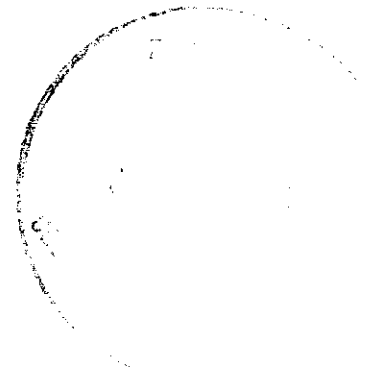


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FINANCIAL STATEMENTS
STATE OF COLORADO



ANNUAL FINANCIAL REPORT - JUNE 30, 1978



RICHARD D. LAMM
Governor

THOMAS H. SHEEHAN, Jr.
Executive Director

DEPARTMENT OF ADMINISTRATION

1525 Sherman Street, 7th Floor
Denver, CO 80203
Phone (303) 639-3221

December 27, 1978

The Honorable Richard D. Lamm
Governor, State of Colorado
136 State Capitol
Denver, CO 80203

Dear Governor Lamm:

Attached is Colorado's Annual Financial Report for the Fiscal Year ended June 30, 1978. In summary, the State of Colorado is in excellent financial condition.

This report includes a series of new graphical displays representing key financial statistics. In order to assist the reader, this report is divided into four parts including:

Graphical Displays
Consolidated Financial Statements, Prototype
Combined and General Fund Statements
Supplementary Schedules

Since Colorado first published the prototype consolidated financial statements in 1977, at least two additional states have now published similar consolidated financial statements.

Detailed information and data for any item contained in these unaudited financial statements can be obtained upon request from the State Controller.

Sincerely,

Thomas H. Sheehan, Jr.
Executive Director

THS/dc

Attachment

// STATE OF COLORADO
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 1978 //

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DIVISION OF ACCOUNTS AND CONTROL

DEPARTMENT OF ADMINISTRATION

706 STATE SERVICES BUILDING
DENVER, COLORADO 80203
PHONE (303) 892-3281

December 27, 1978

DAN S. WHITTEMORE
State Controller
JAMES A. STROUP
Assistant State Controller

MEMORANDUM

TO: GOVERNOR RICHARD D. LAMM
FROM: DAN S. WHITTEMORE, STATE CONTROLLER
SUBJECT: FINANCIAL HIGHLIGHTS

We are pleased to submit Colorado's Annual Financial Report for the year ended June 30, 1978. This report includes all funds and activities for Colorado State Government.

In summary, the State of Colorado is in sound financial condition. Total revenue from all funds exceeded expenditures by \$131 million dollars during Fiscal Year 1978. Although expenditures have increased in 1978, real costs decreased for the first time in five years. Real costs reflect expenditures without the effect of inflation. Real statewide spending per capita is also down for the first time in five years. The recent increase in spending is mostly due to inflation.

The General Fund revenues exceeded expenditures during the year and will provide \$60 million tax relief.

The unrestricted surplus of the State has steadily decreased over the past five years which indicates a healthy trend that Colorado is retaining only needed surplus.

Some specific highlights of this report include:

<u>DESCRIPTION</u>	<u>MILLIONS OF DOLLARS</u>	<u>PERCENT INCREASE OVER PRIOR YEAR</u>
Statewide Information		
Assets	\$1,693	14%
Liabilities	940	9
Equity	754	21
Revenue	2,383	12
Expense	2,252	9
Educational Activity	1,177	11
Social Assistance	455	1
Salaries & Fringe Benefits	722	7
Tax Receipts	1,138	14
Federal Receipts	706	7
General Fund Information		
General Fund Revenue	1,032	16
General Fund Expense	958	6

The report is divided into the following four sections:

- Graphical Displays
The graphical presentation is included to pictorially display significant data on the financial position of the State. These are a first attempt to convey the essence of the State's financial situation to readers who are unfamiliar with standard financial statement presentation.
- Consolidated Financial Statements (prototype)
These consolidated financial statements are an attempt to apply the generally accepted accounting principles, which apply to the business community, to the financial statements of the State of Colorado. All the financial transactions effecting the State are brought together in a reasonably simple accounting report.

Traditional governmental financial reports seldom provide a simple overview of what the State owns and what it owes. Traditional reports concentrate on compliance with specific legislative authorizations.

In this section of the report, business-type accounting is utilized to display the finances of the State of Colorado because this form is the most widely known and understood system.

This reporting departs from generally accepted reporting standards for governmental entities in the following manner:

- Reporting of fixed assets and corresponding estimated accumulated depreciation.
- Accruing amounts for pension liabilities.
- Accruing amounts for sick leave and annual leave of State employees.

- Combined and General Fund Statements
The combined statements are presented by fund type in accordance with generally accepted governmental reporting standards. The General Fund is included in this section since it is the primary State operating fund.
- Supplementary Schedules
This information attempts to answer the most frequently asked questions about Colorado's financial operation that are not presented in the other sections.

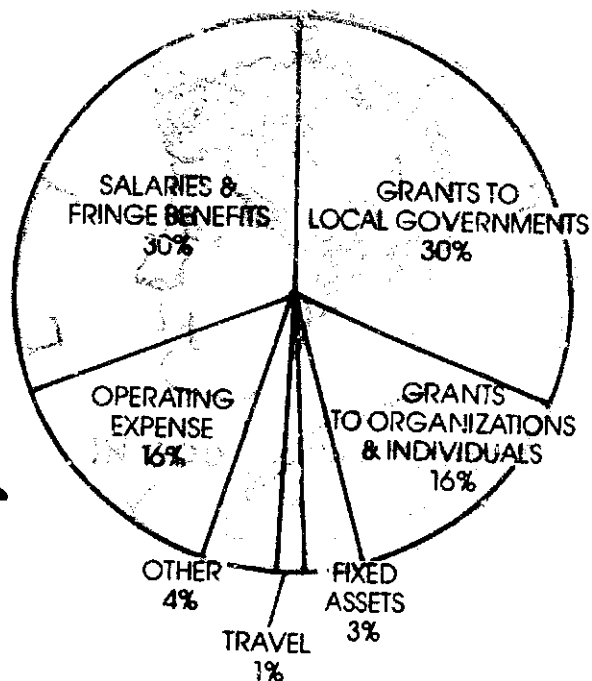
Additional information may be obtained by directing specific inquiries to my office.

DSW/es

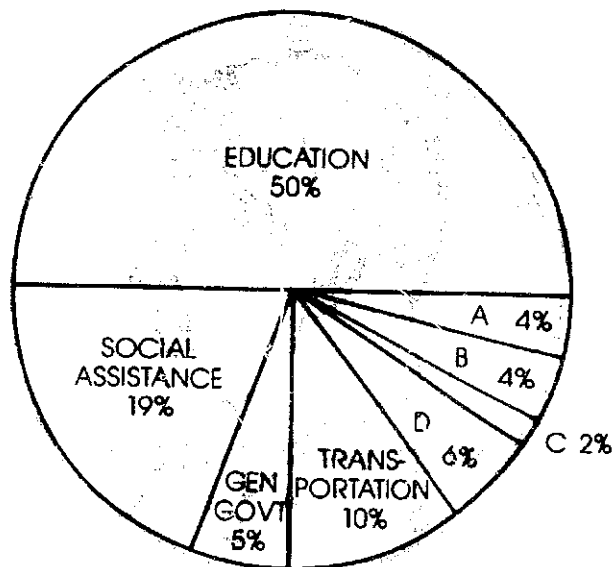
PART I - GRAPHICAL DISPLAYS

STATE OF COLORADO
STATEWIDE REVENUES & EXPENDITURES
 FISCAL YEAR ENDED JUNE 30, 1978

EXPENDITURES BY OBJECT

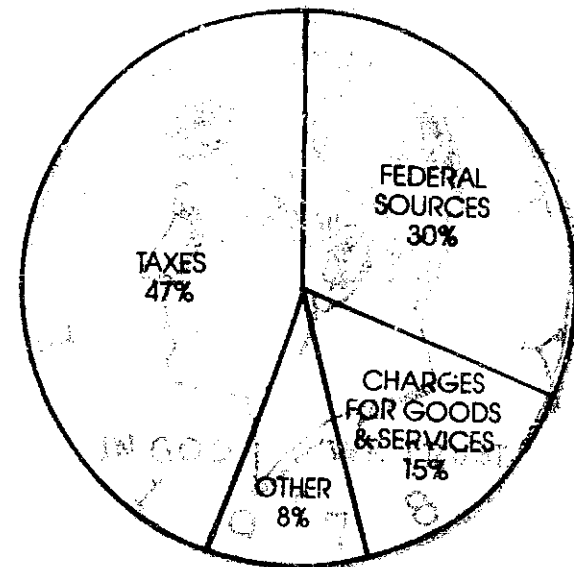


EXPENDITURES BY FUNCTION

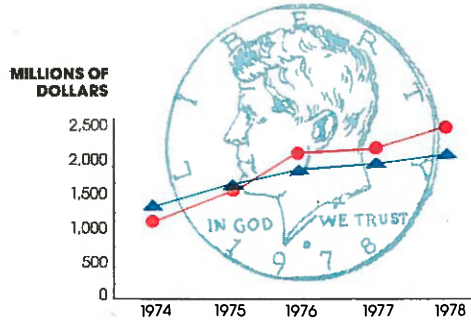


- A. COMMUNITY, BUSINESS & CONSUMER AFFAIRS
- B. JUSTICE
- C. NATURAL RESOURCES
- D. HEALTH & REHABILITATION

REVENUES BY SOURCE



STATE OF COLORADO
STATEWIDE REVENUES & EXPENDITURES
 LAST FIVE FISCAL YEARS



REVENUES \$1,354.5 \$1,617.8 \$2,077.5 \$2,184.1 \$2,428.9

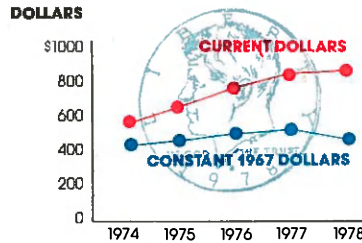
EXPENDITURES \$1,372.6 \$1,622.3 \$1,921.5 \$2,166.0 \$2,257.4

●—● **REVENUES**
 ▲—▲ **EXPENDITURES**

"REVENUES EXCEED EXPENDITURES FOR THE LAST 3 YEARS"

Source: State Controller's records

STATE OF COLORADO
PER CAPITA STATEWIDE EXPENDITURES
 LAST FIVE FISCAL YEARS



CURRENT DOLLARS \$556 \$645 \$756 \$838 \$856

CONSTANT DOLLARS (1967) \$417 \$437 \$469 \$492 \$472

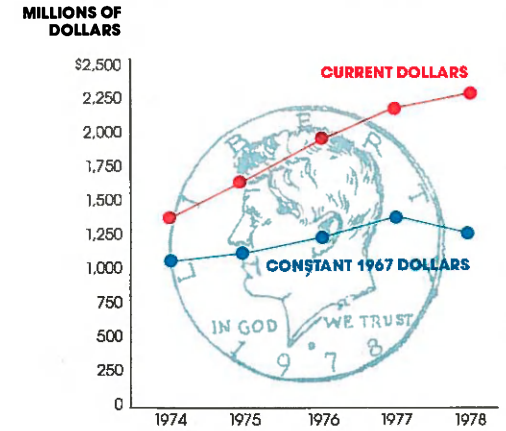
PERCENT INCREASE OVER PRIOR YEAR IN CURRENT DOLLARS — 16.0% 17.2% 10.8% 2.1%

PERCENT INCREASE OR (DECREASE) OVER PRIOR YEAR IN CONSTANT DOLLARS — 4.8% 7.3% 4.9% (4.1%)

"REAL SPENDING PER CAPITA DOWN FOR FIRST TIME IN FIVE YEARS"

Source: State Controller's records

STATE OF COLORADO
STATEWIDE EXPENDITURES
 LAST FIVE FISCAL YEARS



CURRENT DOLLARS \$1,372.6 \$1,622.3 \$1,921.5 \$2,166.0 \$2,257.4

CONSTANT DOLLARS (1967) \$1,031.2 \$1,098.3 \$1,192.0 \$1,270.3 \$1,243.7

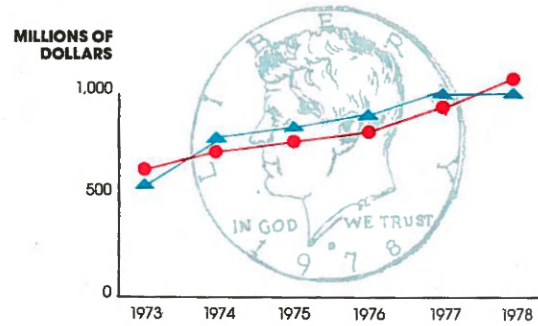
PERCENT INCREASE OVER PRIOR YEAR IN CURRENT DOLLARS — 18.2% 18.4% 12.7% 4.2%

PERCENT INCREASE OR (DECREASE) OVER PRIOR YEAR IN CONSTANT DOLLARS — 6.5% 8.5% 6.6% (2.1%)

"ALTHOUGH EXPENDITURES INCREASE, WE SEE A DECREASE IN 1978 REAL COSTS"

Source: State Controller's records

STATE OF COLORADO
GENERAL FUND REVENUES & EXPENDITURES
 LAST SIX FISCAL YEARS



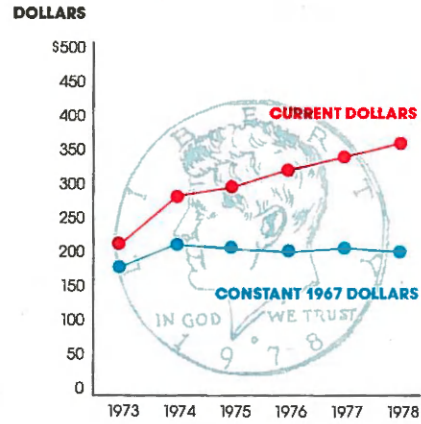
REVENUES	\$559.0	\$653.8	\$720.0	\$797.2	\$891.4	\$1,031.7
EXPENDITURES	\$500.8	\$676.9	\$753.3	\$828.2	\$901.6	\$957.6

● REVENUES
 ▲ EXPENDITURES

**"REVENUES EXCEED EXPENDITURES IN '78
 PROVIDING \$60 MILLION FOR TAX RELIEF."**

Source: State Controller's records

STATE OF COLORADO
PER CAPITA GENERAL FUND EXPENDITURES
 LAST SIX FISCAL YEARS



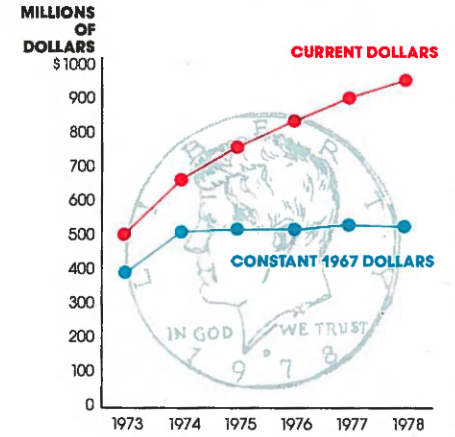
CURRENT DOLLARS	\$212	\$274	\$299	\$326	\$349	\$363
CONSTANT DOLLARS (1967)	\$169	\$206	\$203	\$202	\$205	\$200
PERCENT INCREASE OVER PRIOR YEAR IN CURRENT DOLLARS	—	29.2%	9.1%	9.0%	7.1%	4.0%
PERCENT INCREASE OVER PRIOR YEAR IN CONSTANT DOLLARS	—	21.9%	(1.5%)	(0.5%)	1.5%	(2.4%)

"LAST 4 YEARS PER CAPITA SPENDING"

**INFLATION UP \$89
 REAL SPENDING DOWN \$(6)**

Source: State Controller's records

STATE OF COLORADO
GENERAL FUND EXPENDITURES
 LAST SIX FISCAL YEARS



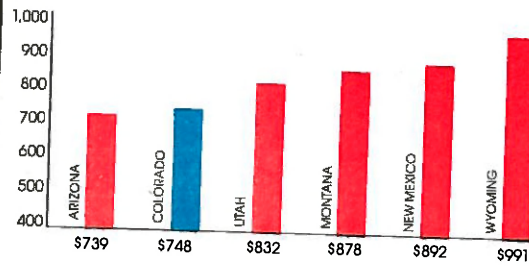
CURRENT DOLLARS	\$500.8	\$676.9	\$753.3	\$828.2	\$901.6	\$957.6
CONSTANT DOLLARS (1967)	\$399.7	\$508.6	\$510.0	\$513.8	\$528.8	\$527.6
PERCENT INCREASE OVER PRIOR YEAR IN CURRENT DOLLARS	—	35.2%	11.3%	9.9%	8.9%	6.2%
PERCENT INCREASE OR (DECREASE) OVER PRIOR YEAR IN CONSTANT DOLLARS	—	27.2%	.3%	7%	2.9%	(2%)

**"RECENT INCREASES IN SPENDING IS MOSTLY
 DUE TO INFLATION"**

Source: State Controller's records

PER CAPITA EXPENDITURES
ROCKY MOUNTAIN STATES
 FISCAL YEAR 1977

DOLLARS



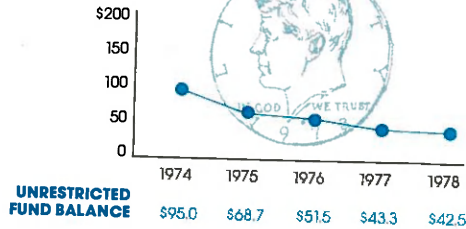
Note: The above amounts do not include expenditures for insurance trust or debt redemption. These expenditures are included in the Per Capita Statewide Expenditures presented elsewhere

"COLORADO IS NO. 2 AND TRYING HARDER – EAT YOUR HEART OUT AVIS!"

Source: U.S. Department of Commerce, Bureau of The Census – State Government Finances in 1977 (GF77 No. 3)

STATE OF COLORADO
UNRESTRICTED FUND BALANCE – GENERAL FUND
 LAST FIVE FISCAL YEARS

MILLIONS OF DOLLARS



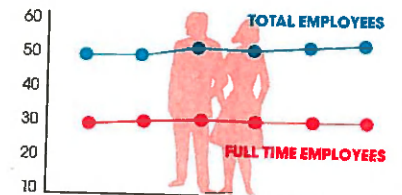
UNRESTRICTED FUND BALANCE	1974	1975	1976	1977	1978
	\$95.0	\$68.7	\$51.5	\$43.3	\$42.5

"COLORADO KEEPS ONLY NEEDED SURPLUS"

Source: State Controller's records

STATE OF COLORADO
TOTAL NUMBER OF EMPLOYEES
 LAST SIX YEARS

THOUSANDS



TOTAL NUMBER OF EMPLOYEES	1973	1974	1975	1976	1977	1978	
	47.0	47.1	51.5	50.2	53.4	54.7	
PERCENT INCREASE OVER PRIOR YEAR		2.4%	2%	9.3%	(2.5%)	6.4%	2.4%
TOTAL FULL TIME EMPLOYEES		31.5	33.1	34.2	35.1	35.9	36.3
PERCENT INCREASE OVER PRIOR YEAR		16%	5.1%	3.3%	2.6%	2.3%	11%

"YES, THE NUMBER OF STATE EMPLOYEES HAS GROWN – LIKE EVERYTHING ELSE IN COLORADO"

Source: State Controller's records. Number of employees was compiled using June 30 of each year.

PART II - CONSOLIDATED FINANCIAL STATEMENTS (PROTOTYPE)

STATE OF COLORADO
CONSOLIDATED BALANCE SHEET
JUNE 30, 1978 AND 1977
(Expressed in Millions)

<u>Assets</u>	<u>1978</u>	<u>1977</u>
<u>Current Assets</u>		
Cash - Note 3	\$ 429.6	\$ 327.5
Short Term Investments - Note 4	19.4	30.5
Accounts Receivable, Net Allowance for Doubtful Accounts of \$62.8 and \$28.2, respectively - Note 5	237.6	211.7
Inventories - Note 6	23.5	21.9
Other	9.0	8.7
Total Current Assets	<u>719.1</u>	<u>600.3</u>
<u>Long Term Investments</u>	<u>207.0</u>	<u>153.8</u>
<u>Fixed Assets</u>		
Property, Plant and Equipment	1110.5	1039.8
Less: Accumulated Depreciation	(343.2)	(309.0)
Total Fixed Assets	<u>767.3</u>	<u>730.8</u>
 Total Assets	 <u>\$1693.4</u>	 <u>\$1484.9</u>
 <u>Liabilities and State Equity</u>		
<u>Liabilities</u>		
<u>Current Liabilities:</u>		
Accounts Payable	\$ 128.2	\$ 103.5
Accrued Annual and Sick Leave - Note 9	39.0	59.7
Deferred Revenue - Note 7	60.5	69.6
Other	74.2	55.1
Total Current Assets	<u>301.9</u>	<u>287.9</u>
Contingent Liabilities - Note 12	-	-
<u>Long Term Liabilities:</u>		
Long Term Indebtedness - Note 10	139.7	148.3
Accrued Retirement - Note 13	412.0	355.0
Liability for Unpaid Losses - Note 8	86.2	71.6
Total Long Term Liabilities	<u>637.9</u>	<u>574.9</u>
Total Liabilities	<u>939.8</u>	<u>862.8</u>
 <u>State Equity - Note 16</u>		
Restricted	711.1	578.8
Unrestricted	42.5	43.3
Total State Equity	<u>753.6</u>	<u>622.1</u>
Total Liabilities and State Equity	<u>\$1693.4</u>	<u>\$1484.9</u>

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO
 CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES
 FOR THE FISCAL YEARS ENDED JUNE 30, 1978 AND 1977
 (Expressed in Millions)

REVENUES

	<u>1978</u>		<u>1977</u>	
Taxes	\$1,137.8	47.8%	\$ 999.0	46.8%
Licenses, Permits and Fines	69.9	2.9	45.4	2.1
Charges for Goods and Services	357.6	15.0	303.6	14.2
Interest and Rents	72.5	3.0	52.8	2.5
Federal Grants & Contracts	705.7	29.6	658.1	30.8
Revenue Sharing and Title II	31.1	1.3	29.8	1.4
Other	54.3	2.3	87.3	4.1
	<u>2,428.9 101.9</u>		<u>2,176.0 101.9</u>	
Less: Distributions to Local Governments	45.8	1.9	40.2	1.9
Net Revenues	<u>2,383.1 100.0%</u>		<u>2,135.8 100.0%</u>	

EXPENSES

Salaries and Fringe Benefits	721.8	32.1	673.7	32.6
Operating Expense	360.5	16.0	300.5	14.6
Travel	14.1	.6	13.8	.7
Grants to Organizations and Individuals	359.0	15.9	321.8	15.6
Grants to Local Government Units	677.1	30.1	652.2	31.6
Depreciation	34.2	1.5	31.3	1.5
Other	84.9	3.8	70.1	3.4
	<u>2,251.6 100.0%</u>		<u>2,063.4 100.0%</u>	
Excess of Revenue Over Expenses	<u>\$ 131.5 -</u>		<u>\$ 72.4 -</u>	

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO
 CONSOLIDATED STATEMENT OF CHANGES IN STATE EQUITY
 FOR THE FISCAL YEAR ENDED JUNE 30, 1978
 (Expressed in Millions)

<u>State Equity, July 1, 1977</u>		\$ 622.1
<u>Additions</u>		
Revenues	\$2,383.1	
Reclassification of Parks Restricted Fund Balance	<u>1.7</u>	
Total Additions		2,384.8
 <u>Deductions</u>		
Expenses	2,251.6	
Change in Accounting Principle - Brand Inspection Deferred Revenue	1.4	
Other	<u>.3</u>	
Total Deductions		<u>(2,253.3)</u>
 <u>State Equity, June 30, 1978</u>		 <u>\$ 753.6</u>

The accompanying notes are an integral part of this unaudited financial statement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. CONTENTS OF STATEMENTS

The consolidated statements include the activity of all State funds and groups of accounts.

The consolidated statements do not include the activities of Higher Education Foundations and Alumni Associations. These legal entities are independent of the respective Institutions of Higher Education but support their activities. Separate financial reports are prepared for each of these entities and are available upon request to the respective institution.

2. STATEMENT OF ACCOUNTING POLICIES

The accounting policies of the State of Colorado conform to generally accepted accounting principles as applicable to governmental units. However, these consolidated financial statements depart from generally accepted reporting standards for governmental entities in the following manner:

Reporting of fixed assets and corresponding estimated accumulated depreciation
Accruing amounts for pension liabilities
Accruing amounts for sick leave and annual leave for state employees

These financial statements are prepared on the accrual basis of accounting. The following is a summary of the significant policies:

A. Revenue

Revenue of determinable amounts is recorded when earned and self-assessed revenues such as income taxes are recorded when received. Revenues earned under the terms of agreements with outside sources (e.g., contracts and grants from the Federal government) are recorded at the time expenditures are made.

B. Expenses

Expenses are recorded on the accrual basis of accounting.

C. Fund Accounting

The State maintains its accounting in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific revenues and expenditures. The transactions

of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds. All funds are combined for the consolidated financial statements. A brief description of each fund type is included in the accompanying notes to the combined financial statements.

D. Property and Depreciation

Property and equipment are stated at cost or estimated cost. When property is acquired by gift, the estimated or appraised fair market value at the date of acquisition is recorded.

Generally, all items having a cost in excess of \$100 and an estimated useful life of one year or more are capitalized. Depreciation is provided for on a straight-line basis using the following estimated useful lives to determine the rate for each principal classification.

Buildings	50 years
Equipment	15 years
Books	10 years
Leasehold Improvements	3 years

E. Eliminations

Material interfund and intrafund transactions and balances have been eliminated.

3. CASH

The State Treasurer acts as a bank for all State agencies. Moneys deposited with the Treasurer are invested until the cash is needed. The detailed composition of the cash and investments held is shown in the annual Treasurer's Report which is reported on the cash basis of accounting. The State maintains numerous cash accounts for administrative purposes. The cash reflected on the balance sheet is the composite amount of all accounts although some of the individuals accounts may be periodically overdrawn.

The June 30 cash balances (expressed in millions) are:

	1978	1977
Cash on Hand and in Bank	\$ 51.4	\$ 48.4
Cash in Custody of State Treasurer	304.6	236.3
Unemployment Insurance Cash with Fed. Govt.	73.6	\$ 42.8
Total	<u>\$429.6</u>	<u>\$327.5</u>

Cash on Hand and in Banks is used by agencies for day-to-day operational and administrative expenditures.

The cash balances on deposit with the State Treasurer are either used to meet short-term working capital requirements, such as paying warrants, or invested in various securities.

4. INVESTMENTS

Short-term investments consist primarily of U.S. Government securities which are generally recorded at cost.

Long-term investments are generally recorded at cost. The following is a summary of long-term investments by type of investment.

(Expressed in Millions)

U.S. Government Securities	\$43.9
Corporate Bonds	32.8
Mortgage Loans	97.5
Other Types	<u>32.8</u>

Total Long-Term Investments \$207.0

5. ACCOUNTS RECEIVABLE

Accounts receivable and their respective allowances at June 30, 1978, and June 30, 1977, were comprised of the following major categories:

(Expressed in Millions)

	1978		1977	
	Balance	Allowance	Balance	Allowance
Operations	\$237.6	\$23.4	\$197.5	\$12.1
Interest	4.4	--	3.3	--
Taxes	52.1	39.4	33.0	16.1
Revenue Sharing	6.3	--	6.1	--
Total	<u>\$300.4</u>	<u>\$62.8</u>	<u>\$239.9</u>	<u>\$28.2</u>

Allowances for estimated uncollectible receivables are recorded through charges to income. Included in charges to income are allowances for indigent care at the various hospitals and institutions.

The receivables in the operations category include tuitions, patient care, dormitory fees, amount due for services rendered on programs sponsored by the Federal government, private sources, and various other recurring transactions.

6. INVENTORY

The State's inventories consist primarily of consumable items such as office supplies, institutional medical and linen inventories, repair and maintenance items and vocational shop materials. Also included in the inventory is an immaterial amount of finished goods produced and held for resale by such units as the Department of Corrections.

Inventories are stated at the lower of cost or market utilizing a variety of methods (i.e., LIFO, FIFO, average), the method remaining consistent from year to year in each specific State agency.

Food stamp coupons and surplus commodities held in safekeeping by the Department of Social Services are not included in the inventory. These inventories are held on consignment and are not owned by the State of Colorado. These inventories held on consignment by the Department of Social Services are as follows:

	(Expressed in Millions)	
	1978	1977
Food Stamp Coupons	\$3.4	\$7.1
Surplus Commodities-Dry Foods	1.4	.6
Surplus Commodities-Frozen Foods	.4	--
Total	<u>\$5.2</u>	<u>\$7.7</u>

7. DEFERRED REVENUE

Summer school tuition revenues collected by Institutions of Higher Education at June 30, are deferred to the subsequent year.

Revenue collected (by agencies other than Higher Education) from the Federal government and other sponsors is recorded as deferred revenue until such time as expenditures are made. Institutions of Higher Education record unearned receipts as Restricted Fund Balance.

State Compensation Insurance premiums are recognized as earned in the period of coverage.

8. LIABILITY FOR UNPAID LOSSES

The \$86.2 million liability for unpaid losses relates to the State Compensation Insurance Fund. This amount is a liability for the payment of claims.

9. ACCRUED LEAVE

All employees in permanent positions earn and accrue sick leave at the rate of one and one-fourth days per month, with no limit on total days accrued. Employees are paid for one-fourth of their unused sick leave upon retirement.

Annual leave is earned at a fluctuating rate based on longevity. In no event can more than forty-two days of annual leave be accumulated at the end of each calendar year.

The amount shown represents the State's liability for unused accrued annual leave and one-fourth of the unused accrued sick leave projected for employees which attain retirement.

The total shown consists of:

	(Expressed in Millions)	
	1978	1977
Accrued Annual Leave	\$30.4	\$44.9
Accrued Sick Leave	8.6	14.8
Total	<u>\$39.0</u>	<u>\$59.7</u>

The 1978 data was gathered by specific agency response, whereas 1977 was overstated because the estimate was based upon limited data.

10. LONG-TERM DEBT

By Constitution, the State of Colorado cannot enter into general purpose debt financing. Accordingly, all long-term debts are self-liquidating, and relate to facilities of the colleges and universities and Trinidad State Nursing Home.

Long-term debt expressed in millions at June 30, 1978 consist of:

	ORIGINAL BALANCE	RANGE OF INTEREST RATES	UNPAID BALANCE 6-30-78
Bonded Debt:			
Colleges & Universities	\$172.8	2.4% to 8.25%	\$136.4
Trinidad State Nursing Home	1.7	4.5% to 5.0%	1.2
Lease Purchase Agreements			<u>2.0</u>
Total Long-Term Debt			<u>\$139.6</u>

11. OUTSTANDING ENCUMBRANCES

On June 30, 1978, outstanding encumbrances in all funds amounted to \$142.2 million. This amount included \$91.9 million from the Highway Fund and \$21.6 million from the Capital Construction Fund.

12. CONTINGENCIES

Many State agencies enter into various grant and contract agreements with the Federal government and other parties. These

agreements generally provide for audits of the transactions pertaining to the agreements with the State being liable to those parties for any disallowed expenditures. It is believed that any such adjustments will not be significant in amount.

There are also various claims and litigations pending, incident to the operation of State government. A contingent liabilities report from the Colorado Attorney General's Office is included in the notes to combined financial statements.

13. PENSION COSTS

The State has a joint contributory retirement plan for substantially all employees.

During plan year-ended June 30, 1978, the contributory percentages of participant salaries provided by the State and by the participant approximated 10.64% and 7.75%, respectively.

It is the State's intent to fund pension costs as accrued. However, due to the comprehensive actuarial estimating process, funding which is based on a percentage of gross salaries in any one given year may not equal the accrued liability for the period. In this event, the temporary deficiency would be computed into the actuarial estimates used to determine the amortization period of the prior service costs and possibly could effect the future contributory percentages.

Total pension cost charged to State operations for the year ended June 30, 1977, was \$49,287,090 and for June 30, 1978, \$52,994,417, which at current rates and actuarial assumptions would fund benefits earned during the periods and provide for the amortization of prior service liabilities over 39 years and 38 years, respectively.

As of the latest valuation date, December 31, 1977, the actuarially computed value of pension liability exceeded plan assets by \$412,011,004 of which \$340,843,085 related to unfunded vested benefits. This data was obtained from the Public Employees' Retirement Association's (P.E.R.A.) financial information.

14. LEASE COMMITMENTS

State agencies may enter into lease or rental agreements for the use of property or equipment. Such contracts provide that any commitments for expenditures beyond the current year are contingent upon funds being appropriated for such purposes and consequently limits any liability.

15. COLORADO AND NEW MEXICO RAILROAD AUTHORITIES

The financial statements include the State's investment in the Colorado and New Mexico Railroad Authorities as "other" current assets.

The Colorado Railroad Authority (created under Article 24-43, CRS 1973) and the New Mexico Railroad Authority purchased the Cumbres and Toltec Scenic Railroad in 1970. This railroad is a 64-mile line between Antonito, Colorado and Chama, New Mexico. The railroad is operated by Scenic Railways, Inc., under the terms of a long-term lease agreement with the Colorado and New Mexico Railroad Authorities.

The following is a summary of State appropriations and Federal grants made to the Colorado and New Mexico Railroad Authorities, through June 30, 1978. This information was taken from the Colorado State Auditor's Special Review dated December, 1977.

Colorado	\$ 505,015
New Mexico	505,010
Federal Grant	<u>596,000</u>
Total	<u><u>\$1,606,025</u></u>

16. STATE EQUITY

The State Equity, or net worth, of Colorado State government is \$753.6 million, of which \$42.5 million is General Fund unrestricted balance. The equity is the difference between assets and liabilities of the State. The June 30, 1978 balance is composed of the following:

<u>Restricted Equity:</u>	<u>(Expressed in Millions)</u>
General Fund:	
Property Tax Relief	\$ 60.1
General Cash Revolving	15.0
Oil Shale	69.2
Revenue Sharing Appropriated to Capital Construction Fund	6.0
Oil Age Pension Stabilization	5.0
Revenue Restricted for Specific Agency Appropriation	3.7
Appropriations Rolled Forward into FY 78-79	<u>4.4</u>
<u>Sub-total General Fund</u>	163.4

Notes to Consolidated Financial Statements
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Current Restricted Fund in Higher Education	15.2
Special Revenue Funds:	
Highway Fund	34.4
Wildlife Fund	7.5
Employment Fund	.7
Compensation Insurance Fund	29.6
Other Special Revenue Funds (Deficit)	(1.6)
Enterprise Funds (primarily Higher Ed.)	17.1
Intra-Governmental Service Funds	.4
Loan, Endowment, Trust, & Agency Funds	205.0
Capital Construction Funds	55.2
Retirement of Indebtedness Funds	15.7
Fixed Asset Group of Accounts	962.2
Investment in Railroad Authority	.5
<u>Sub-total</u>	<u>1,505.3</u>
Less Consolidation Adjustments which depart from generally accepted reporting standards for governmental entities:	
- Annual and Sick Leave Accrual	(39.0)
Retirement-Excess Liabilities Over Assets	(412.0)
Accumulated Depreciation	(343.2)
<u>Net Restricted Equity</u>	<u>\$ 711.1</u>
Unrestricted Equity - General Fund	<u>42.5</u>
<u>Total State Equity</u>	<u>\$ 753.6</u>

Reconciliation of Consolidated Statements' Equity with Combined State-
ments' Equity.

Per Combined Balance Sheet	\$1,547.3
Add: Investment in Railroad Authority	.5
Less: Annual and Sick Leave Accrual	(39.0)
Accrued Retirement	(412.0)
Accumulated Depreciation	(343.2)
Per Consolidated Balance Sheet	<u>\$ 753.6</u>

PART III - COMBINED AND GENERAL FUND

STATE'S FINANCIAL OPERATION

The financial operations of the three branches of State government are controlled by the annual appropriation made by the State Legislature. Since the State cannot debt finance its operations, the annual appropriation is limited to the unrestricted funds held at the beginning of the year plus the revenues generated during the year. Thus, the annual budgetary process begins with an estimate of revenues to be received. The expenditure side of the process begins with each State agency submitting a budget request to the Executive Budget Office and to the Legislative Joint Budget Committee. The Legislature enacts the appropriation bill (appropriately termed the "Long Bill") which established the maximum amount each agency may spend in the ensuing year. The "Long Bill" becomes essentially an operating plan for the State.

The State Constitution prohibits deficit financing for operating expenses. However, the State may create debt to finance highway or building construction. Presently, the only outstanding bonded debt of a State agency is that related to self-liquidating facilities such as university dormitories.

Significant checks and balances are built into the State organizational structure. The Department of Revenue collects most of the general revenues of the State. These monies are then deposited with the State Treasurer for investment until needed. The Division of Accounts and Control, in the Department of Administration issues warrants drawn on the State Treasurer in payment of the State's expenditures and provides a central accounting system for all the State agencies. The Office of State Planning and Budgeting prepares the Governor's budget document and reviews compliance with legislative intent. Finally, the State Auditor's Office, a part of the Legislative Branch of State government, provides post audits of the agencies' transactions.

STATE OF COLORADO
COMBINED BALANCE SHEET
JUNE 30, 1978
(Expressed in Thousands)

	General Fund	Current Restricted Fund	Special Revenue Funds	Enterprise Funds	Intra-Govt. Service Funds	Loan Endowment Trust & Agency Funds	Capital Const. Funds	Capital Assets Retirement of Indebtedness Funds	Fixed Asset Group of Accounts	State Treas. Fund	Elimination of Inter Fund Accts & Treas. Fund	Total
Assets												
Cash - Note 3	\$223,559	\$ (141)	\$ 46,635	\$ 3,798	\$(3,700)	\$ 96,586	\$53,117	\$ 9,735	\$ -	\$ 35,215	\$ 35,215	\$ 429,589
Short-Term Investments - Note 4	-	32	-	353	-	2,234	1,449	15,237	61	364,470	364,470	19,366
Accounts Receivable - Note 5	166,611	19,410	38,610	13,356	585	55,304	5,826	498	132	-	-	300,332
Less: Allowance for Doubtful Accounts	(53,947)	(5)	(2,022)	(628)	(18)	(6,157)	-	-	-	-	-	(62,777)
Due From Other Funds	1,884	1,151	2,434	1,369	225	3,756	2,995	251	-	-	14,065	-
Inventories - Note 6	3,351	80	3,813	13,436	2,770	76	-	-	-	-	-	23,526
Prepaid Expense	1,506	17	-	1,565	68	-	188	128	-	-	-	3,472
Advances	4,485	-	45	255	-	4	-	-	-	-	-	4,789
Other Current Assets	10	256	-	-	-	23	-	-	-	-	-	289
Long-Term Investments - Note 4	-	1,596	131,847	1,089	-	61,568	2,809	8,069	-	-	-	206,978
Property and Equipment - Note 2	-	-	-	5,077	2,148	9,789	6,016	-	1,087,524	-	-	1,110,554
Total Assets	\$347,459	\$22,396	\$221,362	\$39,670	\$ 2,078	\$223,183	\$72,400	\$33,918	\$1,087,717	\$399,685	\$413,750	\$2,036,118
Liabilities and Fund Balance												
Liabilities												
Accounts Payable	\$ 74,818	\$ 3,537	\$ 19,388	\$ 9,232	\$ 1,166	\$ 2,633	\$ 9,825	\$ 4,720	\$ 2,914	\$ 89,982	\$ 89,982	\$ 128,233
Retainage Payable	-	-	-	-	-	-	2,318	117	-	-	-	2,435
Due to Other Funds	3,687	2,479	2,801	3,667	357	111	917	34	12	309,703	323,768	-
Due to Local Governments	9,318	-	-	-	-	-	-	-	-	-	-	9,318
Undisbursed Tax Refunds	12,499	-	-	-	-	-	-	-	-	-	-	12,499
Deferred Revenue	37,200	1,163	11,078	4,812	14	4,591	1,577	57	-	-	-	60,492
Due to Federal Government	2,311	-	-	-	-	-	-	-	-	-	-	2,311
Accrued Interest Payable	-	-	-	-	-	-	-	152	-	-	-	152
Other Current Liabilities	1,698	-	31,357	959	-	10,851	2,600	-	-	-	-	47,465
Liability for Unpaid Losses - Note 9	-	-	86,168	-	-	-	-	-	-	-	-	86,168
Long-Term Indebtedness - Note 10	-	-	-	3,879	124	-	-	13,092	122,591	-	-	139,686
Total Liabilities	141,531	7,179	150,792	22,549	1,661	18,186	17,237	18,172	125,517	399,685	413,750	488,759
Fund Balance												
Restricted	163,414	15,217	70,570	17,121	417	204,997	55,163	15,746	962,200	-	-	1,504,845
Unrestricted	42,514	-	-	-	-	-	-	-	-	-	-	42,514
Total Fund Balance	205,928	15,217	70,570	17,121	417	204,997	55,163	15,746	962,200	-	-	1,547,359
Total Liabilities and Fund Balance	\$347,459	\$22,396	\$221,362	\$39,670	\$ 2,078	\$223,183	\$72,400	\$33,918	\$1,087,717	\$399,685	\$413,750	\$2,036,118

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO
 COMBINED STATEMENT OF REVENUES AND EXPENDITURES
 FOR THE FISCAL YEAR ENDED JUNE 30, 1978
 (Expressed in Thousands)

	General Fund	Current Restricted Fund	Special Revenue Funds	Enterprise Funds	Intra-Governmental Service Funds	Loan, Endowment Trust & Agency Funds	Capital Assets Construction Funds	Retirement of Indebtedness Funds	Elimination of Inter Fund Transactions & Treasurer's Fund	Total
Revenues										
Taxes	\$ 993,218	\$	\$133,383	\$	\$	\$27,737	\$ 547	\$	\$ 17,087	\$1,137,798
Licenses, Permits, and Fines	35,960		32,312			428	3,215		2,028	69,887
Charges for Goods and Services	144,360	39,051	65,036	127,009	18,892	5,678	2,312	3,386	48,147	357,577
Interest and Rents	36,583		13,504	1,623		18,868	1,680	270		72,528
Federal Grants and Contracts	336,359	78,478	268,569	395	602	10,682	10,464	195		705,744
Revenue Sharing and Title II	31,152						8,682		8,682	31,152
Transfers from General Fund							36,636		36,636	
Other	47,620	2,065	13,557	2,476	53	7,359	11,415	4,722	35,010	54,257
Total Revenues	1,625,252	119,594	526,361	131,503	19,547	70,752	74,951	8,573	147,590	2,428,943
Less: Revenue Deductions										
Distribution to Local Governments			45,805							45,805
Intrafund Transactions	36,723		483	34	29	10,457	421		48,147	
Distribution to Other Funds			19,115						19,115	
Net Revenues	1,588,529	119,594	460,958	131,469	19,518	60,295	74,530	8,573	80,328	2,383,138
Expenditures										
Salaries and Fringe Benefits	495,243	29,178	114,959	34,608	7,215	1,391	3,860	12		686,466
Operating Expense	102,570	45,775	156,874	79,661	12,285	4,375	2,318	4,762	48,147	360,473
Travel	7,044	3,010	1,642	2,200	46	142	1			14,085
Grants to Organizations and Individuals	205,457	13,721	137,644	740	5	985	481			359,033
Grants to Local Government Units	664,022	8	5,547	13		864	6,684			677,138
Purchase of Fixed Assets	9,462	4,054	15,146	2,548	43	85	43,981	41		75,360
Transfer to Capital Construction Fund	36,636								36,636	
Other	45,672	24,771	14,332	15,490	42	14,276	1,218	4,069	35,010	84,860
Total Expenditures	1,566,106	120,517	446,144	135,260	19,636	22,118	58,543	8,884	119,793	2,257,415
Less: Expenditure Deductions										
Intrafund Transactions	36,723		483	34	29	10,457	421		48,147	
Net Expenditures	1,529,383	120,517	445,661	135,226	19,607	11,661	58,122	8,884	71,646	2,257,415
Excess of Revenue Over (Under) Expenditures	\$ 59,146	\$ (923)	\$ 15,297	\$ (3,757)	\$ (89)	\$48,634	\$16,408	\$ (311)	\$ 8,682	\$ 125,723

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO
 COMBINED STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 1978
 (Expressed in Thousands)

	General Fund	Current Restricted Fund	Special Revenue Funds	Enterprise Funds	Intra-Govt. Service Funds	Loan Endowment Trust & Agency Funds	Capital Assets			Elimination of Inter Fund Transactions & Treas. Fund	Total
							Capital Const. Funds	Retirement of Indebtedness Funds	Fixed Asset Group of Accounts		
<u>Balance, July 1, 1977</u>	\$ 157,457	\$ 16,140	\$ 55,273	\$ 20,878	\$ 506	\$155,754	\$36,151	\$16,057	\$887,602	\$ -	\$1,345,818
Additions:											
Revenues	1,588,529	119,594	460,958	131,469	19,518	60,295	74,530	8,573	-	80,328	2,383,138
Fixed Assets	-	-	-	-	-	-	-	-	74,598	-	74,598
Transfer of Operations from General Fund	-	-	-	-	-	609	-	-	-	609	-
Prior Period Adjustment	-	-	-	-	-	-	987	-	-	-	987
Reclassification of Parks Restricted Fund Balance	-	-	-	-	-	-	1,463	-	-	-	1,463
Net Increase in Parks Restricted Fund Balance	-	-	-	-	-	-	154	-	-	-	154
	<u>1,588,529</u>	<u>119,594</u>	<u>460,958</u>	<u>131,469</u>	<u>19,518</u>	<u>60,904</u>	<u>77,134</u>	<u>8,573</u>	<u>74,598</u>	<u>80,937</u>	<u>2,460,340</u>
Deductions:											
Expenditures	1,529,383	120,517	445,661	135,226	19,607	11,661	58,122	8,884	-	71,646	2,257,415
Revenue Sharing Expenditures for Capital Construction	8,682	-	-	-	-	-	-	-	-	8,682	-
Change in Accounting Principles Concerning Brand Inspection Prior Year Revenues Deferred	1,384	-	-	-	-	-	-	-	-	-	1,384
Transfer of Operations to Various Funds	609	-	-	-	-	-	-	-	-	609	-
	<u>1,540,058</u>	<u>120,517</u>	<u>445,661</u>	<u>135,226</u>	<u>19,607</u>	<u>11,661</u>	<u>58,122</u>	<u>8,884</u>	<u>-</u>	<u>80,937</u>	<u>2,258,799</u>
<u>Balance, June 30, 1978</u>	\$ 205,928	\$ 15,217	\$ 70,570	\$ 17,121	\$ 417	\$204,997	\$55,163	\$15,745	\$962,200	\$ -	\$1,547,359

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STATE OF COLORADO
 COMBINED EXPENDITURES - BY DEPARTMENT
 FOR THE FISCAL YEAR ENDED JUNE 30, 1978
 (Expressed in Thousands)

Department	General Fund	Current Restricted Fund	Special Revenue Funds	Enterprise Funds	Intra-Governmental Service Funds	Loan Endowment & Trust Funds	Capital Construction Funds	Debt Service Funds	Total	Percentage of Total
Legislature	\$ 7,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,230	.3%
Judicial	38,631	-	-	-	-	243	-	-	38,874	1.6
Governor	6,891	-	-	-	198	-	199	-	7,288	.3
Administration	11,507	-	-	333	3,404	-	383	-	15,627	.7
Agriculture	7,534	-	-	-	-	-	89	-	7,623	.3
Education	483,986	-	-	-	-	-	26	-	484,012	20.4
Health	35,915	-	-	-	-	-	5,006	-	40,921	1.7
Higher Education	382,455	120,517	-	121,101	16,014	4,823	38,571	8,884	692,365	29.1
Highways	496	-	242,094	-	-	-	17	-	242,607	10.2
Institutions	99,447	-	-	539	-	410	735	-	101,131	4.3
Labor & Employment	3,499	-	186,907	27	-	-	125	-	190,558	8.0
Law	4,510	-	-	-	-	-	-	-	4,510	.2
Local Affairs	25,198	-	-	-	-	864	1,505	-	27,567	1.2
Military Affairs	1,555	-	-	-	-	-	-	-	1,555	.1
Natural Resources	16,921	-	17,143	-	-	11,429	8,962	-	54,455	2.3
Personnel	1,956	-	-	-	20	-	-	-	1,976	.1
Regulatory Agencies	9,506	-	-	-	-	220	-	-	9,726	.4
Revenue	23,961	-	-	-	-	-	214	-	24,175	1.0
Social Services	328,287	-	-	3,868	-	83	186	-	332,424	14.0
State	957	-	-	-	-	-	-	-	957	0.0
Treasury	1,144	-	-	-	-	-	-	-	1,144	0.0
Corrections	21,667	-	-	9,306	-	480	1,324	-	32,777	1.4
Budget & Planning	2,059	-	-	86	-	-	1,201	-	3,346	.1
Nonoperating	47,798	-	-	-	-	3,566	-	-	51,364	2.2
Nonrecurring	2,996	-	-	-	-	-	-	-	2,996	.1
	<u>\$1,566,106</u>	<u>\$120,517</u>	<u>\$446,144</u>	<u>\$135,260</u>	<u>\$19,636</u>	<u>\$22,118</u>	<u>\$ 58,543</u>	<u>\$8,884</u>	<u>2,377,208</u>	<u>100.0%</u>
Intrafund Transactions									(48,147)	
Interfund Transactions									(71,646)	
TOTAL									<u>\$2,257,415</u>	

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO
 COMBINED EXPENDITURES - BY FUNCTION
 FOR THE FISCAL YEAR ENDED JUNE 30, 1978
 (Expressed in Thousands)

Branch/Department	FUNCTION								Total (Memo Only)
	General Government	Business Community & Consumer Affairs	Education	Health & Rehabilitation	Justice	Natural Resources	Social Assistance	Transportation	
Legislature	\$ 7,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,230
Judicial	-	-	-	-	38,874	-	-	-	38,874
Governor	7,288	-	-	-	-	-	-	-	7,288
Administration	15,627	-	-	-	-	-	-	-	15,627
Agriculture	-	7,623	-	-	-	-	-	-	7,623
Education	-	-	484,012	-	-	-	-	-	484,012
Health	-	-	-	40,921	-	-	-	-	40,921
Higher Education	-	-	692,365	-	-	-	-	-	692,365
Highways	-	-	-	-	-	-	242,607	-	242,607
Institutions	-	-	-	88,740	12,391	-	-	-	101,131
Labor & Employment	-	70,179	-	-	-	-	120,379	-	190,558
Law	-	-	-	-	4,510	-	-	-	4,510
Local Affairs	-	14,800	-	-	10,668	2,099	-	-	27,567
Military Affairs	1,555	-	-	-	-	-	-	-	1,555
Natural Resources	-	-	-	-	-	54,455	-	-	54,455
Personnel	1,976	-	-	-	-	-	-	-	1,976
Regulatory Agencies	-	9,119	-	-	607	-	-	-	9,726
Revenue	24,175	-	-	-	-	-	-	-	24,175
Social Services	-	-	-	-	-	-	332,424	-	332,424
State	957	-	-	-	-	-	-	-	957
Treasury	1,144	-	-	-	-	-	-	-	1,144
Corrections	-	-	-	-	32,777	-	-	-	32,777
Budget & Planning	3,346	-	-	-	-	-	-	-	3,346
Nonoperating	50,466	898	-	-	-	-	-	-	51,364
Nonrecurring	-	-	685	-	-	-	2,311	-	2,996
Total By Function	<u>\$113,764</u>	<u>\$102,619</u>	<u>\$1,177,062</u>	<u>\$129,661</u>	<u>\$99,827</u>	<u>\$56,554</u>	<u>\$455,114</u>	<u>\$242,607</u>	<u>2,377,208</u>
Intrafund Transactions	-	-	-	-	-	-	-	-	(48,147)
Interfund Transactions	-	-	-	-	-	-	-	-	(1,646)
TOTAL for 1978									<u>\$2,257,415</u>
Percentage By Function	<u>4.8%</u>	<u>4.3%</u>	<u>49.5%</u>	<u>5.5%</u>	<u>4.2%</u>	<u>2.4%</u>	<u>19.1%</u>	<u>10.2%</u>	<u>100.0%</u>
Total for 1977	\$104,371	\$ 81,671	\$1,087,946	\$118,381	\$86,034	\$47,047	\$458,650	\$223,675	\$2,207,775

The accompanying notes are an integral part of this unaudited financial statement.

NOTES TO COMBINED FINANCIAL STATEMENTS

1. CONTENTS OF STATEMENTS

The combined statements include activity of all State funds and Groups of Accounts. The combined statements do not include activities of Higher Education Foundations and Alumni Associations. These legal entities are independent of the respective Institutions of Higher Education but support their activities. Separate financial reports are prepared for each of these entities and are available upon request to the respective institution.

2. STATEMENT OF ACCOUNTING POLICIES

The accounting policies of the State of Colorado conform to generally accepted accounting principles as applicable to governmental units. The financial statements are prepared on the modified accrual basis of accounting. The following is a summary of the significant policies:

A. Revenues

Revenue of determinable amount is recorded when earned and self-assessed revenues such as income taxes are recorded when received. Revenues earned under the terms of agreements with outside sources (e.g., contracts and grants from the Federal government) are recorded at the time expenditures are made.

B. Expenditures

Expenditures are recorded on the modified accrual basis of accounting.

C. Fund Accounting

The State maintains its accounting in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific revenues and expenditures. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds.

For financial statement presentation, like kinds of funds are combined and reported as a fund group. For example, the State may have a number of individual "Loan, Endowment, Trust and Agency" funds which are grouped together in the financial statements.

The accounting profession has developed a common classification of funds so that there is a basis for comparability of financial statements of different entities. A brief description of each of the funds follows.

- (1) General Fund -- The general fund is the principal operating fund in State government. It includes all those operations financed from the unrestricted general revenues of the State. The general fund includes all the transactions not recorded in other funds.

The fund's revenues include general taxes and revenues generated by agency operations that augment State sources such as institutional care and federal grants and contracts. A significant portion of the fund's expenditures are monies passed through to local elementary and secondary school districts and to the colleges and universities.

- (2) Current Restricted Fund -- The financial statements published by the colleges and universities reflect their current activities in a different manner than is recorded in the State Central Accounting System. Consequently, the general fund statement has been separated into two categories; namely, general fund and current restricted fund, to endeavor to reflect more accurately the operations of higher education. The current restricted fund includes higher education grants and contracts for specific purposes such as research and specific student programs.

- (3) Special Revenue Funds -- Special revenue funds account for specific revenues designated to finance specific activities. The individual funds included in this group are:

HIGHWAY FUND

Proceeds from excise taxes on motor fuels, driver and vehicle registration fees, and ton-mile taxes provide the revenues of this fund which are used primarily for the construction and maintenance of public highways in the State.

WILDLIFE FUND

Hunting and Fishing license fees are used to preserve the State's wildlife and provide outdoor recreational facilities.

EMPLOYMENT FUND

From funds provided by the Federal government, the fund provides employment services and pays out unemployment insurance benefits.

COMPENSATION INSURANCE FUND

Acting in the same capacity as a private insurance company, the fund provides workmen's compensation payments to employees

injured or killed in industrial accidents. The required revenues are provided by a fee based on the amount of each employer's payroll.

COLORADO MEDICAL DISASTER INSURANCE FUND, THE COLORADO MAJOR MEDICAL INSURANCE FUND, AND THE SUBSEQUENT INJURY FUND

These funds are designed to provide additional medical or injury award payments to those provided by the Compensation Insurance Fund. The primary source of revenue for this purpose is a tax on compensation insurance premiums.

- (4) Enterprise Funds -- In this type of fund, the State provides a service to the general public which is financed by charges to the users. An example is the State Veteran's Nursing Home.
- (5) Intra-governmental Service Funds -- These funds are established to finance and account for services and commodities furnished by a designated agency to other departments of State government. Examples are: Central Stores, motor pool, and the print shop operation.
- (6) Loan, Endowment, Trust, and Agency -- These funds are similar in nature and therefore are combined and reported on as a group. The basic similarity of the funds is the custodianship of monies received.

A loan fund accounts for the receipt of monies from private sources and federal student loan assistance programs and the loaning of these monies to students, faculty and staff. The terms of gift agreements usually specify that the funds operate on a revolving fund basis; i.e., repayments of principal and interest are loaned to other individuals.

Endowment funds are funds with respect to which donors or other outside agencies have stipulated, as a condition of the gift, that the principal must be retained intact and invested for the purpose of producing present and future income which may either be expended or added to the principal.

Trust and agency fund activity, as the name implies, consists solely of accounting for monies placed in the custody of the trustee or agent for safekeeping. The receipt or withdrawal of such monies has no financial impact on the State.

- (7) Capital Assets -- This fund group is separated into three major subgroups. A brief description of each of the subgroups follows.

CAPITAL CONSTRUCTION FUNDS

The capital construction funds subgroup is comprised of what is regularly referred to as the "capital construction fund" and other capital construction funds, which include the unexpended plant funds of higher education. The "capital construction fund" is the fund referred to in the "Long Bill".

The distinction between these two categories within the capital construction funds subgroup is primarily in the source of the monies which are used for the acquisition and construction of plant facilities in both instances.

The revenues of the "capital construction fund" consist of the general revenues transferred from the general fund and federal sources.

The revenues of the "other capital construction funds" are from special sources, such as donations, fees or federal sources and do not include any revenues from the general fund.

A supplemental schedule segregating the two capital construction activities is included in the financial statements. The fund balance of each category normally represent amounts remaining unexpended at the reporting date.

FUNDS FOR RETIREMENT OF INDEBTEDNESS

The title of this subgroup is self-explanatory. However, for financial statement purposes, funds for renewals and replacements have been combined in this subgroup. These two fund types are used in higher education only.

Fund balances in retirement of indebtedness funds represent resources held for retirement of and interest on debt and include sinking funds established under bond indentures, mortgage amortization payments accumulated but not yet due, and other resources accumulated for interest and debt retirement. Separate accounts are ordinarily maintained for each debt.

Fund balances in renewals and replacement funds represent unexpended resources held for renewal and replacement of physical plant. An account is usually maintained for each specific project.

FIXED ASSETS GROUP OF ACCOUNTS

Assets of this subgroup consist of land, buildings, improvements other than buildings, equipment and library books. The basis of valuation for assets purchased

or constructed is cost; for assets acquired by gift, it is fair market value at date of gift. Construction in progress may be included in this subgroup if it is not included in the capital construction funds subgroup.

Investment-in-plant funds of higher education are included here. Fixed assets not recorded in enterprise, intra-governmental service, and trust and agency funds are included in this fixed asset group of accounts.

D. Property and Depreciation

Except for the fixed assets recorded in the enterprise, intra-governmental service, trust and agency, and certain capital construction funds, fixed assets are recorded in the General Fixed Asset Group of accounts rather than in the fund in which they are acquired. Property and equipment are recorded at cost, except where acquired by gift. In these instances, the estimated or appraised fair market value at the date of acquisition is recorded. Generally, all items having a cost in excess of \$100 and an estimated useful life of one year are capitalized. Depreciation of fixed assets is recorded only in the enterprise and intra-governmental funds. The amount of such provisions are not significant.

E. Eliminations

Substantially all the intrafund transactions and balances have been eliminated.

3. CASH

The State Treasurer acts as a bank for all State agencies. Monies deposited with the Treasurer are invested until the cash is needed. The detailed composition of the cash and investments held is shown in the annual Treasurer's Report which is reported on the cash basis of accounting. The State maintains numerous cash accounts for administrative purposes. The cash reflected on the balance sheet is the composite amount of all accounts although some of the individual accounts may be periodically overdrawn.

The June 30 cash balances expressed in thousands are:

	1978	1977
Cash on Hand and in Bank	\$ 51,391	\$ 48,460
Cash in Custody of State Treasurer	304,600	236,258
Unemployment Insurance Cash with Fed. Govt.	<u>73,598</u>	<u>42,792</u>
Total	<u>\$429,589</u>	<u>\$327,510</u>

Cash on Hand and in Banks is used by agencies for day-to-day operational and administrative expenditures.

The cash balances on deposit with the State Treasurer are either used to meet short-term working capital requirements, such as paying warrants, or invested in various securities.

4. INVESTMENTS

Short-term investments consist primarily of U.S. Government securities which are generally recorded at cost.

Long-term investments are generally recorded at cost. The following is a summary of long-term investments by type of investment at June 30, 1978.

	(Expressed in Thousands)
U.S. Government Securities	\$ 43,908
Corporate Bonds	32,843
Mortgage Loans	97,488
Other Types	<u>32,739</u>
Total Long-Term Investments	<u>\$206,978</u>

5. ACCOUNTS RECEIVABLE

Accounts receivable and their respective allowances at June 30, 1978, and June 30, 1977, were comprised of the following major categories:

	(Expressed in Thousands)			
	1978		1977	
	Receivable	Allowance	Receivable	Allowance
Operations	<u>\$237,572</u>	<u>\$23,365</u>	<u>\$197,587</u>	<u>\$12,095</u>
Interest	4,415		3,345	
Taxes	52,081	39,412	32,962	16,150
Revenue Sharing	<u>6,264</u>		<u>6,089</u>	
Total	<u>\$300,332</u>	<u>\$62,777</u>	<u>\$239,983</u>	<u>\$28,245</u>

Allowances for estimated uncollectible receivables are recorded through charges to income. Included in charges to income are allowances for indigent care at the various hospitals and institutions.

The receivables in the operations category include tuitions, patient care, dormitory fees, amounts due for services rendered on programs sponsored by the Federal government, private sources, and various other recurring transactions.

6. INVENTORY

The State's inventories consist primarily of consumable items such as office supplies, institutional medical and linen inventories,

repair and maintenance items and vocational shop materials. Also included in the inventory is an immaterial amount of finished goods produced and held for resale by such units as the Department of Corrections.

Inventories are stated at the lower of cost or market utilizing a variety of methods (i.e., LIFO, FIFO, average), the method remaining consistent from year to year in each specific State agency.

Food stamp coupons and surplus commodities held in safekeeping by the Department of Social Services are not included in the inventory. These inventories are held on consignment and are not owned by the State of Colorado. These inventories held on consignment by the Department of Social Services at June 30, 1978, and June 30, 1977, are as follows:

	(Expressed in Thousands)	
	1978	1977
Food Stamp Coupons	\$3,373	\$7,079
Surplus Commodities-Dry Foods	1,432	607
Surplus Commodities-Frozen Foods	<u>419</u>	<u>19</u>
Total	<u>\$5,224</u>	<u>\$7,705</u>

7. DUE TO LOCAL GOVERNMENTS

The amounts included in Due to Local Governments at June 30, 1978, and June 30, 1977, are as follows:

	(Expressed in Thousands)	
	1978	1977
Cities	\$2,707	\$2,128
Counties	2,932	2,183
RTD	<u>3,679</u>	<u>2,936</u>
Total	<u>\$9,318</u>	<u>\$7,247</u>

8. DEFERRED REVENUE

Summer school tuition revenues collected by Institutions of Higher Education at June 30, are deferred to the subsequent year.

Revenue collected (by agencies other than Higher Education) from the Federal government and other sponsors is recorded as deferred revenue until such time as expenditures are made. Institutions of Higher Education record unearned receipts as Restricted Fund Balance. State Compensation Insurance premiums are recognized as earned in the period of coverage.

9. LIABILITY FOR UNPAID LOSSES

The \$86.2 million liability for unpaid losses relates to the State Compensation Insurance Fund. This amount is a liability for the payment of claims.

10. LONG-TERM INDEBTEDNESS

By Constitutional Article, the State of Colorado cannot enter into general purpose debt financing. Accordingly, all long-term debts are self-liquidating and relate to facilities of the colleges and universities and Trinidad State Nursing Home. Long-term debt expressed in thousands at June 30, 1978, consisted of:

	ORIGINAL BALANCE	RANGE OF INTEREST RATES	UNPAID BALANCE
Colleges and Universities	\$172,759	2.4% - 8.25%	\$136,428
Trinidad State Nursing Home	1,700	4.5% - 5.0%	1,220
Lease Purchase Agreements			<u>2,038</u>
Total			<u>\$139,686</u>

11. OUTSTANDING ENCUMBRANCES

On June 30, 1978, outstanding encumbrances in all funds amounted to \$142,235,200. This amount included \$91,887,600 from the Highway Fund and \$21,581,000 from the Capital Construction Fund.

12. CONTINGENCIES

Many State agencies enter into various grant and contract agreements with the Federal government and other parties. These agreements generally provide for audits of the transactions pertaining to the agreements with the State being liable to those parties for any disallowed expenditures. It is believed that any such adjustments will not be significant in amount.

There are also various claims and litigations pending, incident to the operation of State government. A contingent liabilities report from the Colorado Attorney General's Office is included at the end of these notes.

13. PENSION COSTS

The State has a joint contributory retirement plan for substantially all employees.

During plan year-ended June 30, 1978, the contributory percentages of participant salaries provided by the State and by the participant approximated 10.64% and 7.75%, respectively.

It is the State's intent to fund pension costs as accrued. However, due to the comprehensive actuarial estimating process, funding which is based on a percentage of gross salaries in any one given year may not equal the accrued liability for the period. In this event, the temporary deficiency would be computed into the actuarial estimates used to determine the amortization period of the prior service costs and possibly could effect the future contributory percentages.

Total pension cost charged to State operations for the year ended June 30, 1977, was \$49,287,090 and for June 30, 1978, \$52,994,417, which at current rates and actuarial assumptions would fund benefits earned during the periods and provide for the amortization of prior service liabilities over 39 years and 38 years, respectively.

As of the latest valuation date, December 31, 1977, the actuarially computed value of pension liability exceeded plan assets by \$412,011,004 of which \$340,843,085 related to unfunded vested benefits. This data was obtained from the Public Employees' Retirement Association's (P.E.R.A.) financial information.

14. LEASE COMMITMENTS

State agencies may enter into lease or rental agreements for the use of property or equipment. Such contracts provide that any commitments for expenditures beyond the current year are contingent upon funds being appropriated for such purposes and consequently limits any liability.



J.D. MacFarlane
Attorney General
David W. Robbins
Deputy Attorney General
Edward G. Donovan
Solicitor General

The State of Colorado
DEPARTMENT OF LAW
OFFICE OF THE ATTORNEY GENERAL

STATE SERVICES BUILDING
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Phone 839-3611 & 839-3621

M E M O R A N D U M

September 25, 1978

TO: Jim Stroup
Assistant State Controller

FROM: John Boyd *YEB*
First Assistant Attorney General

RE: Contingent Liabilities of the State
as of June 30, 1978

Attached is a memo from K. G. Counts in response to your request for information regarding the contingent liabilities of the State. The listing includes all cases where the amount in controversy either exceeds \$100,000 or is unknown at the present time.

This does not include cases which have been referred to the State's insurance carrier. I have requested that their attorneys, the firm Yegge, Hall and Evans provide you with similar information for cases which they are handling where there could be liability to the State in excess of \$100,000.

cc: David Robbins



J.D. MacFarlane
Attorney General

David W. Robbins
Deputy Attorney General

Edward G. Donovan
Solicitor General

The State of Colorado

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OFFICE OF THE ATTORNEY GENERAL

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September 12, 1978

MEMORANDUM

TO: John E. Boyd
First Assistant Attorney General
Administration

FROM: K. G. Counts *lc*
Investigator
Litigation Section

SUBJECT: Contingent Liabilities

Pursuant to our conversation of September 11, 1978, attached is a listing of cases submitted by our attorneys for the required footnoting by the State Controller for the June 30, 1978 General Fund statement.

The listing only contains those cases wherein the prayer exceeds \$100,000 or is unknown, and does not include those cases that have been referred to Yegge, Hall & Evans for their representation under the provisions of our general liability policy with the Gulf Insurance Company.

KGC/kak

Attachment

CONTINGENT LIABILITIES REPORT AS OF JUNE 30, 1978

<u>Case Entitlement</u>	<u>Amount</u>	<u>Comments</u>
Western Food Plan, Inc. v. MacFarlane	10,000,000.	Highly doubtful State will lose
Western Food Plan, Inc. v. MacFarlane	10,000,000.	As above
Dunlap v. Sanderson	160,000.	As above
Bernstein et. al. v. Livingston et. al.	Unk.	As above
Johnson v. Leidig	100,000.	State should prevail
Kahler v. Tanksley	700,000.	As above
Shafer, et. al. v. Peterson, et. al.	1,000,000.	Highly doubtful State will lose
Income Realty and Mortgage Co. v. Colorado Real Estate Comm., et. al.	1,500,000.	It is doubtful if any damages will be sustained or any liability.
Buck v. Dept. of Education	100,000.	The damages prayed for are higher than actual damages. Liability is not cer- tain.
LeRoy Johnson v. Colorado State Hospital	100,000.	Slim possibility of recovery of any amount.
Martinez v. State of Colorado, et al.	1,100,000.	Substantial possibility that we will be able to successfully defend.
Marguerite Smith v. Colorado State Veterans Center	700,000.	No opinion
Alpine Meadows Inc. v. State of Colorado	20,000. (Monthly)	Preliminary injunction entered requir- ing State to pay \$20,000 a month (Medicaid) pending agency hearing. Injunction will be appealed.

<u>Case Entitlement</u>	<u>Amount</u>	<u>Comments</u>
David Lee Bends v. Officer Scutti, et al.	50,000. mental cruelty; 50,000 punitive	Favorable to Defendants
Perry L. Bingham v. Lloyd Swedhim	1,250,000. (punitive) 1,300,000. (exemplary)	Favorable to Defendants
Brian Clements v. Officer John Rodriguez, et al.	150,000. (punitive)	Favorable to Defendants
Rosando Martinez v. Colorado Board of Parole	500,000. (punitive) 300,000. (exemplary)	Favorable to Defendants
Reginald Girro v. Donald R. Evans	125,000. (compensatory) 150,000. (punitive)	Favorable to Defendants
Richard Austin Pierson v. George Levy, et al.	200,000. (punitive)	Favorable to Defendants

STATE OF COLORADO

GENERAL FUND
BALANCE SHEETJUNE 30, 1978 AND 1977
(Expressed in Thousands)

	JUNE 30	
	1978	1977
<u>ASSETS</u>		
Cash	\$223,559	\$169,818
Accounts Receivable, Net of Allowances for Doubtful Accounts of \$53,947 and \$22,542, respectively	112,664	107,793
Due from Other Funds	1,884	1,876
Inventories	3,351	3,499
Prepaid Expense	1,506	2,011
Advances	4,485	5,978
Other	10	235
<u>Total Assets</u>	<u>\$347,459</u>	<u>\$291,210</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 74,818	\$ 59,812
Due to Other Funds	3,687	14,439
Due to Local Governments	9,318	7,247
Undisbursed Tax Refunds	12,499	7,727
Deferred Revenue	37,200	45,787
Due to Federal Governments	2,311	--
Other	1,698	124
<u>Total Liabilities</u>	<u>141,531</u>	<u>135,136</u>
<u>FUND BALANCE</u>		
Restricted Fund Balance:		
Property Tax Relief	60,082	--
Revenue Sharing Appropriated to Capital Construction	6,017	13,583
General Cash Revolving	15,000	15,000
Old Age Pension Stabilization	5,000	5,000
Revenue Restricted for Specific Agency Appropriation	3,717	7,493
Oil Shale	69,206	68,538
Appropriations Rolled Forward	4,392	3,128
<u>Total Restricted Fund Balance</u>	<u>163,414</u>	<u>112,742</u>
Unrestricted Fund Balance	42,514	43,332
<u>Total Fund Balance</u>	<u>205,928</u>	<u>156,074</u>
<u>Total Liabilities and Fund Balance</u>	<u>\$347,459</u>	<u>\$291,210</u>

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO

GENERAL FUND
STATEMENT OF REVENUE
FOR THE FISCAL YEARS ENDED JUNE 30, 1978 AND 1977
(Expressed in Thousands)

	1978			Over (Under) Revised Estimate	1977 Actual
	Actual	Estimate Original	Revised		
REVENUES:					
Excise Taxes					
Sales	\$ 387,163	\$ 364,000	\$ 370,000	\$ 17,163	\$ 325,475
Use	37,591	36,500	37,500	91	34,095
Liquor	22,143	22,400	21,500	643	20,275
Cigarette	48,651	51,900	49,000	(349)	33,242
Other	3,285	3,000	3,200	85	2,810
Income Taxes					
Individual	442,734	439,700	422,300	20,434	368,933
Corporate	89,326	74,900	91,200	(1,874)	79,970
Other Revenue					
Inheritance and Gift Tax	22,420	21,700	23,500	(1,080)	24,160
Insurance Taxes	31,134	28,400	30,000	1,134	27,836
Pari-Mutuel					
Racing Tax	7,697	7,500	7,500	197	6,505
Interest	11,965	11,500	9,800	2,165	9,951
Severance Tax	6,604	5,500	5,700	904	--
Court Receipts	5,901	5,700	5,500	401	5,103
Other	16,174	15,500	14,000	2,174	13,714
	<u>1,132,788</u>	<u>1,088,200</u>	<u>1,090,700</u>	<u>42,088</u>	<u>952,069</u>
Less Revenue Deductions	101,077	93,800	96,200	4,877	60,637
<u>Net General Revenue</u>	<u>1,031,711</u>	<u>994,400</u>	<u>994,500</u>	<u>37,211</u>	<u>891,432</u>
Revenue Sharing and Title II	31,152	30,900	30,900	252	29,800
Federal Augmenting	310,852	361,377	361,377	(50,525)	279,272
Other Augmenting	251,536	279,481	279,481	(27,945)	275,105
	<u>1,625,251</u>	<u>1,666,158</u>	<u>1,666,258</u>	<u>(41,007)</u>	<u>1,475,609</u>
Less Intrafund Transactions	36,723	36,723	36,723	--	35,372
<u>Total Revenues</u>	<u>\$1,588,528</u>	<u>\$1,629,435</u>	<u>\$1,629,535</u>	<u>\$(41,007)</u>	<u>\$1,440,237</u>

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO

GENERAL FUND APPROPRIATION COMPARED WITH EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30, 1978 AND 1977
(Expressed in Thousands)

	1978				1977			
	NET		APPROPRIATION	NET	NET		APPROPRIATION	NET
	APPROPRIATION	EXPENDITURE	TRANSFERRED to 1978-79	REVERSION	APPROPRIATION	EXPENDITURE	TRANSFERRED to 1977-78	REVERSION
Legislature	\$ 9,116	\$ 7,205	\$1,185	\$ 726	\$ 7,357	\$ 6,284	\$ 295	\$ 778
Judicial	37,656	37,536	222	(102)	34,410	34,263	119	28
Governor	1,558	1,484	48	26	2,730	2,282	233	215
Administration	7,816	7,315	193	308	8,171	7,942	184	45
Agriculture	4,329	4,143	121	65	3,904	3,873	1	30
Education	407,066	406,357	3	706	375,140	374,579	42	519
Health	16,295	16,033	90	172	12,074	11,906	24	144
Higher Education	208,111	204,940	645	2,526	205,542	204,119	314	1,109
Highways	521	496	-	25	166	166	-	-
Institutions	47,160	43,539	207	3,414	63,014	62,159	98	757
Labor and Employment	2,491	2,416	62	13	2,211	2,175	4	32
Law	3,379	3,195	126	58	2,948	2,780	111	57
Local Affairs	10,183	9,152	358	673	8,982	7,954	791	237
Military Affairs	887	824	24	39	847	832	4	11
Natural Resources	10,805	10,175	239	391	10,409	9,786	312	311
Personnel	1,710	1,655	-	55	1,579	1,588	-	(9)
Regulatory Agencies	6,589	6,143	26	420	5,722	5,691	-	31
Revenue	8,846	9,154	-	(308)	8,253	8,670	26	(443)
Social Services	114,981	114,208	233	540	100,862	100,084	237	541
State	968	957	8	3	1,145	1,134	13	(2)
Treasury	1,186	1,127	49	10	1,015	1,015	-	-
Corrections	21,385	20,232	482	671	18,711	18,560	125	26
Budget and Planning	1,588	1,484	71	33	1,631	1,430	195	6
Nonoperating	44,831	44,843	-	(12)	32,371	32,360	-	11
Nonrecurring	-	2,996	-	(2,996)	-	-	-	-
Total Expenditures Funded by General Revenues	<u>\$969,457</u>	957,609	<u>\$4,392</u>	<u>\$7,456</u>	<u>\$909,194</u>	901,632	<u>\$3,128</u>	<u>\$4,434</u>
Augmenting Expenditures		608,497				553,239		
Intrafund Transactions		(36,723)				(35,371)		
Total Expenditures		<u>\$1,529,383</u>				<u>\$1,419,500</u>		

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO
GENERAL FUND
STATEMENT OF CHANGES IN UNRESTRICTED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 1978
(Expressed in Thousands)

	OTHER AUGMENTING	FEDERAL AUGMENTING	FEDERAL TITLE II AND REVENUE SHARING	GENERAL	INTRA FUND TRANSACTIONS	TOTAL
<u>Unrestricted Fund Balance,</u> <u>July 1, 1977</u>	--	--	\$29,874	\$ 13,458	--	\$ 43,332
<u>Additions:</u>						
Excess Revenue from Operations Revenue	\$251,537	\$310,852	31,151	1,031,711	\$(36,723)	1,588,528
Less Expenditures	(253,556)	(310,852)	(44,089)	(957,609)	36,723	(1,529,383)
<u>Excess Revenue from</u> <u>Operations</u>	(2,019)	--	(12,938)	74,102	--	59,145
Decrease in Reserve for Revenue Sharing Appropriation to Capital Construction	--	--	7,565	--	--	7,565
Decrease in Revenue Restricted for Specific Purposes	2,019	--	--	1,089	--	3,108
<u>Total Additions</u>	--	--	(5,373)	75,191	--	69,818
<u>Deductions:</u>						
Transfers to Capital Construction Fund	--	--	8,682	--	--	8,682
Increase in Appropriations Rolled Forward	--	--	--	1,263	--	1,263
Transfers to Other Funds	--	--	35	574	--	609
<u>Total Deductions</u>	--	--	8,717	1,837	--	10,554
<u>Unrestricted Fund Balance</u> <u>Before Provision for Property</u> <u>Tax Relief</u>	--	--	15,784	86,812	--	102,596
Amount Available for Property Tax Relief	--	--	--	60,082	--	60,082
<u>Unrestricted Fund Balance,</u> <u>June 30, 1978</u>	--	--	\$15,784	\$ 26,730	--	\$ 42,514

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO
GENERAL FUND
ANALYSIS OF APPROPRIATION
(Excluding Revenue Sharing)
July 1, 1977 - June 30, 1978

Agency Name	Long Bill Amount	Special Bills		Roll Forward Appropriation	Supplementals		Transfers In-(Out)	Total General Fund
		Number	Amount		Bill Number	Amount		
Legislative Branch								
General Assembly	-	HB 1720	\$ 2,860,327	-	HB 1256	\$ 275,000*	\$ (27,489)	\$ 3,107,838
Joint Budget Committee	-	HB 1720	335,276	-	-	-	687	335,963
Legislative Council	-	SB 587	20,000	-	-	-	-	-
	-	HB 1720	1,832,291	\$ 63,000	-	-	-	1,915,291
Office of State Auditor	-	HB 1720	2,261,857	1,300	SB 46	58,000*	2,896	2,324,053
Legislative Drafting	-	HB 1720	670,635	35,500	-	-	13,865	720,000
Revisor of Statutes	-	HB 1720	506,750	195,750	-	-	-	702,500
Commission on Uniform Laws	-	-	-	-	-	-	10,500	10,500
Total Legislative Branch			<u>8,487,136</u>	<u>295,550</u>		<u>333,000</u>	<u>459</u>	<u>9,116,145</u>
Judicial Branch								
Judicial Administration	\$ 33,404,239	HB 1207	10,824	119,588	SB 64	13,225	70,182	34,717,616
	-	SB 186	35,234	-	SB 126	488,904	-	-
	-	SB 414	2,439	-	-	-	-	-
	-	SB 238	161,970	-	-	-	-	-
	-	SB 269	411,011	-	-	-	-	-
Public Defender	2,796,785	-	-	-	SB 126	28,035	113,034	2,937,854
Total Judicial Branch	<u>36,201,024</u>		<u>621,478</u>	<u>119,588</u>		<u>530,164</u>	<u>183,216</u>	<u>37,655,470</u>
Office of Governor								
Administration Office	1,180,347	HB 1723	150,000	219,763	-	-	(172,085)	1,378,025
Land Use Commission	58,557	-	-	892	-	-	(58,557)	892
Lt. Governor	133,677	-	-	8,312	-	-	-	141,989
Human Resources	28,121	-	-	-	-	-	-	28,121
Rural Development	-	-	-	3,730	-	-	-	3,730
Energy Conservation	-	-	-	-	-	-	1,367	1,367
Medicaid Fraud Unit	-	-	-	-	-	-	5,000	5,000
Total Office of Governor	<u>1,400,702</u>		<u>150,000</u>	<u>232,697</u>			<u>(224,275)</u>	<u>1,559,124</u>
Department of Administration								
Executive Director	540,268	-	-	5,447	-	-	20,673	566,388
Accounts and Control	872,884	-	-	-	-	-	(29,247)	843,637
Archives	233,944	-	-	162,482	HB 1248	(8,097)	(146,099)	242,230

* In passing the bill appropriating these funds, the General Assembly considered this amount to be an expenditure for 1978-79 within the general fund spending limit established by 24-75-201.1, CRS 1973.

STATE OF COLORADO
GENERAL FUND
ANALYSIS OF APPROPRIATION
(Excluding Revenue Sharing)
July 1, 1977 - June 30, 1978

Agency Name	Long Bill Amount	Special Bills		Roll Forward Appropriation	Supplementals		Transfers In-(Out)	Total General Fund
		Number	Amount		Bill Number	Amount		
Department of Administration								
A.D.P.	\$ 2,534,518	-	-	-	HB 1248	\$ 87,000	\$ (24,466)	\$ 2,597,052
Purchasing	259,396	-	-	-	SB 63	50,119	16,219	325,734
Maintenance Capitol Bldgs.	2,433,451	-	-	\$ 6,244	HB 1248	129,548	(67,316)	2,501,927
Communications	670,850	SB 454	\$ 15,500	10,147	HB 1248	7,996	34,611	739,104
Total Dept. of Adm.	7,545,311		15,500	184,320		266,566	(195,625)	7,816,072
Department of Agriculture								
	3,918,245		-	924	SB 80	80,000*	-	-
Total Dept. of Agri.	3,918,245		-	924	HB 1236	30,186	299,862	4,329,217
						110,186	299,862	4,329,217
Department of Education								
Administration	377,713,674	HB 1409	400,000	42,479		-	118,612	404,510,203
	-	SB 30	2,865,901	-		-	-	-
	-	SB 589	2,485,000	-		-	-	-
	-	SB 138	20,884,537	-		-	-	-
School for Deaf & Blind	2,415,925		-	-	SB 66	27,457	112,828	2,556,210
Total Dept. of Educ.	380,129,599		26,635,438	42,479		27,457	231,440	407,066,413
Health Department								
	15,193,487	SB 473	444,754	24,444	SB 120	102,297	482,094	16,294,740
	-	HB 1580	27,148	-	SB 60	20,516	-	-
Total Dept. of Health	15,193,487		471,902	24,444		122,813	482,094	16,294,740
Higher Education								
Commission on Higher Educ.	18,141,633	SB 341	7,392	-		-	20,574	18,172,999
	-	SB 398	3,400	-		-	-	-
Arts & Humanities	284,458		-	-		-	5,684	290,142
Historical Society	1,003,689		-	60,111		-	37,782	1,101,582
Regents - C.U.	257,711		-	-		-	6,523	264,234
C.U. - Boulder	26,738,503		-	4,944	HB 1238	(814,680)	1,634,350	27,563,117
C.U. - Medical Center	20,705,914	HB 1421	110,400	56,262		-	2,147,200	23,019,776
C.U. - Denver Center	6,358,801		-	-	HB 1238	(21,680)	161,648	6,498,769
C.U. - Colo. Spg. Center	3,312,347		-	-	HB 1238	701	90,968	3,404,016

* In passing the bill appropriating these funds, the General Assembly considered this amount to be an expenditure for 1978-79 within the general fund spending limit established by 24-75-201.1, C.R.S. 1973.

STATE OF COLORADO
GENERAL FUND
ANALYSIS OF APPROPRIATION
(Excluding Revenue Sharing)
July 1, 1977 - June 30, 1978

Agency Name	Long Bill Amount	Special Bills		Roll Forward Appropriation	Supplementals		Transfers In-(Out)	Total General Fund
		Number	Amount		Bill Number	Amount		
Higher Education (cont)								
School of Mines	\$ 4,952,040	-	-	-	HB 1238	\$ 182,425	\$ 165,422	\$ 5,299,887
Energy Resource Institute	928,513	-	-	\$ 20,598	-	-	(549)	948,562
Colorado State Univ.	20,434,657	-	-	-	HB 1238	77,430	330,039	20,842,126
C.S.U. - Experiment Sta.	3,840,845	-	-	-	-	-	379,988	4,220,833
C.S.U. - Extension Service	3,246,090	-	-	-	-	-	284,378	3,530,468
C.S.U. - Forest Service	947,873	-	-	102,000	HB 1238	17,389	185,869	1,253,131
Fort Lewis College	2,961,695	-	-	-	HB 1238	65,832	65,554	3,093,081
Cent. Administration of State Colleges	147,835	-	-	-	-	-	12,367	160,202
Adams State College	3,311,160	-	-	-	-	-	83,788	3,394,948
Mesa College	3,486,491	-	-	-	HB 1238	14,560	70,331	3,571,382
Metropolitan State College	7,419,995	-	-	-	HB 1238	18,995	87,106	7,526,096
Univ. of Southern Colorado	7,336,091	-	-	-	HB 1238	(21,835)	196,883	7,511,139
Univ. of Northern Colorado	13,609,138	-	-	-	HB 1238	193,675	358,030	14,160,843
Western State College	3,329,082	-	-	-	HB 1238	21,109	76,455	3,426,646
Comm. College & Occupational Education	21,327,573	HB 1362	\$ 230,895	-	HB 1238	272,950	-	-
Arapahoe Community College	3,548,522	-	-	-	HB 1217	2,248	11,606	21,845,272
Comm. College of Denver	11,501,885	-	-	-	HB 1238	80,108	43,679	3,672,309
El Paso Comm. College	4,692,688	-	-	-	HB 1238	(63,183)	133,510	11,572,212
Lamar Comm. College	773,437	-	-	24,034	HB 1238	(4,697)	90,956	4,778,947
Morgan County Comm. College	443,283	-	-	-	HB 1238	8,187	15,414	821,072
Otero Junior College	1,218,220	-	-	-	-	-	6,382	449,665
Trinidad State Junior Coll.	1,589,104	-	-	-	HB 1238	49,796	76,872	1,344,888
Auraria Higher Educ. Ctr.	2,325,677	-	-	15,000	HB 1238	-	21,969	1,611,073
Total Higher Education	<u>200,174,950</u>		<u>352,087</u>	<u>282,949</u>		<u>384,403</u>	<u>6,916,209</u>	<u>208,110,598</u>
Department of Highways	<u>453,380</u>	HB 1380	<u>6,600</u>	-	HB 1237	<u>19,739</u>	<u>41,821</u>	<u>521,540</u>
Department of Institutions								
Administration Office	1,375,318	-	-	24,253	-	-	76,465	1,476,036
Mental Health	4,001,885	-	-	-	-	-	14,749	4,016,634

STATE OF COLORADO
GENERAL FUND
ANALYSIS OF APPROPRIATION
(Excluding Revenue Sharing)
July 1, 1977 - June 30, 1978

Agency Name	Long Bill Amount	Special Bills		Roll Forward Appropriation	Supplementals		Transfers In-(Out)	Total General Fund
		Number	Amount		Bill Number	Amount		
Department of Institutions (cont)								
Colorado State Hospital	\$ 12,724,847	-	-	-	SB 65	\$ 155,226	\$ 1,476,927	\$ 14,566,580
		-	-	-	HB 1245	209,580	-	-
Fort Logan Mental Health Center	4,326,277	-	-	-	HB 1245	131,762	507,720	4,968,336
		-	-	-	SB 65	2,577	-	-
Developmental Disabilities	8,629,622	-	-	\$ 25,954	HB 1245	41,651	68,915	8,766,142
Home & Training School Grand Junction	4,337,431	-	-	12,098	HB 1245	(2,168,326)	-	-
		-	-	19,198	SB 65	18,756	(275,298)	1,924,661
Home & Training School Ridge	6,560,967	-	-	-	HB 1245	(4,755,440)	(501,985)	1,385,783
		-	-	-	SB 65	63,043	-	-
Home & Training School Pueblo Youth Services	3,351,996 8,946,430	- HB 1302	- \$ 140,077	16,615	HB 1245	(3,075,609)	(111,838)	181,164
		-	-	-	HB 1245	89,092	-	-
		-	-	-	SB 65	37,997	660,567	9,874,163
Total Dept. of Inst.	54,254,773		140,077	98,118		(9,249,691)	1,916,222	47,159,499
Labor and Employment								
Administration Office	15,959	HB 1083	20,000	-		-	9,376	45,335
Division of Labor	2,026,635	HB 1684	182,425	2,587	SB 118	42,740	(8,446)	2,245,941
Industrial Commission	137,167		-	-	SB 118	1,511	2,884	141,562
Division of Compensation	-		-	-	HB 1157	58,615*	-	58,615
Total Lab. & Employ.	2,179,761		202,425	2,587		102,866	3,814	2,491,453
Department of Law	3,080,571	HB 1457	39,363	110,542	SB 122	55,393	93,255	3,379,124
Department of Local Affairs								
Administration Office	7,527,938	HB 1452	170,413	605,151	SB 117	168,200	1,015,064	9,707,184
		HB 1560	220,418	-		-	-	-
LEAA 1978 Grants	215,105		-	-		-	(7,953)	207,152
LEAA 1975 Grants	-		-	21,338		-	973	22,311
LEAA 1976 Grants	-		-	74,395		-	32,666	107,061
LEAA 1977 Grants	-		-	108,855		-	29,504	138,359
Total Dept. of Local Aff.	7,743,043		390,831	809,739		168,200	1,070,254	10,182,067

* In passing the bill appropriating these funds, the General Assembly considered this amount to be an expenditure for 1978-79 within the general fund spending limit established by 24-75-201.1, C.R.S. 1973.

STATE OF COLORADO
GENERAL FUND
ANALYSIS OF APPROPRIATION
(Excluding Revenue Sharing)
July 1, 1977 - June 30, 1978

Agency Name	Long Bill Amount	Special Bills		Roll Forward Appropriation	Supplementals		Transfers In-(Out)	Total General Fund
		Number	Amount		Bill Number	Amount		
Military Affairs	\$ 834,202		-	\$ 4,355	HB 1189	\$ 22,385*	\$ 36,845	\$ 886,562
	-		-	-	SB 119	(11,225)	-	-
Total Dept. of Military Affairs	834,202		-	4,355		11,160	36,845	886,562
Department of Natural Resources								
Administration	206,248	SB 480	\$ 19,537	11,437		-	15,013	252,235
Wildlife	117,502		-	49,929	HB 1233	11,516	12,101	191,728
Board of Land Commissioners	602,463		-	15,000		-	17,407	634,870
Water Conservation	850,345	HB 1722	350,000	24,511		-	32,498	1,257,354
Water Resources	3,989,481		-	11,747	HB 1233	68,446	494,102	4,563,776
Soil Conservation	212,301		-	-	HB 1233	10,000	(14,545)	207,756
Mined Land Reclamation	284,336		-	-		-	(28,156)	260,180
Bureau of Mines	434,221		-	-		-	376	434,597
Geological Survey	308,943		-	4,300	HB 1233	40,723	48,933	402,449
Administrative Services	291,301		-	-	HB 1233	-	10,834	302,135
Parks	1,334,373	SB 419	862,000	185,276	HB 1250	(200,368)	117,055	2,298,336
Total Dept. of Natural Resources	8,635,594		1,231,537	302,200		(70,133)	705,618	10,804,816
Department of Personnel	1,630,541		-	-	HB 1235	13,422	65,890	1,709,853
Regulatory Agencies	6,139,942	HB 1115	18,888	-	HB 1196	50,000	306,347	6,588,537
	-	SB 435	34,614	-	SB 121	38,746	-	-
Total Dept. of Regulatory Agencies	6,139,942		53,502	-		88,746	306,347	6,588,537
Department of Revenue	7,952,307	HB 1560	90,574	13,293	SB 116	183,945	605,677	8,845,796
Department of Social Services								
Administration	108,246,979	HB 1144	697,000	236,631	HB 1241	7,753,521	1,404,173	114,650,554
	-	SB 160	229,133	-	SB 128	(4,250,621)	-	-
	-	HB 1539	92,480	-		-	-	-
	-	HB 1485	241,258	-		-	-	-
State Veterans Center	248,363		-	-		-	7,266	255,629
Rehabilitation Center F/T Visually Impaired	73,000		-	-		-	1,565	74,565
Total Dept. of Soc. Ser.	108,568,342		1,259,871	236,631		3,502,900	1,413,004	114,980,748

* In passing the bill appropriating these funds, the General Assembly considered this amount to be an expenditure for 1978-79 within the general fund spending limit established by 24-75-201 I. C.R.S. 1973

STATE OF COLORADO
GENERAL FUND
ANALYSIS OF APPROPRIATION
(Excluding Revenue Sharing)
July 1, 1977 - June 30, 1978

Agency Name	Long Bill Amount	Special Bills		Roll Forward Appropriation	Supplementals		Transfers In-(Out)	Total General Fund
		Number	Amount		Bill Number	Amount		
<u>Department of State</u>	\$ 907,917	SB 7	\$ 17,505	\$ 12,855			\$ 27,210	\$ 968,387
		HB 1348	2,900	-			-	-
Total Dept. of State	<u>907,917</u>		<u>20,405</u>	<u>12,855</u>			<u>27,210</u>	<u>968,387</u>
<u>Department of Treasury</u>	<u>1,043,040</u>	SB 214	<u>868,310</u>	-			(725,000)	<u>1,186,350</u>
<u>Department of Corrections</u>								
Administration	2,251,970	SB 587	93,373	112,972	HB 1246	\$ (157,284)	90,693	2,424,363
	-	SB 441	32,639	-			-	-
Adult Parole	1,766,023		-	-	HB 1246	22,822	130,992	1,919,837
Deita Honor Camp	551,918		-	-	HB 1246	68,808	119,189	739,915
Rifle Honor Camp	420,170		-	-			(36,148)	384,022
Golden Honor Camp	471,438		-	-	HB 1246	(85,904)	(42,000)	343,534
Industrial Training Center	281,882		-	-	HB 1246	(6,296)	(33,491)	242,095
Reformatory	3,609,648		-	-	HB 1246	89,100	187,766	3,886,514
Correctional Industries	1,498,200		-	-	HB 1246	(496,722)	-	1,001,478
Penitentiary	9,288,024		-	12,000	HB 1246	405,653	737,715	10,443,392
Total Dept. of Corrections	<u>20,139,273</u>		<u>126,012</u>	<u>124,972</u>		<u>(159,823)</u>	<u>1,154,716</u>	<u>21,385,150</u>
<u>Planning & Budgeting</u>	<u>1,138,966</u>		-	<u>195,060</u>	HB 1234	<u>90,592</u>	<u>163,162</u>	<u>1,587,780</u>
<u>Controller - Capital Const.</u>	<u>25,150,457</u>		-	-	HB 1130	<u>11,486,000*</u>	-	<u>36,636,457</u>
Nonoperating	22,965,324	HB 1717	575,000	-	HB 1248	(1,027,471)	(14,572,215)	8,194,638
	-	SB 337	22,000	-			-	-
			232,000	-			-	-
Total Controller	<u>48,115,781</u>		<u>829,000</u>	-		<u>10,458,529</u>	<u>(14,572,215)</u>	<u>44,831,095</u>
Total General Fund	<u>\$917,380,751</u>		<u>\$41,992,048</u>	<u>\$3,093,303</u>		<u>\$ 6,990,434</u>	<u>\$ -0-</u>	<u>\$969,456,536</u>

* In passing the bill appropriating these funds, the General Assembly considered this amount to be an expenditure for 1978-79 within the general fund spending limit established by 24-75-201.1 CRS 1973.

STATE OF COLORADO
 GENERAL FUND REVERSIONS
 FIVE YEAR SCHEDULE
 (Expressed in Thousands)

<u>Fiscal Year</u>	<u>Appropriation</u>	<u>Reversion</u>	<u>Percent Reversion to Apropriation</u>
1977-78	\$969,457	\$ 7,456	.8%
1976-77	909,194	4,434	.5
1975-76	834,981	4,092	.5
1974-75	775,194	18,849	2.4
1973-74	697,017	17,659	2.5

PART IV - SUPPLEMENTARY SCHEDULES

STATE OF COLORADO
GENERAL FUND EXPENDITURES
SIX YEAR SCHEDULE
(Expressed in Thousands)

	1977-78		1976-77		1975-76		1974-75		1973-74		1972-73	
	EXPENSE	PERCENT	EXPENSE	PERCENT	EXPENSE	PERCENT	EXPENSE	PERCENT	EXPENSE	PERCENT	EXPENSE	PERCENT
Legislative Branch	\$ 7,200	.75%	\$ 6,280	.70%	\$ 5,550	.67%	\$ 5,780	.77%	\$ 4,290	.63%	\$ 3,480	.69%
Judicial Branch	37,540	3.92	34,260	3.80	29,510	3.56	26,310	3.49	22,720	3.36	20,620	4.12
Office of the Governor	1,480	.16	2,280	.25	2,120	.26	1,350	.18	1,460	.22	1,430	.29
Dept. of Administration	7,320	.76	7,940	.88	8,480	1.02	7,250	.96	7,400	1.09	5,340	1.07
Dept. of Agriculture	4,140	.43	3,870	.43	3,660	.44	3,590	.48	3,250	.48	2,920	.58
Dept. of Education	406,360	42.44	374,580	41.54	343,920	41.52	309,320	41.06	240,710	35.56	166,920	33.32
Dept. of Health	16,030	1.67	11,910	1.32	10,240	1.24	8,700	1.15	6,930	1.02	5,470	1.09
Higher Education	204,940	21.40	204,120	22.64	181,940	21.97	168,840	22.41	142,680	21.08	119,300	23.82
Dept. of Highways	500	.05	170	.02	110	.01	120	.02	110	.02	--	--
Dept. of Institutions	43,540	4.55	62,160	6.89	66,050	7.98	57,150	7.59	49,390	7.30	43,770	8.74
Dept. of Labor & Employment	2,420	.25	2,180	.24	2,050	.25	1,890	.25	1,690	.25	1,170	.23
Dept. of Law	3,200	.33	2,780	.31	2,450	.30	1,910	.25	1,470	.22	800	.16
Dept. of Local Affairs	9,150	.96	7,960	.88	6,300	.76	6,300	.84	4,840	.71	2,220	.44
Dept. of Military Affairs	820	.09	830	.09	760	.09	750	.10	660	.10	560	.11
Dept. of Natural Resources	10,180	1.06	9,790	1.09	7,610	.92	8,220	1.09	6,760	1.00	5,990	1.18
Dept. of Personnel	1,650	.17	1,590	.18	1,610	.19	1,340	.18	1,110	.16	900	.18
Dept. of Regulatory Agencies	6,140	.64	5,680	.63	5,180	.63	4,660	.62	4,190	.62	1,670	.33
Dept. of Revenue	9,150	.96	8,670	.96	7,580	.92	7,220	.96	6,100	.90	3,610	.72
Dept. of Social Services	114,210	11.93	100,080	11.10	107,770	13.01	97,750	12.98	73,520	10.86	68,770	13.73
Dept. of State	960	.10	1,130	.13	890	.11	980	.13	600	.09	710	.14
Dept. of Treasury	1,130	.12	1,010	.11	1,030	.12	980	.13	230	.03	170	.03
Dept. of Planning & Budgeting	1,480	.16	1,430	.16	1,300	.16	910	.12	--	--	--	--
Dept. of Corrections	20,230	2.11	18,560	2.06	16,260	1.96	12,050	1.60	10,430	1.54	8,970	1.79
Nonoperating	44,840	4.68	32,370	3.59	15,910	1.91	19,980	2.64	86,420	12.76	30,200	7.24
Nonrecurring Expense	3,000	.31	--	--	--	--	--	--	--	--	--	--
	<u>\$957,610</u>	<u>100.00%</u>	<u>\$901,630</u>	<u>100.00%</u>	<u>\$828,280</u>	<u>100.00%</u>	<u>\$753,350</u>	<u>100.00%</u>	<u>\$676,960</u>	<u>100.00%</u>	<u>\$500,890</u>	<u>100.00%</u>
Percentage of Change From Prior Year	<u>6.21%</u>		<u>8.86%</u>		<u>9.95%</u>		<u>11.28%</u>		<u>35.15%</u>		<u>12.39%</u>	

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO
GENERAL FUND REVENUES (NET)
TEN YEAR SCHEDULE
(Expressed in Thousands)

FISCAL YEAR	INCOME TAX			PROPERTY TAX RELIEF	NET INCOME TAX	SALES, USE, LIQUOR, CIGARETTE TAXES		INSURANCE TAX & LICENSES	INTEREST ON INVESTMENTS	PARI MUTUEL RACING TAX	OTHER	TOTAL
	INDIVIDUAL	CORPORATE	REFUNDS			INHERITANCE & GIFT TAXES						
1977-78	\$539,400	\$98,600	\$131,300*	\$13,000	\$493,700	\$444,300	\$22,400	\$27,000	\$ 9,500	\$7,700	\$27,100	\$1,031,700
					47.9%	43.1%	2.2%	2.6%	.9%	.8%	2.5%	
1976-77	460,500	87,600	99,200	11,000	437,900	369,700	24,200	24,400	10,000	6,500	18,700	891,400
					49.1%	41.5%	2.7%	2.7%	1.1%	.7%	2.2%	
1975-76	413,500	78,700	100,100	9,600	382,500	325,900	16,100	19,400	15,400	6,700	31,200	797,200
					48.0%	40.9%	2.0%	2.4%	1.9%	.8%	4.0%	
1974-75	332,600	66,100	60,100	6,800	331,800	296,500	16,800	17,800	26,300	6,400	24,400	720,000
					46.1%	41.2%	2.3%	2.5%	3.6%	1.0%	3.3%	
1973-74	294,700	56,700	50,400	--	301,000	267,700	20,000	16,300	21,500	6,000	21,300	653,800
					46.0%	40.9%	3.1%	2.5%	3.3%	1.0%	3.2%	
1972-73	249,800	49,400	43,000	--	256,200	236,500	15,600	16,100	11,900	5,400	17,300	559,000
					45.8%	42.3%	2.8%	2.9%	2.1%	1.0%	3.1%	
1971-72	206,400	39,200	34,900	--	210,700	198,400	14,500	13,500	8,800	5,100	17,300	468,300
					45.0%	42.4%	3.1%	2.9%	1.9%	1.1%	3.6%	
1970-71	174,500	32,400	34,000	--	172,900	166,400	11,700	14,900	12,800	4,200	14,800	397,700
					43.5%	41.8%	2.9%	3.7%	3.2%	1.1%	3.8%	
1969-70	153,400	35,600	26,300	--	162,700	146,500	11,300	10,100	11,300	3,800	11,500	357,200
					45.5%	41.0%	3.2%	2.8%	3.2%	1.1%	3.2%	
1968-69	124,700	33,400	21,700	--	136,400	129,400	13,500	9,900	7,100	3,500	9,600	309,400
					44.1%	41.8%	4.4%	3.2%	2.3%	1.1%	3.1%	

*Includes Property Tax Refunds of \$25.3 million.

The accompanying notes are an integral part of this unaudited financial statement.

STATE OF COLORADO
SPECIAL REVENUE FUNDS
COMBINED BALANCE SHEET
JUNE 30, 1978 AND 1977
(Expressed in Thousands)

	Highway Fund		Wildlife Fund		Employment Fund		Compensation Insurance Fund		Other Funds	
	1978	1977	1978	1977	1978	1977	1978	1977	1978	1977
Assets										
Cash	\$32,691	\$28,687	\$ 8,139	\$6,547	\$1,632	\$2,100	\$ 292	\$ 1,489	\$3,881	\$ 224
Short-Term Investments	-	-	-	-	-	-	-	-	-	3,449
Accounts Receivable	24,878	22,110	1,037	739	461	791	11,686	8,375	548	97
Less: Allowance for Doubtful Accounts	(902)	(956)	(2)	(3)	-	-	(1,118)	(822)	-	-
Due from Other Funds	1,370	3,776	636	126	81	714	347	366	-	-
Inventories	3,315	3,450	498	671	-	-	-	-	-	-
Advances	8	6	37	1	-	-	-	-	-	-
Long-Term Investments	-	-	-	-	-	-	131,847	96,723	-	-
Total Assets	\$61,360	\$57,073	\$10,345	\$8,081	\$2,174	\$3,605	\$143,054	\$106,131	\$4,429	\$3,770
Liabilities and Fund Balance										
Liabilities										
Accounts Payable	\$17,547	\$13,654	\$ 1,329	\$1,088	\$ 412	\$ 639	\$ 77	\$ 141	\$ 23	\$ 27
Due to Other Funds	803	231	1,357	462	131	321	508	-	2	2
Deferred Revenue	-	138	169	198	771	1,811	10,138	8,862	-	-
Other Current Liabilities	8,595	13,134	-	-	197	187	5,552	6,307	6,013	4,584
Liability for Unpaid Losses	-	-	-	-	-	-	86,168	71,601	-	-
Total Liabilities	26,945	27,157	2,855	1,748	1,511	2,958	113,443	86,911	6,038	4,613
Restricted Fund Balance	34,415	29,916	7,490	6,333	663	647	29,611	19,220	(1,609)	(843)
Total Liabilities and Fund Balance	\$61,360	\$57,053	\$10,345	\$8,081	\$2,174	\$3,605	\$143,054	\$106,131	\$4,429	\$3,770

STATE OF COLORADO
SPECIAL REVENUE FUNDS
COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30, 1978 AND 1977
(Expressed in Thousands)

	Highway Fund		Wildlife Fund		Employment Fund		Compensation Insurance Fund		Other Funds	
	1978	1977	1978	1977	1978	1977	1978	1977	1978	1977
Revenues										
Taxes	\$133,383	\$140,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,038
Licenses, Permits & Fines	14,739	15,268	17,573	15,040	-	-	-	-	-	-
Charges for Goods & Services	321	363	123	104	-	-	64,373	44,099	219	-
Interest and Rent	3,790	-	439	476	295	95	8,740	6,280	240	233
Federal Grants & Contracts	148,512	130,698	146	2,245	119,901	132,625	19	-	-	-
Other	10,768	2,797	19	33	74	-	684	670	2,012	299
Total Revenues	311,513	289,360	18,300	17,898	120,270	132,720	73,807	51,049	2,471	1,570
Less: Revenue Deductions										
Distributions to Local Governments	45,805	40,255	-	-	-	-	-	-	-	-
Intrafund Transactions	-	-	-	-	-	3,183	-	-	-	-
Distributions to Other Funds	19,115	20,950	-	-	-	-	-	-	-	-
Net Revenues	246,593	228,155	18,300	17,898	120,270	129,537	73,807	51,049	2,471	1,570
Expenditures										
Salaries & Fringe Benefits	80,088	70,033	9,587	9,100	22,221	20,474	3,019	2,649	44	28
Operating Expense	146,150	140,251	4,051	3,205	4,555	3,373	532	483	1,586	4
Travel	831	787	345	314	414	328	52	48	-	-
Grants to Organ. & Individuals	-	-	-	-	80,170	93,553	57,474	45,343	-	998
Grants to Local Governments	1,038	882	-	-	4,503	2,422	6	-	-	-
Purchase of Fixed Assets	12,507	10,688	1,590	976	1,033	2,791	16	11	-	-
Other	1,480	867	1,570	631	7,358	9,779	2,317	444	1,607	-
Intrafund Transactions	-	-	-	-	-	(3,183)	-	-	-	-
Total Expenditures	242,094	223,508	17,143	14,226	120,254	129,537	63,416	48,978	3,237	1,030
Excess of Revenue Over (Under) Expend.	\$ 4,499	\$ 4,647	\$ 1,157	\$ 3,672	\$ 16	\$ 0	\$ 10,391	\$ 2,071	\$ (766)	\$ 540

STATE OF COLORADO
SPECIAL REVENUE FUNDS
COMBINED STATEMENT OF CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 1978 AND 1977
(Expressed in Thousands)

	Highway Fund		Wildlife Fund		Employment Fund		Compensation Insurance Fund		Other Funds	
	1978	1977	1978	1977	1978	1977	1978	1977	1978	1977
<u>Balance, July 1, 1977</u>	\$ 29,916	\$ 31,487	\$ 6,333	\$ 5,017	\$ 647	\$ 1,214	\$19,220	\$16,234	\$ (843)	\$ (199)
<u>Additions:</u>										
Revenues	246,593	228,155	18,300	17,898	120,270	129,537	73,807	51,049	-	1,570
Prior Period Adjustments	-	-	-	-	-	-	-	915	-	-
	<u>246,593</u>	<u>228,155</u>	<u>18,300</u>	<u>17,898</u>	<u>120,270</u>	<u>129,537</u>	<u>73,807</u>	<u>51,964</u>	<u>2,471</u>	<u>1,570</u>
<u>Deductions:</u>										
Expenditures	242,094	223,508	17,143	14,226	120,254	129,537	53,416	48,978	3,237	1,030
Prior Period Adjustments	-	6,218	-	2,356	-	567	-	-	-	1,184
	<u>242,094</u>	<u>229,726</u>	<u>17,143</u>	<u>16,582</u>	<u>120,254</u>	<u>130,104</u>	<u>63,416</u>	<u>48,978</u>	<u>3,237</u>	<u>2,214</u>
<u>Balance, June 30, 1978</u>	<u>\$ 34,415</u>	<u>\$ 29,916</u>	<u>\$ 7,490</u>	<u>\$ 6,333</u>	<u>\$ 663</u>	<u>\$ 647</u>	<u>\$29,611</u>	<u>\$19,220</u>	<u>\$(1,609)</u>	<u>\$ (843)</u>

STATE OF COLORADO
CAPITAL CONSTRUCTION FUNDS
BALANCE SHEET
June 30, 1978
(Expressed in Thousands)

	<u>Capital Construction Fund</u>	<u>Other Capital Construction Funds</u>	<u>Total Capital Construction Funds</u>
<u>Assets</u>			
Cash	\$48,954	\$ 4,163	\$53,117
Short-Term Investments	-	1,449	1,449
Accounts Receivable	4,142	1,634	5,826
Due from Other Funds	2,608	387	2,995
Prepaid Expenses	-	188	188
Long-Term Investments	-	2,809	2,809
Property, Plant and Equipment	-	6,016	6,016
Total Assets	<u>\$55,704</u>	<u>\$16,696</u>	<u>\$72,400</u>
 <u>Liabilities and Fund Balances</u>			
<u>Liabilities</u>			
Accounts Payable	\$ 2,791	\$ 7,034	\$ 9,825
Retainage Payable	2,096	222	2,318
Other Current Liabilities	-	2,600	2,600
Due to Other Funds	288	629	917
Deferred Revenue	1,155	422	1,577
Total Liabilities	<u>6,330</u>	<u>10,907</u>	<u>17,237</u>
 <u>Fund Balances</u>			
Restricted	47,081	5,789	52,870
Unrestricted	2,293	-	2,293
Total Fund Balance	<u>49,374</u>	<u>5,789</u>	<u>55,163</u>
<u>Total Liabilities & Fund Balance</u>	<u>\$55,704</u>	<u>\$16,696</u>	<u>\$72,400</u>

STATE OF COLORADO
 CAPITAL CONSTRUCTION FUNDS
 STATEMENT OF REVENUES AND EXPENDITURES
 FOR THE FISCAL YEAR ENDED JUNE 30, 1978
 (Expressed in Thousands)

	<u>Capital Construction Fund</u>	<u>Other Capital Construction Funds</u>	<u>Total Capital Construction Funds</u>
<u>Revenues</u>			
Taxes	\$ 547	\$ -	\$ 547
Licenses, Permits, Fines	1,636	1,579	3,215
Charges for Goods and Services	2,312	-	2,312
Interest and Rent	1,610	70	1,680
Federal Grants & Contracts	5,744	4,720	10,464
Revenue Sharing	8,682	-	8,682
Transfers from General Fund	36,636	-	36,636
Other	2,212	9,203	11,415
Total Revenue	<u>59,379</u>	<u>15,572</u>	<u>74,951</u>
Less: Revenue Deductions			
Intrafund Transactions		27	27
Net Revenues	<u>59,379</u>	<u>15,545</u>	<u>74,924</u>
<u>Expenditures</u>			
Salaries and Fringe Benefits	2,541	1,319	3,860
Operating	2,299	19	2,318
Travel	1	-	1
Grants to Organizations & Individuals	-	481	481
Grants to Local Governments	5,223	1,461	6,684
Purchase of Fixed Assets	35,191	8,790	43,981
Other	68	1,150	1,218
Total Expenditures	<u>45,323</u>	<u>13,220</u>	<u>58,543</u>
Less: Expenditure Deductions			
Intrafund Transactions	-	27	27
Net Expenditures	<u>45,323</u>	<u>13,193</u>	<u>58,516</u>
Excess of Revenues Over (Under) Expenditures	<u>\$14,056</u>	<u>\$ 2,352</u>	<u>\$16,408</u>

STATE OF COLORADO
 CAPITAL CONSTRUCTION FUNDS
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 1978
 (Expressed in Thousands)

	Capital Construction Fund	Other Capital Construction Funds	Total Capital Construction Funds
<u>Balance, July 1, 1977</u>	<u>\$33,701</u>	<u>\$ 2,450</u>	<u>\$36,151</u>
<u>Additions:</u>			
Net Revenues	59,379	15,545	74,924
Net Increase in Parks Restricted Cash	154	-	154
Reclassification of Parks Restricted Fund Balance	1,463	-	1,463
Prior Period Adjustment	-	987	987
	<u>60,996</u>	<u>16,532</u>	<u>77,528</u>
<u>Deductions:</u>			
Net Expenditures	45,323	13,193	58,516
	<u>45,323</u>	<u>13,193</u>	<u>58,516</u>
<u>Balance, June 30, 1978</u>	<u>\$49,374</u>	<u>\$ 5,789</u>	<u>\$55,163</u>

STATE OF COLORADO
STATEMENT OF FIXED ASSETS
JUNE 30, 1978
(Expressed in Thousands)

Branch/Department	Construction In Progress	Land	Improvements To Land	Buildings	Equipment	Library Books	Leasehold Improvements	Total
Legislature	\$ -	\$ -	\$ -	\$ -	\$ 570	\$ -	\$ -	\$ 570
Judicial	-	405	-	6,089	4,432	1,688	-	12,614
Governor	-	165	-	1,716	268	-	-	2,149
Administration	16	-	-	-	4,441	-	-	4,457
Agriculture	53	-	1,247	3,166	1,307	-	-	5,773
Education	-	24	128	3,010	1,425	189	-	4,776
Health	-	-	-	2,053	3,005	-	-	5,058
Higher Education	51,880	16,125	17,224	495,530	187,449	43,759	985	812,952
Highways	-	698	-	11,830	35,391	-	-	47,919
Institutions	1,151	1,358	2,415	52,010	10,257	-	-	67,191
Labor and Employment	-	337	-	1,713	8,957	-	-	11,007
Law	-	-	-	-	416	-	-	416
Local Affairs	-	-	-	-	3,971	-	-	3,971
Military Affairs	-	662	-	6,675	304	-	-	7,641
Natural Resources	-	46,534	4,716	8,738	9,275	-	-	69,263
Personnel	-	-	-	-	134	-	-	134
Regulatory Agencies	-	-	-	-	635	-	-	635
Revenue	134	450	-	2,384	5,072	-	-	8,040
Social Services	5	19	-	1,017	2,541	-	-	3,582
State	-	-	-	7	170	-	-	177
Treasury	-	-	-	-	37	-	-	37
Corrections	1,907	719	-	13,109	2,464	-	-	18,199
Planning and Budgeting	858	-	-	-	105	-	-	963
TOTAL	\$56,004	\$67,496	\$25,730	\$609,047	\$282,626	\$45,636	\$ 985	\$1,087,524

STATE OF COLORADO
STATE PUBLIC SCHOOL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 1978
(Expressed in Thousands)

<u>Fund Balance, June 30, 1977</u>	<u>\$ 3,565</u>
<u>Revenue</u>	
Federal Mineral Leases	\$11,961
Investment of Public School Permanent Fund	3,712
Oil and Gas Rentals	2,138
Grazing Rentals	1,623
Agriculture Rentals	748
Mineral Rentals	313
Oil and Gas Lease Bonus	875
Interest on Sales	382
Other Rentals	510
Other	<u>113</u>
Total Revenue	22,375
<u>Expenditures</u>	
Equalization Payments	24,503
Other	<u>6</u>
Total Expenditures	<u>24,509</u>
<u>Excess of Expenditures Over Revenue</u>	<u>2,134</u>
<u>Fund Balance, June 30, 1978</u>	<u><u>\$ 1,431</u></u>

The State Public School Fund is administered by the Department of Education. Its revenue is received from the State Public School Income Fund, which is administered by the Board of Land Commissioners in the Department of Natural Resources.

The expenditures made from the fund are to local school districts to help meet the total state's share of equalization support, contingency reserve, and small attendance centers.

The balance of funds derived from the above sources remain in the fund and are available for distribution during the following fiscal year.

STATE OF COLORADO
HIGHWAY USERS' TAX FUND
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1978
(Expressed in Thousands)

Receipts

Motor Fuel Tax	\$107,481	
Ton Mile Tax	20,339	
Motor Vehicle License & Registration	20,896	
Motor Vehicle Penalty Assessment	3,676	
Interest	3,698	
Miscellaneous Receipts - Operator License, Dealer License, etc.	<u>7,982</u>	
Total Receipts		\$164,072

Disbursements

To fund agency appropriations:		
State Patrol	15,746	
Public Utilities Commission	1,103	
Department of Revenue	14,079	
Division of Communications	1,131	
Other State Agencies	<u>1,141</u>	
Total Appropriations	33,200	
Distributions to:		
Counties	34,027	
Cities and Towns	11,778	
Department of Highways	<u>85,067</u>	
Total Distributions	<u>130,872</u>	
Total Disbursements		<u>164,072</u>

Balance, June 30, 1978 \$ -0-

The Highway Users' Tax Fund is administered by the State Treasurer. The Revenues of the fund are derived from imposition of the above type taxes, fees and assessments.

All moneys in the fund are appropriated by statute for highway purposes with the Treasurer making statutory distribution of the moneys in the following order:

1. Statutory appropriations made by the Legislature.
2. Available balance as follows:
 - a. 65% to state highway fund.
 - b. 26% to counties for highway purposes.
 - c. 9% to cities for highway purposes.

The moneys distributed to the state highway fund are administered by the State Highway Department.

STATE OF COLORADO
 OLD AGE PENSION FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 1978
 (Expressed in Thousands)

	<u>Total</u>	<u>General Fund Share</u>	<u>OAP Fund Share</u>
<u>Revenue</u>			
Excise Taxes			
Sales 15%-85%	\$387,163	\$ 58,074	\$329,089
Use 15%-85%	37,591	5,639	31,952
Liquor 15%-85%	22,143	3,321	18,822
Cigarette 15%-85%	48,651	7,298	41,353
	<u>495,548</u>	<u>74,332</u>	<u>421,216</u>
Other Revenue			
Inheritance Tax Filing, Liquor Licenses, etc. 100%	3,285		3,285
Total Revenue	498,833	74,332	424,501
<u>Deductions</u>			
Pension Payments	12,990	-	12,990
Medical Care Payments	1,668	-	1,668
Total Deductions	14,658	-	14,658
Excess Revenue Over Deductions	484,175	74,332	409,843
Spillover to General Fund	-	409,843	(409,843)
General Fund Revenue	<u>\$484,175</u>	<u>\$484,175</u>	<u>\$ -0-</u>

The Old Age Pension Fund is established in the Colorado State Constitution and is administered by the Department of Social Services. Revenues accruing to the fund are from the above described sources. All moneys deposited in the fund shall be utilized in the following priority:

1. Payment of basic minimum pensions to qualified recipients.
2. Transfer of five million dollars to a fund known as the stabilization fund. The moneys in this fund shall be used only to stabilize payments of basic minimum pensions.
3. Transfer of ten million dollars to a fund known as the health and medical care fund. The moneys in this fund shall be used to provide health and medical care to persons who qualify for pensions and are not covered by medicare insurance.

Moneys not needed for the payment of pensions or medical care are transferred to the General Fund to be used pursuant to law. The five million dollars in the stabilization fund is restricted for the above purpose and is not returned to the General Fund.

STATE OF COLORADO
OIL SHALE FUNDS
JUNE 30, 1978
(Expressed in Thousands)

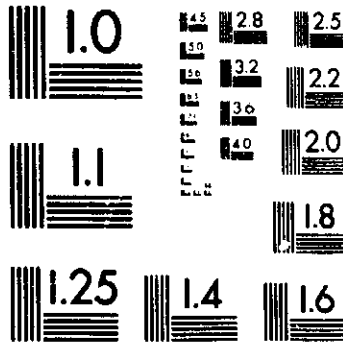
<u>Balance, July 1, 1977</u>	\$68,538
<u>Revenue</u>	
Interest	4,220
<u>Expenditures</u>	(3,552)
<u>Balance, June 30, 1978</u>	<u>\$69,206</u>

The State Treasurer administers the receipt and transfer of oil shale moneys. The source of the moneys is from sales, bonuses, royalties, leases, and rentals of oil shale lands pursuant to the federal mineral lands leasing law.

The moneys are to be appropriated by the Legislature to State agencies, school districts, and political subdivisions of the State affected by the development and production of energy resources from oil shale lands, primarily for use by such entities in planning for and providing facilities and services necessitated by such development and production, and secondarily for other State purposes.



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