

MEMORANDUM

TO: JBC Members

FROM: John Ziegler

SUBJECT: March 2018 Revenue Forecast with JBC Actions through March 19, 2018

DATE: March 20, 2018

Legislative Council Staff (LCS) and the Office of State Planning and Budgeting (OSPB) released their March revenue forecasts on March 19, 2018. The General Fund Overviews have been updated for the Joint Budget Committee (JBC) actions through March 19, 2018. Please note that many of these items are likely to change as the balancing process for figure setting continues over the next week. Attached are tables that provide a comparison of the information as it pertains to the March revenue forecasts.

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.

These preliminary General Fund overviews contain several assumptions. Please note the following:

- The revenues reflect the amount based on the corresponding forecast.
- The GF Obligations (Actions Taken) reflect the amounts based on current law, the respective forecast, and committee actions through March 19, 2018 and omits those actions not yet taken.
- The GF Obligations (Actions Not Taken) reflect any requests or recommendations that have yet to be made. These items are based on the highest amount that has been requested or recommended.
- The surplus is the amount that remains should all the above be adopted.

It is important to note these amounts may drive differences in calculations once the JBC takes actions. The figures in these charts should be considered preliminary until the JBC takes final actions. Those actions may drive differences in the amount.

Table 1
General Fund Overview Based On Legislative Council Decembr 2017 Revenue Estimate
Updated for March 2017 Revenue Forecast and JBC Actions through March 19, 2018
(millions of dollars)

	FY 16-17	FY 17-18	FY 18-19	FY 19-20
1 Beginning GF Reserve	\$512.7	\$614.5	\$962.5	\$802.4
2 GF Nonexempt Revenues	8,145.8	9,133.0	9,565.3	10,143.7
3 GF Exempt Revenues	2,130.0	2,214.9	2,598.0	2,709.8
4 <i>Various Decisions the JBC has yet to take Action on</i>	0.0	(3.2)	0.0	0.0
5 Transfers in from Other Funds	44.8	90.1	18.2	18.5
6 Revenue Changes Approved by the JBC as Part of Supplemental and Figure Setting Processes	0.0	0.0	0.0	0.0
7 TOTAL GF AVAILABLE	\$10,833.3	\$12,049.3	\$13,144.0	\$13,674.4
8				
9 GF Obligations:				
10 GF Appropriations	\$9,786.0	\$10,536.5	\$10,569.9	\$11,725.5
11 Long Bill Supplemental Add-ons	0.0	(112.2)	0.0	0.0
12 JBC Separate Bills/Placeholders Included for Balancing	0.0	0.0	123.4	0.0
13 <i>GF Obligations (Actions Not Taken)</i>	0.0	0.0	1,032.2	0.0
14 Adjusted GF Appropriations Base	9,786.0	10,424.3	11,725.5	11,725.5
15 TABOR Refund Pursuant to Section 20 (7) (d) of Article X of the Colorado Constitution	0.0	0.0	30.3	156.4
16 Rebates and Expenditures - Based on Statutory Minimums	148.7	135.7	135.4	135.8
17 Reimbursement for Senior and Veterans Property Tax Exemption	136.4	139.1	151.9	160.6
18 Reimbursement for Senior and Veterans Property Tax Exemption - TABOR Refund Mechanism	0.0	0.0	0.0	(30.3)
19 Transfer to HUTF (Sec. 24-75-219, C.R.S.)	79.0	79.0	0.0	0.0
20 Transfer to Capital Construction (Sec. 24-75-219, C.R.S.)	52.7	0.0	0.0	0.0
21 <i>Transfer to the Capital Construction Fund Other than those Required Under Sec. 24-75-219, C.R.S.</i>	31.8	112.1	149.9	60.0
22 Transfer to FPPA and SEF - SB 13-234	25.3	25.3	25.0	0.0
23 Transfers to Other Funds	164.8	171.3	145.4	156.0
24 Accounting Adjustments	(205.9)	0.0	(21.8)	0.0
25 TOTAL GF OBLIGATIONS	\$10,218.8	\$11,086.8	\$12,341.6	\$12,364.0
26				
27 YEAR END GF RESERVE	\$614.5	\$962.5	\$802.4	\$1,310.5
28 <i>Additional Amount to Increase Statutory Reserve as Requested by Governor on November 1, 2017 & Jan 2, 2018 (= 8.0% Reserve)</i>	\$0.0	\$0.0	\$0.0	\$0.0
29 STATUTORY RESERVE (Section 24-75-201.1 (1) (d), C.R.S.)	584.4	674.5	758.6	757.3
30 MONEYS IN (DEFICIT)/EXCESS OF THE STATUTORY GF RESERVE	\$30.1	\$288.0	\$43.8	\$553.2

Table 2
General Fund Overview Based On OSPB December 2017 Revenue Estimate
Updated for March 2017 Revenue Forecast and JBC Actions through March 19, 2018
(millions of dollars)

	FY 16-17	FY 17-18	FY 18-19	FY 19-20
1 Beginning GF Reserve	\$512.7	\$614.8	\$1,194.4	\$815.9
2 GF Nonexempt Revenues	8,145.8	9,193.3	9,644.3	10,090.3
3 GF Exempt Revenues	2,130.0	2,406.7	2,324.0	2,506.1
4 Transfers in from Other Funds (prior Sessions)	44.8	90.6	19.9	21.0
5 <i>Various Decisions the JBC has yet to take Action on</i>	0.0	(3.2)	0.0	0.0
6 Revenue Changes Approved by the JBC as Part of Supplemental and Figure Setting Processes	0.0	0.0	0.0	0.0
7 TOTAL GF AVAILABLE	\$10,833.3	\$12,302.2	\$13,182.6	\$13,433.3
8				
9 GF Obligations:				
10 <i>GF Appropriations</i>	\$9,786.0	\$10,536.5	\$10,569.9	\$11,725.5
11 Long Bill Supplemental Add-ons		(112.2)	0.0	0.0
12 JBC Separate Bills/Placeholders Included for Balancing	0.0	0.0	123.4	
13 <i>GF Obligations (Actions Not Taken)</i>	0.0	0.0	1,032.2	0.0
14 Adjusted GF Appropriations Base	9,786.0	10,424.3	11,725.5	11,725.5
15 TABOR Refund Pursuant to Section 20 (7) (d) of Article X of the Colorado Constitution	0.0	0.0	0.0	0.0
16 Rebates and Expenditures - Based on Statutory Minimums	148.7	142.1	149.1	156.3
17 Reimbursement for Senior and Veterans Property Tax Exemption	136.4	139.1	153.1	163.4
18 Transfer to HUTF (Sec. 24-75-219, C.R.S.)	79.0	79.0	0.0	0.0
19 Transfer to Capital Construction (Sec. 24-75-219, C.R.S.)	52.7	0.0	0.0	0.0
20 <i>Transfer to the Capital Construction Fund Other than those Required Under Sec. 24-75-219, C.R.S.</i>	31.8	112.1	149.9	60.0
21 Transfer of Excess Reserve to SEF Pursuant to SB 11-156, HB 12-1338	0.0	0.0	0.0	0.0
22 Transfer of Excess Reserve to Public School Fund pursuant to SB 11-230	0.0	0.0	0.0	0.0
23 Transfer to FPPA and SEF - SB 13-234	25.3	25.3	25.0	0.0
24 Transfers to Other Funds	164.8	185.9	164.1	179.8
25 Transfer to Other Funds as Approved by JBC	0.0	0.0	0.0	0.0
26 Accounting Adjustments	(206.2)	0.0	0.0	0.0
27 TOTAL GF OBLIGATIONS	\$10,218.5	\$11,107.8	\$12,366.7	\$12,285.0
28				
29 YEAR END GF RESERVE	\$614.8	\$1,194.4	\$815.9	\$1,148.4
30 <i>Additional Amount to Increase Statutory Reserve as Requested by Governor on November 1, 2017 & Jan 2, 2018 (= 8.0% Reserve)</i>	\$0.0	\$0.0	\$0.0	\$0.0
31 STATUTORY RESERVE (Section 24-75-201.1 (1) (d), C.R.S.)	584.4	674.5	758.6	757.3
32 MONEYS IN (DEFICT)/EXCESS OF THE STATUTORY GF RESERVE	\$30.4	\$519.9	\$57.3	\$391.1

FY 2018-19 Estimated Scenarios

LCS

OSPB

Revenues

\$13,144.0 million

\$13,182.6 million

MINUS

MINUS

GF Obligations
(Actions Taken)

\$12,068.0 million

\$12,093.1 million

MINUS

MINUS

GF Obligations
(Actions NOT Taken)

\$1,032.2 million

\$1,032.2 million

EQUALS

EQUALS

Surplus

\$43.8 million

\$57.3 million