2025 Budget Update

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26 September 2025

Presentation Outline

- Revenue Forecast Update & Economic Drivers
- Cash Position
- FY 2026 & 2027 Budget Request

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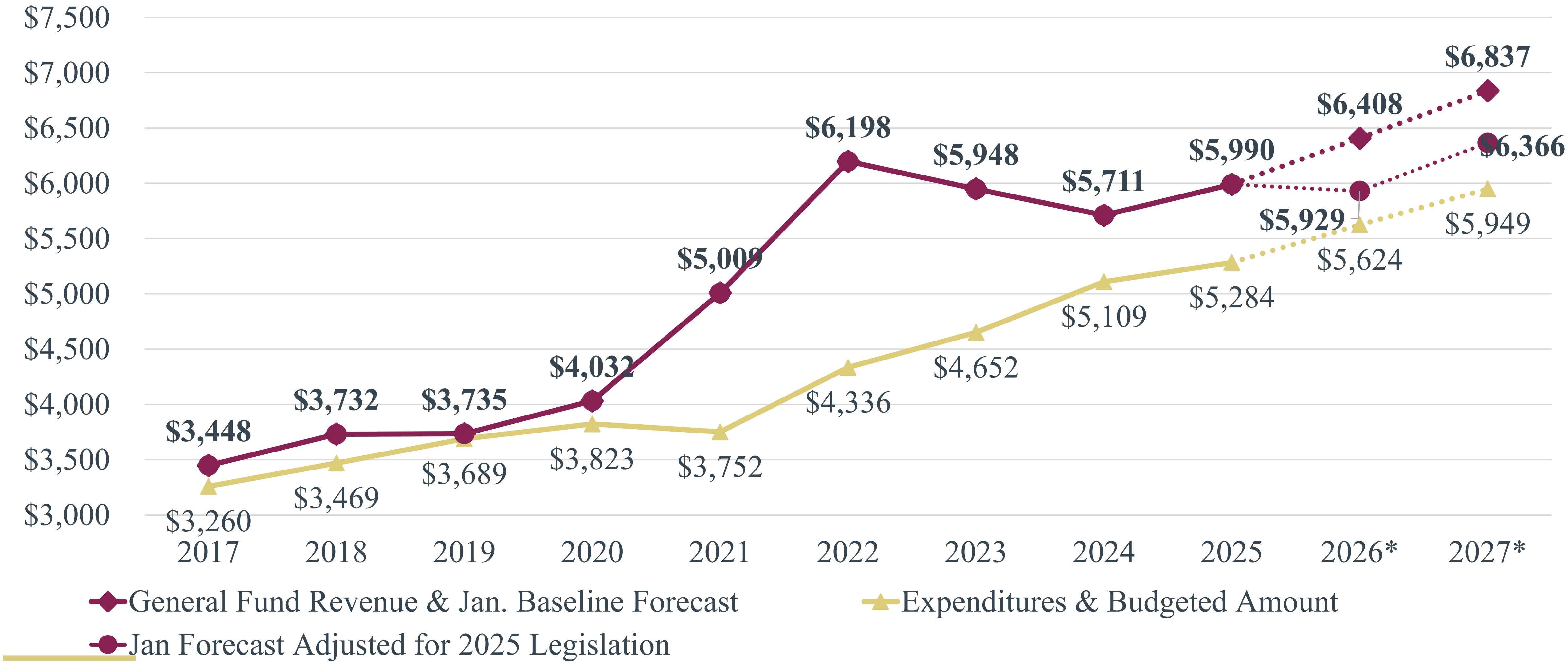
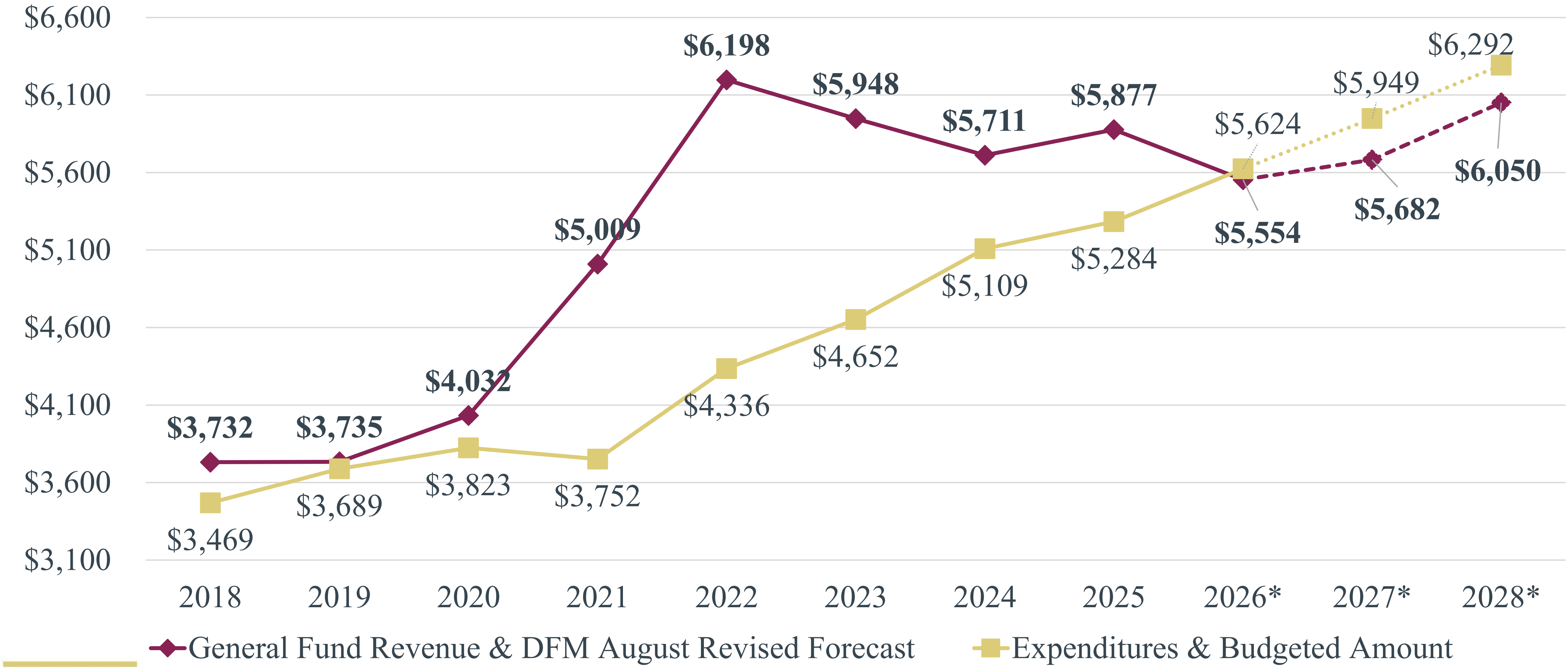
Sine Die General Fund (in millions)



* 2027 budget projection is 5.7% increase based on average annual growth 2013 - 2025

Update General Fund (in millions)



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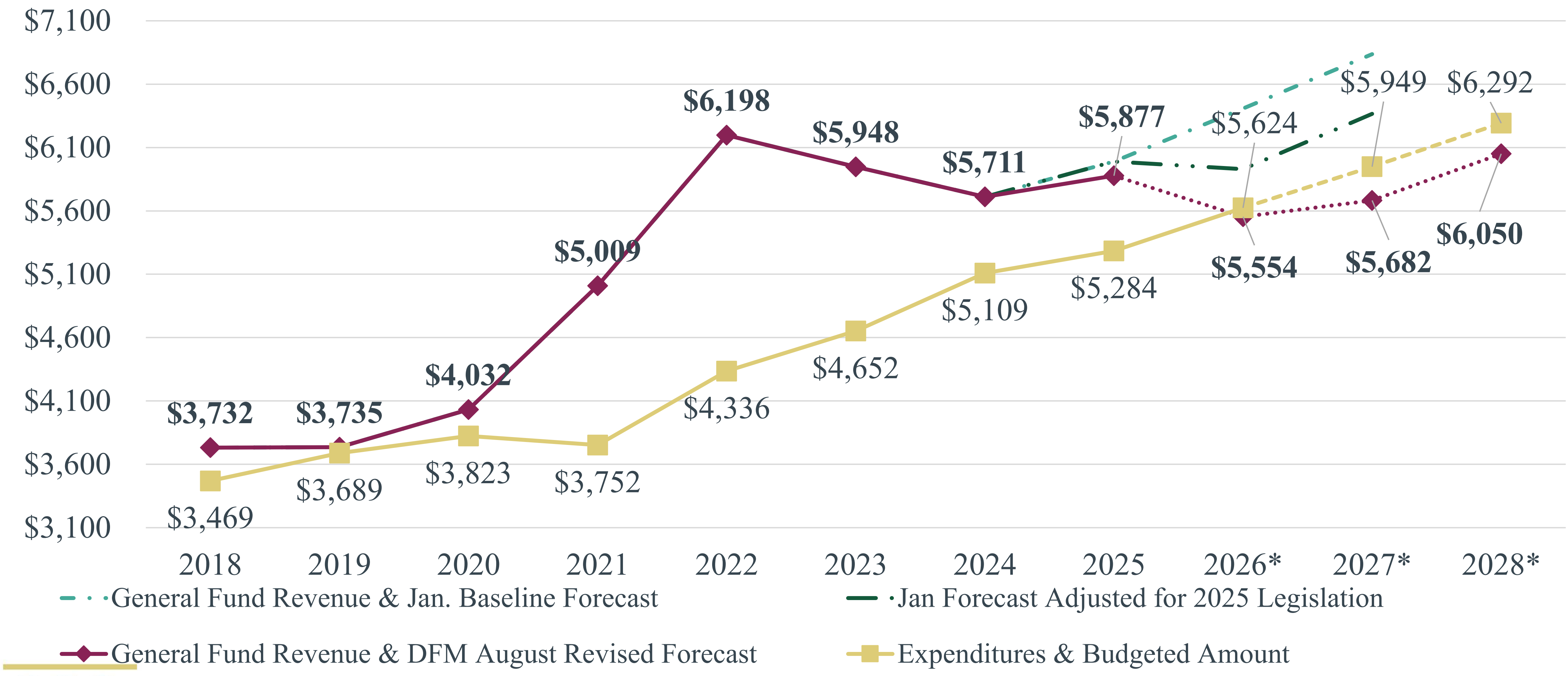
* 2027 & 2028 budget projection is 5.8% increase based on average annual growth 2013 - 2025

Update General Fund (in millions)



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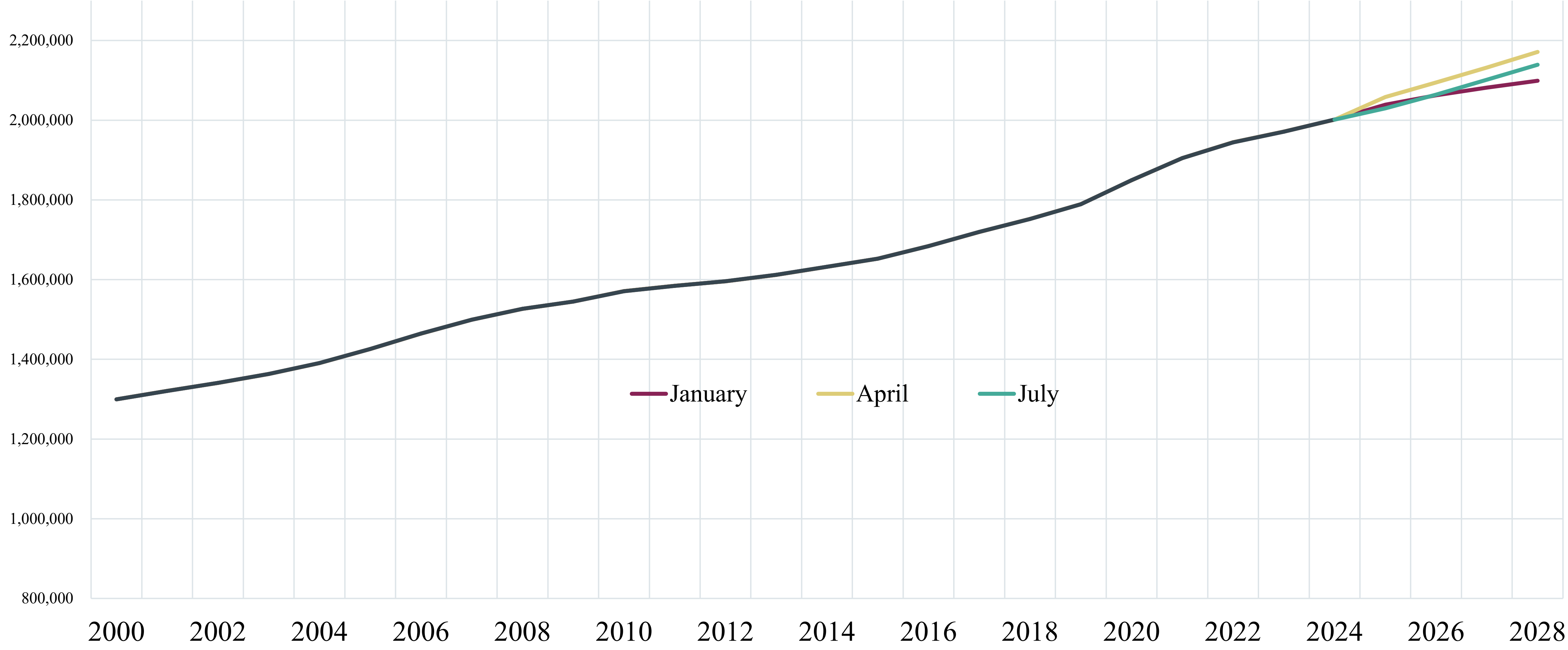
* 2027 & 2028 budget projection is 5.8% increase based on average annual growth 2013 - 2025

DFM Economic Indicators - Population



Source: https://dfm.idaho.gov/about-dfm/about-the-economic-analysis-bureau/key-indicators-dashboard/

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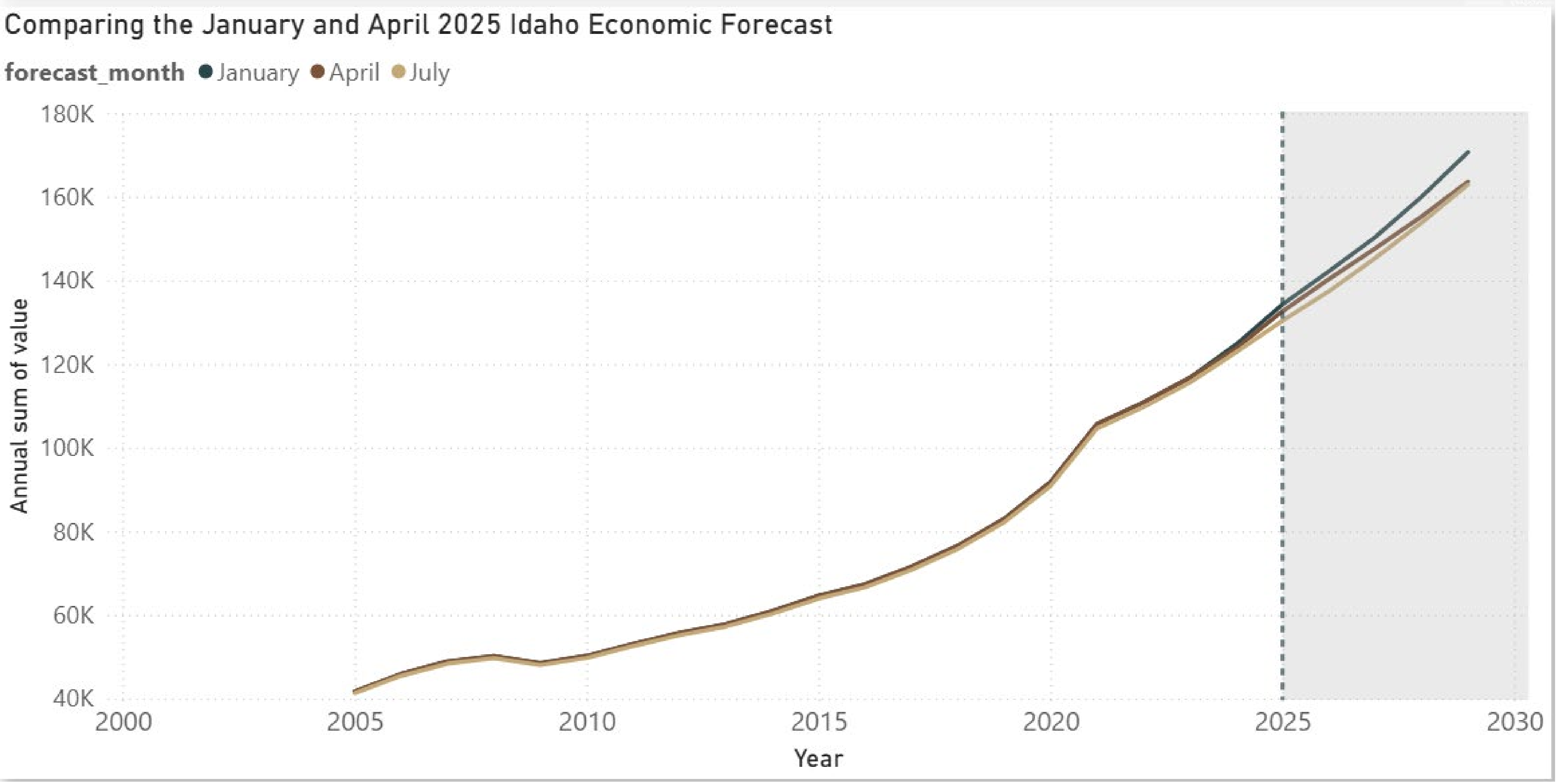
DFM Economic Indicators – Personal Income



Source: https://dfm.idaho.gov/about-dfm/about-the-economic-analysis-bureau/key-indicators-dashboard/

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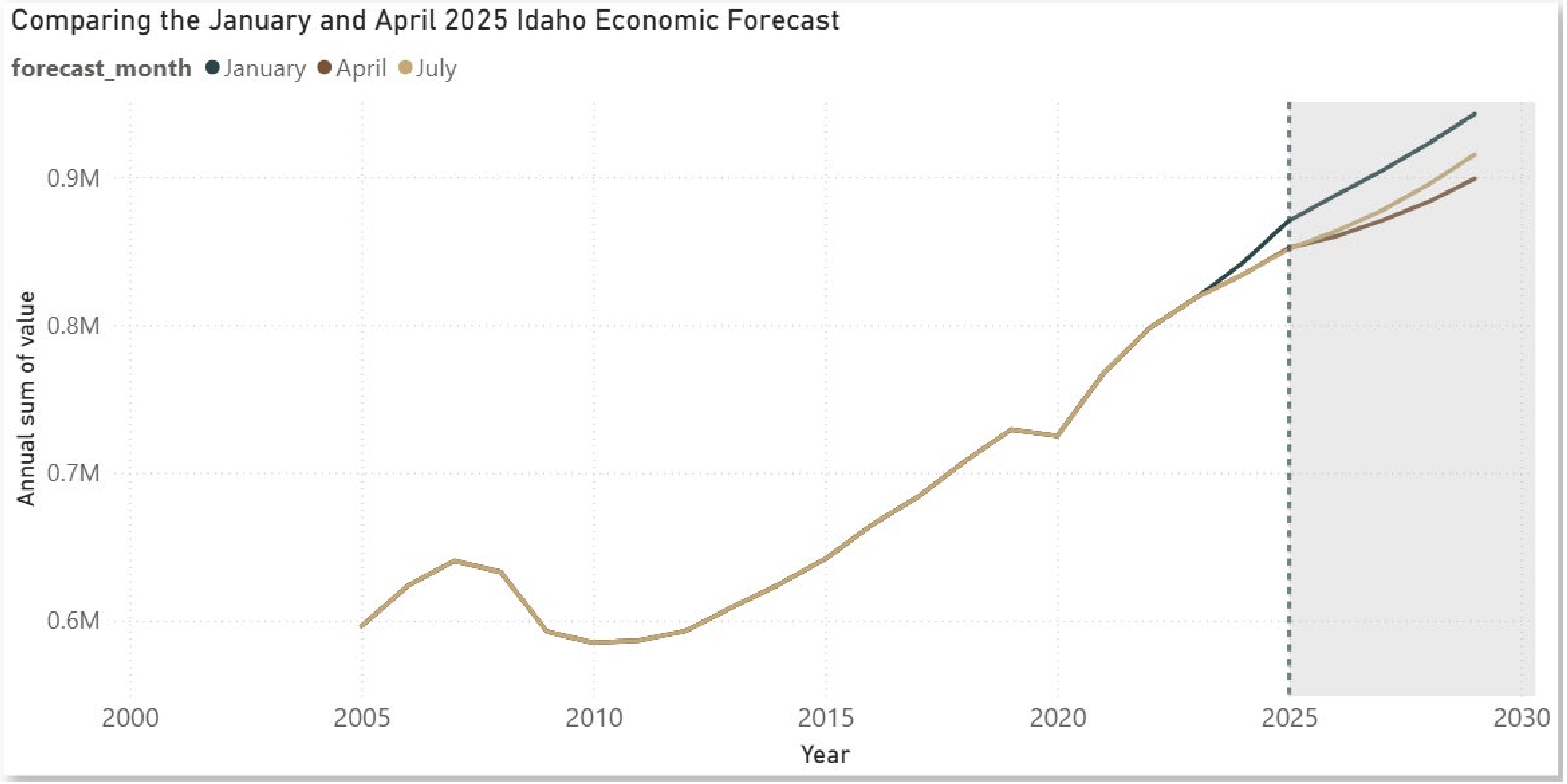
DFM Economic Indicators - Employment



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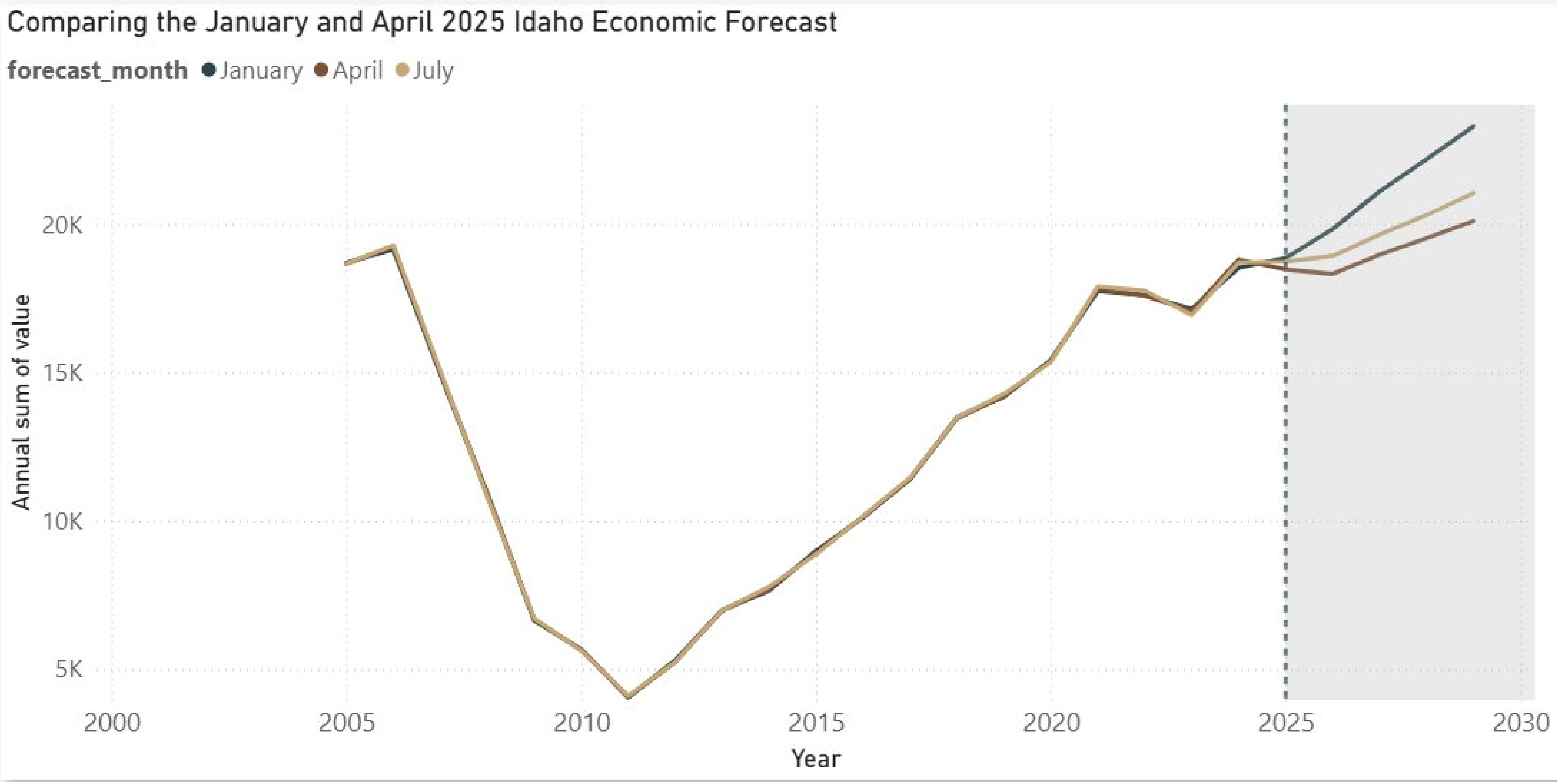
DFM Economic Indicators - Housing



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Source: https://dfm.idaho.gov/about-dfm/about-the-economic-analysis-bureau/key-indicators-dashboard/

FY 2026 General Fund Update

		At SINE DIE, April 4, 2025	September Update	Difference
	REVENUES			
1.	Unobligated Beginning Cash Balance	$419.7	$313.7	($106.0)
2.	Cash Reserved for FY 2025 Reappropriation/Carry Forward	$0	$43.6	$43.6
3.	**Available Cash Balance**	**$419.7**	**$357.2**	**($62.4)**
4.	DFM Revised Forecast	$5,929.1	$5,553.6	($375.5)
5.	Ahead (Behind) Revised Revenue Target	$0	($22.6)	($22.6)
6.	**FY 2026 Projected Revenue**	**$5,929.1**	**$5,531.0**	**($398.1)**
7.	**Total FY 2026 Available Cash Plus Estimated Revenue (line 3 + 6)**	**$6,348.8**	**$5,888.3**	**($460.5)**
8.	Total Legislative Cash Adjustments	($285.0)	($285.0)	$0
9.	***TOTAL ESTIMATED FY 2026 AVAILABLE RESOURCES***	***$6,063.8***	***$5,603.3***	***($460.5)***
	APPROPRIATIONS			
10.	FY 2026 Original Appropriations	$5,623.9	$5,623.9	$0
11.	Authorized Carry Over (Reappropriation/ECF)		$43.6	$43.6
12.	**Total Legislative Authorizations**	**$5,623.9**	**$5,667.5**	**$43.6**
13.	3% Holdback - Executive Order 2025-02		($86.0)	($86.0)
14.	**FY 2026 Estimated Expenditures**	**$5,623.9**	**$5,581.5**	**($42.4)**
15.	***FY 2026 ESTIMATED ENDING BALANCE (line 9 - 14)***	***$439.8***	***$21.8***	***($418.1)***

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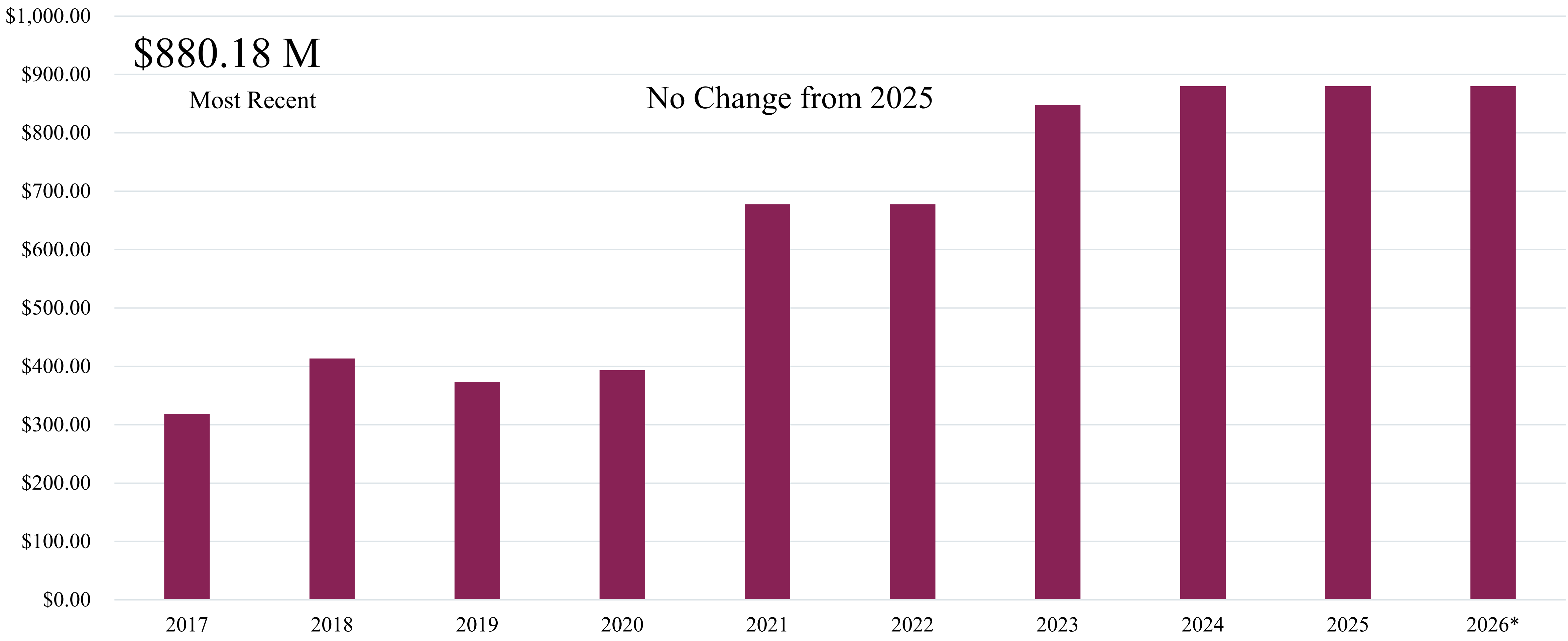
Budget Stabilization Fund (in millions)



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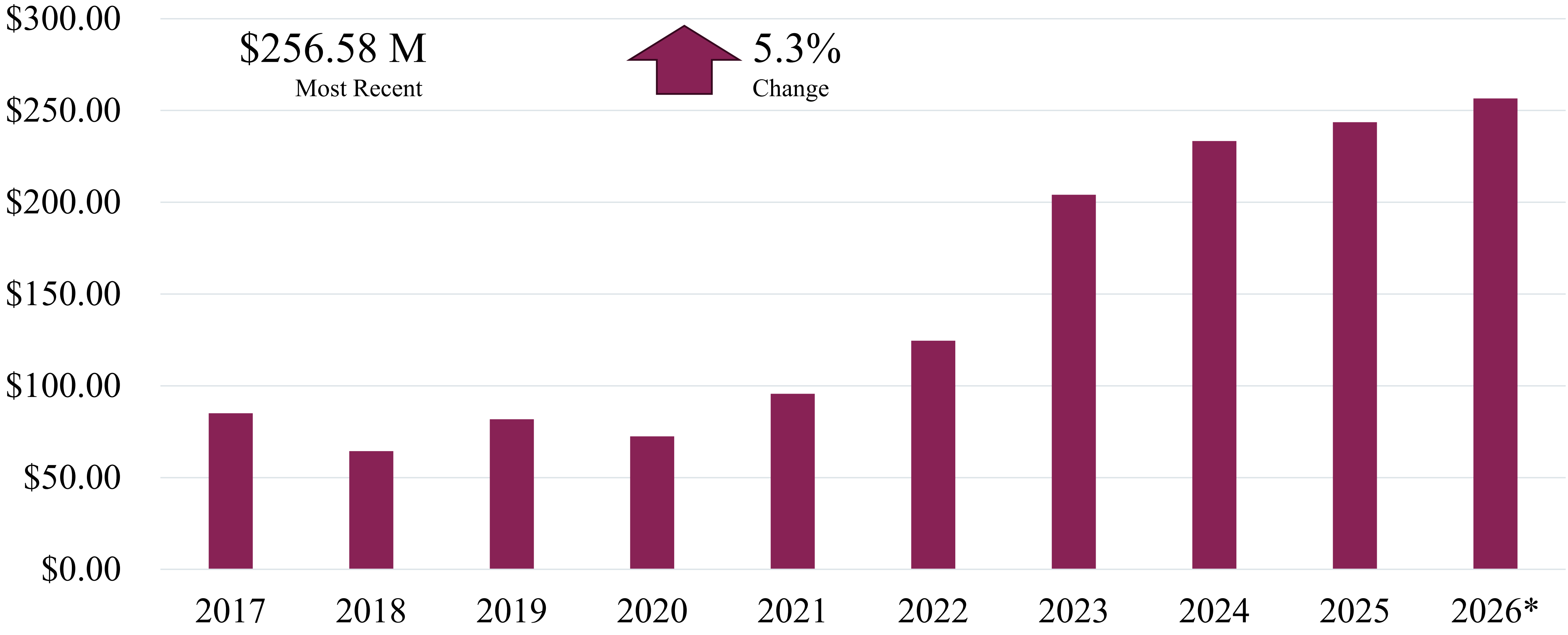
*forecast amounts

Public Education Stabilization Fund (in millions)



*forecast amounts

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Cash Position Then and Now (in millions)

	2009	2026
General Fund Cash Balance	$248.8	$357.2*
Budget Stabilization Fund / ERRF	$206.7	$880.2
Public Education Stabilization Fund	$112.1	$256.6
Emergency Funds	$3.3	$21.7
Other	$70.21	$168.2
Total	**$641.1**	**$1,683.9**
As Percentage of Original Appropriation	**21.7%**	**29.9%**

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*Beginning Balance

2026 Budget Adjustments

	General	Dedicated	Federal	Total
2026 Orig. Approp.	**$5,623,940,500**	**$2,943,561,900**	**$5,534,074,800**	**$14,101,577,200**
Reappropriation	12,054,900	668,733,000	619,151,600	1,299,939,500
Supplemental	109,136,600	375,578,100	(449,570,100)	35,144,600
Def. Warrants	1,316,400	0	0	1,316,400
Exec. Carryforward	19,091,100	84,998,600	46,143,800	150,233,500
Expenditure Adj.	0	30,909,300	(8,417,600)	22,491,700
Gov. Holdback	(79,185,100)	0	0	(79,185,100)
Total	**$5,686,354,400**	**$4,103,780,900**	**$5,741,382,500**	**$15,531,517,800**
Difference from Orig	*62,413,900*	*1,160,219,000*	*207,307,700*	*1,429,940,600*
%Change	*1.1%*	*39.4%*	*3.7%*	*10.1%*

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2026 Supplemental Requests

	General	Dedicated	Federal	Total
Public School Support	0	0	7,800,000	7,800,000
State Dept. of Education	0	28,200	0	28,200
Medicaid	89,553,600	369,058,700	(451,928,200)	6,684,100
Dept. of Correction	19,383,000	424,300	555,900	20,363,200
Soil & Water Conservation Comm. CREP	0	12,900	0	12,900
Office of Info Tech	200,000	0	56,200	256,200
Totals	**$109,136,600**	**$375,578,100**	**($449,570,100)**	**$35,144,600**

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One Big Beautiful Bill Act (HR1)

- Tax Conformity
  - Standard Deduction
  - Bonus Deduction for Seniors
  - Tipped Wages
  - Overtime Pay
  - Increased Cap for SALT
  - Auto Loan Deductible Interest
- Federal Student Financial Aid
  - Changes to professional graduate degrees (health fields)
- Medicaid
- SNAP
  - Error rate below 6% so no cost share on program
  - Admin Costs have a budget impact
- Hospitals
  - Provider rate at 3.5% - not affected by reductions
  - Eligible for $500 M over 5 years (min) for rural health transformation

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FY 2027 Budget Request - Maintenance

	General	Dedicated	Federal	Total
2027 Base	**$5,590,934,400**	**$3,037,634,100**	**$4,854,668,500**	**$13,483,237,000**
Health Insurance / Benefit Costs	38,825,700	26,100,400	10,880,500	75,806,600
CEC - 1% Placeholder	9,929,700	7,170,800	3,692,900	20,793,400
Public Schools CEC	18,218,400	0	0	18,218,400
Contract Inflation	1,700,700	691,900	1,743,000	4,135,600
2027 Program Maintenance	**$5,659,608,900**	**$3,071,597,200**	**$4,870,984,900**	**$13,602,191,000**
Difference from 2026 Orig.	*35,668,400*	*128,035,300*	*(663,089,900)*	*(499,386,200)*
% Chg. from 2026 orig.	*0.6%*	*4.3%*	*-12.0%*	*-3.5%*

FY 2027 Budget Request - Enhancement

	General	Dedicated	Federal	Total
2027 Program Maintenance	**$5,659,608,900**	**$3,071,597,200**	**$4,870,984,900**	**$13,602,191,000**
Replacement Items	7,924,600	83,868,500	7,474,000	99,267,100
Endowment Fund Adj.	(4,141,200)	6,071,300	0	1,930,100
Inflation	0	113,900	0	113,900
Tech. Modern/Hardware	505,300	13,266,100	669,600	14,441,000
Population Forecast Adj.	288,835,100	66,606,100	76,442,200	431,883,400
Budget Enhancements	341,909,600	107,815,200	169,923,900	619,648,700
2027 Total Request	**$6,294,642,300**	**$3,349,338,300**	**$5,125,494,600**	**$14,769,475,200**
Difference from 2026 Orig.	*670,701,800*	*405,776,400*	*(408,580,200)*	*667,898,000*
% Increase from 2026 orig.	*11.9%*	*13.8%*	*-7.4%*	*4.7%*

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Population Forecast Adjustments

	General	Dedicated	Federal	Total
Public School Support	180,990,400	0	0	180,990,400
Health & Welfare	600,000	0	0	600,000
Medicaid	84,303,400	66,606,100	76,442,200	227,351,700
Dept. of Correction	22,941,300	0	0	22,941,300
Totals	**$288,835,100**	**$66,606,100**	**$76,442,200**	**$431,883,400**
% Increase from Orig.	***5.1%***	***2.3%***	***1.4%***	***3.1%***

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2027 Budget Enhancements

	General	Dedicated	Federal	Total
Education	51,495,800	6,599,100	8,342,500	66,437,400
Health & Human Services	8,290,800	33,618,500	123,447,800	165,357,100
Public Safety	747,200	12,273,000	0	13,020,200
Natural Resources	16,600	24,728,700	10,140,700	34,886,000
Economic Development	275,450,000	29,595,500	0	305,045,500
General Government	5,907,500	1,000,400	27,992,900	34,900,800
Totals	**$341,907,900**	**$107,815,200**	**$169,923,900**	**$619,647,000**
% Change from Orig.	***6.1%***	***3.7%***	***3.1%***	***4.4%***

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Please feel free to contact me with any questions at (208)334-4739 or kbybee@Lso.Idaho.gov

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