

# MEMORANDUM

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**TO:** JBC Members

**FROM:** John Ziegler

**SUBJECT:** June Revenue Forecast – Updated for End of 2019 Session and JBC Decisions through June 19, 2019

**DATE:** July 23, 2019

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Legislative Council Staff (LCS) and the Office of State Planning and Budgeting (OSPB) released their June revenue forecasts on June 19, 2019. The General Fund Overview has been updated for the end of the 2019 Session and Committee decisions made through the JBC June 2019 business meeting. Attached are several tables that provide a comparison of the information as it pertains to the June 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.
- Table 3: Provides a summary of General Fund appropriations.
- Table 4: Provides a summary of the JBC actions on the June 2019 Interim 1331 Supplemental Requests.
- Table 5: Provides a comparison of various line items from General Fund overviews based on the LCS and the OSPB June revenue forecasts.

Please note that both LCS and OSPB reflect:

1. A surplus in FY 2018-19 as compared to the required statutory reserve (LCS = \$303.5 million and OSPB = \$447.2 million).
2. A surplus in FY 2019-20 as compared to the required statutory reserve (LCS = \$83.4 million and OSPB = \$261.1 million).

**Table 1**  
**General Fund Overview Based On Legislative Council June 2019 Revenue Estimate**  
**Updated for End of 2019 Session and JBC Actions through June 19, 2019**  
(millions of dollars)

	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>	<b>FY 20-21</b>
1 Beginning GF Reserve	\$614.5	\$1,366.0	\$1,117.7	\$954.5
2 GF Nonexempt Revenues	9,242.2	10,045.7	10,322.5	10,644.0
3 GF Exempt Revenues	2,481.6	2,600.7	2,707.4	2,785.9
4 Transfers in from Other Funds	98.6	67.2	40.3	18.4
5 TOTAL GF AVAILABLE	<u>\$12,436.9</u>	<u>\$14,079.6</u>	<u>\$14,187.9</u>	<u>\$14,402.8</u>
6				
7 GF Obligations:				
8 GF Appropriations	\$10,453.5	\$11,230.7	\$12,014.6	\$12,015.3
9 1331 Supplemental Requests Approved by JBC	0.0	0.0	0.7	0.0
10 Adjusted GF Appropriations Base	<u>10,453.5</u>	<u>11,230.7</u>	<u>12,015.3</u>	<u>12,015.3</u>
11 Medicaid Overexpenditures (exempt from Statutory Limit and Statutory Reserve)	6.4	0.0	0.0	0.0
12 TABOR Refund Pursuant to Section 20 (7) (d) of Article X of the Colorado Constitution	39.8	574.7	310.0	342.1
13 Rebates and Expenditures - Based on Statutory Minimums	158.4	143.8	144.3	145.1
14 Reimbursement for Senior and Veterans Property Tax Exemption	132.3	145.9	153.2	161.9
15 Reimbursement for Senior and Veterans Property Tax Exemption - TABOR Refund Mechanism	0.0	(39.5)	(153.2)	(161.9)
16 Transfer to HUTF (Sec. 24-75-219, C.R.S.)	79.0	495.0	300.0	50.0
17 Transfer to the Capital Construction Fund and Controlled Maintenance Trust Fund	112.1	180.5	205.7	0.0
18 Transfer to the Capital Construction Fund and Controlled Maintenance Trust Fund - 1331 Appr by JBC	0.0	0.0	3.0	0.0
19 Transfer to CSU National Western Campus COP Fund (Sec. 23-31-902 (2), C.R.S.)	n/a	n/a	16.6	16.6
20 Transfer to Capitol Complex Master Plan Implementation Fund (Sec. 24-75-307 (1), C.R.S.)	n/a	n/a	3.4	3.4
21 Transfer to FPPA and SEF - SB 13-234	25.3	25.0	40.3	0.0
22 Transfers to Other Funds	208.6	205.8	194.8	240.9
23 Accounting Adjustments	(144.5)	0.0	0.0	0.0
24 TOTAL GF OBLIGATIONS	<u>\$11,070.9</u>	<u>\$12,961.9</u>	<u>\$13,233.4</u>	<u>\$12,813.4</u>
25				
26 YEAR END GF RESERVE	\$1,366.0	\$1,117.7	\$954.5	\$1,589.4
27 STATUTORY RESERVE (Section 24-75-201.1 (1) (d), C.R.S.)	676.3	814.2	871.1	871.1
28 MONEY IN (DEFICIT)/EXCESS OF THE STATUTORY GF RESERVE	<u>\$689.7</u>	<u>\$303.5</u>	<u>\$83.4</u>	<u>\$718.3</u>

Table 1 - Continued

	FY 17-18	FY 18-19	FY 19-20	FY 20-21
29 Total Gross General Fund Revenues	\$11,723.8	\$12,646.4	\$13,029.9	\$13,429.9
30 Percent Gross General Fund Revenue Growth	14.1%	7.9%	3.0%	3.1%
31				
32 Transfer to the State Education Fund	\$617.0	\$692.8	\$710.6	\$726.2
33 Transfer of Excess Reserve to SEF pursuant to SB 11-156, HB 12-1338, SB 13-234, SB 13-260	25.3	25.0	40.3	0.0
34 Total Transfers to the State Education Fund	\$642.3	\$717.8	\$750.9	\$726.2
35				
36 Required TABOR Reserve	\$411.1	\$430.8	\$448.5	\$461.5
37				
38 GF Approp Base (Adj GF approp base + K-12 Capital + Amt Deemed Exempt + Medicaid Over)	\$10,459.9	\$11,230.7	\$12,015.3	\$12,015.3
39 Total Percent Growth (Including both items within restriction and exemptions)	6.9%	7.4%	7.0%	0.0%
40 GF Appropriations Base Available Growth	\$673.9	\$770.8	\$784.6	\$0.0
41				
42 Personal Income (Sec 24-75-201.1 (1)(e)(I), CRS) - Calculation to Trigger SB 228	\$289,621.0	\$306,411.0	\$323,767.0	\$342,546.0
43 Percent Increase/(Decrease) Over Previous Year	1.9%	5.8%	5.7%	5.8%
44				
45 Calculated Restriction on GF Appropriation Growth (Sec 24-75-201.1 (1)(a)(VII)(A), CRS)	\$14,207.2	\$14,481.1	\$15,320.6	\$16,188.4
46 Adjusted GF Appropriations Base	10,453.5	11,230.7	12,015.3	12,015.3
47 Over/(Under) Calculated Appropriations Restriction	(\$3,753.7)	(\$3,250.4)	(\$3,305.3)	(\$4,173.1)
48				
49 Additional Percentage Required to Decrease Statutory Reserve	0.00%	0.00%	0.00%	0.00%
50 Year-End GF Statutory Reserve Percentage	6.47%	7.25%	7.25%	7.25%
51 Adjusted Year-End Reserve	6.47%	7.25%	7.25%	7.25%
52 Year-End GF Excess of Statutory Reserve Percentage	6.60%	2.70%	0.69%	5.98%
53				
54 Rebates and Expenditures Include (from LCS Forecast)				
55 Cigarette Rebate	\$9.7	\$9.8	\$9.5	\$9.3
56 Marijuana Tax	17.3	19.3	21.4	23.3
57 Old Age Pension	91.3	86.7	84.4	83.0
58 Aged Property Tax & Heating Credit	4.9	5.6	6.4	7.1
59 Older Coloradans Fund (Off Budget - not in Long Bill)	25.0	10.0	10.0	10.0
60 FPPA	4.4	4.2	4.4	4.2
61 Amendment 35 GFE Expenditures	0.8	0.8	0.8	0.8
62 Treasurer's Loans to School Districts (Off Budget -- Not in Long Bill)	5.0	7.4	7.4	7.4
63 Total Rebates and Expenditures	\$158.4	\$143.8	\$144.3	\$145.1

**Table 2**  
**General Fund Overview Based On OSPB June 2019 Revenue Estimate**  
**Updated for End of 2019 Session and JBC Actions through June 19, 2019**  
(millions of dollars)

	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>	<b>FY 20-21</b>
1 Beginning GF Reserve	\$614.5	\$1,344.8	\$1,261.4	\$1,132.2
2 GF Nonexempt Revenues	9,242.3	9,952.9	10,430.4	10,917.4
3 GF Exempt Revenues	2,481.6	2,600.7	2,707.4	2,799.4
4 Transfers in from Other Funds (prior Sessions)	98.6	16.2	70.3	18.2
5 TOTAL GF AVAILABLE	<u>\$12,437.0</u>	<u>\$13,914.6</u>	<u>\$14,469.5</u>	<u>\$14,867.2</u>
6				
7 GF Obligations:				
8 <i>GF Appropriations</i>	\$10,453.5	\$11,230.7	\$12,014.6	\$12,015.3
9 1331 Supplemental Requests Approved by JBC	0.0	0.0	0.7	0.0
10 Adjusted GF Appropriations Base	<u>10,453.5</u>	<u>11,230.7</u>	<u>12,015.3</u>	<u>12,015.3</u>
11 Amounts Deemed Exempt from the Restriction on State Appropriations (Section 24-75-201.1, C.R.S.)	6.4	0.0	0.0	0.0
12 TABOR Refund Pursuant to Section 20 (7) (d) of Article X of the Colorado Constitution	39.8	295.6	412.2	623.0
13 Rebates and Expenditures - Based on Statutory Minimums	158.4	142.4	146.2	151.8
14 Reimbursement for Senior and Veterans Property Tax Exemption	132.3	140.7	153.7	163.4
15 Reimbursement for Senior and Veterans Property Tax Exemption - TABOR Refund Mechanism	0.0	(39.8)	(153.7)	(163.4)
16 Transfer to HUTF (Sec. 24-75-219, C.R.S.)	79.0	495.0	300.0	50.0
17 Transfer to the Capital Construction Fund and Controlled Maintenance Trust Fund	112.1	180.5	205.5	0.0
18 Transfer to the Capital Construction Fund and Controlled Maintenance Trust Fund - 1331 Appr by JBC	0.0	0.0	3.0	0.0
19 Transfer to CSU National Western Campus COP Fund (Sec. 23-31-902 (2), C.R.S.)	n/a	n/a	16.6	16.6
20 Transfer to Capital Complex Master Plan Implementation Fund (Sec. 24-75-307 (1), C.R.S.)	n/a	n/a	3.4	3.4
21 Transfer to FPPA and SEF - SB 13-234	25.3	25.0	40.3	0.0
22 Transfers to Other Funds	208.6	183.1	194.8	165.8
23 Accounting Adjustments	(123.2)	0.0	0.0	0.0
24 TOTAL GF OBLIGATIONS	<u>\$11,092.2</u>	<u>\$12,653.2</u>	<u>\$13,337.3</u>	<u>\$13,025.9</u>
25				
26 YEAR END GF RESERVE	\$1,344.8	\$1,261.4	\$1,132.2	\$1,841.3
27 STATUTORY RESERVE (Section 24-75-201.1 (1) (d), C.R.S.)	676.3	814.2	871.1	871.1
28 MONEY IN (DEFICT)/EXCESS OF THE STATUTORY GF RESERVE	<u>\$668.5</u>	<u>\$447.2</u>	<u>\$261.1</u>	<u>\$970.2</u>

Table 2 - Continued

	FY 17-18	FY 18-19	FY 19-20	FY 20-21
29 Total Gross General Fund Revenues	\$11,723.9	\$12,553.6	\$13,137.8	\$13,716.8
30 Percent Gross General Fund Revenue Growth	14.1%	7.1%	4.7%	4.4%
31				
32 Transfer to the State Education Fund	\$617.0	\$669.4	\$707.8	\$751.3
33 Transfer of Excess Reserve to SEF Pursuant to SB 11-156, HB 12-1338, SB 13-234, SB 13.260	25.3	25.0	40.3	0.0
34 Total Transfers to the State Education Fund	\$642.3	\$694.4	\$748.1	\$751.3
35				
36 Required TABOR Reserve	\$411.1	\$430.8	\$448.5	\$463.7
37				
38 GF Appropriation Base (Adj GF approp base + K-12 Capital + Amt Deemed Exempt + Medicaid Over)	\$10,459.9	\$11,230.7	\$12,015.3	\$12,015.3
39 Total Percent Growth (Including both items within restriction and exemptions)	6.9%	7.4%	7.0%	0.0%
40 GF Appropriations Base Available Growth	\$673.9	\$770.8	\$784.6	\$0.0
41				
42 Personal Income (Sec 24-75-201.1 (1)(e)(I), CRS) - Calculation to Trigger SB 228	\$284,100.0	\$289,600.0	\$306,400.0	\$323,800.0
43 Percent Increase/(Decrease) Over Previous Year	4.8%	1.9%	5.8%	5.7%
44				
45 Calculated Restriction on GF Appropriation Growth (Sec 24-75-201.1 (1)(a)(II) through (IV), CRS)	14,205.0	14,480.0	15,320.0	16,190.0
46 Adjusted GF Appropriations Base	10,453.5	11,230.7	12,015.3	12,015.3
47 Over/(Under) Calculated Appropriations Restriction	(\$3,751.5)	(\$3,249.3)	(\$3,304.7)	(\$4,174.7)
48				
49 Additional Percentage Required to Decrease Statutory Reserve as Requested by Governor on January 15, 2016	0.00%	0.00%	0.00%	0.00%
50 Year-End GF Statutory Reserve Percentage	6.47%	7.25%	7.25%	7.25%
51 Adjusted Year-End Statutory Reserve Percentage	6.47%	7.25%	7.25%	7.25%
52 Year-End GF Excess of Statutory Reserve Percentage	6.39%	3.98%	2.17%	8.07%
53				
54 Rebates and Expenditures Include (from OSPB Forecast)				
55 Cigarette Rebate	\$9.7	\$7.7	\$7.3	\$7.0
56 Marijuana Tax	\$17.3	\$18.7	\$19.8	\$20.5
57 Old Age Pension	116.3	97.5	99.8	104.2
58 Aged Property Tax & Heating Credit	4.9	5.7	5.6	5.7
59 FPPA	4.4	4.3	4.4	4.4
60 Amendment 35 GFE Expenditures	0.8	0.8	0.8	0.7
61 Treasurer's Loans to School Districts (Off Budget -- Not in Long Bill)	5.0	7.7	8.5	9.3
62 Total Rebates and Expenditures	\$158.4	\$142.4	\$146.2	\$151.8

**Table 3**  
**Summary of FY 2017-18, FY 2018-19, FY 2019-20 General Fund Appropriations**  
**June 2019 Forecast Updated for End of 2019 Session**

Departments	FY 2017-18 Appropriation as of 2018 Session	FY 2018-19 Appropriation Adjusted for Add-ons and Separate Bills	FY 2019-20 Operating Base Total Appropriation
1 Agriculture	\$10,506,004	\$11,107,420	\$12,098,767
2 Corrections	778,298,230	829,097,218	885,094,026
3 Education	4,071,447,763	4,116,143,086	4,405,170,565
4 Governor	35,324,665	42,508,950	53,098,394
5 Health Care Policy and Finance	2,832,866,579	2,957,484,523	3,151,370,264
6 Higher Education	894,907,900	1,003,593,739	1,112,705,645
7 Human Services	888,859,937	977,848,825	1,043,299,934
8 Judicial	517,650,016	560,930,830	616,134,492
9 Labor	21,380,958	19,475,174	25,519,883
10 Law	16,214,183	16,593,918	18,717,773
11 Legislature	48,280,517	50,287,893	55,197,745
12 Local Affairs	30,324,944	37,800,724	48,716,177
13 Military Affairs	10,530,168	11,206,594	11,615,507
14 Natural Resources	30,864,532	32,005,418	43,464,597
15 Personnel	12,499,410	14,074,381	15,633,396
16 Public Health	48,798,277	52,128,667	59,177,207
17 Public Safety	124,687,644	184,815,705	166,108,148
18 Regulatory Agencies	1,844,627	2,066,931	2,324,519
19 Revenue	108,468,830	113,271,850	124,688,584
20 State	0	0	8,418,590
21 Transportation	0	0	0
22 Treasury	151,447,545	400,353,177	339,275,495
25 Statewide	0	0	0
26 Total	\$10,635,202,729	\$11,432,795,023	\$12,197,829,708
27			
28			
29 Amounts Deemed Exempt from Statutory Limit	\$0	\$0	
30 Rebates and Expenditures	\$181,710,680	\$202,078,935	\$183,252,390
31			
32 Amount Subject to Statutory Limit	\$10,453,492,049	\$11,230,716,088	\$12,014,577,318
33 Amount Subject to Statutory Limit in Long Bill			\$11,657,159,436
34 Amount Subject to Statutory Limit in Bills			\$357,417,882

**Table 4**  
**2019 Interim 1331 Supplemental Requests**

**June 2019 Operating 1331 Supplemental Requests**

Department	Issue	OSP						JBC Action					
		FY 2018-19			FY 2019-20			FY 2018-19			FY 2019-20		
		GF	Other Funds	Total	GF	Other Funds	Total	GF	Other Funds	Total	GF	Other Funds	Total
1 Education	ES School Health Professionals	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000	\$0			\$0		
2 Governor	ES Colorado Digital Services	0	0	0	1,130,848	0	1,130,848	0	0	0	0	0	0
3 Judicial	Informational Technology Infrastructure	(203,612)	0	(203,612)	203,612	0	203,612	(203,612)	0	(203,612)	203,612	0	203,612
4 Public Health	ES-01 - Hepatitis A Outbreak Response	0	0	0	587,509	0	587,509	0	0	0	538,999	0	538,999
5 Public Safety	ES-01 Additional Resources for School Safety Resource Center	0	0	0	0	327,549	327,549	0	0	0	0	327,549	327,549
6 Total		(\$203,612)	\$0	(\$203,612)	\$1,921,969	\$3,327,549	\$5,249,518	(\$203,612)	\$0	(\$203,612)	\$742,611	\$327,549	\$1,070,160

**June 2019 Capital Construction 1331 Supplemental Requests**

Department	Issue	OSP Request						JBC Action					
		FY 2018-19			FY 2019-20			FY 2018-19			FY 2019-20		
		CCFE	Other Funds	Total	CCFE	Other Funds	Total	CCFE	Other Funds	Total	CCFE	Other Funds	Total
13 Higher Ed	UCCS, Visual and Performing Arts Complex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 Higher Ed	UNC, Campus Commons	0	0	0	0	0	0	0	0	0	0	0	0
15 Human Services	Hawkins Building L2 Unit, CMHIP	0	0	0	1,600,000	0	1,600,000	0	0	0	1,600,000	0	1,600,000
16 Public Health	Replace Mechanical System, Laboratory Building	0	0	0	1,421,454	0	1,421,454	0	0	0	1,421,454	0	1,421,454
17 Total		\$0	\$0	\$0	\$3,021,454	\$0	\$3,021,454	\$0	\$0	\$0	\$3,021,454	\$0	\$3,021,454

	JBC Action					
	FY 2018-19			FY 2019-20		
	GF	Other Funds	Total	GF	Other Funds	Total
Total Operating 1331 Supplemental Requests Approved by JBC =	(\$203,612)	\$0	(\$203,612)	\$742,611	\$327,549	\$1,070,160

	JBC Action					
	FY 2018-19			FY 2019-20		
	CCFE	Other Funds	Total	CCFE	Other Funds	Total
Total Capital Construction 1331 Supplementals Approved by JBC =	\$0	\$0	\$0	\$3,021,454	\$0	\$3,021,454

**Table 5**  
**Comparison of LCS June 2019 Forecast and OSPB June 2019 Forecast**  
**Updated for End of 2019 Session and JBC Actions through June 19, 2019**

	<b>FY 16-17</b>	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>
1 GF Non Exempt Revenues:				
2 LCS	8,145.8	9,242.2	10,045.7	10,322.5
3 OSPB	8,145.8	9,242.3	9,952.9	10,430.4
4 Difference (positive number indicates LCS higher than OSPB)	0.0	(0.1)	92.8	(107.9)
5				
6 GF Exempt Revenues:				
7 LCS	2,130.0	2,481.6	2,600.7	2,707.4
8 OSPB	2,130.0	2,481.6	2,600.7	2,707.4
9 Difference (positive number indicates LCS higher than OSPB)	0.0	(0.0)	0.0	0.0
10				
11 Total Gross GF Revenues:				
12 LCS	10,275.8	11,723.8	12,646.4	13,029.9
13 OSPB	10,275.8	11,723.9	12,553.6	13,137.8
14 Difference (positive number indicates LCS higher than OSPB)	0.0	(0.1)	92.8	(107.9)
15				
16 Percent Gross General Fund Revenue Growth:				
17 LCS	3.1%	14.1%	7.9%	3.0%
18 OSPB	3.1%	14.1%	7.1%	4.7%
19 Difference (positive number indicates LCS higher than OSPB)	0.0%	0.0%	0.8%	-1.6%
20				
21 TABOR Surplus Liability:				
22 LCS	0.0	39.8	574.7	310.0
23 OSPB	0.0	39.8	295.6	412.2
24 Difference (positive number indicates LCS higher than OSPB)	0.0	0.0	279.1	(102.2)
25				
26 Reimbursement for Senior and Veterans Property Tax Exemption				
27 LCS	146.8	132.3	145.9	153.2
28 OSPB	136.4	132.3	140.7	153.7
29 Difference (positive number indicates LCS higher than OSPB)	10.4	0.0	5.2	(0.5)
30				
31 Transfer to HUTF (Sec. 24-75-219, C.R.S.)				
32 LCS	79.0	79.0	495.0	300.0
33 OSPB	79.0	79.0	495.0	300.0
34 Difference (positive number indicates LCS higher than OSPB)	0.0	0.0	0.0	0.0
35				
36 Transfer to Capital Construction (Sec. 24-75-219, C.R.S.)				
37 LCS	52.7	0.0	0.0	0.0
38 OSPB	52.7	0.0	0.0	0.0
39 Difference (positive number indicates LCS higher than OSPB)	0.0	0.0	0.0	0.0
40				
41 Year End GF Reserve				
42 LCS	614.5	1,366.0	1,117.7	954.5
43 OSPB	614.5	1,344.8	1,261.4	1,132.2
44 Difference (positive number indicates LCS higher than OSPB)	(0.0)	21.2	(143.7)	(177.7)
45				
46 MONEYS IN (DEFICT)/EXCESS OF THE STATUTORY GF RESERVE				
47 LCS	30.1	689.7	303.5	83.4
48 OSPB	30.1	668.5	447.2	261.1
49 Difference (positive number indicates LCS higher than OSPB)	(0.0)	21.2	(143.7)	(177.7)