

MEMORANDUM

TO: JBC Members

FROM: John Ziegler

SUBJECT: March Revenue Forecast - As of Decisions Made through March 29, 2012

DATE: March 30, 2012

Attached are eight tables that provide a comparison of the March revenue forecasts based on the JBC decisions through March 29, 2012.

- Table 1:** Provides the General Fund Overview based on the OSPB revenue forecast.
- Table 2:** Provides the General Fund Overview based on the LCS revenue forecast.
- Table 3:** Provides the Summary of FY 2010-11, FY 2011-12, and FY 2012-13 General Fund Appropriations.
- Table 4:** Provides the Bills that Impact General Fund from the 2012 Session for FY 2011-12 and FY 2012-13.
- Table 5:** Provides the List of Amounts that are not Subject to the Statutory Limit on General Fund Appropriations.

Please note: The figures reflected in these schedules are based on decisions and assumptions made by the JBC through March 29, 2012. Future decisions or assumptions could change the figures within these schedules.

Table 1
General Fund Overview Based On OSPB March 2012 Revenue Estimate and JBC Decisions on FY 2012-13 Request
As of Decisions Made through March 29, 2012
(millions of dollars)

	FY 10-11	FY 11-12	FY 12-13	FY 13-14
1 Beginning GF Reserve	\$137.4	\$156.9	\$401.2	\$295.6
2 GF Nonexempt Revenues	6,315.2	6,326.9	6,724.5	6,992.7
3 GF Exempt Revenues	770.6	1,073.2	896.3	955.0
4 Transfers/Paybacks (prior Sessions)	158.1	132.7	2.1	2.2
5 Transfer to Older Americans Act	(8.0)	(8.0)	(8.0)	(8.0)
6 Transfers Included as Part of the JBC Budget Package	0.0	9.4	(6.7)	0.0
7 TABOR Surplus Liability	0.0	0.0	0.0	0.0
8 TOTAL GF AVAILABLE	\$7,373.3	\$7,691.1	\$8,009.4	\$8,237.5
9				
10 GF Obligations:				
11 GF Appropriations	\$6,811.1	\$6,982.3	\$7,342.9	\$7,423.4
12 January 2012 Supplemental Adjustments	12.0	(9.2)	0.0	0.0
13 Long Bill Add-on Supplementals	0.0	49.1	\$0.0	\$0.0
14 Associated Budget Package Bills in Addition to the Long Bill	0.0	5.7	80.5	0.0
15 Adjusted GF Appropriations Base	6,823.1	7,027.9	7,423.4	7,423.4
16 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
17 Medicaid Overexpenditures/Payment Delays as Required by OSPB and Controller	0.0	0.0	0.0	0.0
18 Estimated Federal Medical Assistance Percentage (FMAP) Changes (includes SB264 impact)	(0.5)	0.0	0.0	0.0
19 Rebates and Expenditures - Based on Statutory Minimums	126.0	131.0	130.5	145.4
20 Reimbursement for Senior and Veterans Property Tax Exemption	1.6	1.7	98.5	104.4
21 Transfer to HUTF (Sec. 24-75-219, C.R.S.)	0.0	0.0	0.0	0.0
22 Transfer to Capital Construction (Sec. 24-75-219, C.R.S.)	0.0	0.0	0.0	0.0
23 Capital Construction Transfer	12.0	49.3	61.4	53.6
24 JBC Bill to Transfer General Fund to SEF (\$80.0 M in FY 2011-12, All Excess in FY 2012-13)	0.0	80.0	0.0	0.0
25 Transfer of Excess Reserve to SEF Pursuant to SB 11-156	221.1	0.0	0.0	0.0
26 Transfer of Excess Reserve to Public School Fund pursuant to SB 11-230	67.5	0.0	0.0	0.0
27 Accounting Adjustments	(34.4)	0.0	0.0	0.0
28 TOTAL GF OBLIGATIONS	\$7,216.4	\$7,289.9	\$7,713.8	\$7,726.8
29				
30 YEAR END GF RESERVE	\$156.9	\$401.2	\$295.6	\$510.7
31 STATUTORY RESERVE (Section 24-75-201.1 (1) (d), C.R.S.)	156.9	281.1	296.9	296.9
32 MONEYS IN (DEFICT)/EXCESS OF THE STATUTORY GF RESERVE	(\$0.0)	\$120.1	(\$1.3)	\$213.8
33 Reduction Needed to Maintain 1/2 of Statutory Reserve	N/A	N/A	N/A	N/A

Table 1 - Continued

	FY 10-11	FY 11-12	FY 12-13	FY 13-14
34 Total Gross General Fund Revenues	\$7,085.8	\$7,400.1	\$7,620.8	\$7,947.7
35 Percent Gross General Fund Revenue Growth	9.7%	4.4%	3.0%	4.3%
36				
37 Transfer to the State Education Fund	\$370.8	\$388.3	\$399.9	\$417.8
38 Transfer of Excess Reserve to SEF Pursuant to SB 11-156	221.1	0.0	0.0	0.0
39 Transfer Revenues Received due to Tax Amnesty bill to SEF pursuant to SB 11-184	0.0	9.7	0.0	0.0
41 Total Transfers to the State Education Fund	\$591.9	\$398.0	\$399.9	\$417.8
41				
42 Required TABOR Reserve	\$282.7	\$294.0	\$298.0	\$312.4
43				
44 GF Approp Base (Adj GF approp base + K-12 Capital + Amt Deemed Exempt + Medicaid Over)	\$6,823.1	\$7,027.9	\$7,423.4	\$7,423.4
45 Total Percent Growth (Including both items within restriction and exemptions)	3.3%	3.0%	5.6%	0.0%
46 GF Appropriations Base Available Growth	\$219.6	\$204.8	\$395.5	\$0.0
47				
48 Personal Income (Sec 24-75-201.1 (1)(e)(I), CRS) - Calculation to Trigger SB 228	\$213,200.0	\$224,300.0	\$234,200.0	\$244,200.0
49 Percent Increase/(Decrease) Over Previous Year	3.8%	5.2%	4.4%	4.3%
50				
51 Calculated Restriction on GF Appropriation Growth (Sec 24-75-201.1 (1)(a)(II) through (IV), CRS)	10,800.0	10,270.0	10,660.0	11,225.0
52 Adjusted GF Appropriations Base	6,823.1	7,027.9	7,423.4	7,423.4
53 Over/(Under) Calculated Appropriations Restriction	(\$3,976.9)	(\$3,242.1)	(\$3,236.6)	(\$3,801.6)
54				
55 Year-End GF Statutory Reserve Percentage	2.3%	4.0%	4.0%	4.0%
56 Year-End GF Excess of Statutory Reserve Percentage	0.0%	1.7%	0.0%	2.9%
57				
58 Rebates and Expenditures Include (from OSPB Forecast)				
59 Cigarette Rebate	\$11.0	\$11.2	\$10.3	\$9.9
60 Old Age Pension	102.2	100.1	96.1	96.1
61 Aged Property Tax & Heating Credit	6.8	7.8	7.4	7.4
62 FPPA	4.3	9.6	14.3	29.6
63 Amendment 35 GFE Expenditures	0.9	0.9	0.8	0.8
64 Treasurer's Loans to School Districts (Off Budget -- Not in Long Bill)	0.8	1.4	1.6	1.6
65 Total Rebates and Expenditures	\$126.0	\$131.0	\$130.5	\$145.4

Table 2
General Fund Overview Based On Legislative Council March 2012 Revenue Estimate and JBC Decisions on FY 2012-13 Request
As of Decisions Made through March 29, 2012
(millions of dollars)

	FY 10-11	FY 11-12	FY 12-13	FY 13-14
1 Beginning GF Reserve	\$137.4	\$156.9	\$476.6	\$400.4
2 GF Nonexempt Revenues	6,315.2	6,295.9	6,688.5	7,034.4
3 GF Exempt Revenues	770.6	1,182.2	971.8	1,050.7
4 Transfers/Paybacks (Prior Sessions)	158.1	133.0	2.1	(0.9)
5 Transfer to Older Americans Act	(10.9)	(10.9)	(8.0)	(8.0)
6 Transfers Included as Part of the JBC Budget Package	0.0	9.5	(6.7)	0.0
7 TABOR Surplus Liability	0.0	0.0	0.0	0.0
8 TOTAL GF AVAILABLE	\$7,370.4	\$7,766.6	\$8,124.3	\$8,476.6
9				
10 GF Obligations:				
11 GF Appropriations	\$6,811.1	\$6,982.3	\$7,342.9	\$7,423.4
12 January 2012 Supplemental Adjustments	12.0	(9.2)	0.0	0.0
13 Long Bill Add-on Supplementals	0.0	49.1	0.0	0.0
14 Associated Budget Package Bills in Addition to the Long Bill	0.0	5.7	80.5	0.0
15 Adjusted GF Appropriations Base	6,823.1	7,027.9	7,423.4	7,423.4
16 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
17 Medicaid Overexpenditures/Payment Delays as Required by OSPB and the Controller	0.0	0.0	0.0	0.0
18 Estimated Federal Medical Assistance Percentage (FMAP) Changes (includes SB264 impact)	0.0	0.0	0.0	0.0
19 Rebates and Expenditures - Based on Statutory Minimums	115.1	131.1	143.0	140.0
20 Reimbursement for Senior and Veterans Property Tax Exemption	1.6	1.7	96.1	102.7
21 Transfer to HUTF (Sec. 24-75-219, C.R.S.)	0.0	0.0	0.0	161.7
22 Transfer to Capital Construction (Sec. 24-75-219, C.R.S.)	0.0	0.0	0.0	40.4
23 JBC Bill to Transfer General Fund to SEF (\$80.0 M in FY 2011-12, All Excess in FY 2012-13)	0.0	80.0	0.0	0.0
24 Capital Construction Transfer	12.0	49.3	61.4	84.1
25 Transfer of Excess Reserve to SEF pursuant to SB 11-156	221.0	0.0	0.0	0.0
26 Transfer of Excess Reserve to Public School Fund pursuant to SB 11-230	67.5	0.0	0.0	0.0
27 Accounting Adjustments	(26.8)	0.0	0.0	0.0
28 TOTAL GF OBLIGATIONS	\$7,213.5	\$7,290.0	\$7,723.9	\$7,952.3
29				
30 YEAR END GF RESERVE	\$156.9	\$476.6	\$400.4	\$524.3
31 STATUTORY RESERVE (Section 24-75-201.1 (1) (d), C.R.S.)	156.9	281.1	296.9	334.1
32 MONEYS IN (DEFICT)/EXCESS OF THE STATUTORY GF RESERVE	(\$0.0)	\$195.5	\$103.5	\$190.2
33 Reduction Needed to Maintain 1/2 of Statutory Reserve	N/A	N/A	N/A	N/A

Table 2 - Continued

	FY 10-11	FY 11-12	FY 12-13	FY 13-14
34 Total Gross General Fund Revenues	\$7,085.8	\$7,478.1	\$7,660.3	\$8,085.1
35 Percent Gross General Fund Revenue Growth	9.7%	5.5%	2.4%	5.5%
36				
37 Transfer to the State Education Fund	\$370.5	\$399.2	\$407.4	\$431.9
38 Transfer of Excess Reserve to SEF Pursuant to SB 11-156	221.0	0.0	0.0	0.0
39 Total Transfers to the State Education Fund	\$591.5	\$399.2	\$407.4	\$431.9
40				
41 Required TABOR Reserve	\$282.7	\$299.5	\$306.3	\$322.0
42				
43 GF Approp Base (Adj GF approp base + K-12 Capital + Amt Deemed Exempt + Medicaid Over)	\$6,823.1	\$7,027.9	\$7,423.4	\$7,423.4
44 Total Percent Growth (Including both items within restriction and exemptions)	3.3%	3.0%	5.6%	0.0%
45 GF Appropriations Base Available Growth	\$219.6	\$204.8	\$395.5	\$0.0
46				
47 Personal Income (Sec 24-75-201.1 (1)(e)(I), CRS) - Calculation to Trigger SB 228	\$213,202.0	\$224,502.0	\$233,706.0	\$245,625.0
48 Percent Increase/(Decrease) Over Previous Year	3.8%	5.3%	4.1%	5.1%
49				
50 Calculated Restriction on GF Appropriation Growth (Sec 24-75-201.1 (1)(a)(VII)(A), CRS)	\$10,797.6	\$10,271.9	\$10,660.1	\$11,235.8
51 Adjusted GF Appropriations Base	6,823.1	7,027.9	7,423.4	7,423.4
52 Over/(Under) Calculated Appropriations Restriction	(\$3,974.5)	(\$3,244.0)	(\$3,236.7)	(\$3,812.4)
53				
54 Year-End GF Statutory Reserve Percentage	2.3%	4.0%	4.0%	4.5%
55 Year-End GF Excess of Statutory Reserve Percentage	0.0%	2.8%	1.4%	2.6%
56				
57 Rebates and Expenditures Include (from LCS Forecast)				
58 Cigarette Rebate	\$11.0	\$11.5	\$11.2	\$11.0
59 Old Age Pension	91.3	100.6	108.2	89.9
60 Aged Property Tax & Heating Credit	6.8	7.7	7.6	7.5
61 FPPA	4.3	9.8	14.6	30.0
62 Amendment 35 GFE Expenditures	0.9	0.9	0.9	0.9
63 Treasurer's Loans to School Districts (Off Budget -- Not in Long Bill)	0.8	0.6	0.5	0.7
64 Total Rebates and Expenditures	\$115.1	\$131.1	\$143.0	\$140.0

Table 3
Summary of FY 2010-11, FY 2011-12, and FY 2012-13 General Fund Appropriations
As of Decisions Made through March 29, 2012

Departments	FY 2010-11 Appropriation Adjusted for 2012 Session Supplemental Changes	FY 2011-12 Appropriation Adjusted for JBC Supplemental Changes and Supplemental Package Bills	FY 2011-12 Add- on Changes in the FY 2012-13 Long Bill	FY 2011-12 Appropriation Adjusted for Long Bill Add-ons	FY 2011-12 Separate Bills as Part of Long Bill Package and Other Bills Passed During 2012 Session	FY 2011-12 Appropriation Adjusted for Add- ons and Separate Bills	FY 2012-13 Operating Base In Long Bill Based on JBC Decisions	FY 2012-13 Separate Bills Passed and Statutory Appropriations	FY 2012-13 Operating Base Total Appropriation
1 Agriculture	\$4,924,114	5,164,362	\$0	\$5,164,362	\$0	\$5,164,362	\$6,850,576	\$0	\$6,850,576
2 Corrections	658,794,383	648,950,165	0	648,950,165	0	648,950,165	651,325,285	836,664	652,161,949
3 Education	2,963,613,216	2,833,702,613	0	2,833,702,613	0	2,833,702,613	2,958,024,914	57,232,000	3,015,256,914
4 Governor	11,930,349	10,613,728	0	10,613,728	0	10,613,728	12,968,186	5,178,074	18,146,260
5 Health Care Policy	1,278,711,042	1,646,702,188	50,414,302	1,697,116,490	1,820,992	1,698,937,482	1,858,846,872	(204,943)	1,858,641,929
6 Higher Education	705,108,145	623,962,700	0	623,962,700	0	623,962,700	619,571,953	0	619,571,953
7 Human Services	623,196,849	615,761,476	(14,219)	615,747,257	3,845,866	619,593,123	637,576,480	3,708,083	641,284,563
8 Judicial	327,054,402	339,829,859	(1,374,217)	338,455,642	0	338,455,642	351,765,621	0	351,765,621
9 Labor	0	0	0	0	0	0	0	0	0
10 Law	9,510,373	9,392,394	29,814	9,422,208	0	9,422,208	9,825,895	0	9,825,895
11 Legislature	34,796,446	34,684,832	0	34,684,832	0	34,684,832	2,644,911	33,245,827	35,890,738
12 Local Affairs	10,530,849	10,379,500	0	10,379,500	0	10,379,500	10,324,679	0	10,324,679
13 Military Affairs	5,286,233	5,429,298	0	5,429,298	0	5,429,298	5,681,430	0	5,681,430
14 Natural Resources	26,201,062	23,429,407	0	23,429,407	0	23,429,407	23,412,116	0	23,412,116
15 Personnel	5,104,155	4,118,272	0	4,118,272	0	4,118,272	6,639,194	0	6,639,194
16 Public Health	27,460,904	27,473,436	0	27,473,436	0	27,473,436	27,843,155	3,022,800	30,865,955
17 Public Safety	82,314,802	82,727,973	0	82,727,973	0	82,727,973	84,081,985	0	84,081,985
18 Regulatory Agencies	1,510,435	1,600,344	0	1,600,344	0	1,600,344	1,714,111	0	1,714,111
19 Revenue	70,830,479	72,744,786	0	72,744,786	0	72,744,786	95,804,403	(22,568,548)	73,235,855
20 State	0	0	0	0	0	0	0	0	0
21 Transportation	0	0	0	0	0	0	0	0	0
22 Treasury	2,362,955	7,903,000	0	7,903,000	0	7,903,000	109,331,708	0	109,331,708
23 Capital Construction Fund	0	0	0	0	0	0	0	0	0
24 Controlled Maintenance	0	0	0	0	0	0	0	0	0
25									
26 Total	\$6,849,241,193	\$7,004,570,333	\$49,055,680	\$7,053,626,013	\$5,666,858	\$7,059,292,871	7,474,233,474	80,449,957	7,554,683,431
27									
28 Transfers to Capital Construction Fund									
29 Amounts Deemed Exempt from Statutory Limit	\$0	\$0				\$0			
30 Rebates and Expenditures	\$26,841,912	\$31,508,032		\$31,508,032		\$31,508,032			131,377,953
31									
32 Amount Subject to Statutory Limit	\$6,822,399,281	\$6,973,062,301	\$49,055,680	\$7,022,117,981	\$5,666,858	\$7,027,784,839			7,423,305,478
33 Amount Subject to Statutory Limit in Long Bill									7,342,855,521
34 Amount Subject to Statutory Limit in Bills									80,449,957

Table 4
Bills that Impact General Fund from the 2012 Session for FY 2011-12 and FY 2012-13
As of Decisions Made through March 29, 2012

	Bill No.	Department	FY 2011-12 Impact GF	FY 2012-13 Impact GF	
1	Title:				
2	<i>Bills Included in JBC Long Bill Package that Impact General Fund Revenue:</i>				
3	Assistance to the Elderly	12-1326	Hum Serv	0	(6,695,581)
4	Transfer from the State Rail Bank Fund to the General Fund	12-????	Transportation	9,356,000	0
5					
6	Total Bills Impacting General Fund		9,356,000	(6,695,581)	
7	<i>Bills Included in JBC Long Bill Package - Subject to Statutory Limit:</i>				
8	Prison Utilization Study	12-????	Corrections	0	350,000
9	2012 School Finance Act	12-????	Education	0	57,232,000
10	Film Incentives	12-1286	Governor	0	3,000,000
11	Governor's Energy Office	12-1315	Governor	0	2,178,074
12	Nursing Facility Rates	12-????	HCPF	0	(4,512,338)
13	CBMS Oversight	12-????	HCPF	1,820,992	4,307,395
14	CBMS Oversight	12-????	Hum Serv	3,845,866	3,708,083
15	Legislative Appropriation Bill	12-1301	Legislature	0	33,245,827
16	Assistance to the Elderly	12-1326	Pub Health	0	3,022,800
17	Ports of Entry	12-1019	Revenue	0	95,696
18	Drivers License Refinance	12-1216	Revenue	0	(22,664,244)
19					
20	<i>Subtotal Bills Approved as Part of JBC LB Package - Statutory Limit</i>			5,666,858	79,963,293
21					
22	Five Year Statutory Appropriations for the Department of Corrections	N/A	Corrections	0	486,664
23					
24	Total			5,666,858	80,449,957
25	Operating Budget			5,666,858	80,449,957
26	Rebates and Expenditures			0	0

Table 5
List of Amounts that are not Subject to the Statutory Limit on General Fund Appropriations
As of Decisions made through March 29,2012

	FY 2011-12	FY 2012-13
1 <u>FY 2011-12:</u>		
2 Amounts Not Subject to the Limit due to Constitutional or Statutory Provisions:		
3		
4 Treasury, Senior Citizen and Disabled Veterans Property Tax Exemption	\$1,700,000	
5 Treasury, Fire and Police Pension Association	\$25,321,079	
6 Revenue, Old Age Heat and Fuel	7,800,000	
7 Revenue, Cigarette Tax	11,500,000	
8 Local Affairs, Fire and Police Pension Association	4,294,753	
9 HCPF - Amendment 35 Tobacco Tax	446,100	
10 Public Health, Amendment 35 Tobacco Tax	<u>446,100</u>	
11 Amount as Reflected in Long Bill	51,508,032	
12		
13 Modifications to Fire and Police Pension Association - SB 11-221	<u>(\$20,000,000)</u>	
14		
15 Subtotal Amounts Not Subject to the Limit:	\$31,508,032	
16		
17 Totals	\$31,508,032	
18 <u>FY 2012-13:</u>		
19 Amounts Not Subject to the Limit due to Constitutional or Statutory Provisions:		
20		
21 Treasury, Senior Citizen and Disabled Veterans Property Tax Exemption		\$98,500,000
22 Treasury, Fire and Police Pension Association		\$10,000,000
23 Revenue, Old Age Heat and Fuel		7,400,000
24 Revenue, Cigarette Tax		10,300,000
25 Local Affairs, Fire and Police Pension Association		4,294,753
26 HCPF - Amendment 35 Tobacco Tax		441,600
27 Public Health, Amendment 35 Tobacco Tax		<u>441,600</u>
28 Amount as Reflected in Long Bill		131,377,953
29		
30 Subtotal Amounts Not Subject to the Limit:		\$131,377,953
31		
32 Totals		\$131,377,953