address the questions in the second group, below, which are specific to your field of expertise. The first group of general questions may be ignored if it is outside the presenter's area of expertise.

General Questions

1. How will the Idaho economy perform in the remainder of FY 2007 (January 2007 to June 2007) and FY 2008 (July 2007 to June 2008), and what impact will this likely have on state tax revenues?
2. How will the national economy perform in the remainder of FY 2007 (January 2007 to June 2007) and FY 2008 (July 2007 to June 2008), and how will this affect Idaho?
3. What areas of the economy will be strong over the next 18 months? Which areas will be weak?
4. How will your industry and/or company perform over the next 18 months?
5. Do you know of any companies that are planning on moving operations into or out of Idaho in the next 18 months?
6. What policies should Idaho follow to promote economic growth and higher wages?

Specific Questions

1. What is the current state of Idaho's real estate industry? How does this compare to past levels?
2. How many are employed in this industry? What is the total payroll?
3. How is this industry likely to perform over the next 18 months?
4. To what degree have low interest rates stimulated the real estate industry? How are current interest rates impacting that industry?
5. There was talk of a real estate "bubble" nationally. Does Idaho have a real estate "bubble" and, if so, what would happen if it popped?
6. What impact does the real estate industry have on state General Fund revenues?

Economic Outlook & Revenue Assessment Committee Agenda

| | |
|--|---|
| Thursday, January 4th, 2007 | |
| <i>Location: JFAC Room #328, State Capitol</i> | |
| 12:45 PM | Co-Chairs Opening comments |
| 1:00 PM | Dr. Kelly Matthews Economist, Wells Fargo Bank |
| 1:45 PM | Roger Madsen and Bob Fick Department of Commerce & Labor |
| 2:30 PM | Break |
| 2:45 PM | John Eaton Idaho Association of Realtors |
| 3:05 PM | Panel Discussion George Iliff, Colliers International Bob Taunton, Suncor Develop. Treasure Valley Real Estate Mkt |
| 3:45 PM | Michael Gifford Associated General Contractors |
| 4:05 PM | Carl Wilgus, Dept of Commerce Importance of Tourism in Idaho |
| 4:30PM | John Hammel & Garth Taylor U of I, College of Agriculture |
| 5:00 PM | Adjourn |

For information, please contact Ray Houston at 334-4741 FAX 334-2668 or e-mail rhouston@iso.idaho.gov

| | |
|--|--|
| Friday, January 5th, 2007 | |
| <i>Location: JFAC Room #328, State Capitol</i> | |
| 8:00AM | Mike Reynoldson Micron Technology |
| 8:30 AM | Jane Wittmeyer Intermountain Forest Association |
| 8:50 AM | Ron Hodge Idaho Medical Association |
| 9:10 AM | Steve Millard Idaho Hospital Association |
| 9:30 AM | Jack Myers Ex. VP & CFO, Blue Cross Idaho |
| 9:50 AM | Break |
| 10:10 AM | Pam Eaton Idaho Retailers Association |
| 10:30 AM | Adm. John Grossbacher INL Lab Director Battelle |
| 11:00 AM | Bob Maynard, Investment Manager PERSI |
| 12:00 Noon | Lunch on your own - Swear in New Governor - Statehouse Steps |
| 1:20 PM | Ray Houston, staff Handout Projection Worksheet |
| 1:30 PM | Idaho Universities Revenue Est. ISU, BSU, U of I Economics Profs. |
| 2:00 PM | Randy Nelson, President Associated Taxpayers of Idaho |
| 2:30 PM | Dan John, Tax Policy Division Idaho State Tax Commission |
| 3:00 PM | Cathy Holland-Smith Manager, LSO Budget & Policy |
| 3:30 PM | Adjourn |

Committee members turn in projections to Ray Houston (Room #327) before 1:30 PM first day of session, Monday, January 8th

| | |
|--|---|
| Thursday, January 11th, 2007 | |
| <i>Location: JFAC Room #328, State Capitol</i> | |
| 2:00 PM | Michael Ferguson & Derek Santos Division of Financial Management Executive Revenue Projection for FY 2007 and FY 2008 |
| 3:00 PM | Ray Houston, staff Review Committee Projections |
| 3:30 PM | Committee Work Session (finalize report to Legislature) |

KEY STATE ECONOMIC INDICATORS - 10 YEAR TRENDS

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | Est. 2007 | Est. 2008 |
|---|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|-------------------|------------------|------------------|
| Population (2005 Census estimate 1,429,096) (Calendar Year, thousands) ⁴ | 1,275.7 1.9% | 1,299.1 1.8% | 1,320.7 1.7% | 1,342.0 1.6% | 1,365.5 1.8% | 1,391.0 1.9% | 1,428.0 2.7% | 1,465.7 2.6% | 1,498.6 2.2% | 1,530.9 2.2% |
| Inflation (Calendar Year CPI) ⁴ | 2.2% | 3.4% | 2.8% | 1.6% | 2.3% | 2.7% | 3.4% | 3.3% | 2.2% | 2.0% |
| Non-farm Personal Income - current \$ Calendar Year, \$millions, ⁴ | \$28,054 6.4% | \$30,448 8.5% | \$32,039 5.2% | \$32,921 2.8% | \$33,969 3.2% | \$36,942 8.8% | \$39,589 7.2% | \$42,944 8.5% | \$45,925 6.9% | \$48,967 6.6% |
| Farm Personal Income - current \$ Calendar Year, \$millions, ⁴ | \$1,014 3.5% | \$842 2.7% | \$1,015 3.1% | \$928 2.7% | \$718 2.1% | \$1,148 3.0% | \$995 2.5% | \$1,005 2.3% | \$1,070 2.3% | \$1,086 2.2% |
| Total Idaho Personal Income - current \$ Calendar Year, \$millions, ⁴ | \$29,068 6.5% | \$31,290 7.6% | \$33,054 5.6% | \$33,849 2.4% | \$34,687 2.5% | \$38,090 9.8% | \$40,584 6.5% | \$43,949 8.3% | \$46,995 6.9% | \$50,053 6.5% |
| Employment (Calendar Year, thousands) ¹ | 621 1.7% | 626 0.8% | 638 2.0% | 645 1.1% | 650 0.8% | 667 2.5% | 695 4.2% | 724 4.2% | 744 2.8% | 768 3.3% |
| Average Unemployment Rate (Calendar Year) ¹ | 5.2% | 4.8% | 4.7% | 5.2% | 5.4% | 5.0% | 4.2% | 3.5% | 3.3% | 3.5% |
| Individual Income Tax Collections Net of Refunds, Fiscal Year, \$millions, ^{2,3} | \$847 8.5% | \$966 14.0% | \$1,031 6.7% | \$842 (18.3%) | \$844 0.2% | \$908 7.6% | \$1,051 15.7% | \$1,223 16.3% | | |
| Corporate Income Tax Collections Net of Refunds, Fiscal Year, \$millions, ^{2,3} | \$96 (18.4%) | \$126 31.0% | \$142 12.8% | \$77 (45.9%) | \$94 21.7% | \$104 11.0% | \$141 35.5% | \$198 41.0% | | |
| Sales Tax Collections Net of Refunds, Fiscal Year, \$millions, ^{2,3} | \$702 7.5% | \$747 6.5% | \$775 3.7% | \$788 1.6% | \$836 6.2% | \$1,029 23.0% | \$1,119 8.7% | \$1,064 (4.9%) | | |
| Local Property Taxes Previous Calendar Year, \$millions, ² | \$807 5.7% | \$860 6.6% | \$914 6.3% | \$949 3.7% | \$1,021 7.7% | \$1,081 5.9% | \$1,141 5.5% | \$1,239 8.6% | | |
| Other State Tax Collections * Net of Refunds, Fiscal Year, \$millions, ² | \$386 5.9% | \$390 0.9% | \$440 12.9% | \$403 (8.3%) | \$406 1% | \$491 21% | \$469 (5%) | \$479 2% | | |
| Total Major State/Local Taxes Net of Refunds, Fiscal Year, \$millions, ^{2,3} | \$2,839 5.9% | \$3,089 8.8% | \$3,302 6.9% | \$3,059 (7.4%) | \$3,201 4.6% | \$3,613 12.9% | \$3,920 8.5% | \$4,202 7.2% | | |
| Revenues to General Fund Fiscal Year, \$millions, ^{2,3} | \$1,624 6.0% | \$1,821 12.1% | \$1,985 9.0% | \$1,690 (14.8%) | \$1,751 3.6% | \$2,084 19.0% | \$2,268 8.8% | \$2,431 7.2% | | |

* Other State Tax Collections include: Motor Fuels Tax, Cigarette & Tobacco Tax, Beer and Wine Tax, Insurance Premium Tax, Kilowatt Hour Tax, Liquor Dispensary Profits, Treasurer's Interest Earnings and Miscellaneous Receipts and Taxes.

Sources: ¹ Idaho Department of Commerce & Labor

² State Tax Commission

³ General Fund Revenue Book, Division of Financial Management

⁴ Idaho Economic Forecast, Division of Financial Management; October 2006

POPULATION BY COUNTY: 1990, 2000, and 2005 Estimate

| Line # | County | 1990 Census | 2000 Census | Annual Change 90-00 | 2005 Estimate ¹ | Number Change 2000-2005 | Annual Change 00-05 | Change in Proportion of Total ² |
|--------|----------------------------------|------------------|------------------|---------------------|----------------------------|-------------------------|---------------------|--|
| 1 | Canyon (U) | 90,639 | 131,441 | 3.8% | 164,593 | 33,152 | 4.6% | 1.36% |
| 2 | Ada (U) | 207,505 | 300,904 | 3.8% | 344,727 | 43,823 | 2.8% | 0.87% |
| 3 | Kootenai (U) | 70,411 | 108,685 | 4.4% | 127,668 | 18,983 | 3.3% | 0.53% |
| 4 | Teton | 3,460 | 5,999 | 5.7% | 7,467 | 1,468 | 4.5% | 0.06% |
| 5 | Bonneville (U) | 72,603 | 82,522 | 1.3% | 91,856 | 9,334 | 2.2% | 0.05% |
| 6 | Madison (U) | 23,752 | 27,467 | 1.5% | 30,975 | 3,508 | 2.4% | 0.04% |
| 7 | Jefferson | 16,615 | 19,155 | 1.4% | 21,580 | 2,425 | 2.4% | 0.03% |
| 8 | Bonner | 26,759 | 36,835 | 3.2% | 40,908 | 4,073 | 2.1% | 0.02% |
| 9 | Blaine | 13,767 | 18,991 | 3.3% | 21,166 | 2,175 | 2.2% | 0.01% |
| 10 | Boise | 3,552 | 6,670 | 6.5% | 7,535 | 865 | 2.5% | 0.01% |
| 11 | Lincoln | 3,345 | 4,044 | 1.9% | 4,545 | 501 | 2.4% | 0.01% |
| 12 | Camas | 737 | 991 | 3.0% | 1,050 | 59 | 1.2% | (0.00%) |
| 13 | Valley | 6,150 | 7,651 | 2.2% | 8,332 | 681 | 1.7% | (0.01%) |
| 14 | Franklin | 9,263 | 11,329 | 2.0% | 12,371 | 1,042 | 1.8% | (0.01%) |
| 15 | Clark | 758 | 1,022 | 3.0% | 943 | (79) | (1.6%) | (0.01%) |
| 16 | Adams | 3,265 | 3,476 | 0.6% | 3,591 | 115 | 0.7% | (0.02%) |
| 17 | Boundary | 8,352 | 9,871 | 1.7% | 10,619 | 748 | 1.5% | (0.02%) |
| 18 | Oneida | 3,511 | 4,125 | 1.6% | 4,209 | 84 | 0.4% | (0.02%) |
| 19 | Lewis | 3,520 | 3,747 | 0.6% | 3,750 | 3 | 0.0% | (0.03%) |
| 20 | Butte | 2,916 | 2,899 | (0.1%) | 2,808 | (91) | (0.6%) | (0.03%) |
| 21 | Gem | 11,940 | 15,181 | 2.4% | 16,273 | 1,092 | 1.4% | (0.03%) |
| 22 | Payette | 16,446 | 20,578 | 2.3% | 22,197 | 1,619 | 1.5% | (0.04%) |
| 23 | Power | 7,073 | 7,538 | 0.6% | 7,753 | 215 | 0.6% | (0.04%) |
| 24 | Jerome | 15,220 | 18,342 | 1.9% | 19,638 | 1,296 | 1.4% | (0.04%) |
| 25 | Owyhee | 8,421 | 10,644 | 2.4% | 11,073 | 429 | 0.8% | (0.05%) |
| 26 | Lemhi | 6,927 | 7,806 | 1.2% | 7,909 | 103 | 0.3% | (0.05%) |
| 27 | Custer | 4,155 | 4,342 | 0.4% | 4,077 | (265) | (1.3%) | (0.05%) |
| 28 | Fremont | 10,943 | 11,819 | 0.8% | 12,242 | 423 | 0.7% | (0.06%) |
| 29 | Bear Lake | 6,088 | 6,411 | 0.5% | 6,176 | (235) | (0.7%) | (0.06%) |
| 30 | Benewah | 7,943 | 9,171 | 1.4% | 9,218 | 47 | 0.1% | (0.06%) |
| 31 | Washington | 8,595 | 9,977 | 1.5% | 10,098 | 121 | 0.2% | (0.06%) |
| 32 | Caribou | 6,959 | 7,304 | 0.5% | 7,131 | (173) | (0.5%) | (0.07%) |
| 33 | Gooding | 11,664 | 14,158 | 2.0% | 14,461 | 303 | 0.4% | (0.08%) |
| 34 | Idaho | 13,818 | 15,511 | 1.2% | 15,697 | 186 | 0.2% | (0.10%) |
| 35 | Clearwater | 8,494 | 8,930 | 0.5% | 8,373 | (557) | (1.3%) | (0.10%) |
| 36 | Twin Falls (U) | 53,797 | 64,284 | 1.8% | 69,419 | 5,135 | 1.5% | (0.11%) |
| 37 | Shoshone | 13,964 | 13,771 | (0.1%) | 13,157 | (614) | (0.9%) | (0.14%) |
| 38 | Cassia | 19,607 | 21,416 | 0.9% | 21,324 | (92) | (0.1%) | (0.16%) |
| 39 | Bingham | 37,621 | 41,735 | 1.0% | 43,739 | 2,004 | 0.9% | (0.16%) |
| 40 | Minidoka | 19,385 | 20,174 | 0.4% | 19,014 | (1,160) | (1.2%) | (0.23%) |
| 41 | Nez Perce (U) | 33,842 | 37,410 | 1.0% | 37,931 | 521 | 0.3% | (0.24%) |
| 42 | Elmore | 21,232 | 29,130 | 3.2% | 28,634 | (496) | (0.3%) | (0.25%) |
| 43 | Latah (U) | 30,654 | 34,935 | 1.3% | 34,714 | (221) | (0.1%) | (0.27%) |
| 44 | Bannock (U) | 66,236 | 75,565 | 1.3% | 78,155 | 2,590 | 0.7% | (0.37%) |
| | State Total | 1,011,904 | 1,293,956 | 2.5% | 1,429,096 | 135,140 | 2.0% | |
| | Persons per Legislative District | | 36,970 | | 40,831 | 3,861 | | |

↑ Gainers
↓ Losers

(U) means Urban as defined by the Idaho Department of Commerce and Labor. That is, the county has at least one city with a population of 20,000 or more. That differs from Urban Areas & Urban Clusters defined by the U.S. Census Bureau.

¹ U.S. Census Bureau Estimate released March 16, 2006

² The percentage change in each county's proportion of the total state population from 2000 to 2005.

IDAHO GROSS STATE PRODUCT BY INDUSTRY (millions of calendar year current dollars)

| Industry Sector* | CY 1997 | | CY 2005 | | 1997-2005 | 1997-2005 | 1997-2005 | 1997-2005 |
|---|---------------|-------------|---------------|-------------|---------------|-----------------------|---------------------------|-------------------|
| | \$ Amt | % of Total | \$ Amt | % of Total | \$ Change | 8 year Percent Change | Annualized Percent Change | % of Total Change |
| Finance and Insurance | 1,092 | 3.8% | 2,404 | 5.1% | 1,312 | 120.1% | 10.4% | 1.26% |
| Real Estate, Rental, and Leasing | 3,130 | 11.0% | 5,688 | 12.1% | 2,558 | 81.7% | 7.8% | 1.07% |
| Administrative and Waste Services | 558 | 2.0% | 1,352 | 2.9% | 794 | 142.3% | 11.7% | 0.91% |
| Professional and Technical Services | 1,800 | 6.3% | 3,338 | 7.1% | 1,538 | 85.4% | 8.0% | 0.76% |
| Information | 524 | 1.8% | 1,180 | 2.5% | 656 | 125.2% | 10.7% | 0.66% |
| Health Care and Social Assistance | 1,699 | 6.0% | 3,113 | 6.6% | 1,414 | 83.2% | 7.9% | 0.64% |
| Manufacturing | 3,739 | 13.1% | 6,306 | 13.4% | 2,567 | 68.7% | 6.8% | 0.25% |
| Educational Services | 124 | 0.4% | 262 | 0.6% | 138 | 111.3% | 9.8% | 0.12% |
| Retail Trade | 2,437 | 8.5% | 4,043 | 8.6% | 1,606 | 65.9% | 6.5% | 0.02% |
| Arts, Entertainment and Recreation | 258 | 0.9% | 381 | 0.8% | 123 | 47.7% | 5.0% | -0.10% |
| Accommodation and Food Services | 747 | 2.6% | 1,174 | 2.5% | 427 | 57.2% | 5.8% | -0.13% |
| Mining | 165 | 0.6% | 203 | 0.4% | 38 | 23.0% | 2.6% | -0.15% |
| Other Services | 660 | 2.3% | 959 | 2.0% | 299 | 45.3% | 4.8% | -0.28% |
| Utilities | 583 | 2.0% | 783 | 1.7% | 200 | 34.3% | 3.8% | -0.39% |
| Wholesale Trade | 1,694 | 5.9% | 2,605 | 5.5% | 911 | 53.8% | 5.5% | -0.42% |
| Transportation & Warehousing | 931 | 3.3% | 1,336 | 2.8% | 405 | 43.5% | 4.6% | -0.43% |
| Management of Companies | 609 | 2.1% | 685 | 1.5% | 76 | 12.5% | 1.5% | -0.68% |
| Construction | 1,911 | 6.7% | 2,811 | 6.0% | 900 | 47.1% | 4.9% | -0.75% |
| State, Fed & Local Government | 4,093 | 14.4% | 6,397 | 13.6% | 2,304 | 56.3% | 5.7% | -0.80% |
| Agriculture, Forestry, Fish and Hunting | 1,752 | 6.1% | 2,168 | 4.6% | 416 | 23.7% | 2.7% | -1.55% |
| Total Gross State Product | 28,506 | 100% | 47,188 | 100% | 18,682 | 65.5% | 6.5% | 0.00% |

Compare to Inflation CY1997-2005

21.7% 2.5%

Real Growth in GSP

43.9% 4.0%

*Note: North American Industry Classification System (NAICS)

Source: U.S. Department of Commerce, Bureau of Economic Analysis. October 2006. Current dollars not adjusted for inflation.

The Gross State Product (GSP) is the value added in production by the labor and capital for all industries located in a state. An industry's GSP, referred to as its "value added", is equivalent to its gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported). The GSP is the state counterpart of the nation's gross domestic product (GDP).

Idaho's Gross State Product (GSP) grew at an annualized rate of 6.5% between 1997 and 2005. Although Government contributed \$2.3 billion of the \$18.7 billion increase, its proportion dropped by .8% of the total. Real Estate, Rental, and Leasing grew by \$2.6 billion or 7.8% annually to increase its share of the total Gross State Product by 1.07%.

EMPLOYMENT GROWTH TRENDS AND AVERAGE ANNUAL PAY BY INDUSTRY

One, Five, and Ten Year Change Comparisons

| Industry | FY 2008 % Change | | | | | FY 2008 % Change | | | | | Annual Year Earnings 2005 ^d |
|---|------------------------------|---------------|-------------------|--------------------|--------------------------------------|------------------|-------------------|--------------------|---------------------|--|--|
| | Projected FY 2008 Employment | 1 Year (2007) | 5 Years (2003-08) | 10 Years (1998-08) | Projected FY 2008 Average Annual Pay | 1 Year (2007) | 5 Years (2003-08) | 10 Years (1998-08) | 10 Years (1998-08) | | |
| Retail Trade | 83,375 | 3.0 | 15.1 | 22.9 | \$27,276 | 4.7 | 30.5 | 49.5 | \$2,588,217 | | |
| Local Government | 75,143 | 2.2 | 9.9 | 29.3 | \$30,720 | 3.6 | 15.6 | 38.8 | \$2,713,051 | | |
| Self-employed ^c | 65,201 | 0.6 | 16.2 | 4.7 | NA | NA | NA | NA | NA | | |
| Health Care and Social Assistance | 64,460 | 2.8 | 18.2 | 49.1 | \$33,617 | 3.4 | 17.6 | 35.6 | \$2,667,041 | | |
| Leisure & Hospitality | 61,474 | 2.7 | 14.1 | 23.6 | \$13,541 | 5.1 | 18.0 | 46.9 | \$1,019,988 | | |
| Construction | 60,643 | 10.2 | 65.6 | 87.6 | \$35,519 | 3.8 | 14.8 | 32.3 | \$2,534,441 | | |
| Administrative & Support and Waste Management & Remediation Services | 43,203 | 5.0 | 30.2 | 86.6 | \$24,455 | 5.2 | 27.8 | 57.0 | \$1,079,825 | | |
| All Other Professional & Business Services (exc. Administrative & Support Ser.) | 41,635 | 3.0 | 13.6 | 57.9 | \$55,275 | 4.5 | 20.1 | 33.7 | \$3,316,015 | | |
| Total Agriculture ^b | 45,194 | 3.0 | 20.9 | 33.2 | NA | NA | NA | NA | \$1,026,204 | | |
| Agriculture ^{ac} | 20,097 | 1.1 | 5.3 | 15.6 | \$25,481 | 4.8 | 26.7 | 50.8 | NA | | |
| Financial Activities | 31,290 | 3.6 | 27.8 | 42.5 | \$45,252 | 5.8 | 46.7 | 98.8 | \$1,862,751 | | |
| Wholesale Trade | 27,823 | 1.5 | 12.0 | 13.0 | \$43,941 | 4.3 | 25.4 | 57.0 | \$1,387,123 | | |
| All Other Manufacturing (exc. Wood, Food, & Computer & Electronic Mfg) | 27,214 | 2.6 | 18.2 | 14.5 | \$37,776 | 3.2 | 16.8 | 31.2 | \$1,393,723 | | |
| State Government | 26,431 | 1.6 | 7.4 | 14.3 | \$39,165 | 3.8 | 21.0 | 41.4 | \$1,239,599 | | |
| Computer & Electronic Product (High Tech) Manufacturing | 17,054 | 2.2 | -0.6 | -10.0 | \$80,403 | 6.3 | 34.3 | 78.0 | \$1,418,912 | | |
| Other Services | 15,822 | 2.2 | 7.6 | 16.2 | \$23,797 | 3.7 | 19.4 | 39.2 | \$715,584 | | |
| Food Manufacturing | 14,516 | 0.1 | -10.2 | -14.2 | \$35,688 | 3.7 | 21.2 | 29.9 | \$633,921 | | |
| All Other Transportation, Warehousing, & Utilities (exc. Trucking) | 14,088 | 2.0 | 55.1 | 60.2 | \$37,232 | 3.8 | 19.8 | 8.0 | \$666,799 | | |
| Federal Government | 13,732 | 0.6 | -0.1 | 6.8 | \$58,168 | 5.2 | 30.6 | 51.0 | \$1,040,987 | | |
| Truck Transportation | 9,521 | 2.9 | 15.6 | 29.3 | \$37,018 | 5.4 | 53.7 | 83.1 | \$475,351 | | |
| Wood Product Manufacturing | 8,559 | 1.1 | 14.5 | -5.3 | \$37,264 | 2.3 | 20.4 | 28.1 | \$464,460 | | |
| Information | 8,388 | 4.8 | -8.1 | 5.5 | \$40,674 | 4.7 | 20.4 | 46.7 | \$524,971 | | |
| Educational Services | 4,652 | 4.4 | 19.9 | 77.8 | \$33,879 | 4.1 | 17.2 | 33.9 | \$251,507 | | |
| Natural Resources (Mining & Logging) | 4,213 | -1.3 | 12.6 | -23.9 | \$46,163 | 2.8 | 24.6 | 38.5 | \$298,733 | | |
| TOTAL (All Industries)^c | 763,630 | 2.9% | 15.7% | 26.5% | \$33,457 | 3.1% | 17.9% | 37.8% | \$30,120,710 | | |

Notes: ^a Monthly average number of workers whose employers are covered by Idaho's Unemployment Insurance Law, does not include self-employed

^b Represents total agriculture employment. Average annual pay is not available for non-covered employees.

^c Annual Average Pay data includes wages for covered agriculture only and is not available for self-employed.

^d Personal Income. Bureau of Economic Analysis, U.S. Department of Commerce, September, 2006

SOURCE: Idaho Commerce & Labor, Public Affairs
December 2006

EMPLOYEE GROWTH TRENDS BY SIZE OF FIRM (2nd Quarter 2006 Compared to 2nd Quarter 2001)

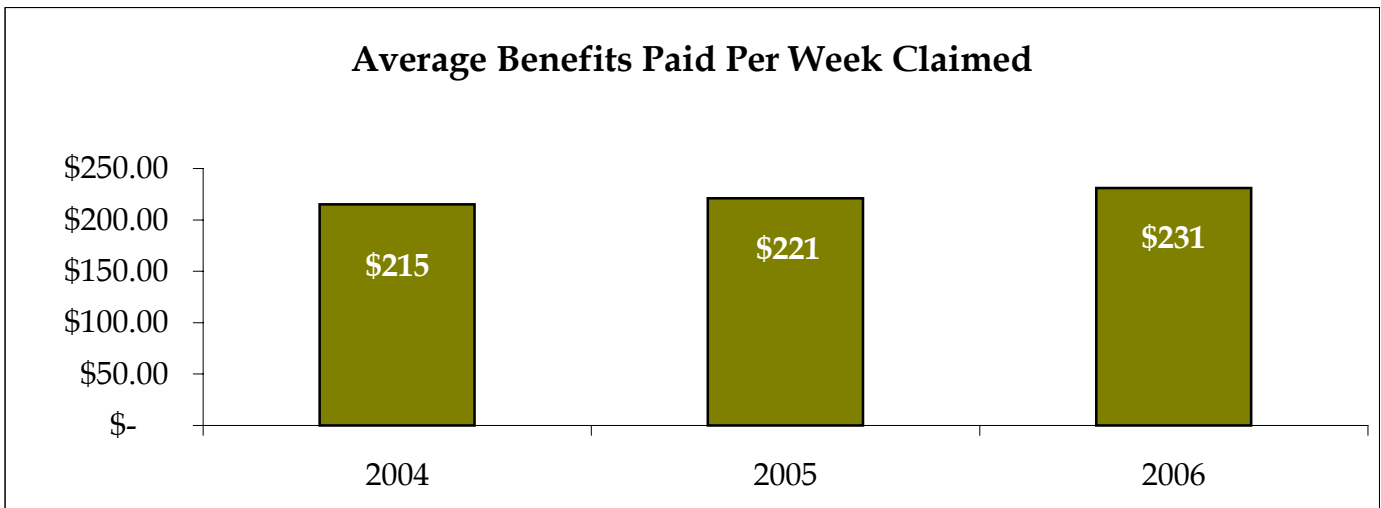
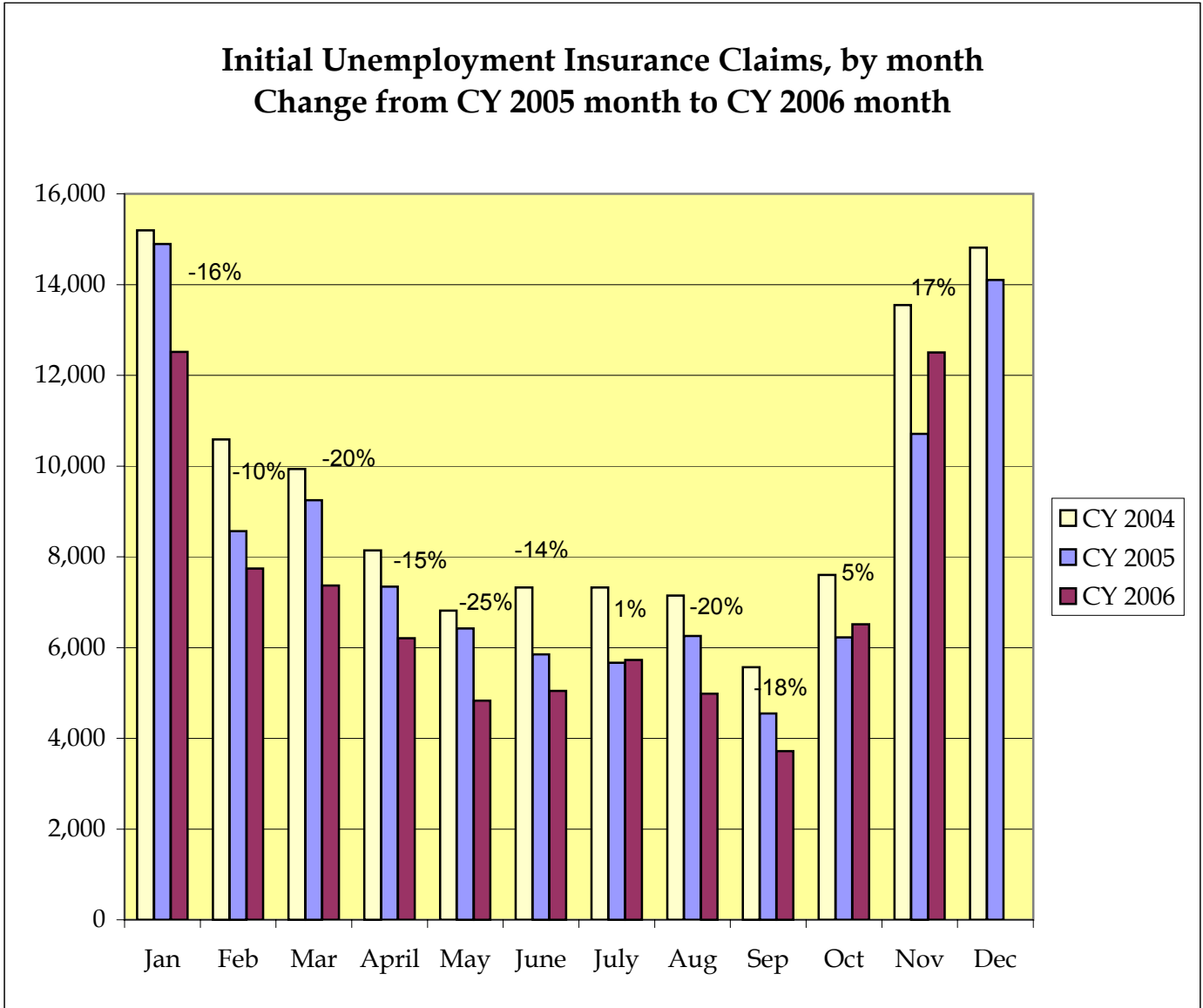
| Size of Firm Data as of 2nd Quarter 2006 | | | | | | | | | | |
|--|---------------------|-------------------------|---------------------|----------------------|-------------------------|--------------------------|------------------|-------------------------|---------------------|-------------------------|
| Size of Firm by Number of Employees | Number of Employers | Percent Change from '01 | Number of Employees | % of Total Employees | Percent Change from '01 | Total Wages (\$millions) | % of Total Wages | Percent Change from '01 | Average Annual Wage | Percent Change from '01 |
| 0 - 49 | 51,944 | 17.2% | 327,525 | 50.5% | 16.5% | \$2,400.6 | 46.7% | 42.1% | \$29,318 | 21.9% |
| 50 - 99 | 1,461 | 12.9% | 96,403 | 14.9% | 10.7% | \$715.6 | 13.9% | 31.3% | \$29,692 | 18.7% |
| 100 - 249 | 613 | 13.7% | 88,003 | 13.6% | 13.0% | \$670.2 | 13.0% | 30.4% | \$30,465 | 15.4% |
| 250 - 499 | 133 | (1.5%) | 45,982 | 7.1% | 2.0% | \$353.8 | 6.9% | 11.5% | \$30,776 | 9.3% |
| 500 - 999 | 54 | (10.0%) | 36,338 | 5.6% | (8.8%) | \$343.6 | 6.7% | (1.3%) | \$37,827 | 8.3% |
| 1000 + | 26 | 44.4% | 54,586 | 8.4% | 16.6% | \$661.0 | 12.8% | 26.6% | \$48,435 | 8.6% |
| Total | 54,231 | 17.0% | 648,837 | 100.0% | 12.3% | \$5,144.8 | 100.0% | 30.7% | \$31,717 | 16.4% |

| Size of Firm Data as of 2nd Quarter 2001 | | | | | | | |
|--|---------------------|---------------------|----------------------|--------------------------|------------------|---------------------|--|
| Size of Firm by Number of Employees | Number of Employers | Number of Employees | % of Total Employees | Total Wages (\$millions) | % of Total Wages | Average Annual Wage | |
| 0 - 49 | 44,306 | 281,058 | 48.6% | \$1,689.9 | 42.9% | \$24,050 | |
| 50 - 99 | 1,294 | 87,121 | 15.1% | \$544.9 | 13.8% | \$25,016 | |
| 100 - 249 | 539 | 77,864 | 13.5% | \$513.9 | 13.1% | \$26,402 | |
| 250 - 499 | 135 | 45,080 | 7.8% | \$317.4 | 8.1% | \$28,165 | |
| 500 - 999 | 60 | 39,863 | 6.9% | \$348.1 | 8.8% | \$34,935 | |
| 1000 + | 18 | 46,804 | 8.1% | \$521.9 | 13.3% | \$44,602 | |
| Total | 46,352 | 577,791 | 100.0% | \$3,936.1 | 100.0% | \$27,250 | |

Notes: Annual data for Average Annual wage not available. Numbers reflect the first quarter data multiplied by four.

Source: Idaho Commerce & Labor, Report of Covered Employment and Wages, December 28, 2006

Recent Trends in Unemployment Insurance Claims



Source: Idaho Department of Commerce & Labor

Annual Average Unemployment Rates by County with 2008 Ranking

| County | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007* | 2008* | Rank |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------|
| Ada (U) | 3.2 | 3.1 | 3.4 | 3.7 | 4.6 | 4.6 | 3.9 | 3.2 | 2.7 | 2.8 | 2.9 | 38 |
| Adams | 14.9 | 14.2 | 9.9 | 10.9 | 12.2 | 12.0 | 11.6 | 7.7 | 6.8 | 6.7 | 6.8 | 5 |
| Bannock (U) | 5.0 | 5.0 | 4.6 | 4.8 | 5.8 | 5.1 | 4.7 | 3.7 | 3.6 | 3.6 | 3.8 | 23 |
| Bear Lake | 4.6 | 4.4 | 4.7 | 4.4 | 5.2 | 5.4 | 4.7 | 3.7 | 3.2 | 3.3 | 3.4 | 29 |
| Benewah | 11.9 | 11.9 | 10.9 | 10.2 | 10.9 | 10.6 | 8.8 | 7.0 | 7.6 | 7.7 | 8.2 | 2 |
| Bingham | 5.0 | 4.8 | 4.4 | 4.6 | 4.6 | 4.5 | 4.4 | 3.6 | 3.6 | 3.7 | 4.0 | 21 |
| Blaine | 4.0 | 3.5 | 3.6 | 3.3 | 3.9 | 4.1 | 3.5 | 2.7 | 2.5 | 2.6 | 2.7 | 41 |
| Boise | 6.0 | 7.2 | 4.9 | 3.9 | 4.7 | 5.2 | 4.8 | 4.2 | 3.3 | 3.5 | 3.8 | 22 |
| Bonner | 8.3 | 9.0 | 7.6 | 7.7 | 7.9 | 7.3 | 5.9 | 4.5 | 4.3 | 4.1 | 4.1 | 20 |
| Bonneville (U) | 3.6 | 3.4 | 3.4 | 3.5 | 3.7 | 3.6 | 3.4 | 2.9 | 2.7 | 2.7 | 2.9 | 36 |
| Boundary | 9.2 | 8.7 | 7.6 | 9.1 | 8.5 | 8.6 | 6.9 | 7.3 | 7.4 | 7.7 | 8.6 | 1 |
| Butte | 4.3 | 3.8 | 4.1 | 4.1 | 4.9 | 6.1 | 6.4 | 5.1 | 4.4 | 4.8 | 5.6 | 8 |
| Camas | 3.7 | 4.1 | 3.7 | 3.6 | 3.2 | 5.0 | 4.2 | 4.3 | 2.8 | 3.0 | 3.5 | 28 |
| Canyon (U) | 5.0 | 4.5 | 4.4 | 4.9 | 5.9 | 6.0 | 5.4 | 4.3 | 3.4 | 3.5 | 3.6 | 26 |
| Caribou | 6.0 | 5.7 | 5.0 | 5.1 | 6.4 | 6.5 | 6.8 | 5.4 | 4.2 | 4.4 | 4.6 | 13 |
| Cassia | 7.2 | 6.4 | 4.9 | 4.7 | 5.3 | 5.9 | 6.0 | 5.0 | 4.0 | 4.2 | 4.6 | 15 |
| Clark | 3.9 | 3.2 | 4.9 | 5.0 | 6.0 | 5.4 | 7.2 | 4.8 | 4.0 | 4.1 | 4.4 | 17 |
| Clearwater | 13.0 | 12.8 | 13.1 | 14.4 | 13.5 | 11.5 | 10.1 | 8.8 | 8.4 | 8.0 | 8.2 | 3 |
| Custer | 8.6 | 7.6 | 5.4 | 6.0 | 6.8 | 6.1 | 5.7 | 4.7 | 3.8 | 3.7 | 3.7 | 24 |
| Elmore | 6.0 | 6.2 | 5.8 | 5.7 | 6.7 | 6.3 | 5.5 | 4.9 | 4.4 | 4.5 | 4.8 | 12 |
| Franklin | 3.6 | 3.3 | 3.2 | 3.7 | 4.4 | 4.1 | 3.9 | 3.2 | 2.7 | 2.8 | 2.9 | 37 |
| Fremont | 7.1 | 6.5 | 4.8 | 4.7 | 4.7 | 5.2 | 4.6 | 3.9 | 3.7 | 3.9 | 4.2 | 19 |
| Gem | 7.0 | 6.5 | 5.1 | 6.7 | 7.2 | 6.1 | 5.4 | 4.5 | 3.8 | 3.7 | 3.7 | 25 |
| Gooding | 3.9 | 3.4 | 3.7 | 3.7 | 3.8 | 3.9 | 3.8 | 3.0 | 2.7 | 2.7 | 2.9 | 35 |
| Idaho | 10.7 | 10.1 | 8.3 | 8.4 | 8.5 | 8.6 | 7.5 | 6.2 | 6.0 | 6.0 | 6.4 | 6 |
| Jefferson | 4.3 | 4.2 | 3.7 | 3.9 | 4.0 | 3.7 | 3.7 | 3.1 | 2.9 | 2.9 | 3.1 | 34 |
| Jerome | 4.6 | 4.3 | 4.2 | 3.9 | 4.2 | 4.4 | 4.4 | 3.3 | 3.0 | 3.0 | 3.2 | 33 |
| Kootenai (U) | 7.9 | 7.5 | 6.2 | 6.8 | 6.9 | 6.4 | 5.5 | 3.9 | 3.6 | 3.4 | 3.4 | 31 |
| Latah (U) | 3.4 | 3.1 | 4.3 | 4.3 | 4.6 | 4.5 | 3.7 | 3.4 | 3.3 | 3.3 | 3.6 | 27 |
| Lemhi | 8.6 | 7.6 | 7.8 | 7.2 | 7.6 | 7.3 | 6.8 | 5.6 | 5.0 | 5.0 | 5.3 | 11 |
| Lewis | 7.5 | 6.4 | 6.4 | 6.9 | 6.1 | 4.2 | 3.6 | 3.0 | 3.0 | 2.8 | 2.7 | 40 |
| Lincoln | 5.1 | 5.1 | 4.3 | 3.8 | 5.3 | 5.4 | 5.3 | 4.3 | 3.8 | 4.1 | 4.5 | 16 |
| Madison (U) | 2.9 | 2.4 | 3.5 | 3.0 | 2.8 | 2.8 | 2.7 | 2.3 | 2.4 | 2.5 | 2.7 | 39 |
| Minidoka | 8.1 | 7.1 | 5.7 | 5.6 | 6.4 | 7.4 | 7.9 | 6.2 | 4.7 | 5.0 | 5.5 | 9 |
| Nez Perce (U) | 3.8 | 3.7 | 5.2 | 5.3 | 5.2 | 5.2 | 4.8 | 4.4 | 3.9 | 4.0 | 4.3 | 18 |
| Oneida | 3.6 | 3.7 | 3.2 | 3.4 | 4.1 | 3.7 | 3.1 | 2.7 | 2.3 | 2.3 | 2.3 | 43 |
| Owyhee | 2.8 | 4.1 | 3.9 | 4.0 | 4.4 | 2.7 | 2.7 | 2.1 | 2.3 | 2.2 | 2.2 | 44 |
| Payette | 7.2 | 7.0 | 6.6 | 7.7 | 8.1 | 8.4 | 7.9 | 6.9 | 5.5 | 5.6 | 5.9 | 7 |
| Power | 5.7 | 6.8 | 5.7 | 5.6 | 6.3 | 6.7 | 6.1 | 4.5 | 4.6 | 4.8 | 5.3 | 10 |
| Shoshone | 11.2 | 11.0 | 9.6 | 11.9 | 11.9 | 11.9 | 9.5 | 7.4 | 7.1 | 6.9 | 7.1 | 4 |
| Teton | 3.7 | 3.3 | 2.9 | 2.6 | 3.2 | 3.3 | 2.9 | 2.7 | 2.1 | 2.2 | 2.3 | 42 |
| Twin Falls (U) | 4.8 | 4.6 | 4.1 | 4.0 | 4.2 | 4.2 | 4.3 | 3.3 | 3.0 | 3.1 | 3.3 | 32 |
| Valley | 9.4 | 8.8 | 6.6 | 7.4 | 8.1 | 7.9 | 6.6 | 4.6 | 3.7 | 3.5 | 3.4 | 30 |
| Washington | 7.5 | 7.9 | 6.7 | 6.4 | 6.9 | 7.5 | 6.7 | 5.0 | 4.4 | 4.4 | 4.6 | 14 |
| Rural Counties | 5.7 | 5.5 | 5.1 | 5.3 | 5.8 | 5.7 | 5.2 | 4.5 | 4.1 | 4.1 | 4.3 | |
| (U)rban Counties | 4.4 | 4.2 | 4.2 | 4.4 | 5.0 | 4.9 | 4.4 | 3.6 | 3.1 | 3.1 | 3.2 | |
| State of Idaho | 5.1 | 4.9 | 4.6 | 4.9 | 5.4 | 5.3 | 4.7 | 3.8 | 3.3 | 3.4 | 3.6 | |

* Projected

SOURCE: Research & Analysis and Public Affairs

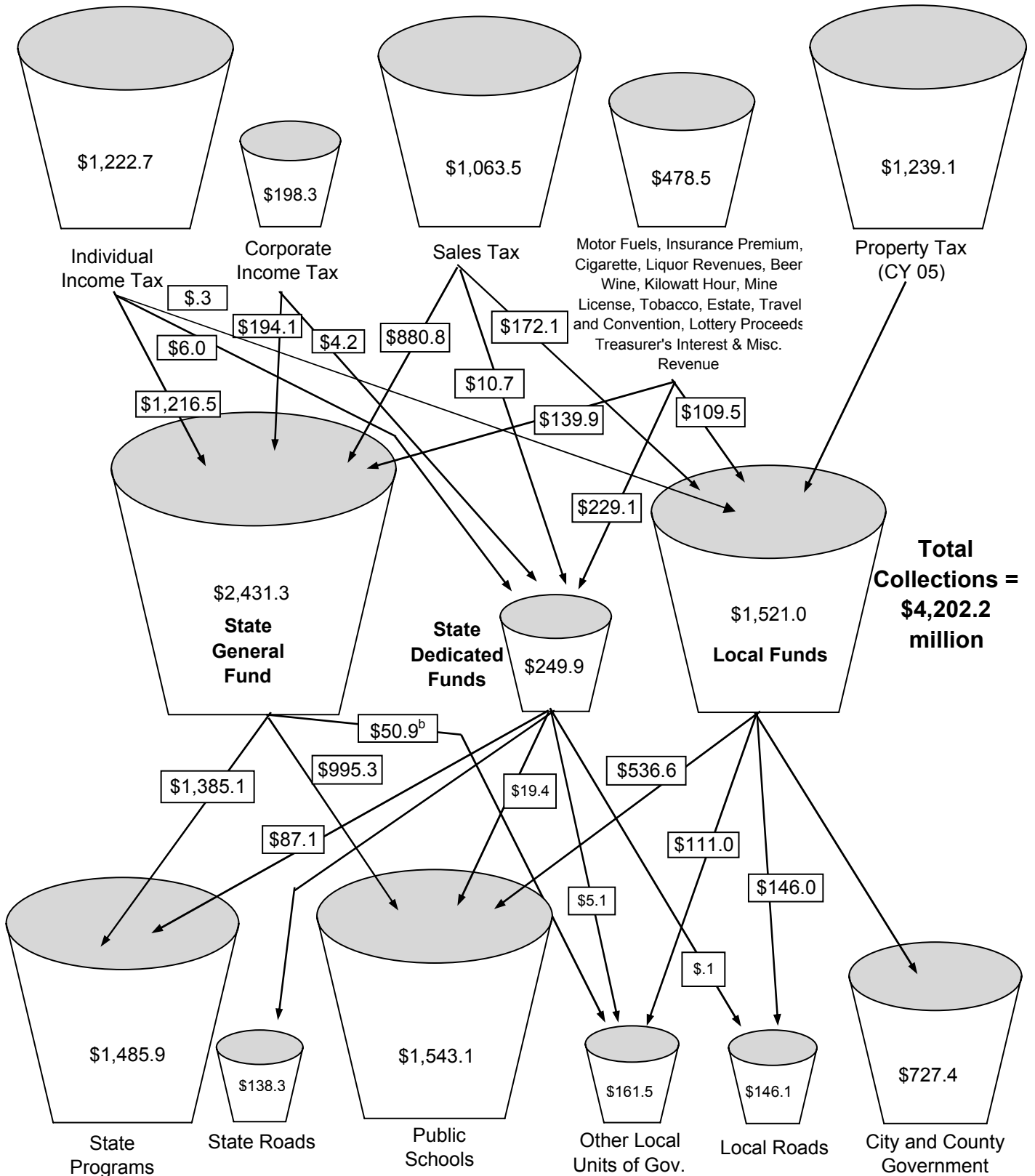
Idaho Commerce & Labor

December 27, 2006

Economic Outlook and Revenue Assessment Committee

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State of Idaho
Major State and Local Tax
Collections and Distributions ^a
Fiscal Year 2006 (millions of dollars)



^a Excludes endowment earnings, federal funds, and fees.

^b General Fund Total Appropriations to local units include: Catastrophic Health Care, Community Colleges, and Public Health Districts.

PROPERTY TAXES - TRENDS BY CLASS OF TAXPAYER

Estimated Collections in Millions of Dollars

| | FY 2004 (TY 03) | | FY 2005 (TY 04) | | FY 2006 (TY 05) | | FY 2007 (TY 06) | |
|--|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|
| | Amount | % of Total | Amount | % of Total | Amount | % of Total | Amount | % of Total |
| Owner Occupied Residential | \$427.7 | 39.6% | \$461.3 | 40.4% | \$517.5 | 41.8% | \$451.1 | 41.1% |
| <i>% Change</i> | 13.0% | | 7.9% | | 12.2% | | (12.8%) | |
| Business: | | | | | | | | |
| Non-owner Occupied Residential Property | \$209.6 | 19.4% | \$240.9 | 21.1% | \$266.1 | 21.5% | \$251.7 | 22.9% |
| <i>% Change</i> | (0.4%) | | 14.9% | | 10.5% | | (5.4%) | |
| Commercial/Industrial | \$331.3 | 30.6% | \$327.2 | 28.7% | \$345.2 | 27.9% | \$308.5 | 28.1% |
| <i>% Change</i> | 3.8% | | (1.2%) | | 5.5% | | (10.6%) | |
| Agricultural | \$45.9 | 4.2% | \$47.4 | 4.2% | \$49.1 | 4.0% | \$38.5 | 3.5% |
| <i>% Change</i> | 2.0% | | 3.3% | | 3.6% | | (21.6%) | |
| Timber | \$11.4 | 1.1% | \$10.6 | 0.9% | \$9.3 | 0.8% | \$6.4 | 0.6% |
| <i>% Change</i> | (8.1%) | | (7.0%) | | (12.3%) | | (31.4%) | |
| Mining | \$3.5 | 0.3% | \$3.4 | 0.3% | \$3.8 | 0.3% | \$3.5 | 0.3% |
| <i>% Change</i> | 9.4% | | (2.9%) | | 11.8% | | (7.2%) | |
| Operating (Utilities) | \$51.7 | 4.8% | \$49.9 | 4.4% | \$48.0 | 3.9% | \$38.1 | 3.5% |
| <i>% Change</i> | (1.7%) | | (3.5%) | | (3.8%) | | (20.7%) | |
| Total Business | \$653.4 | 60.4% | \$679.4 | 59.6% | \$721.5 | 58.2% | \$646.6 | 58.9% |
| <i>% Change</i> | 1.6% | | 4.0% | | 6.2% | | (10.4%) | |
| Grand Totals | \$1,081.1 | 100% | \$1,140.7 | 100% | \$1,239.0 | 100% | \$1,097.7 | 100% |
| <i>% Change</i> | 5.8% | | 5.5% | | 8.6% | | (11.4%) | |

- Notes:**
1. All data is tax year: TY = Tax Year, January 1 - December 31 and is used comparatively as FY = State Fiscal Year, July 1 - June 30.
 2. Growth in property taxes is a component of new construction and market appreciation on existing property. The amount of each component cannot be determined from existing records.
 3. Classification methodologies changed between FY03 & FY04, making change comparisons between these years less valid.

Source: Idaho State Tax Commission, Gary Houde (ghoude@tax.idaho.gov), http://tax.idaho.gov/propertytax/PTpdfs/2006mkt_value_ptax2.pdf

FEDERAL FUNDING TO STATE AGENCIES - 10 YEAR TREND

\$ Millions

| State Fiscal Year | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|--|---------|---------|---------|----------|----------|----------|----------|----------|----------|----------|
| TYPE OF FEDERAL RECEIPTS | | | | | | | | | | |
| Highways | 134.2 | 123.0 | 135.3 | 160.8 | 180.5 | 175.5 | 205.7 | 220.2 | 239.5 | 257.8 |
| Health | 441.5 | 452.1 | 544.6 | 606.1 | 702.5 | 755.4 | 805.2 | 959.2 | 976.6 | 1023.9 |
| Education | 93.2 | 98.7 | 105.1 | 124.1 | 134.1 | 149.8 | 164.2 | 192.8 | 215.2 | 222.5 |
| Employment Security Benefits Paid by Dept of Commerce and Labor | 36.2 | 37.5 | 43.1 | 40.3 | 39.4 | 45.2 | 51.4 | 61.9 | 48.1 | 38.6 |
| Fish and Game | 18.8 | 20.2 | 20.0 | 22.8 | 19.1 | 22.8 | 26.3 | 29.1 | 27.6 | 30.2 |
| Other Federal Grants and Contributions | 58.6 | 71.0 | 66.0 | 73.2 | 98.7 | 116.3 | 111.3 | 187.3 | 152.0 | 170.5 |
| Disaster Relief (FEMA) | 12.3 | 16.0 | 11.3 | 8.5 | 6.5 | 3.2 | 1.3 | .3 | .0 | .7 |
| Program Income from Fees | 20.2 | 15.3 | 4.1 | 4.3 | 5.1 | 6.8 | 8.9 | 7.4 | 5.1 | 7.1 |
| Total Federal Receipts* | \$815.0 | \$833.9 | \$929.5 | \$1040.1 | \$1185.9 | \$1275.0 | \$1374.3 | \$1658.3 | \$1664.1 | \$1751.1 |
| <i>% Change</i> | 8.5% | 2.3% | 11.5% | 11.9% | 14.0% | 7.5% | 7.8% | 20.7% | 0.4% | 5.2% |

*Detail may not add to Total due to Rounding

Note: The federal funding amounts above represent those reported by state agencies and monitored through the State Controller's data processing system and do not include federal monies received directly to local or federal agencies.

Source: Idaho State Controller - DAFR 6930 - Report of Statewide Revenues & Expenditures. GL account 4100 - Revenue Sub-object 2015 - 2070.

Idaho Agricultural Products

Idaho Gross Cash Receipts by Source (\$ Millions)

| Product | 1980 | 2000 | 2004 | 2005 |
|--|----------------|----------------|----------------|----------------|
| Milk | \$234 | \$762 | \$1,358 | \$1,418 |
| Cattle & Calves | \$562 | \$757 | \$1,059 | \$1,057 |
| Potatoes | \$274 | \$539 | \$503 | \$523 |
| Feed Crops: Barley, Corn, Hay, & Oats * | \$210 | \$400 | \$448 | \$508 |
| Wheat | \$343 | \$298 | \$332 | \$336 |
| Sugar Beets | \$152 | \$212 | \$217 | \$204 |
| Greenhouse & Nursery | \$9 | \$70 | \$87 | \$86 |
| Miscellaneous Crops | \$69 | \$104 | \$67 | \$70 |
| Onions | \$17 | \$44 | \$59 | \$64 |
| Dry Beans, Peas, & Lentils | \$99 | \$44 | \$50 | \$52 |
| Trout (1980 figures included in Miscellaneous Livestock) | - | \$38 | \$33 | \$35 |
| Miscellaneous Livestock | \$8 | \$34 | \$38 | \$33 |
| Apples, Cherries, Peaches, & Plums | \$26 | \$24 | \$25 | \$24 |
| Sheep, Lambs, & Wool | \$29 | \$19 | \$23 | \$24 |
| Mint | \$7 | \$14 | \$15 | \$17 |
| Eggs | \$8 | \$13 | \$14 | \$11 |
| Hops | \$8 | \$9 | \$8 | \$9 |
| Sweet Corn for Processing | \$8 | \$9 | \$7 | \$8 |
| Hogs | \$12 | \$6 | \$5 | \$5 |
| TOTAL: | \$2,075 | \$3,395 | \$4,348 | \$4,484 |

* Only includes feed crops sold for cash. Value of feed crops consumed on site or traded to other farmers is unknown.

Source: http://www.nass.usda.gov/Statistics_by_State/Idaho/Publications/Annual_Statistical_Bulletin/general.pdf

2005 Food Processing in Idaho

| Commodity | Percent Processed in Idaho |
|---------------------------|---|
| Potatoes | 58.5% (remaining 41.5% fresh, seed, or waste) |
| Sugar Beets | 100% |
| Barley (Malting) | 33-40% |
| Wheat | Less than 1% (there is a flour mill in Blackfoot) |
| Onions | 5% to 15% |
| Sweet Corn for Processing | 90% (one company) |
| Mint | 100% |
| Fruit | Very little - some cider |
| Milk | About 85% made into cheese and other manufactured dairy products and other 15% is fluid grade |
| Cattle, Sheep, Hogs | Impossible to determine due to cross-state movement. |

Note: The economic value of Idaho's agriculture increases as more processing of raw products is performed in-state. Farming can become more profitable as farmers are able to participate in the profits of processing, packaging, and distribution. This vertical integration allows farmers to spread their fixed costs out over larger operations and cooperatives, thereby achieving greater economies of scale.

Sales Tax Distributions

(\$ in Thousands)

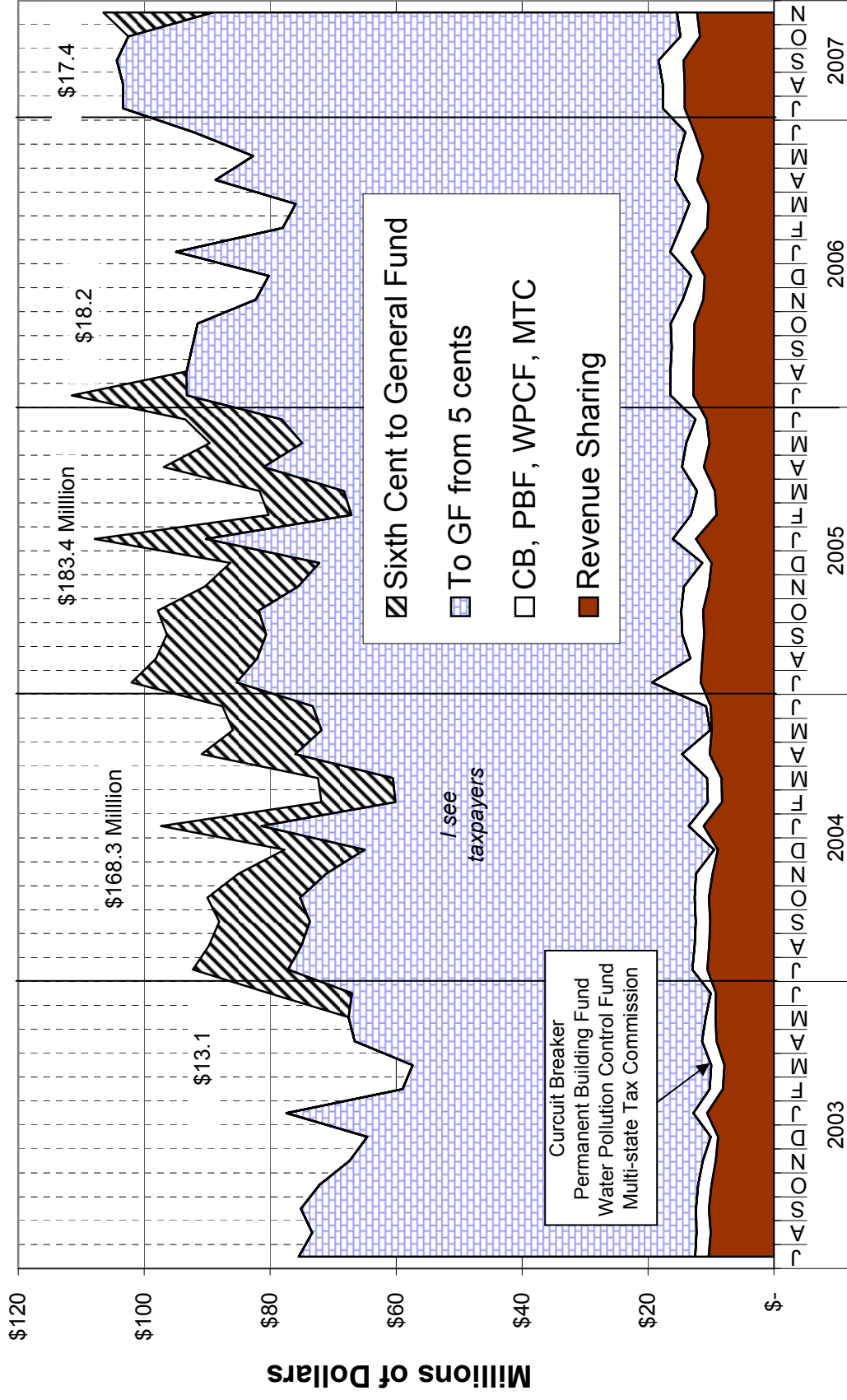
| Year ^(a) | Gross Collections | Refunds | Collections After Refunds | General Fund | Perm Bldg Fund | Rev. Sharing | % Change | Pollution Control | Circuit Breaker | Property Tax Relief ⁽⁴⁾ | Miscellaneous Distributions |
|---------------------|-------------------|---------|---------------------------|--------------|----------------|--------------|----------|-------------------|-----------------|------------------------------------|-----------------------------|
| FY72 | 51,704.1 | 81.1 | 51,623.0 | 36,967.1 | 500.0 | 10,324.6 | 52.1% | | | | 3,831.3 |
| FY73 | 60,999.6 | 70.3 | 60,929.3 | 43,281.3 | 500.0 | 12,186.1 | 18.0% | | | | 4,961.9 |
| FY74 | 69,833.3 | 340.7 | 69,492.6 | 49,250.0 | 500.0 | 13,898.5 | 14.1% | | | | 5,844.1 |
| FY75 | 79,108.7 | 100.4 | 79,008.3 | 57,022.8 | 500.0 | 15,801.7 | 13.7% | | | | 5,683.8 |
| FY76 | 88,874.0 | 137.5 | 88,736.5 | 63,650.6 | 500.0 | 17,747.3 | 12.3% | | | | 6,838.6 |
| FY77 | 103,859.6 | 219.2 | 103,640.4 | 73,594.5 | 500.0 | 20,728.1 | 16.8% | | | | 8,817.8 |
| FY78 | 118,866.2 | 157.0 | 118,709.2 | 84,107.4 | 500.0 | 23,741.8 | 14.5% | | | | 10,360.0 |
| FY79 | 129,906.4 | 205.9 | 129,700.5 | 91,463.6 | 500.0 | 25,940.1 | 9.3% | | | | 11,796.8 |
| FY80 | 137,113.9 | 264.5 | 136,849.4 | 95,984.6 | 500.0 | 27,369.9 | 5.5% | | | | 12,994.9 |
| FY81 | 145,008.0 | 220.5 | 144,787.5 | 97,679.3 | 500.0 | 14,476.0 | -47.1% | | | | 32,132.2 |
| FY82 | 146,206.9 | 311.8 | 145,895.1 | 98,720.2 | 500.0 | 14,607.4 | 0.9% | | | | 32,067.5 |
| FY83 | 165,441.1 | 181.2 | 165,259.9 | 115,407.0 | 500.0 | 15,266.3 | 4.5% | | | | 34,086.6 |
| FY84 | 241,838.4 | 596.2 | 241,242.2 | 188,422.1 | 500.0 | 16,192.2 | 6.1% | | | | 36,127.9 |
| FY85 | 238,544.3 | 449.7 | 238,094.6 | 200,026.6 | 500.0 | 32,727.6 | 102.1% | 4,800.0 | | | 40.4 |
| FY86 | 250,490.1 | 516.8 | 249,973.3 | 211,564.2 | 500.0 | 33,080.8 | 1.1% | 4,800.0 | | | 28.3 |
| FY87 | 297,892.0 | 538.4 | 297,353.6 | 259,358.6 | 500.0 | 32,680.4 | -1.2% | 4,800.0 | | | 14.6 |
| FY88 | 311,382.5 | 672.5 | 310,710.0 | 258,762.1 | 500.0 | 42,721.6 | 30.7% | 4,800.0 | 3,890.1 | | 36.2 |
| FY89 | 346,682.3 | 882.4 | 345,799.9 | 288,780.3 | 500.0 | 47,522.5 | 11.2% | 4,800.0 | 4,171.7 | | 25.4 |
| FY90 | 383,096.0 | 1,664.0 | 381,432.0 | 319,290.7 | 500.0 | 52,410.9 | 10.3% | 4,800.0 | 4,335.5 | | 94.9 |
| FY91 | 404,146.4 | 3,403.1 | 400,743.3 | 335,739.5 | 500.0 | 55,064.4 | 5.1% | 4,800.0 | 4,491.1 | | 148.3 |
| FY92 | 435,715.5 | 1,799.1 | 433,916.4 | 364,323.0 | 500.0 | 59,634.8 | 8.3% | 4,800.0 | 4,606.1 | | 52.5 |
| FY93 | 481,357.9 | 1,163.9 | 480,194.0 | 402,819.5 | 500.0 | 65,992.5 | 10.7% | 4,800.0 | 6,031.2 | | 50.8 |
| FY94 | 541,503.6 | 1,739.0 | 539,764.6 | 452,684.8 | 500.0 | 74,142.5 | 12.3% | 4,800.0 | 7,504.3 | | 132.9 |
| FY95 | 575,751.5 | 1,767.4 | 573,984.1 | 481,568.8 | 500.0 | 78,890.9 | 6.4% | 4,800.0 | 8,241.1 | | (16.6) |
| FY96 | 602,573.0 | 2,114.2 | 600,458.8 | 462,999.7 | 500.0 | 82,577.5 | 4.7% | 4,800.0 | 8,807.0 | 40,757.1 | 17.6 |
| FY97 | 624,631.8 | 2,109.4 | 622,522.4 | 476,726.1 | 500.0 | 85,588.2 | 3.6% | 4,800.0 | 9,609.0 | 45,238.4 | 60.7 |
| FY98 | 655,182.6 | 2,023.6 | 653,159.0 | 496,807.8 | 500.0 | 89,725.2 | 4.8% | 4,800.0 | 10,331.1 | 50,400.4 | 594.5 |
| FY99 | 704,734.8 | 2,784.7 | 701,950.1 | 588,796.7 | 500.0 | 96,217.1 | 7.2% | 4,800.0 | 10,891.7 | | 744.6 |
| FY00 | 750,125.9 | 2,741.7 | 747,384.2 | 627,503.0 | 500.0 | 102,607.4 | 6.6% | 4,800.0 | 11,481.2 | | 492.7 |
| FY01 | 778,886.9 | 3,464.1 | 775,422.8 | 647,293.8 | 5,000.0 | 106,024.7 | 3.3% | 4,800.0 | 11,711.3 | | 593.0 |
| FY02 | 791,623.6 | 4,103.4 | 787,520.2 | 657,119.2 | 5,000.0 | 108,500.4 | 2.3% | 4,800.0 | 11,983.5 | | 117.0 |
| FY03 | 839,180.9 | 3,119.1 | 836,061.8 | 700,240.7 | 5,000.0 | 112,947.4 | 4.1% | 4,800.0 | 12,787.1 | | 286.6 |
| FY04 | 1,032,987.5 | 4,312.6 | 1,028,674.9 | 886,079.0 | 5,000.0 | 117,825.4 | 4.3% | 4,800.0 | 14,097.7 | | 872.8 |
| FY05 | 1,125,317.0 | 3,478.3 | 1,121,838.7 | 950,825.2 | 5,000.0 | 128,485.1 | 9.0% | 4,800.0 | 14,995.3 | 16,810.6 | 922.5 |
| FY06 ^(b) | 1,071,204.9 | 7,667.2 | 1,063,537.7 | 880,772.8 | 5,000.0 | 143,195.3 | 11.4% | 4,800.0 | 15,466.7 | 13,448.5 | 854.4 |
| FY07 ^(c) | 1,268,677.1 | 4,500.0 | 1,264,177.1 | 1,074,635.2 | 5,000.0 | 154,156.1 | 7.7% | 4,800.0 | 14,300.0 | 10,285.8 | 1,000.0 |

Sources: (a) DFM General Fund Revenue Book FY 2007
 (b) State Tax Commission Comparative Report, FY 2006
 (c) DFM August 2006 and Legislative Services Office
 Includes estimated impact of H1 of 2006 Special Session

Notes: 1) Social Security Trust
 2) Public School Income
 3) Multi-State Tax Compact
 4) FY96-98 replaced one mil school M&O; since FY05 levies on ag equip.

The Sixth Cent

History by Month
Sales Tax Distributions



General Fund Revenue Collections & Estimates

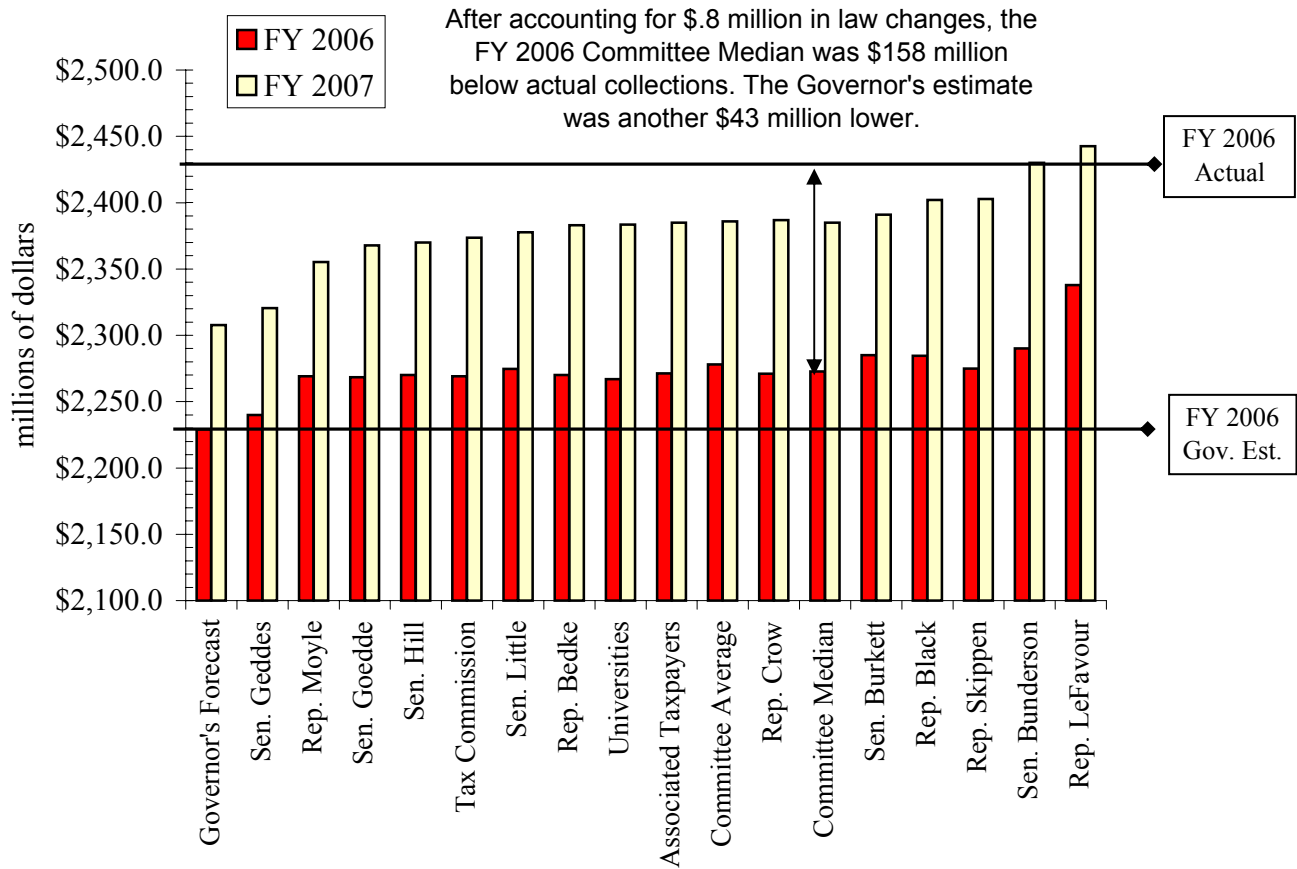
| Source | Actual | | | |
|---------------------------------------|------------------|-------------------|-------------------|-------------------|
| | FY 1999 | FY 2000 | FY 2001 | FY 2002 |
| Individual Income Tax | \$841,865,000 | \$960,164,000 | \$1,023,970,200 | \$835,854,800 |
| % change | 8.5% | 14.1% | 6.6% | (18.4%) |
| Corporate Income Tax | 95,437,700 | 124,872,900 | 141,527,200 | 76,295,600 |
| % change | (18.6%) | 30.8% | 13.3% | (46.1%) |
| Sales Tax | 588,796,700 | 627,503,000 | 647,293,800 | 657,119,300 |
| % change | 18.5% | 6.6% | 3.2% | 1.5% |
| Cigarette Tax | 7,229,900 | 7,295,400 | 7,980,900 | 8,000,500 |
| Tobacco Tax | 0 | 0 | 4,062,800 | 4,313,100 |
| Beer Tax | 1,683,900 | 1,754,200 | 1,816,500 | 1,876,700 |
| Wine Tax | 1,904,000 | 1,963,100 | 1,898,200 | 1,884,800 |
| Liquor Distribution | <u>4,945,000</u> | <u>4,945,000</u> | <u>4,945,000</u> | <u>4,945,000</u> |
| Product Taxes subtotal | 15,762,800 | 15,957,700 | 20,703,400 | 21,020,100 |
| % change | (0.5%) | 1.2% | 29.7% | 1.5% |
| Kilowatt-Hour Tax | 2,885,700 | 2,765,400 | 1,796,300 | 1,794,700 |
| Mine License | 1,982,900 | (659,100) | 119,300 | 816,000 |
| State Treasurer Int. | 18,686,700 | 21,559,800 | 22,303,600 | 11,334,600 |
| Judicial Branch | 5,131,700 | 5,305,600 | 5,493,500 | 5,188,300 |
| Insurance Prem. Tax | 45,465,500 | 46,431,900 | 55,880,800 | 55,371,000 |
| State Police | 1,158,100 | 1,300,200 | 1,224,400 | 1,363,800 |
| Secretary of State | 0 | 0 | 2,007,000 | 2,031,800 |
| Unclaimed Property | 1,588,900 | 0 | 5,809,600 | 880,700 |
| Estate Tax | 0 | 2,308,200 | 35,806,800 | 7,588,900 |
| Ag Equip Exemption | 0 | 0 | 0 | (10,085,300) |
| Other | <u>5,671,200</u> | <u>13,450,000</u> | <u>20,708,100</u> | <u>23,769,300</u> |
| Misc. Revenue Subtotal | 82,570,700 | 92,462,000 | 151,149,400 | 100,053,800 |
| % change | 8.6% | 12.0% | 63.5% | (33.8%) |
| Total General Fund Collections | \$1,624,432,900 | \$1,820,959,600 | \$1,984,644,000 | \$1,690,343,600 |
| % change | 9.6% | 12.1% | 9.0% | (14.8%) |
| Less Expenditures | 1,609,676,100 | 1,679,768,900 | 1,828,502,900 | 1,979,444,000 |
| % change | 11.3% | 4.4% | 8.9% | 8.3% |
| Annual Surplus (Deficit) | 14,756,800 | 141,190,700 | 156,141,100 | (289,100,400) |
| Beginning Balance: | 35,640,600 | 47,513,500 | 182,424,200 | 184,890,100 |
| Net Transfers In (Out): | (2,883,900) | (6,280,000) | (153,675,200) | 105,636,500 |
| Proposed Legislation: | 0 | 0 | 0 | 0 |
| Total Ending Balance | 47,513,500 | 182,424,200 | 184,890,100 | 1,426,200 |

Sources: Legislative Fiscal Reports for Actual and the Division of Financial Management for Estimates.

General Fund Revenue Collections & Estimates

| Actual | | | | Governor's Forecast | |
|-------------------|-------------------|-------------------|-------------------|---------------------|--------------------|
| FY 2003 | FY 2004 | FY 2005 | FY 2006 | Aug 2006 FY 2007 | Pending FY 2008 |
| \$837,798,600 | \$902,125,500 | \$1,035,542,500 | \$1,216,486,700 | \$1,245,310,000 | \$0 |
| 0.2% | 7.7% | 14.8% | 17.5% | 2.4% | (100.0%) |
| 93,129,700 | 103,015,000 | 139,561,500 | 194,125,100 | 206,980,000 | 0 |
| 22.1% | 10.6% | 35.5% | 39.1% | 6.6% | (100.0%) |
| 700,240,700 | 886,079,000 | 950,825,200 | 880,772,800 | 1,074,630,000 | 0 |
| 6.6% | 26.5% | 7.3% | (7.4%) | 22.0% | (100.0%) |
| 8,259,900 | 30,040,500 | 7,814,900 | 7,983,400 | 1,000,000 | 0 |
| 4,666,100 | 5,489,100 | 5,747,400 | 6,156,000 | 6,400,000 | 0 |
| 1,912,800 | 1,955,000 | 1,946,300 | 1,985,500 | 2,270,000 | 0 |
| 1,969,000 | 2,138,000 | 2,331,800 | 2,428,100 | 2,450,000 | 0 |
| <u>4,945,000</u> | <u>4,945,000</u> | <u>4,945,000</u> | <u>4,945,000</u> | <u>9,550,000</u> | <u>0</u> |
| 21,752,800 | 44,567,600 | 22,785,400 | 23,498,000 | 21,670,000 | 0 |
| 3.5% | 104.9% | (48.9%) | 3.1% | (7.8%) | (100.0%) |
| 1,797,000 | 1,827,000 | 1,534,400 | 2,285,200 | 2,500,000 | 0 |
| 35,700 | 71,900 | 33,100 | 265,800 | 200,000 | 0 |
| 2,982,300 | 4,971,300 | 8,921,100 | 18,122,100 | 11,900,000 | 0 |
| 5,287,800 | 4,978,600 | 4,656,300 | 4,786,900 | 4,900,000 | 0 |
| 59,488,800 | 62,766,700 | 60,852,600 | 60,375,000 | 59,390,000 | 0 |
| 1,394,200 | 1,611,500 | 1,635,500 | 1,719,200 | 1,760,000 | 0 |
| 2,143,500 | 2,394,900 | 2,689,000 | 3,015,800 | 3,200,000 | 0 |
| 3,760,400 | 3,686,500 | 9,827,600 | 1,988,900 | 2,000,000 | 0 |
| 13,649,200 | 4,430,600 | 3,296,600 | 1,110,400 | 250,000 | 0 |
| (13,448,100) | (13,448,500) | 0 | 0 | 0 | 0 |
| <u>20,485,600</u> | <u>74,573,800</u> | <u>25,530,800</u> | <u>22,759,500</u> | <u>27,810,000</u> | <u>0</u> |
| 97,576,400 | 147,864,300 | 118,977,000 | 116,428,800 | 113,910,000 | 0 |
| (2.5%) | 51.5% | (19.5%) | (2.1%) | (2.2%) | (100.0%) |
| \$1,750,498,200 | \$2,083,651,400 | \$2,267,691,600 | \$2,431,311,400 | \$2,662,500,000 | \$0 |
| 3.6% | 19.0% | 8.8% | 7.2% | 9.5% | (100.0%) |
| 1,925,457,700 | 1,987,198,800 | 2,102,113,200 | 2,217,160,000 | 2,593,723,500 | 0 |
| (2.7%) | 3.2% | 5.8% | 5.5% | 17.0% | (100.0%) |
| (174,959,500) | 96,452,600 | 165,578,400 | 214,151,400 | 68,776,500 | 0 |
| 1,426,200 | 15,745,000 | 100,244,100 | 222,652,000 | 310,999,200 | 0 |
| 189,278,300 | (11,953,500) | (43,170,500) | (125,804,200) | (171,481,800) | 0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 15,745,000 | 100,244,100 | 222,652,000 | 310,999,200 | \$208,293,900 | \$0 |

2006 Joint Legislative Economic Outlook and Revenue Assessment Committee General Fund Revenue Projections



| Participant | FY 2006 Estimate | FY 05-06 % Change |
|----------------------------|------------------|-------------------|
| Governor's Forecast | \$2,229.1 | -1.7% |
| Sen. Geddes | \$2,240.0 | -1.2% |
| Universities | \$2,267.1 | 0.0% |
| Sen. Goedde | \$2,268.4 | 0.0% |
| Rep. Moyle | \$2,269.0 | 0.1% |
| Tax Commission | \$2,269.2 | 0.1% |
| Rep. Bedke | \$2,270.0 | 0.1% |
| Sen. Hill | \$2,270.0 | 0.1% |
| Rep. Crow | \$2,271.0 | 0.1% |
| Associated Taxpayers | \$2,271.4 | 0.2% |
| Committee Median | \$2,272.8 | 0.2% |
| Sen. Little | \$2,274.6 | 0.3% |
| Rep. Skippen | \$2,274.9 | 0.3% |
| Committee Average | \$2,277.9 | 0.5% |
| Rep. Black | \$2,284.6 | 0.7% |
| Sen. Burkett | \$2,285.0 | 0.8% |
| Sen. Bunderson | \$2,290.0 | 1.0% |
| Rep. LeFavour | \$2,337.8 | 3.1% |

| Participant | FY 2007 Estimate | FY 06-07 % Change |
|----------------------------|------------------|-------------------|
| Governor's Forecast | \$2,307.6 | 3.5% |
| Sen. Geddes | \$2,320.6 | 3.6% |
| Rep. Moyle | \$2,355.2 | 3.8% |
| Sen. Goedde | \$2,367.7 | 4.4% |
| Sen. Hill | \$2,370.0 | 4.4% |
| Tax Commission | \$2,373.5 | 4.6% |
| Sen. Little | \$2,377.8 | 4.5% |
| Rep. Bedke | \$2,383.0 | 5.0% |
| Universities | \$2,383.5 | 5.1% |
| Associated Taxpayers | \$2,384.9 | 5.0% |
| Committee Median | \$2,384.9 | 4.9% |
| Committee Average | \$2,385.8 | 4.7% |
| Rep. Crow | \$2,386.8 | 5.1% |
| Sen. Burkett | \$2,391.0 | 4.6% |
| Rep. Black | \$2,402.0 | 5.1% |
| Rep. Skippen | \$2,402.7 | 5.6% |
| Sen. Bunderson | \$2,430.0 | 6.1% |
| Rep. LeFavour | \$2,442.5 | 4.5% |

History of State of Idaho General Fund Revenue Projections compared to Actual Collections (\$ Millions)

| Session Month or Year | Fiscal Year | Projection | Assoc. | | Commission | Universities | Committee | | Gov's Forecast | Law Changes | Actual Collections |
|--------------------------|-------------|------------|------------|------------|------------|--------------|------------|------------|-------------------|----------------|-----------------------|
| | | | Taxpayers | Tax | | | Median | Average | | | |
| Jan. 1999 | FY 2000 | Original | \$ 1,664.8 | NA | \$ 1,696.5 | \$ 1,659.7 | \$ 1,656.5 | \$ 1,657.3 | \$ 4.8 | | |
| Jan. 2000 | FY 2000 | Revised | \$ 1,735.4 | NA | \$ 1,719.7 | \$ 1,716.6 | \$ 1,713.2 | \$ 1,708.4 | \$ (3.2) | \$ 1,821.0 | |
| Jan. 2000 | FY 2001 | Original | \$ 1,844.7 | NA | \$ 1,802.6 | \$ 1,798.4 | \$ 1,798.1 | \$ 1,780.9 | \$ (17.7) | | |
| Jan. 2001 | FY 2001 | Revised | \$ 1,973.5 | \$ 2,017.3 | \$ 1,940.7 | \$ 1,999.3 | \$ 1,998.4 | \$ 1,999.8 | \$ - | \$ 1,984.7 | |
| Jan. 2001 | FY 2002 | Original | \$ 2,054.2 | \$ 2,021.8 | \$ 2,068.3 | \$ 2,058.5 | \$ 2,073.4 | \$ 2,042.5 | \$ (106.7) | | |
| Jan. 2002 | FY 2002 | Revised | \$ 1,824.1 | \$ 1,824.2 | \$ 1,835.7 | \$ 1,824.2 | \$ 1,819.5 | \$ 1,824.2 | \$ (36.1) | \$ 1,690.3 | |
| Jan. 2002 | FY 2003 | Original | \$ 1,923.7 | \$ 1,914.7 | \$ 1,944.5 | \$ 1,902.2 | \$ 1,905.8 | \$ 1,944.2 | \$ (38.7) | | |
| Jan. 2003 | FY 2003 | Revised | \$ 1,756.2 | NA | \$ 1,755.5 | \$ 1,753.1 | \$ 1,757.4 | \$ 1,759.6 | \$ 6.8 | \$ 1,750.5 | |
| Jan. 2003 | FY 2004 | Original | \$ 1,831.7 | NA | \$ 1,843.1 | \$ 1,828.7 | \$ 1,838.5 | \$ 1,833.0 | \$ 179.6 | | |
| Jan. 2004 | FY 2004 | Revised | \$ 2,052.5 | \$ 2,052.4 | \$ 2,037.6 | \$ 2,049.6 | \$ 2,035.5 | \$ 2,062.8 | \$ (1.5) | \$ 2,083.7 | |
| Jan. 2004 | FY 2005 | Original | \$ 2,068.6 | \$ 2,069.5 | \$ 2,111.1 | \$ 2,075.7 | \$ 2,072.0 | \$ 2,103.9 | \$ (18.5) | | |
| Jan. 2005 | FY 2005 | Revised | \$ 2,169.0 | \$ 2,167.7 | \$ 2,150.4 | \$ 2,160.0 | \$ 2,161.9 | \$ 2,156.9 | \$ (1.0) | \$ 2,267.7 | |
| Jan. 2005 | FY 2006 | Original | \$ 2,120.8 | \$ 2,097.9 | \$ 2,096.7 | \$ 2,093.6 | \$ 2,096.2 | \$ 2,090.1 | \$ (7.9) | | |
| Jan. 2006 | FY 2006 | Revised | \$ 2,271.4 | \$ 2,269.2 | \$ 2,267.1 | \$ 2,272.8 | \$ 2,277.9 | \$ 2,229.1 | \$ 0.8 | \$ 2,431.3 | |

| Session Month or Year | Fiscal Year | Projection | Assoc. | | Commission | Universities | Committee | | Gov's Forecast | Notes: |
|-----------------------------|-------------|------------|-----------|---------|------------|--------------|-----------|---------|-------------------|---|
| | | | Taxpayers | Tax | | | Median | Average | | |
| Jan. 1999 | FY 2000 | Original | (8.5%) | | (6.7%) | (8.8%) | (8.9%) | (8.9%) | | Adjusted for law changes and differences expressed as percent of actual collections. |
| Jan. 2000 | FY 2000 | Revised | (4.9%) | | (5.7%) | (5.9%) | (6.1%) | (6.4%) | | |
| Jan. 2000 | FY 2001 | Original | (7.9%) | | (10.1%) | (10.3%) | (10.3%) | (11.2%) | | For example, the Governor's FY 2006 revised projection was 8.3% below actual collections. |
| Jan. 2001 | FY 2001 | Revised | (0.6%) | 1.6% | (2.2%) | 0.7% | 0.7% | 0.8% | | |
| Jan. 2001 | FY 2002 | Original | 13.1% | 11.2% | 13.9% | 13.3% | 14.2% | 12.4% | | The committee's median revised projection over the last seven years averaged 1.7% below actual collections plus or minus 4.4% at one standard deviation (68% confidence). |
| Jan. 2002 | FY 2002 | Revised | 5.8% | 5.8% | 6.5% | 5.8% | 5.5% | 5.8% | | |
| Jan. 2002 | FY 2003 | Original | 8.1% | 7.6% | 9.3% | 6.8% | 7.0% | 9.2% | | |
| Jan. 2003 | FY 2003 | Revised | 0.7% | | 0.7% | 0.5% | 0.8% | 0.9% | | |
| Jan. 2003 | FY 2004 | Original | (3.5%) | | (3.0%) | (3.7%) | (3.2%) | (3.5%) | | |
| Jan. 2004 | FY 2004 | Revised | (1.6%) | (1.6%) | (2.3%) | (1.7%) | (2.4%) | (1.1%) | | |
| Jan. 2004 | FY 2005 | Original | (9.6%) | (9.6%) | (7.8%) | (9.3%) | (9.5%) | (8.1%) | | |
| Jan. 2005 | FY 2005 | Revised | (4.4%) | (4.5%) | (5.2%) | (4.8%) | (4.7%) | (4.9%) | | |
| Jan. 2005 | FY 2006 | Original | (13.1%) | (14.0%) | (14.1%) | (14.2%) | (14.1%) | (14.3%) | | |
| Jan. 2006 | FY 2006 | Revised | (6.5%) | (6.6%) | (6.7%) | (6.5%) | (6.3%) | (8.3%) | | |
| Average Original | | | (3.1%) | (1.2%) | (2.6%) | (3.7%) | (3.5%) | (3.5%) | | |
| Standard Deviation Original | | | 9.8% | 12.4% | 10.4% | 10.1% | 10.4% | 10.3% | | |
| Average Revised | | | (1.6%) | (1.0%) | (2.1%) | (1.7%) | (1.8%) | (1.9%) | | |
| Standard Deviation Revised | | | 4.2% | 4.9% | 4.6% | 4.4% | 4.4% | 4.9% | | |

GENERAL FUND REVENUE PROJECTIONS - COMMITTEE MEMBER WORKING PAPER
Millions of Dollars

January 2007

| | ACTUAL REVENUE | | PROJECTED REVENUE | | | | | | | |
|---------------------------------|--------------------|--------------------|------------------------------|-------------------------|-----------------------------------|-----------------------------|-------------|------------------------------|-----------------------------------|-----------------------------|
| | Fiscal Year 2005 | Fiscal Year 2006 | Fiscal Year 2007 | | | Fiscal Year 2008 | | | | |
| | | | Governor August 2006 Revised | 5 Months Ended 11/30/06 | Hypothetical "What if" Projection | Committee Member Projection | Adjustments | Change from FY 2007 Adjusted | Hypothetical "What if" Projection | Committee Member Projection |
| Individual Income Tax | \$1,035.5 14.8% | \$1,216.5 17.5% | \$1,245.3 2.4% | \$13.0 | \$1,258.3 3.4% | | \$0.0 | \$12.6 1.0% | \$1,270.9 1.0% | |
| Corporate Income Tax | 139.6 35.5% | 194.1 39.1% | 207.0 6.6% | 4.1 | 211.1 8.8% | | 0.0 | \$2.1 1.0% | \$213.2 1.0% | |
| Sales Tax 5 Cents | 767.4 6.9% | 862.6 12.4% | 927.3 7.5% | 10.8 | 938.1 8.7% | | 0.0 | \$9.4 1.0% | \$947.4 1.0% | |
| Sales Tax Sixth Cent | 183.4 9.0% | 18.2 (90.1%) | 147.3 709.3% | 0.4 | 147.7 711.8% | | 71.8 | \$2.2 1.0% | \$221.7 50.1% | |
| Product Taxes | 22.8 (48.9%) | 23.5 3.1% | 21.7 (7.7%) | (1.0) | 20.7 (11.9%) | | 5.5 | \$0.3 1.0% | \$26.5 27.8% | |
| Miscellaneous Revenue | 119.0 (19.5%) | 116.4 (2.2%) | 113.9 (2.1%) | 7.3 | 121.2 4.1% | | (1.7) | \$1.2 1.0% | \$120.7 (0.4%) | |
| Total Gen. Fund Revenues | \$2,267.7 | \$2,431.3 | \$2,662.5 | \$34.6 | \$2,697.1 | | \$75.6 | \$27.7 | \$2,800.4 | |
| <i>Percent Change</i> | 8.8% | 7.2% | 9.5% | | 10.9% | | | | 3.8% | |

Forecast through Nov. \$946.7

Notes:

Revenues were \$34.6 million above the Aug. Revised Forecast through November of \$946.7 million; that is 3.7% above the Nov. forecast. DFM projects FY 2007 Idaho personal income to grow at 8.6% over FY 2006 actual and 6.2% over DFM's revised FY 07 estimate. Governor's Rev. FY 2007 estimate includes \$147.3 million additional 1 cent sales tax for 8 months annualized at \$219.1 million for a full year or \$71.8 million. Mike Ferguson cautions Revised FY 2007 estimate includes one-time \$100 million individual income tax and \$33 million sales tax due to construction boom.

Product Taxes

Cigarette Tax for FY 08 is expected to be up \$5.5 million for FY08 Bond Levy Equalization.

Miscellaneous Revenue

Treasurer est. Interest + TAN for FY 07 at \$12.8 million or + \$.9 million over Gov. revised projection. Dept of Insurance projects transfer down \$1 million for FY 08. Interest from IDWR loan one-time \$700K

Committee Member Signature