

# MEMORANDUM

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**TO:** JBC Members

**FROM:** John Ziegler

**SUBJECT:** General Fund Overview with December Revenue Forecast and JBC Supplemental Decisions as of January 24, 2011

**DATE:** January 25, 2011

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Attached are several tables that provide the General Fund overviews based on the December revenue forecasts and the JBC supplemental decisions made through January 24, 2011.

**Table 1:** Provides the General Fund Overview based on the LCS revenue forecast.

**Table 2:** Provides the General Fund Overview based on the OSPB revenue forecast. *Please note that on January 5, 2011 the JBC voted to utilize the OSPB December forecast and a 4.0 percent reserve for FY 2010-11 supplemental balancing purposes.*

**Table 3:** Provides a summary of FY 2009-10 and FY 2010-11 General Fund appropriations, by department, as adjusted by JBC supplemental actions, companion bills, and placeholders.

**Table 4:** Provides a summary of the cash fund actions that impact JBC budget balancing for FY 2010-11 updated for JBC actions.

**Table 5:** Provides a summary the bills that impact appropriations based on JBC supplemental actions for separate legislation, companion bills, and placeholders.

These tables are based on the JBC's actions through January 24, 2011. Further actions by the JBC will alter the numbers reflected on the tables. The General Fund overviews and the associated tables are used by the JBC to assist in the balancing process and will change over time as different decisions are made.

**Table 1**  
**General Fund Overview Based On Legislative Council December 2010 Revenue Estimate**  
(millions of dollars)

	<b>FY 09-10</b>	<b>FY 10-11</b>	<b>FY 11-12</b>	<b>FY 12-13</b>
1 Beginning GF Reserve	\$443.3	\$146.2	\$248.4	(\$111.6)
2 GF Nonexempt Revenues	6,454.6	6,308.2	6,331.1	6,458.3
3 GF Exempt Revenues	0.0	768.8	762.2	1,129.9
4 Transfers/Paybacks	421.2	44.7	3.8	0.2
5 Transfer to Older Americans Act	(10.9)	(10.9)	(10.9)	(10.9)
6 Cash Fund Transfers Approved by JBC as Part of FY 2010-11 Budget Balancing Packages	0.0	(10.4)	0.0	0.0
7 Cash Fund Transfers and Other Revenue Actions Requested as Part of Governor's FY 2011-12 Budget	0.0	0.0	210.1	46.1
8 Year-end Balancing Transfer (Gov's Executive Order D 013 09 pursuant to SB 09-279)	(458.1)	0.0	0.0	0.0
9 TABOR Surplus Liability	0.0	0.0	0.0	0.0
10 TOTAL GF AVAILABLE	\$6,850.1	\$7,246.6	\$7,544.7	\$7,512.0
11				
12 GF Obligations:				
13 GF Appropriations	\$6,631.6	\$6,940.3	\$7,477.0	\$7,477.0
14 Supplemental Requests Made by Governor - Not Yet Acted on by JBC	0.0	0.0	0.0	0.0
15 Supplemental Requests Approved by JBC - Not Yet Law	0.0	(8.3)	0.0	0.0
16 Summary of Bills & Placeholders JBC Approved as Part of FY 2010-11 Budget Balancing Package	0.0	(78.9)	0.0	0.0
17 Budget Amendments	0.0	0.0	(4.4)	0.0
18 Adjusted GF Appropriations Base	6,631.6	6,853.1	7,472.6	7,477.0
19 Amounts Deemed Exempt from the Restriction on State Appropriations (Section 24-75-201.1, C.R.S.)	0.0	0.0	0.0	0.0
20 Medicaid Overexpenditures/Payment Delays as Required by OSPB and the Controller	(28.1)	0.0	0.0	0.0
21 Governor's October 2010 Request to Make Permanent 2 week delay	0.0	0.0	0.0	0.0
22 Estimated Federal Medical Assistance Percentage (FMAP) Changes (includes SB264 impact)	0.0	0.0	0.0	0.0
23 Rebates and Expenditures - Based on Statutory Minimums	141.8	134.4	132.8	144.3
24 Reimbursement for Senior and Veterans Property Tax Exemption	1.3	1.6	1.7	103.1
25 Funds in Prior Year Excess Reserve to HUTF (Section 24-75-218, C.R.S.)	N/A	N/A	N/A	0.0
26 Funds in Prior Year Excess Reserve to Capital Construction (Section 24-75-218, C.R.S.)	N/A	N/A	N/A	0.0
27 Transfer to HUTF (Sec. 24-75-219, C.R.S.)	0.0	0.0	0.0	0.0
28 Transfer to Capital Construction (Sec. 24-75-219, C.R.S.)	0.0	0.0	0.0	0.0
29 Capital Construction Transfer	0.2	9.1	49.2	66.2
30 Accounting Adjustments	(42.9)	0.0	0.0	0.0
31 TOTAL GF OBLIGATIONS	\$6,703.9	\$6,998.2	\$7,656.3	\$7,790.6
32				
33 YEAR END GF RESERVE	\$146.2	\$248.4	(\$111.6)	(\$278.6)
34 STATUTORY RESERVE (Section 24-75-201.1 (1) (d), C.R.S.)	132.6	274.1	298.9	299.1
35 MONEYS IN (DEFICT)/EXCESS OF THE STATUTORY GF RESERVE	\$13.6	(\$25.7)	(\$410.5)	(\$577.7)
36 Reduction Needed to Maintain 1/2 of Statutory Reserve	N/A	N/A	(\$261.1)	(\$428.1)
37				
38 Amount Needed to Reduce Statutory Reserve to 2.03 % in FY 2011-12 - Governor Nov 2010 Rqst			(\$147.2)	
39 STATUTORY RESERVE (If the Reserve is lowered as Requested by the Governor)			151.7	
40 MONEYS IN (DEFICT)/EXCESS OF THE STATUTORY GF RESERVE (If the Reserve is Lowered)			(\$263.3)	

Table 1 - Continued

	<u>FY 09-10</u>	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>
41 Total Gross General Fund Revenues	\$6,454.6	\$7,077.0	\$7,093.3	\$7,588.2
42 Percent Gross General Fund Revenue Growth	-4.3%	9.6%	0.2%	7.0%
43				
44 Transfer to the State Education Fund	\$329.0	\$368.5	\$369.9	\$399.3
45				
46 Required TABOR Reserve	\$257.0	\$282.4	\$289.7	\$310.1
47				
48 GF Approp Base (Adj GF approp base + K-12 Capital + Amt Deemed Exempt + Medicaid Over)	\$6,603.5	\$6,853.1	\$7,472.6	\$7,477.0
49 Total Percent Growth (Including both items within restriction and exemptions)	-10.8%	3.8%	9.0%	0.1%
50 GF Appropriations Base Available Growth	(\$795.7)	\$249.6	\$619.5	\$4.4
51				
52 Personal Income (Sec 24-75-201.1 (1)(a)(VII)(A), CRS - PI as of two years prior to fiscal year)	\$205,548.0	\$212,320.0	\$207,742.0	\$212,520.0
53 Percent Increase/(Decrease) Over Previous Year	N/A	3.3%	-2.2%	2.3%
54				
55 Calculated Restriction on GF Appropriation Growth (Sec 24-75-201.1 (1)(a)(II) through (IV), CRS)	\$10,277.4	\$10,616.0	\$10,387.1	\$10,626.0
56 Adjusted GF Appropriations Base	6,631.6	6,853.1	7,472.6	7,477.0
57 Over/(Under) Calculated Appropriations Restriction	(\$3,645.8)	(\$3,762.9)	(\$2,914.5)	(\$3,149.0)
58				
59 Year-End GF Reserve Percentage	2.2%	3.6%	-1.5%	-3.7%
60				
61 Rebates and Expenditures Include (from LCS Forecast)				
62 Cigarette Rebate	\$11.6	\$11.4	\$11.0	\$10.6
63 Suspend Cigarette Rebate for 2 Fiscal Years - Governor's November 2010 Request	\$0.0	\$0.0	(\$11.0)	(\$10.6)
64 Old Age Pension	115.4	107.6	117.5	128.2
65 Aged Property Tax & Heating Credit	7.6	7.7	7.5	7.2
66 FPPA	4.2	4.4	29.8	29.9
67 Suspend FPPA to Payments to Counties for 2 More Fiscal Years - Governor's November 2010 Request	0.0	0.0	(25.4)	(25.4)
68 Amendment 35 GFE Expenditures	0.8	0.9	0.9	0.9
69 Treasurer's Loans to School Districts (Off Budget -- Not in Long Bill)	2.2	2.4	2.5	3.5
70 Total Rebates and Expenditures	\$141.8	\$134.4	\$132.8	\$144.3

**Table 2**  
**General Fund Overview Based On OSPB December 2010 Revenue Estimate**  
(millions of dollars)

	<b>FY 09-10</b>	<b>FY 10-11</b>	<b>FY 11-12</b>	<b>FY 12-13</b>
1 Beginning GF Reserve	\$443.3	\$145.8	\$12.3	(\$151.7)
2 GF Nonexempt Revenues (Adj'd by \$126.7m in FY 2012 and \$107.2 m in FY 2013 as OSPB included in Gross)	6,454.6	6,825.1	7,012.9	7,182.8
3 GF Exempt Revenues	0.0	0.0	262.6	593.2
4 Transfers/Paybacks	418.5	44.9	2.8	0.2
5 Transfer to Older Americans Act	(8.0)	(8.0)	(8.0)	(8.0)
6 Cash Fund Transfers Approved by JBC as Part of FY 2010-11 Budget Balancing Packages	0.0	(6.9)	0.0	0.0
7 Cash Fund Transfers and Other Revenue Actions Requested as Part of Governor's FY 2011-12 Budget	0.0	0.0	210.1	46.1
8 Year-end Balancing Transfer (Gov's Executive Order D 013 09 pursuant to SB 09-279)	(458.1)	0.0	0.0	0.0
9 TABOR Surplus Liability	0.0	0.0	0.0	0.0
10 TOTAL GF AVAILABLE	<u>\$6,850.3</u>	<u>\$7,000.9</u>	<u>\$7,492.7</u>	<u>\$7,662.6</u>
11				
12 GF Obligations:				
13 GF Appropriations	\$6,631.6	\$6,940.3	\$7,477.0	\$7,477.0
14 Supplemental Requests Made by Governor - Not Yet Acted on by JBC	0.0	0.0	0.0	\$0.0
15 Supplemental Requests Approved by JBC - Not Yet Law	0.0	(8.3)	0.0	\$0.0
16 Summary of Bills & Placeholders JBC Approved as Part of FY 2010-11 Budget Balancing Package	0.0	(78.9)	0.0	\$0.0
17 Budget Amendments	0.0	0.0	(4.4)	0.0
18 Adjusted GF Appropriations Base	<u>6,631.6</u>	<u>6,853.1</u>	<u>7,472.6</u>	<u>7,477.0</u>
19 Amounts Deemed Exempt from the Restriction on State Appropriations (Section 24-75-201.1, C.R.S.)	0.0	0.0	0.0	0.0
20 Medicaid Overexpenditures/Payment Delays as Required by OSPB and Controller	(28.1)	0.0	0.0	0.0
21 Governor's October 2010 Request to Make Permanent 2 week delay	0.0	0.0	0.0	0.0
22 Estimated Federal Medical Assistance Percentage (FMAP) Changes (includes SB264 impact)	(2.7)	(0.5)	0.0	0.0
23 Rebates and Expenditures - Based on Statutory Minimums	141.8	125.3	120.9	126.6
24 Reimbursement for Senior and Veterans Property Tax Exemption	1.3	1.6	1.7	103.1
25 Funds in Prior Year Excess Reserve to HUTF (Section 24-75-218, C.R.S.)	N/A	N/A	N/A	0.0
26 Funds in Prior Year Excess Reserve to Capital Construction (Section 24-75-218, C.R.S.)	N/A	N/A	N/A	0.0
27 Transfer to HUTF (Sec. 24-75-219, C.R.S.)	0.0	0.0	0.0	155.5
28 Transfer to Capital Construction (Sec. 24-75-219, C.R.S.)	0.0	0.0	0.0	38.9
29 Capital Construction Transfer	0.2	9.1	49.2	27.3
30 Accounting Adjustments	(39.6)	0.0	0.0	0.0
31 TOTAL GF OBLIGATIONS	<u>\$6,704.5</u>	<u>\$6,988.6</u>	<u>\$7,644.4</u>	<u>\$7,928.4</u>
32				
33 YEAR END GF RESERVE	\$145.8	\$12.3	(\$151.7)	(\$265.8)
35 STATUTORY RESERVE (Section 24-75-201.1 (1) (d), C.R.S.)	132.6	274.1	298.9	299.1
36 MONEYS IN (DEFICT)/EXCESS OF THE STATUTORY GF RESERVE	<u>\$13.2</u>	<u>(\$261.8)</u>	<u>(\$450.6)</u>	<u>(\$564.9)</u>
37 Reduction Needed to Maintain 1/2 of Statutory Reserve	N/A	(\$124.8)	(\$301.2)	(\$415.3)
38				
39 Amount Needed to Reduce Statutory Reserve to 2.03 % in FY 2011-12 - Governor Nov 2010 Rqst			(\$147.2)	
40 STATUTORY RESERVE (If the Reserve is lowered as Requested by the Governor)			<u>151.7</u>	
41 MONEYS IN (DEFICT)/EXCESS OF THE STATUTORY GF RESERVE (If the Reserve is Lowered)			<u>(\$303.4)</u>	

Table 2 - Continued

	FY 09-10	FY 10-11	FY 11-12	FY 12-13
42 Total Gross General Fund Revenues	\$6,454.6	\$6,825.1	\$7,275.5	\$7,776.0
43 Percent Gross General Fund Revenue Growth	-4.3%	5.7%	6.6%	6.9%
44				
45 Transfer to the State Education Fund	\$329.0	\$334.9	\$365.3	\$393.8
46				
47 Required TABOR Reserve	\$255.8	\$275.2	\$298.7	\$318.8
48				
49 GF Approp Base (Adj GF approp base + K-12 Capital + Amt Deemed Exempt + Medicaid Over)	\$6,603.5	\$6,853.1	\$7,472.6	\$7,477.0
50 Total Percent Growth (Including both items within restriction and exemptions)	-10.8%	3.8%	9.0%	0.1%
51 GF Appropriations Base Available Growth	(\$795.7)	\$249.6	\$619.5	\$4.4
52				
53 Personal Income (Sec 24-75-201.1 (1)(a)(VII)(A), CRS - PI as of two years prior to fiscal year)	\$205,548.0	\$212,320.0	\$207,742.0	\$212,520.0
54 Percent Increase/(Decrease) Over Previous Year	N/A	3.3%	-2.2%	2.3%
55				
56 Calculated Restriction on GF Appropriation Growth (Sec 24-75-201.1 (1)(a)(II) through (IV), CRS)	\$10,277.4	\$10,616.0	\$10,387.1	\$10,626.0
57 Adjusted GF Appropriations Base	6,631.6	6,853.1	7,472.6	7,477.0
58 Over/(Under) Calculated Appropriations Restriction	(\$3,645.8)	(\$3,762.9)	(\$2,914.5)	(\$3,149.0)
59				
60 Year-End GF Reserve Percentage	2.2%	0.2%	-2.0%	-3.6%
61				
62 Rebates and Expenditures Include (from OSPB Forecast)				
63 Cigarette Rebate	\$11.6	\$11.6	\$11.7	\$11.7
64 Suspend Cigarette Rebate for 2 Fiscal Years - Governor's November 2010 Request	\$0.0	\$0.0	(\$11.7)	(\$11.7)
65 Old Age Pension	115.4	99.9	102.5	105.0
66 Aged Property Tax & Heating Credit	7.6	7.6	7.7	7.8
67 FPPA	4.2	4.1	29.7	29.7
68 Suspend FPPA to Payments to Counties for 2 More Fiscal Years - Governor's November 2010 Request	0.0	0.0	(25.4)	(25.4)
69 Amendment 35 GFE Expenditures	0.8	0.8	0.8	0.9
70 Treasurer's Loans to School Districts (Off Budget -- Not in Long Bill)	2.2	1.3	5.6	8.6
71 Total Rebates and Expenditures	\$141.8	\$125.3	\$120.9	\$126.6

**Table 3**  
**Summary of FY 2009-10, FY 2010-11, and FY 2011-12 General Fund Appropriations**

Departments	FY 2009-10 Appropriation as of 2010 Session	FY 2010-11 Appropriation as of 2010 Session	Supplemental Changes to FY 2010-11 as Approved by the JBC	FY 2010-11 Appropriation Adjusted for JBC Supplemental Changes	FY 2010-11 Separate Bills and Placeholders as Part of Supplemental Package	FY 2010-11 Appropriation Adjusted for JBC Supplemental Changes and Supplemental Package Bills	Original Nov 1 OSP and Elected Official FY 2011-12 Requests	Revised OSPB and Elected Official FY 2011-12 Requests as of Jan 3
1 Agriculture	\$6,055,836	\$4,956,274	(\$32,160)	\$4,924,114	\$0	4,924,114	\$5,151,053	\$5,151,053
2 Corrections	565,603,106	647,180,811	7,625,722	654,806,533	0	654,806,533	652,663,857	652,487,674
3 Education	3,239,325,619	3,176,663,441	2,750,612	3,179,414,053	(216,355,384)	2,963,058,669	3,227,945,416	3,227,945,416
4 Governor	13,862,984	11,291,137	639,212	11,930,349	0	11,930,349	11,102,156	10,461,092
5 Health Care Policy	1,150,198,522	1,232,196,603	(13,374,170)	1,218,822,433	92,497,177	1,311,319,610	1,677,799,950	1,676,240,637
6 Higher Education	428,761,033	644,870,589	248,310	645,118,899	60,023,833	705,142,732	660,561,740	660,561,740
7 Human Services	651,948,502	639,803,262	(2,357,598)	637,445,664	(14,922,922)	622,522,742	646,000,076	643,720,547
8 Judicial	323,814,931	332,423,582	(2,688,469)	329,735,113	0	329,735,113	347,390,828	347,535,759
9 Labor	0	0	0	0	0	0	0	0
10 Law	9,225,846	9,615,003	(104,630)	9,510,373	0	9,510,373	10,026,547	10,026,547
11 Legislature	35,137,319	34,796,446	0	34,796,446	(183,480)	34,612,966	34,796,446	34,796,446
12 Local Affairs	10,912,921	10,561,511	(30,662)	10,530,849	0	10,530,849	10,692,487	10,692,487
13 Military Affairs	5,407,887	5,320,408	(34,175)	5,286,233	0	5,286,233	5,469,060	5,469,060
14 Natural Resources	26,634,588	26,419,333	(218,271)	26,201,062	0	26,201,062	23,535,829	23,535,829
15 Personnel	5,576,326	5,476,140	(252,495)	5,223,645	0	5,223,645	4,467,999	4,623,049
16 Public Health	27,076,170	27,541,461	(80,557)	27,460,904	0	27,460,904	27,532,728	27,532,728
17 Public Safety	81,989,417	82,654,286	(150,484)	82,503,802	0	82,503,802	83,390,831	83,390,831
18 Regulatory Agencies	1,457,251	1,510,435	0	1,510,435	0	1,510,435	1,524,085	1,524,085
19 Revenue	73,749,339	70,714,586	(32,353)	70,682,233	0	70,682,233	58,890,647	58,890,647
20 State	0	0	0	0	0	0	0	0
21 Transportation	0	0	0	0	0	0	0	0
22 Treasury	1,680,359	2,550,137	(187,182)	2,362,955	0	2,362,955	2,587,488	2,587,488
23 Capital Construction Fund	0	0	0	0	0	0	0	0
24 Controlled Maintenance	0	0	0	0	0	0	0	0
25								
26 Total	\$6,658,417,956	\$6,966,545,445	(\$8,279,350)	\$6,958,266,095	(\$78,940,776)	\$6,879,325,319	\$7,491,529,223	7,487,173,115
27								
28 Transfers to Capital Construction Fund								
29 Amounts Deemed Exempt from Statutory Limit	\$0	\$0		\$0		\$0	\$0	\$0
30 Rebates and Expenditures	\$26,841,912	\$26,209,165		\$26,209,165		\$26,209,165	\$14,539,050	\$14,539,050
31								
32 Amount Subject to Statutory Limit	\$6,631,576,044	\$6,940,336,280	(\$8,279,350)	\$6,932,056,930	(\$78,940,776)	\$6,853,116,154	\$7,476,990,173	\$7,472,634,065

**Table 4**  
**Cash Fund and General Fund Revenue Actions that Impact JBC Budget Balancing for FY 2010-11 and FY 2011-12**

	Bill No.	Department	FY 2009-10 Revenue Impact					FY 2010-11 Revenue Impact					
			GF	CF	RF	FF	Total	GF	CF	RF	FF	Total	
1 <b>Title:</b>													
2 <i>Cash Transfers Included in JBC Package:</i>													
3 <b>Augment FY 2010-11 General Fund Revenues:</b>													
4 Contingency Reserve Fund	TBD	Education	2,853,383	0	0	0	2,853,383						0
5 Colorado Travel and Tourism Fund	TBD	Governor	2,500,000	0	0	0	2,500,000						0
6 Drug Offender Treatment Fund	TBD	Judicial	672,725	0	0	0	672,725						0
7							0						0
8 Summary of Augment FY 2010-11 General Fund			<b>6,026,108</b>	0	0	0	6,026,108	0	0	0	0	0	0
9													
10 <i>Subtotal Cash Transfers Approved as Part of JBC Package</i>			<b>6,026,108</b>	0	0	0	<b>6,026,108</b>	0	0	0	0	0	0
11													
12 <i>Higher Education Federal Mineral Lease (Trf in Capital Construction Bill)</i>	TBD	Cap Cons	<b>1,122,581</b>	0	0	0	<b>1,122,581</b>	0	0	0	0	0	0
13													
14 <b>Total</b>			<b>7,148,689</b>	0	0	0	<b>7,148,689</b>	0	0	0	0	0	0
15													
16 <b>Limited Gaming Bill</b>	TBD												
17 <i>Impact to OSPB December Forecast</i>		Governor	(14,000,000)	0	0	0	(14,000,000)						
18 <i>Impact to LCS December Forecast</i>		Governor	(17,500,000)	0	0	0	(17,500,000)						
19													
20													
21 Cash Fund Transfers Approved by JBC - OSPB Forecast			(6,851,311)	0	0	0	(6,851,311)	0					
22 Cash Fund Transfers Approved by JBC - LCS Forecast			(10,351,311)	0	0	0	(10,351,311)	0					

**Table 5**  
**Bills that Impact General Fund from the 2011 Session for FY 2010-11 and FY 2011-12**

	<b>Bill No.</b>	<b>Department</b>	<b>FY 2010-11 Impact GF</b>
1 <b>Title:</b>			
2 <b><i>Bills Included in JBC Supplemental Package - Subject to Statutory Limit:</i></b>			
3 School Finance Related Adjustments	TBD	Education	(216,355,384)
4 School Finance Related Adjustments (ARRA Adjustment)	TBD	Higher Education	60,023,833
5			
6 <b><i>Subtotal Bills Approved as Part of JBC Supp. Package - Statutory Limit</i></b>			<b><i>(156,331,551)</i></b>
7			
8 <b><i>Place Holders for Actions Not Contained in Legislation:</i></b>			
9 1.0 Percent Reversion for Legislative Personal Services	N/A	Legislative	(183,480)
10 Medicaid Placeholder for Caseload, FMAP, and Roll Over	N/A	HCPF	92,497,177
11 Human Services Placeholders	N/A	HS	<u>(14,922,922)</u>
12 <b><i>Subtotal Place Holders</i></b>			<b><i>77,390,775</i></b>
13			
14 <b>Total</b>			<b><u>(78,940,776)</u></b>