

General Fund Overview as of March 24, 2021

LCS March 2021 Forecast

(\$ millions)

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	
General Fund Available					
1	Beginning Reserve	\$1,262.6	\$1,825.7	\$2,415.8	\$2,470.2
2	Gross General Fund Revenue	12,868.5	12,721.5	13,804.6	14,569.3
3	Transfers In (existing law)	248.0	333.1	13.8	13.0
4	JBC place holder for removing annual cap on Adult Dental Medicaid benefit	n/a	n/a	(2.3)	n/a
5	JBC place holder for (1) transfers from repealed cash funds; and (2) transfer of cash fund savings related to higher federal Medicaid match	n/a	n/a	7.5	n/a
6	Total General Fund Available	\$14,379.1	\$14,880.3	\$16,239.4	\$17,052.6
General Fund Obligations					
Appropriations:					
7	Appropriations including 2020 Special Session, SB 21-041 through 055, SB 21-109; HB 21-1002, and JBC Action to date	12,051.7	10,789.4	11,845.3	11,845.3
8	PENDING: Governor's proposal to reduce Budget Stabilization Factor to FY 2019-20 level	n/a	n/a	479.9	Included below
9	Statutory appropriations for sentencing changes	Included above	Included above	0.6	1.0
	Projected operating budget changes for FY 2022-23	n/a	n/a	n/a	824.4
10	LESS: Rebates and expenditures in appropriations	(183.2)	(202.6)	(215.9)	(226.0)
11	Adjusted Appropriations	11,868.5	10,586.8	12,109.9	12,444.7
Mid-year Appropriation Changes					
12	JBC actions that will be included in 2021 Long Bill	n/a	(68.7)	n/a	n/a
13	JBC place holders for separate JBC-sponsored bills	n/a	53.7	124.5	10.4
14	JBC place holders for other 2021 legislation	n/a	n/a	79.8	59.2
15	Rebates and Expenditures	145.7	292.2	302.0	311.8
TABOR Refund Obligation [Article X, Section 20 (7)(d)]:					
16	Current year revenue above Referendum C Cap	0.0	0.0	0.0	0.0
Transfers Out and Other Diversions:					
17	Transportation (existing law, including SB 21-110)	300.0	30.0	0.0	50.0
18	Capital/IT projects (existing law, including SB 21-112)	213.6	44.0	20.0	20.0
19	Capital-related transfers based on JBC action	n/a	n/a	91.0	127.9
20	Other Transfers and Diversions (existing law, including SB 20B-002, SB 20B-003, SB 20B-004, SB 21-054, and SB 21-113)	251.2	677.6	561.9	577.5
21	Governor's transfer to the Disaster Emergency Fund for one-time direct stimulus payments to certain individuals [Executive Order D 2020 230]	n/a	148.9	n/a	n/a
22	JBC place holder: Watershed Restoration Grant Program	n/a	n/a	5.0	n/a
23	PENDING: Place holder for legislative stimulus package and other transfers in 2021 legislation	n/a	700.0	0.0	0.0
24	PENDING: General Fund transfer for State Emergency (TABOR) Reserve (Potential JBC Bill)	n/a	n/a	475.0	25.0
25	Reversions and accounting adjustments	(225.5)	n/a	n/a	n/a
26	Total General Fund Obligations	\$12,553.4	\$12,464.5	\$13,769.2	\$13,626.6
Reserve					
27	Fiscal Year-end General Fund Reserve	\$1,825.7	\$2,415.8	\$2,470.2	\$3,426.0
Statutory Reserve Requirement:					
28	Statutorily Required Reserve Percent	3.07%	2.86%	2.86%	7.25%
29	Required Reserve Amount	\$364.4	\$302.4	\$352.2	\$907.3
30	Year-end Reserve Above/(Below) Requirement	\$1,461.4	\$2,113.5	\$2,118.1	\$2,518.7
31	PENDING: Increase Required Reserve (Potential JBC Bill)	n/a	n/a	15.00%	12.50%
32	Adjusted Reserve	n/a	n/a	\$1,847.1	\$1,564.3
33	Year-end Reserve Above/(Below) Adjusted Requirement	\$1,461.4	\$2,113.5	\$623.1	\$1,861.7
Annual gross General Fund revenues less obligations [row 2 less row 26]					
		\$ 315.1	\$ 257.0	\$ 35.4	\$ 942.8
	<i>as a percent of annual obligations</i>	2.5%	2.1%	0.3%	6.9%

JBC Staff Estimates of Significant General Fund Operating Increases Required for FY 2022-23

Department/Description	Incremental Change	Assumptions
Corrections	\$0	Legislative Council Staff projects an increase of about 697 prison beds in FY 2022-23. This projection assumes this increase could be absorbed within the 10.0 percent vacancy rate used to calculate FY 2021-22 appropriations.
Education	291,542,792	Assumptions: - Governor's proposal to reduce Budget Stabilization Factor to FY 2019-20 level is approved. - Governor's proposed State Education Fund balance of \$460 million is maintained through FY 2022-23. - LCS projected enrollment, inflation, and local share of funding
Health Care Policy and Financing	369,279,183	Assumptions: - Based on HCPF projections of caseload and utilization, including change in federal matching rate ("FMAP"), an additional \$304,530,486 General Fund will be required. - In FY 2022-23, the one-time financing from JBC bills (H.B. 20-1385 and a 2021 bill to extend it) will wind down, requiring another \$64,748,697 General Fund..
Higher Education	41,042,363	Assumptions: - JBC actions as of March 19, 2021 (restore FY 2019-20 funding levels) - 1.1 percent enrollment growth - 2.7 percent projected rate of inflation for 2021 (LCS)
State employee compensation (Executive, Judicial, and Legislative agencies)	44,507,346	Assumptions: - Estimated salary base for FY 2020-21 of \$60.6 million, including \$34.2 million General Fund - A 2.7 percent salary increase will be provided in FY 2022-23 based on projected rate of inflation for 2021 (LCS)
Community provider rate increases	77,990,219	Assumptions: - Estimated provider base payments of \$7,528.2 million total funds for FY 2021-22, including \$2,818.1 million General Fund, increased by 2.5 percent - Adjusted base payments will be increased by 2.7 percent in FY 2022-23 based on a projected rate of inflation for 2021 (LCS)
TOTAL	\$824,361,903	

JBC Place Holders for JBC-sponsored Bills and Other 2021 Legislation			
	FY 2020-21	FY 2021-22	FY 2022-23 Estimate
<i>JBC place holders for separate JBC-sponsored bills</i>			
HCPF: Increase HCBS rates per APRA	\$52,987,936	\$172,747,079	Accounted for in separate Medicaid projections
HCPF: Hospice state-only payments	684,000	0	0
HCPF: Higher federal match - capture cash fund savings		(67,002,105)	Accounted for in separate Medicaid projections
Higher Education: Continue Open Educational Resources		1,108,200	1,108,200
HUM: Child welfare system changes		6,877,986	0
HUM: Residential placements for children with IDD		1,162,912	1,162,912
HUM: Adjust CCCAP market rate survey frequency		(55,000)	(55,000)
HUM: Mountview facility renovation for food commodity storage		1,500,000	0
HUM: Transfer early intervention evaluations (IDEA, Part C) from Education to Human Services		8,266,779	8,266,779
PER: Recovery audit program closure		(64,714)	(64,714)
Subtotal	\$53,671,936	\$124,541,137	\$10,418,177
<i>JBC place holders for other bills</i>			
EDU: State Match for Colorado Imagination Library		\$410,221	\$907,140
JUD: Retirees Temp Judicial Duties Compensation (HB 21-1136)		723,564	738,094
LEG: Legislative appropriation bill		52,743,375	52,743,375
Public Health: Health equity grant program (SB 21-181)		4,841,205	4,841,205
Public Health: Public health infrastructure (one year of funding per JBC action to date)		21,090,149	0
Subtotal	\$0	\$79,808,514	\$59,229,814
TOTAL	\$53,671,936	\$204,349,651	\$69,647,991