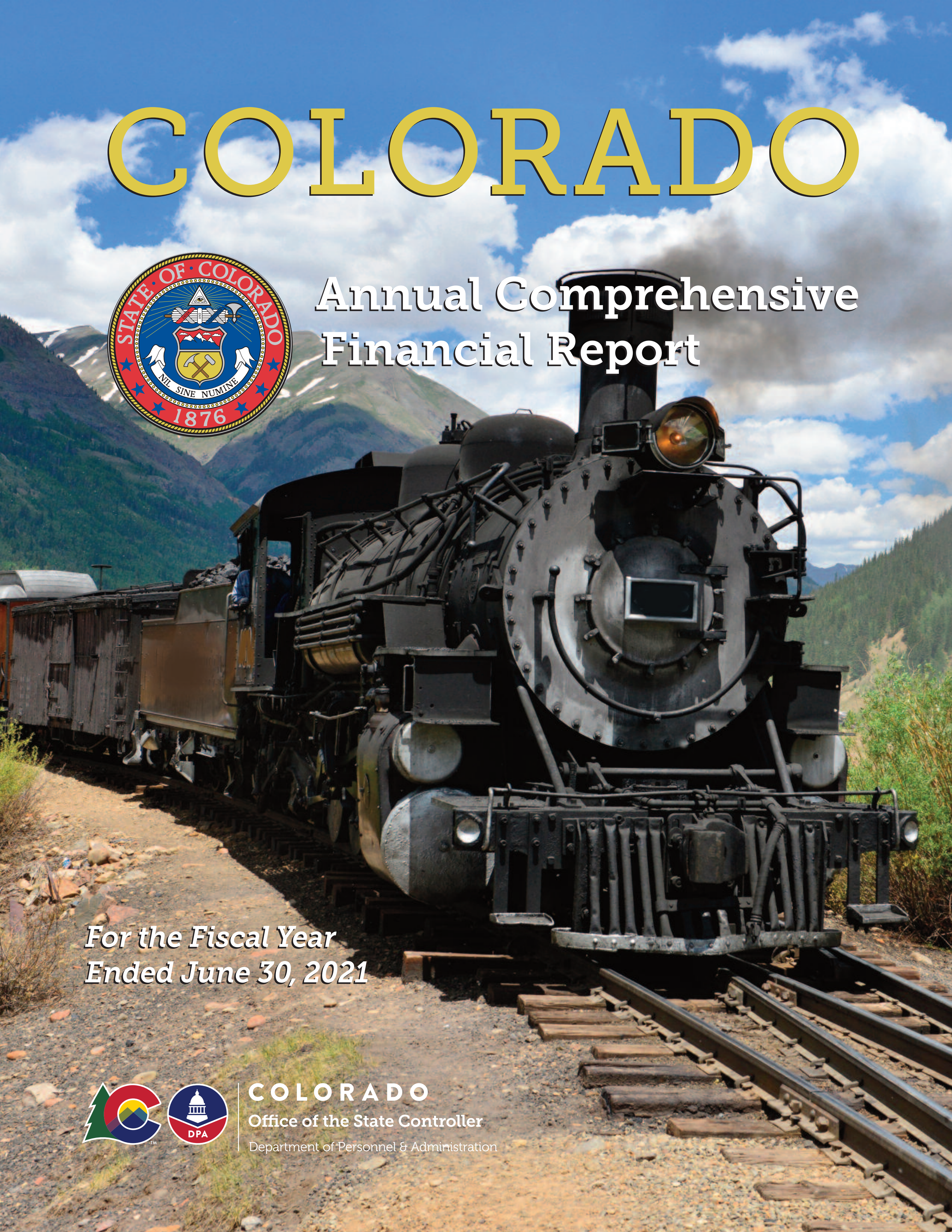


COLORADO

Annual Comprehensive Financial Report

STATE OF COLORADO
NIL SINE NUMINE
1876

For the Fiscal Year Ended June 30, 2021

COLORADO
Office of the State Controller
Department of Personnel & Administration

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

Jared S. Polis
Governor

Department of Personnel & Administration

Kara Veitch
Executive Director

Robert Jaros
State Controller

COLORADO
Office of the State Controller
Department of Personnel & Administration

REPORT LAYOUT

The Annual Comprehensive Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes the controller's transmittal letter and the state's organization chart. The Financial Section includes the auditor's opinion, management's discussion and analysis, the basic financial statements, and the combining statements and schedules. The Statistical Section includes fiscal, economic, and demographic information about the state.

INTERNET ACCESS

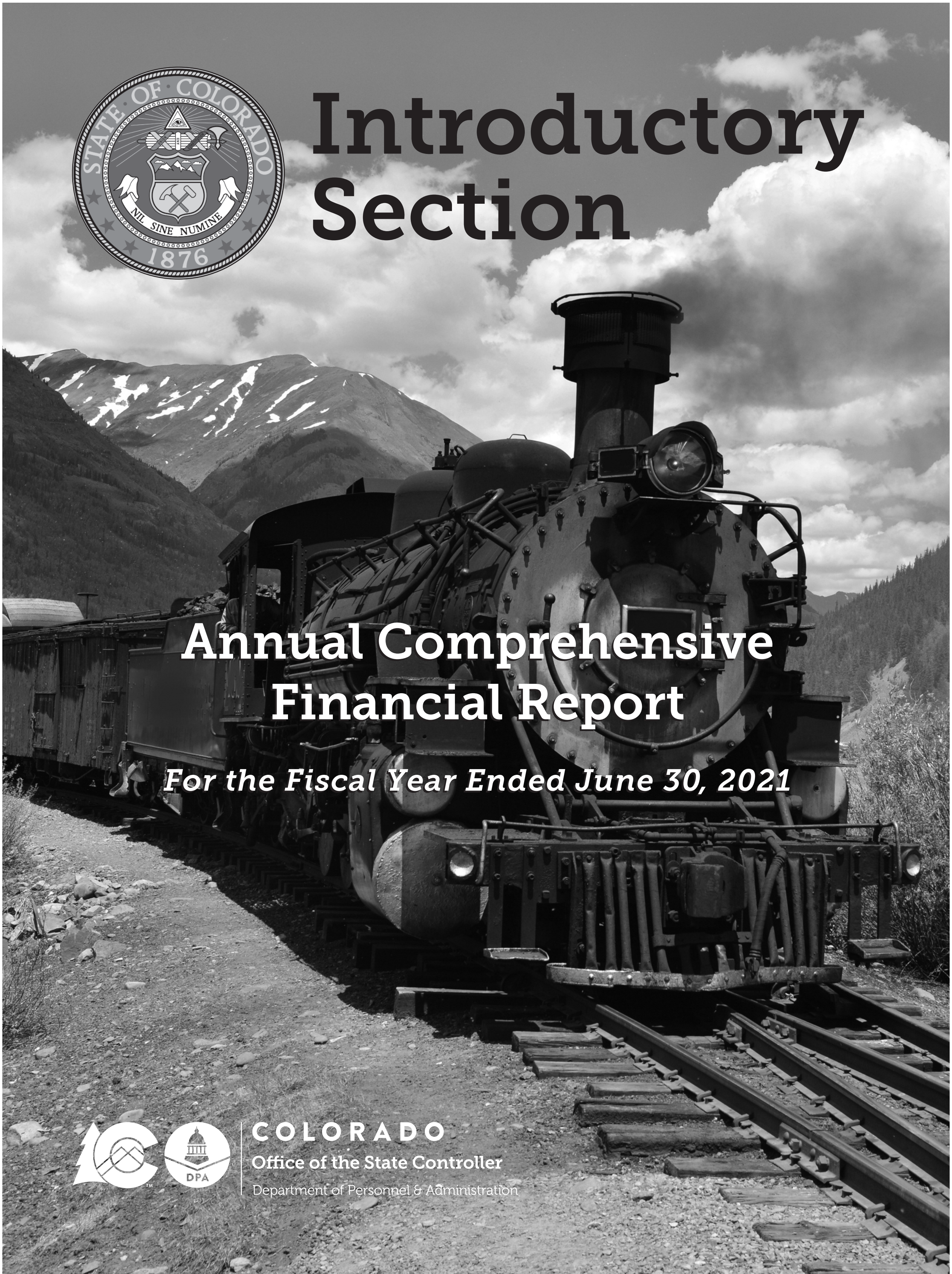
The Annual Comprehensive Financial Report and other financial reports are available on the State Controller's home page at:

https://www.colorado.gov/osc/acfr

STATE OF COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

CONTENTS

STATISTICAL SECTION



Introductory Section

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

COLORADO
Office of the State Controller
Department of Personnel & Administration

COLORADO
Office of the State Controller
Department of Personnel & Administration
1525 Sherman St., 5th Floor
Denver, CO 80203

January 31, 2022

To the Citizens, Governor, and Legislators of the State of Colorado:

I am pleased to submit the State of Colorado's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. The State Controller is responsible for the contents of the ACFR and is committed to sound financial management and governmental accountability.

We believe the Basic Financial Statements contained in the ACFR are fairly presented in all material aspects. They are presented in a manner designed to set forth the financial position, results of operations, and changes in net position or fund balances of the major funds and nonmajor funds in the aggregate. All required disclosures have been presented to assist readers in understanding the State's financial affairs.

Management has established a comprehensive framework of internal controls, which are designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from that control.

Except as noted below, the ACFR is prepared in conformity with generally accepted accounting principles (GAAP) applicable to governments as prescribed by the Governmental Accounting Standards Board (GASB). The schedules comparing budgeted to actual activity, included in the sections titled Required Supplementary Information and Supplementary Information, are not presented in accordance with GAAP. Rather, they reflect the budgetary basis of accounting which defers certain payroll, Medicaid, and other statutorily defined expenditures to the following fiscal year; for additional information, see the Cash Basis Accounting description in the Management's Discussion and Analysis (MD&A).

The MD&A contains financial analysis and additional information that is required by GASB and should be read in conjunction with this transmittal letter. In addition to the Basic Financial Statements, the ACFR includes: combining financial statements that present information by fund, certain narrative information that describes the individual fund, supporting schedules, Taxpayer Bill of Rights (TABOR) Schedules and notes, and statistical tables that present financial, economic, and demographic data about the State.

The State Auditor performed an independent audit of the Basic Financial Statements contained in the ACFR and has issued an unmodified opinion. The State Auditor also applied limited audit procedures to the Required Supplementary Information (including the MD&A), but does not issue an opinion on such information. For more information regarding the audit and its results, see the Independent Auditor's Report.

PROFILE OF THE STATE GOVERNMENT

The government of the State of Colorado serves an estimated 5,831,200 Coloradans. The services provided are categorized by function of government on the government-wide *Statement of Activities*. The largest of these are social assistance, unemployment insurance, higher education, and education.

Structure of the State Government

The State maintains a separation of powers by utilizing three branches of government: executive, legislative, and judicial. The executive branch comprises four major elected officials – Governor, State Treasurer, Attorney General, and Secretary of State. Most departments of the State report directly to the Governor; however, the Departments of Treasury, Law, and State report to their respective elected officials and the Department of Education reports to the elected State Board of Education.

The Legislature is bicameral and comprises thirty-five senators and sixty-five representatives. The Legislature's otherwise plenary power is checked by the requirement for the Governor to sign its legislation and by specific limitations placed in the State Constitution by voters. The most significant fiscal limitation is the restriction related to issuing debt, raising taxes, and changing existing spending limits. From a fiscal perspective, the Joint Budget Committee of the Legislature, because of its preparation of the annual budget and supplemental appropriations bills, heavily influences the financial decision making of the Legislature. The Committee is bipartisan with members drawn from each of the houses of the Legislature.

The Judicial Branch is responsible for resolving disputes within the State, including those between the executive and legislative branches of government, and for supervising offenders on probation. The Branch includes the Supreme Court, Court of Appeals, district courts, and county courts, served by more than 300 justices and judges in 22 judicial districts across the State. There are also seven water courts, one in each of the State's major river basins.

Component Units

The Basic Financial Statements include financial information for component units, which are entities that are legally separate from the State but included in the ACFR as prescribed by GAAP. The financial information for these component units is discretely presented, blended within the Higher Education Fund, or presented in the fiduciary fund statements. Below is a list of the entities reported in the Basic Financial Statements as component units:

- Discretely Presented Component Units:
    - Colorado Water Resources and Power Development Authority
    - University of Colorado Foundation
    - Other Component Units (nonmajor):
    - Denver Metropolitan Major League Baseball Stadium District
    - Statewide Internet Portal Authority
- Blended Component Units:
    - University Physicians Inc., d/b/a CU Medicine
    - University of Colorado Property Construction, Inc.
- Fiduciary Component Units:
    - University of Colorado Health and Welfare Trust
    - State Board for Community Colleges and Occupational Education Employee Benefit Trust Fund

There were other entities evaluated for inclusion as component units, but did not meet the criteria established by GASB. Many of these are discussed under Related Organizations in Note 18.

Budgetary Process and Budgetary Control

The State's budget consists of appropriated and non-appropriated General-funded, Federally-funded, and Cash-funded amounts. The appropriated portion of the budget is determined annually by the General Assembly, which creates the annual Long Appropriation Act as well as other special and supplemental bills. In its appropriation bills, the General Assembly sets the legal level of budgetary control for appropriated amounts by department, line item, and funding source. The non-appropriated portion includes certain cash funds, for which existing state statutes prescribe the amounts authorized for spending, and most federal funds, for which a federal award document or other agreement establishes the amount authorized for spending. The budget is entered into the State's accounting system, which tracks amounts spent and obligated, to ensure the budget is executed as authorized.

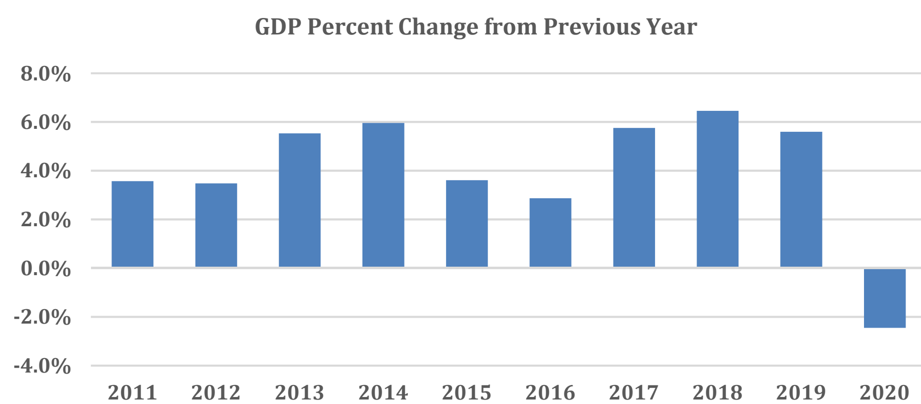
For the most part, operating appropriations lapse at the end of the fiscal year unless the State Controller approves, at a line item level, an appropriation roll-forward based on express legislative direction or extenuating circumstances. The State Controller may also, at a line item level and with the approval of the Governor, allow expenditures in excess of the appropriated budget. Capital construction appropriations are normally effective for three years and do not require State Controller roll-forward approval.

ECONOMIC CONDITION AND OUTLOOK

The State's Economy

The State's General Fund general-purpose revenues reflect the overall condition of the State economy, which showed continued growth in Fiscal Year 2021; General Fund revenues increased by $995 million (7.7 percent) from the prior year. Historically, Colorado economic activity and in-migration have been interdependent. Net migration has averaged approximately 41,800 from 2016 to 2020. Net migration has decreased over this period from approximately 53,300 (2016) to 27,300 (2020) and is projected to be 32,800 and 39,500 for 2021 and 2022, respectively.

The chart below shows the percent change from the previous year of Colorado's gross domestic product (GDP) for the years 2011 to 2020. According to the Bureau of Economic Analysis (BEA), the GDP consistently increased from 2011 to 2019 and decreased in 2020. Colorado's 2020 GDP of $382,584 million is a 2.5 percent decrease from 2019 and a 48.1 percent increase from 2010.



Colorado has a diverse economy, comprising many industries. The table below shows GDP in current dollars and percent of total GDP by industry for the years 2010 and 2020. Over this ten-year period, the industry profile of the State's GDP has been stable, with growth across most industries.

Industry	2010 GDP (millions)	2010 Percent of Total	2020 GDP (millions)	2020 Percent of Total
Finance, Insurance, Real Estate, Rental, and Leasing	$ 51,752.8	20.1 %	$ 82,606.4	21.5 %
Professional and Business Services	36,405.5	14.1	58,775.7	15.4
Government and Government Enterprises	33,935.4	13.1	48,716.5	12.7
Educational Services, Health Care, and Social Assistance	18,463.2	7.1	27,194.1	7.1
Manufacturing	20,206.5	7.8	24,861.8	6.5
Information	18,827.9	7.3	24,335.8	6.4
Wholesale Trade	14,108.9	5.5	22,317.6	5.8
Construction	9,343.7	3.6	23,544.8	6.2
Retail Trade	13,986.1	5.4	21,584.4	5.6
Arts, Entertainment, Recreation, Accommodation, and Food Services	10,751.8	4.2	15,495.9	4.1
Transportation and Warehousing	6,889.0	2.7	9,894.4	2.6
Mining, Quarrying, and Oil and Gas Extraction	11,681.6	4.5	7,345.4	1.9
Other Services (Except Government and Government Enterprises)	5,806.1	2.2	8,402.3	2.2
Utilities	3,881.5	1.5	4,784.1	1.3
Agriculture, Forestry, Fishing and Hunting	2,260.2	0.9	2,725.5	0.7
All Industry Total	$ 258,300.2		$ 382,584.7	

The Governor's Office of State Planning and Budgeting (OSPB) described Colorado's economic outlook in the December 2021 *Colorado Economic and Fiscal Outlook*:

"Colorado's economic recovery from the pandemic-induced recession continues at a rapid pace, although greater headwinds exist. The GDP forecast has been revised down due to supply chain disruptions having a larger than previously anticipated drag on the economy. As consumer spending has remained firm in light of strong household finances, the demand for goods has continued to outpace supply. Such an imbalance has caused continued higher than previously expected inflation, with impacts from supply chains likely to resolve themselves in 2022 and more than offset growing shelter inflation. Finally, the labor market continues to remain tight as the labor force participation rate is likely to remain slightly below the pre-pandemic level as some workers have left the labor force indefinitely due to structural changes caused by the pandemic."

The OSPB has made the following calendar year forecasts for Colorado's major economic variables:

- Unemployment will average 6.0 percent for 2021 compared with 7.3 and 2.7 percent in 2020 and 2019, respectively, and is expected to decrease to 4.5 percent in 2022.

- Wages and salary income will increase by 8.9 percent in 2021, followed by increases of 5.2 percent and 4.8 percent in 2022 and 2023, respectively.

- Total personal income will increase by 7.3 percent in 2021 and will increase by 3.1 percent and 5.0 percent in 2022 and 2023, respectively.

- Inflation, measured by the Denver-Aurora-Lakewood Consumer Price Index, will be 3.5 percent in 2021 and 3.3 percent in 2022.

Long-Term Financial Planning, Relevant Financial Policies, and Major Initiatives

Senate Bill 21-226, enacted in 2021, modified the State's General Fund reserve requirement. In response to the COVID-19 emergency, 2020 legislation reduced the reserve from 7.25 percent of the amount appropriated from the General Fund to 2.86 percent in Fiscal Years 2021 and 2022, with the reserve restored to 7.25 percent for subsequent years. The 2021 bill increased the reserve to 13.4 percent for Fiscal Year 2022 and 15.0 percent for years thereafter.

Senate Bill 18-200, enacted in 2018, addressed underfunded obligations of the Public Employees' Retirement Association (PERA), which provides benefits to state and local government retirees. The bill makes several provisions, including a recurring direct distribution to PERA of $225 million per year and changes to contribution rates, formulas for calculating benefits, and cost of living allowances. With the enactment of this bill, a reduction to the State's unfunded pension liabilities is expected in future years until the liability is fully funded by 2048.

Section 24-30-1310, C.R.S., provides an on-going funding mechanism for capital construction, controlled maintenance, and capital renewal. Over the depreciable life of capital assets that are acquired, constructed, or maintained, an amount equivalent to depreciation is annually transferred to a capital reserve account, the capital construction fund, or the controlled maintenance fund to be utilized for future capital expenditures.

The State anticipates receiving about $4.6 billion for programs in the American Rescue Plan. These include the State and Local Fiscal Recovery Fund ($3.8 billion), Emergency Rental Assistance 1 and 2 ($457 million), Homeowners Assistance Fund ($175 million), and the Capital Projects Fund ($179 million). State departments also received funds directly from federal agencies for existing and new programs as part of the Consolidated Appropriations Act of 2021. These funds are in addition to the $2.9 billion received by the State last year from four separate bills, the largest was CARES Act ($1.7 billion).

AWARDS AND ACKNOWLEDGEMENTS

The 2020 report was ineligible to receive the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting, because the Auditor's report included a disclaimer of opinion. Until the 2020 report, the State had received this award for 23 consecutive years. We are evaluating whether the Fiscal Year 2021 ACFR meets the Certificate of Achievement Program's requirements, and intend to submit it to the GFOA to determine its eligibility for another certificate.

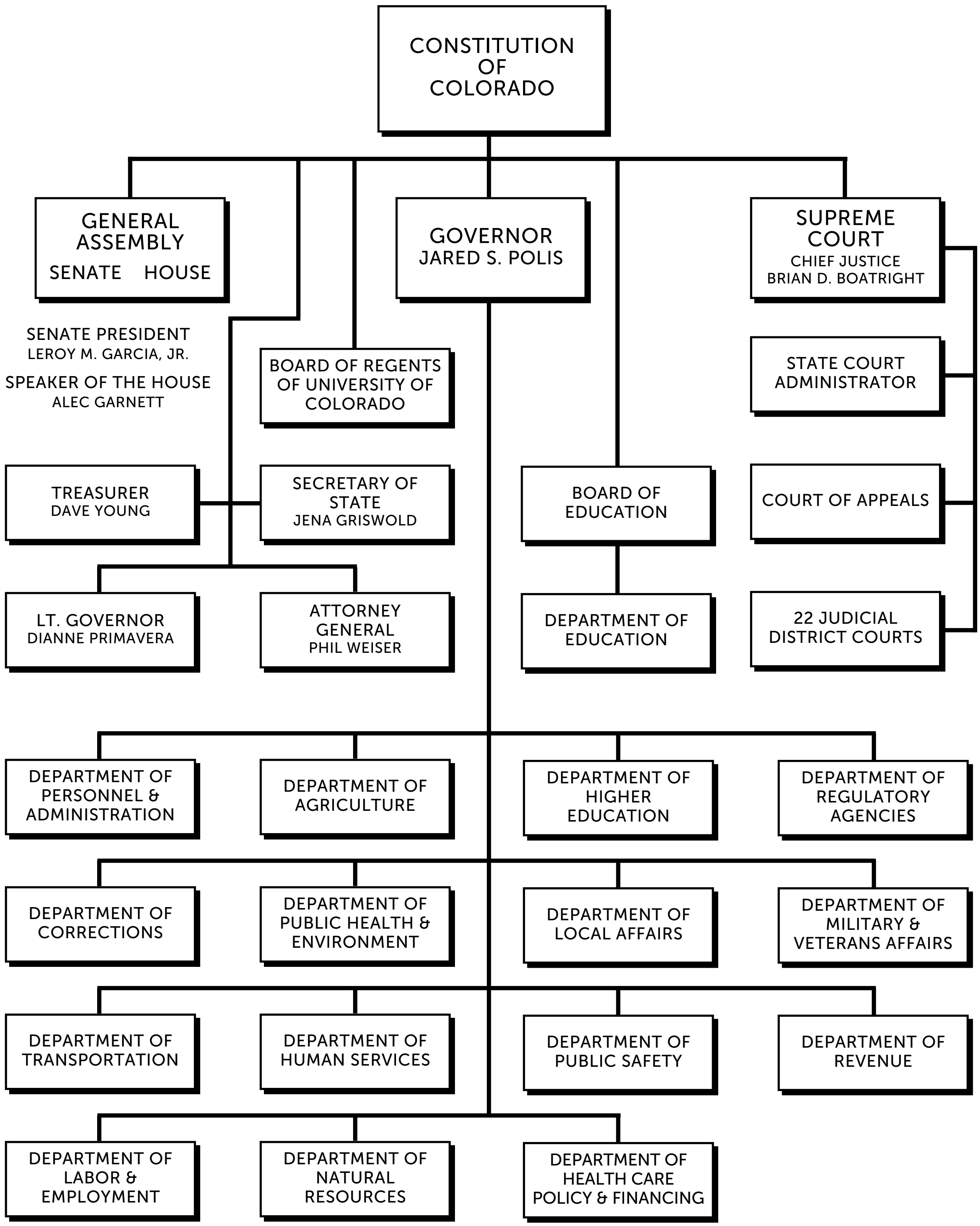
In conclusion, I thank my staff and the controllers, accountants, auditors, and program managers in the State departments and branches whose time and dedication have made this report possible. I reaffirm our commitment to maintaining the highest standards of accountability in financial reporting.

Sincerely,

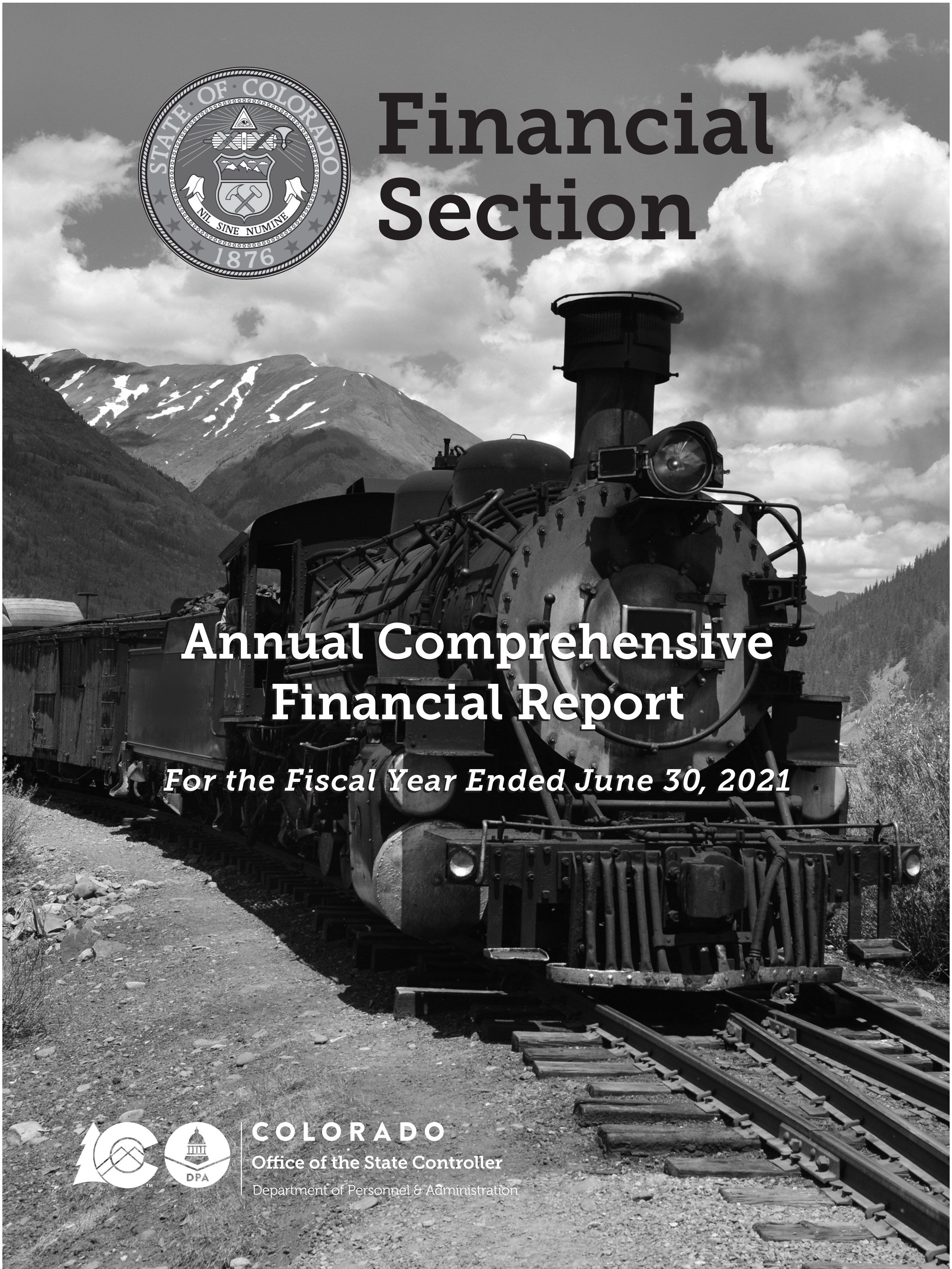
Robert Jaros

Robert Jaros, CPA, MBA, JD
Colorado State Controller

PRINCIPAL ORGANIZATIONS AND KEY OFFICIALS



Financial Section



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

COLORADO
Office of the State Controller
Department of Personnel & Administration

Independent Auditor's Report

Members of the Legislative Audit Committee:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Colorado (State), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents. We have also audited the State's budgetary comparison schedule—general fund component (schedule) and the related note for the Fiscal Year Ended June 30, 2021, as displayed in the State's required supplementary information section.

Management's Responsibility for the Financial Statements

The State's management is responsible for the preparation and fair presentation of these financial statements and schedule in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and schedule that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

We did not audit the financial statements of the discretely presented component units identified in Note 1; or the University Physicians Inc., DBA CU Medicine (CU Medicine); a blended component unit, which represent the following:

Percentage of Financial Statements Audited by Other Auditors			
Opinion Unit/Department	**Assets and Deferred Outflows of Resources**	**Net Position**	**Revenues, Additions, and Other Financing Sources**
Aggregate Discretely Presented Component Units	**100%**	**100%**	**100%**
Fund Statements–Proprietary Funds			
Higher Education Institutions–Major Fund			
CU Medicine	**6%**	**18%**	**16%**
Government-wide statements			
Business-type activities			
CU Medicine	**4%**	**16%**	**6%**

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts and disclosures included for those discretely presented component units and for CU Medicine, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the University of Colorado Foundation, the Statewide Internet Portal Authority, and the Denver Metropolitan Major League Baseball Stadium District, which are discretely presented component units, were audited in accordance with auditing standards generally accepted in the United States, but were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements and schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, as well as the budgetary comparison schedule—general fund component of the State of Colorado, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Reporting Entity

As discussed in Note 15 to the financial statements, the State has determined that HLC@Metro no longer meets the basis for inclusion as a discretely presented component unit and has removed it from its reporting entity in the Fiscal Year 2021 Annual Comprehensive Financial Report. This change was based on a reevaluation of financial significance, and is in accordance with other guidance. Our opinion is not modified with respect to this matter.

New Accounting Standards

As discussed in Note 1 to the financial statements, the State has adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Subsequently Discovered Facts

As discussed in Note 1 to the financial statements, subsequent to our audit report dated January 31, 2022, on which we expressed an unmodified opinion, the State revised the Statement of Net Position Government-Wide Financial Statements and the Statement of Net Position Proprietary Statements. We performed procedures over these revisions, and our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following be presented to supplement the basic financial statements:

Location of Required Supplementary Information	
Required Supplementary Information	**Pages**
Management's Discussion and Analysis	27-43
Budgetary Comparison Schedules	178-183
Notes to Required Supplementary Information	184-196
Budgetary Comparison Schedule-General Fund Component	197-199

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis, budgetary comparison schedules, and notes to required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on this information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The introductory section, combining nonmajor fund financial statements, budget and actual schedules—budgetary basis non-appropriated, schedule of TABOR revenue and computations, and statistical section are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The introductory section, budget and actual schedules— budgetary basis non-appropriated, and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

The combining nonmajor fund financial statements and schedule of TABOR revenue and computations are the responsibility of management, and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on the procedures performed as described above, the combining nonmajor fund financial statements and schedule of TABOR revenue and computations are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will issue a separate report dated January 31, 2022, on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance and should be read in conjunction with this report in considering the results of the audit.

Kerri L. Hunter

Denver, Colorado
January 31, 2022, except for Note 1, Statement of Net Position Government-Wide Financial Statements, and Statement of Net Position Proprietary Statements, as to which the date is March 8, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The following discussion and analysis is supplementary information required by the Governmental Accounting Standards Board (GASB), and is intended to provide an easily readable explanation of the information provided in the attached basic financial statements. It is by necessity highly summarized, and in order to gain a thorough understanding of the State's financial condition, the attached financial statements and notes should be reviewed in their entirety.

OVERVIEW OF THE FINANCIAL STATEMENT PRESENTATION

There are three major parts to the basic financial statements – government-wide statements, fund-level statements, and notes to the financial statements. Certain required supplementary information (in addition to this MD&A), including budget-to-actual comparisons and funding progress for other post-employment benefits, is presented following the basic financial statements. Supplementary information, including combining fund statements and schedules, follows the required supplementary information.

Government-wide Financial Statements

The government-wide statements focus on the government as a whole. These statements are similar to those reported by businesses in the private sector, but they are not consolidated financial statements because certain intra-entity transactions have not been eliminated. Using the economic resources perspective and the accrual basis of accounting, these statements include all assets, liabilities, deferred inflows, and deferred outflows on the *Statement of Net Position* and all expenses and revenues on the *Statement of Activities*. These statements can be viewed as an aggregation of the governmental and proprietary fund-level statements along with certain perspective and accounting-basis adjustments discussed below. Fiduciary activities are excluded from the government-wide statements because those resources are not available to support the State's programs.

The *Statement of Net Position* shows the financial position of the State at the end of the Fiscal Year. Net position measures the difference between assets and deferred outflows and liabilities and deferred inflows. Restrictions reported in net position indicate that certain assets, net of the related liabilities, can only be used for specified purposes. Increases in total net position from year to year indicate the State is better off financially, while decreases in total net position may or may not indicate the opposite.

The *Statement of Activities* shows how the financial position has changed since the beginning of the Fiscal Year. The most significant financial measure of the government's current activities is presented in the line item titled "Change in Net Position" at the bottom of the *Statement of Activities.* The statement is presented in a net program cost format, which shows the cost of programs to the government by offsetting revenues earned by the programs against expenses of the programs. Due to the large number of programs operated by the State, individual programs are aggregated into functional areas of government.

On the *Statement of Net Position,* columns are used to segregate the primary government, including governmental activities and business-type activities, from the discretely presented component units. On the *Statement of Activities*, both columns and rows are used for this segregation. The following bullets describe the segregation.

- Governmental activities are the normal operations of the primary government that are not presented as business-type activities. Governmental activities include Internal Service Funds and are primarily funded through taxes, intergovernmental revenues, and other nonexchange revenues.

- Business-type activities are primarily funded by charges to external parties for goods and services. These activities are generally reported in Enterprise Funds in the fund-level statements because the activity has revenue-backed debt or because legal requirements or management decisions mandate full cost recovery.

- Discretely presented component units are legally separate entities for which the State is financially accountable. More information on the discretely presented component units can be found in Note 1.

Fund-Level Financial Statements

The fund-level statements present additional detail about the State's financial position and activities. However, some fund-level statements present information that is different from the government-wide statements due to the differing basis of accounting used in fund statements compared to the government-wide statements. Funds are balanced sets of accounts tracking activities that are legally defined or are prescribed by generally accepted accounting principles. Funds are reported on the fund-level statements as major or nonmajor based on criteria set by the Governmental Accounting Standards Board (GASB). There are three types of funds operated by the State: governmental, proprietary, and fiduciary. In the fund statements, each fund type has a pair of statements that show financial position and activities of the fund; a statement showing cash flows is also presented for the proprietary fund type.

- Governmental Funds – A large number of the State's individual funds and activities fall in this fund type; however, only some are reported as major – the remaining funds are aggregated into the nonmajor column with additional fund detail presented in the Supplementary section of this report. Governmental Funds are presented using the current financial resources perspective, which is essentially a short-term view that excludes capital assets, debt, and other long-term liabilities. The modified accrual basis of accounting is used. Under modified accrual, certain revenues are deferred because they will not be collected within the next year, and certain expenditures are not recognized, even though they apply to the current period, because they will not be paid until later fiscal periods. This presentation focuses on when cash will be received or disbursed, and it is best suited to showing amounts available for appropriation. The governmental fund type includes the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Permanent Funds.

- Proprietary Funds – Proprietary fund type accounting is similar to that used by businesses in the private sector. It is used for the State's Enterprise Funds and Internal Service Funds. Enterprise Funds generally sell to external customers while Internal Service Funds generally charge other State agencies for goods or services. These funds are presented under the economic resources measurement focus, which reports all assets and liabilities. Accrual accounting is used, which results in revenues recognized when they are earned and expenses reported when the related liability is incurred. Because this is the same perspective and basis of accounting used on the government-wide statements, Enterprise Fund information flows directly to the business-type activities column on the government-wide statements without adjustment. Internal Service Fund assets and liabilities are reported in the governmental activities on the government-wide *Statement of Net Position* because Internal Service Funds primarily serve governmental funds. The net revenue or net expense of Internal Service Funds is reported as an increase or reduction to program expenses on the government-wide *Statement of Activities.* On the fund-level statements, nonmajor Enterprise Funds are aggregated in a single column, as are all Internal Service Funds.

- Fiduciary Funds – These funds report resources held under trust agreements for other individuals, organizations, or governments. The assets reported are not available to finance the State's programs, and therefore, these funds are not included in the government-wide statements. The State's fiduciary funds include Pension and Other Employee Benefits Trust Funds, several Private-Purpose Trust Funds, and several Custodial Funds. Custodial Funds track only assets and liabilities and do not report revenues and expenses on a statement of operations. All Fiduciary Funds are reported using the accrual basis of accounting.

The State has elected to present combining financial statements for its component units. In the report, the component unit financial statements follow the fund-level financial statements discussed above.

Notes to Basic Financial Statements

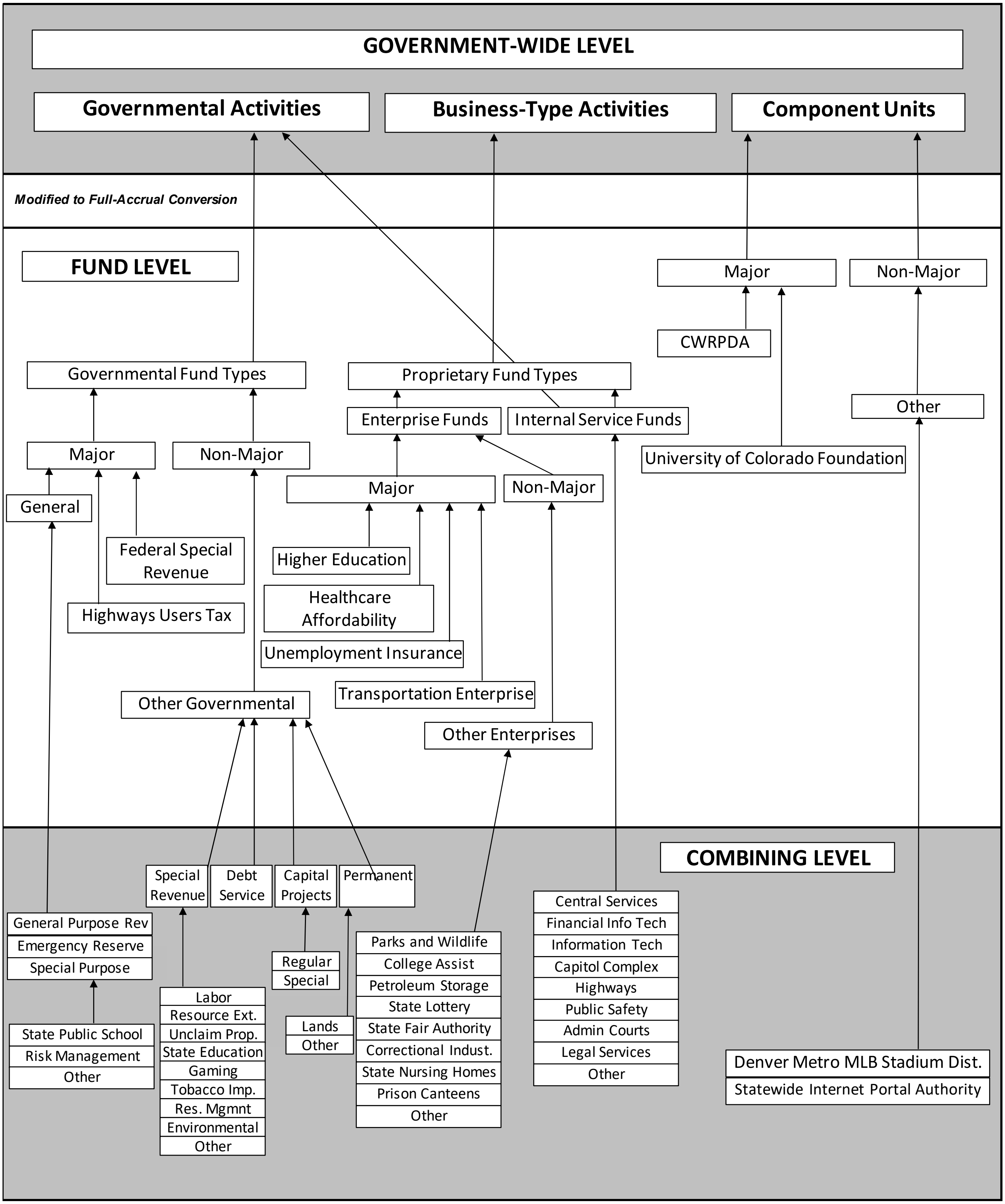
The notes to the financial statements are an integral part of the basic financial statements. They explain amounts shown in the financial statements and provide additional information that is essential to fair presentation.

Required Supplementary Information (RSI)

Generally accepted accounting principles require certain supplementary information to be presented in this Management's Discussion and Analysis and following the notes to the financial statements. Required supplementary information differs from the basic financial statements in that the auditor applies certain limited procedures in reviewing the information. In this report, RSI includes budgetary comparison schedules, defined benefit pension plan schedules, and a schedule of funding progress for other post-employment benefits.

The chart on the following page is a graphic representation of how the State's funds are organized in this report.

Fiduciary Funds are not shown in the chart because those resources are not available to support the State's programs.


GOVERNMENT-WIDE LEVEL
Governmental Activities
Business-Type Activities
Component Units
Modified to Full-Accrual Conversion
FUND LEVEL
Major
Non-Major
CWRPDA
Governmental Fund Types
Proprietary Fund Types
Enterprise Funds
Internal Service Funds
Other
Major
Non-Major
University of Colorado Foundation
General
Major
Non-Major
Federal Special Revenue
Higher Education
Healthcare Affordability
Highways Users Tax
Unemployment Insurance
Transportation Enterprise
Other Governmental
Other Enterprises
COMBINING LEVEL
Special Revenue
Debt Service
Capital Projects
Permanent
General Purpose Rev
Emergency Reserve
Special Purpose
Regular
Special
Parks and Wildlife
College Assist
Petroleum Storage
State Lottery
State Fair Authority
Correctional Indust.
State Nursing Homes
Prison Canteens
Other
Central Services
Financial Info Tech
Information Tech
Capitol Complex
Highways
Public Safety
Admin Courts
Legal Services
Other
Labor
Resource Ext.
Unclaim Prop.
State Education
Gaming
Tobacco Imp.
Res. Mgmnt
Environmental
Other
Lands
Other
State Public School
Risk Management
Other
Denver Metro MLB Stadium Dist.
Statewide Internet Portal Authority

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

Government-wide Statement of Net Position

The amount of total net position is one measure of the health of the State's finances, and serves as a useful indicator of a government's financial position over time. However, this measure must be used with care because large portions of the balances related to capital assets or restricted assets may be unavailable to meet the day-to-day payments of the State. The State's combined total net position of both governmental and business-type activities increased 33.3 percent from the prior fiscal year by $4,798.3 million from $14,404.7 million in Fiscal Year 2020, to $19,203.0 million in Fiscal Year 2021.

The following table was derived from the current and prior year government-wide *Statement of Net Position*.

(Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Noncapital Assets	$ 21,370,185	$ 13,972,724	$ 11,221,670	$ 8,520,942	$ 32,591,855	$ 22,493,666
Capital Assets	13,069,596	12,596,264	11,237,496	10,821,616	24,307,092	23,417,880
Total Assets	34,439,781	26,568,988	22,459,166	19,342,558	56,898,947	45,911,546
Deferred Outflow of Resources	1,654,895	2,348,666	909,377	534,121	2,564,272	2,882,787
Current Liabilities	8,577,270	4,375,162	6,042,231	2,896,932	14,619,501	7,272,094
Noncurrent Liabilities	10,634,717	11,547,135	10,214,212	9,947,640	20,848,929	21,494,775
Total Liabilities	19,211,987	15,922,297	16,256,443	12,844,572	35,468,430	28,766,869
Deferred Inflow of Resources	3,531,733	3,704,384	1,260,085	1,918,407	4,791,818	5,622,791
Net Investment in Capital Assets	9,172,398	9,648,006	5,973,861	5,923,907	15,146,259	15,571,913
Restricted	4,095,294	3,900,541	1,025,132	1,301,620	5,120,426	5,202,161
Unrestricted	83,264	(4,257,574)	(1,146,978)	(2,111,827)	(1,063,714)	(6,369,401)
Total Net Position	$ 13,350,956	$ 9,290,973	$ 5,852,015	$ 5,113,700	$ 19,202,971	$ 14,404,673

The State's net investment in capital assets of $15,146.3 million for the total primary government (governmental and business-type activities combined), represents a decrease of $425.7 thousand (2.7 percent) compared to the prior fiscal year. Net investment in capital assets is a noncurrent asset, and therefore not available to meet related debt service requirements that must be paid from current revenues or available liquid assets.

Assets restricted by the State Constitution or external parties reduced by their related liabilities account for another $5,120.4 million of total primary government net position. Restricted assets decreased by $81.7 million relative to the prior fiscal year. In general, these restrictions dictate how the related assets must be used by the State, and therefore, may not be available for use by any of the State's programs. Examples of restrictions on the use of net position include the constitutionally-mandated TABOR reserve, State Education Fund, Highway Users Tax Fund, and resources pledged to debt service.

The unrestricted component of net position for the total primary government is a deficit $1,063.7 million for the fiscal year ended June 30, 2021, which represents a $5,305.7 million decline in the deficit from the prior fiscal year. The change is primarily due to increases in unrestricted cash and pooled cash of $9,342.8 million, and a decrease of the net pension liability during the fiscal year of $2,130.7 million related to the State Division Trust Fund, administered by the Public Employees Retirement Association (PERA). These increases were offset by an increase in unearned revenue liability of $2,873.7 million from the prior fiscal year. The State's current liabilities reported on the Statement of Net Position increased by $7,347.4 million over the prior fiscal year, primarily due to advances received from the federal government related to COVID-19 congressional response packages. Noncurrent liabilities only decreased by $645.8 million from the prior fiscal year. Certain noncurrent liabilities, such as bonds and certificates of participation payable, have related capital assets while the net pension liability does not.

Governmental Activities:

Overall, total assets and deferred outflows of resources of the State's governmental activities exceeded total liabilities and deferred inflows of resources by $13,351.0 million, an increase in net position of $4,060.0 million as compared to the prior fiscal year amount of $9,291.0 million. Total cash (restricted and unrestricted) balances increased by $9,374.4 million, due to the increase in federal funding related to COVID-19. Taxes Receivable, net of refunds payable and Other Receivables, net, decreased by $1,156.7 million due to the increase in tax collections during the fiscal year; this resulted from the Calendar Year 2020 income tax filing deadline extension. Total investments (restricted and unrestricted) decreased by $1,294.1 million due to market value decreases. Capital assets, net of accumulated depreciation, increased by $473.3 million due to various capital projects throughout the State.

Governmental activities' liabilities for notes, bonds, and Certificates of Participation at June 30, 2021 were $3,992.2 million as compared to the prior fiscal year amount of $2,908.2 million – an increase of $1,084.1 million. These liabilities represent 29.1 percent of unrestricted financial assets (cash, receivables, and investments), and 11.6 percent of total assets of governmental activities. The governmental activities debt is primarily related to infrastructure, state buildings, and public school buildings. The infrastructure debt is secured by future federal revenues and state highway revenues, state building debt by gaming distributions and judicial fees, and public school buildings debt by School Trust Land revenues.

Governmental activities had a decrease of $475.6 million in net investment in capital assets attributable primarily to the $500.0 million issuance of State of Colorado Rural Colorado Certificates of Participation, Series 2021A, $98.0 million in Building Excellent Schools Today Series 2020R refunding Certificates of Participation, and $64.3 million in Higher Education Lease Purchase Financing Program Certificates of Participation. Restricted net position for governmental activities increased by $194.8 million, and unrestricted net position increased $4,340.9 million from the prior year primarily due to the decrease in net pension liability and the increase in federal funding due to the COVID-19 pandemic. The change from deficit unrestricted net position in Fiscal Year 2020 to a positive net position in Fiscal Year 2021 is primarily a result of a large influx of federal grants related to the COVID-19 pandemic. The unrestricted net position for governmental activities is expected to return to a deficit in the near term absent additional federal COVID-19 or economic recovery funding. The reason for deficit unrestricted net position in prior years was the initial recognition of the net pension liability in Fiscal Year 2015, and the recognition of the net OPEB liability in Fiscal Year 2018. The pension liability is expected to decrease over time due to additional funding measures put in place by Senate Bill 18-200.

Business-Type Activities:

Overall, total assets and deferred outflows of resources of the State's business-type activities exceeded total liabilities and deferred inflows of resources by $5,852.0 million – an increase in net position of $738.3 million as compared to the prior year amount of $5,113.7 million. The increase is primarily attributed to decreases in deferred inflows of resources of approximately $658.3 million, resulting from Changes of Assumptions or Other Inputs of the PERA State Division Trust Fund. A summary of these changes can be found in Note RSI-2 – the State's Defined Benefit Pension Plan. The decrease was also due to the effect of the portion of the annual $225.0 million distribution attributable to the State Division Trust Fund on July 1, 2020, directly made to PERA as required by Senate Bill 18-200.

The State's Enterprise Funds have notes, bonds, and Certificates of Participation outstanding that total $5,187.0 million, as compared to the prior fiscal year amount of $5,096.8 million – an increase of $90.2 million. The majority of the outstanding revenue bonds is related to Higher Education Institutions and is invested in capital assets that generate a future revenue stream to service the related debt. The Division of Unemployment Insurance also has bonds outstanding secured by future employer insurance premiums.

Of the total net position for business-type activities, $5,973.9 million was for investment in capital assets, $1,025.1 million is restricted for the purposes of various funds, and an unrestricted deficit of approximately $1,147.0 million.

The change from deficit unrestricted net position in Fiscal Year 2020 to a positive net position in Fiscal Year 2021 is primarily a result of a large influx of federal grants related to the COVID-19 pandemic. The unrestricted net position for business-type activities is expected to return to a deficit in the near term absent additional federal COVID-19 or economic recovery funding. The reason for deficit unrestricted net position in prior years was the initial recognition of the net pension liability in Fiscal Year 2015, and the recognition of the net OPEB liability in Fiscal Year 2018. The pension liability is expected to decrease over time due to additional funding measures put in place by Senate Bill 18-200. Business-type activities reported a $2,024.4 million decrease in net investment in capital assets, primarily due to debt issuances related to the construction of capital asset projects by institutions of higher education and the Other Enterprise Funds. Restricted net position for business-type activities reported a decrease of $276.5 million from the prior fiscal year.

Government-wide Statement of Activities

The following table was derived from the current and prior year government-wide *Statement of Activities*.

(Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
Programs/Functions	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Program Revenues:						
Charges for Services	$ 1,734,952	$ 1,555,332	$ 7,931,639	$ 8,039,922	$ 9,666,591	$ 9,595,254
Operating Grants and Contributions	10,495,268	7,788,096	14,095,372	8,374,699	24,590,640	16,162,795
Capital Grants and Contributions	544,553	617,224	183,207	123,273	727,760	740,497
General Revenues:					-	-
Taxes	14,288,822	13,271,516	9,238	-	14,298,060	13,271,516
Restricted Taxes	1,468,337	1,271,553	-	-	1,468,337	1,271,553
Unrestricted Investment Earnings	50,931	37,599	-	-	50,931	37,599
Other General Revenues	104,683	95,460	-	-	104,683	95,460
Total Revenues	28,687,546	24,636,780	22,219,456	16,537,894	50,907,002	41,174,674
Expenses:						
General Government	822,391	1,214,677	-	-	822,391	1,214,677
Business, Community, and Consumer Affairs	1,368,553	713,827	-	-	1,368,553	713,827
Education	6,656,947	6,875,955	-	-	6,656,947	6,875,955
Health and Rehabilitation	1,660,656	836,872	-	-	1,660,656	836,872
Justice	1,691,958	1,734,902	-	-	1,691,958	1,734,902
Natural Resources	99,053	90,248	-	-	99,053	90,248
Social Assistance	10,157,280	9,430,179	-	-	10,157,280	9,430,179
Transportation	1,632,855	1,884,872	-	-	1,632,855	1,884,872
Payments to School Districts	-		-	-	-	-
Payments to Other Governments	-		-	-	-	-
Interest on Debt	135,332	103,339	-	-	135,332	103,339
Higher Education Institutions	-		6,900,408	6,993,311	6,900,408	6,993,311
Healthcare Affordability			4,198,822	3,515,207	4,198,822	3,515,207
Unemployment Insurance	-		9,465,001	4,765,139	9,465,001	4,765,139
Lottery	-		691,944	582,721	691,944	582,721
Parks and Wildlife	-		170,705	166,782	170,705	166,782
College Assist	-		79,637	201,200	79,637	201,200
Other Business-Type Activities	-		523,885	128,606	523,885	128,606
Total Expenses	24,225,025	22,884,871	22,030,402	16,352,966	46,255,427	39,237,837
Excess (Deficiency) Before Contributions, Transfers, and Other Items	4,462,521	1,751,909	189,054	184,928	4,651,575	1,936,837
Contributions, Transfers, and Other Items:						
Transfers (Out) In	(366,962)	(395,097)	366,962	395,097	-	-
Permanent Fund Additions	141,128	580	5	-	141,133	580
Internal Capital Contributions	-	-	-	-	-	-
Special Item	-	-	-	-	-	-
Total Contributions, Transfers, and Other Items	(225,834)	(394,517)	366,967	395,097	141,133	580
Total Changes in Net Position	4,236,687	1,357,392	556,021	580,025	4,792,708	1,937,417
Net Position - Beginning	9,290,973	7,913,886	5,113,700	4,520,020	14,404,673	12,433,906
Prior Period Adjustment (See Note 15A)	(196,566)	19,695	181,689	11,209	(14,877)	30,904
Accounting Changes	19,862	-	605	2,446	20,467	2,446
Net Position - Ending	$ 13,350,956	$ 9,290,973	$ 5,852,015	$ 5,113,700	$ 19,202,971	$ 14,404,673

For governmental activities, total revenues and permanent fund additions exceeded total expenses and transfers-out, which resulted in an increase to net position of $4,236.7 million. Program revenues for governmental activities increased by $2,814.1 million (28.3 percent), and General revenues for governmental activities increased by $1,236.6 million (8.4 percent). Overall, total revenues for governmental activities increased 16.4 percent. Total expenses for governmental activities increased by $1,340.2 million (5.9 percent) from the prior fiscal year, due to increases in business, community, and consumer affairs; health and rehabilitation; and social assistance activities. These increases were offset by spending decreases primarily in general government, education, justice, and transportation activities.

Business-type activities' total revenues, transfers-in, and permanent fund additions exceeded total expenses by $556.0 million, resulting in an increase in net position. From the prior year to the current year, program revenue from business-type activities increased by $5,632.3 million (34.3 percent), while expenses also increased by $5,677.4 million (34.7 percent) due to significant increases in unemployment insurance.

FUND-LEVEL FINANCIAL ANALYSIS

Governmental Funds:

Governmental fund assets exceeded liabilities resulting in total fund balance of $12,745.5 million as compared to the prior fiscal year amount of $9,491.7 million. The fund balance for all governmental funds increased from the prior fiscal year by $3,253.8 million, which is comprised mainly of increases in the General Fund and Other Governmental Funds of $2,144.1 million and $1,345.6 million, respectively. The State reported a new fund in Fiscal Year 2020 that remained a major fund in Fiscal Year 2021 – the Federal Special Revenue Fund – resulting from federal economic relief received due to the COVID-19 pandemic. Overall, the increase in fund balance for all governmental funds in total was primarily attributable to increases in individual income tax revenue, and federal grants and contracts during Fiscal Year 2021.

General Fund

The ending total fund balance of the General Fund was $4,545.7 million. General Fund revenues increased overall by approximately $2,973.6 million (14.9 percent) over the prior year, and expenditures increased overall by $1,004.0 million (5.2 percent) relative to the prior fiscal year, resulting in $2,709.2 million excess of revenues over expenditures for Fiscal Year 2021. Transfers-in totaled $900.6 million while transfers-out totaled $1,589.3 million, resulting in a net outflow to other funds of $688.7 million. Individual and fiduciary income taxes of $8,305.5 million, sales and use taxes of $3,920.5 million, and federal grants and contracts of $8,703.0 million are the largest sources of revenue comprising 91.5 percent of total revenue of $22,873.1 million. Overall expenditures increased from the prior year due to moderate spending increases across all government functions.

General Fund Components & Legal Reserve Requirement

The General Fund is the focal point in determining the State's ability to maintain or improve its financial position. The General Fund includes all funds that do not have sufficient original source revenue streams to qualify as special revenue funds. As a result, the Public School Fund, Risk Management, and Other Special Purpose Funds reside in the General Fund. These funds are referred to as Special Purpose General Funds, while the General Purpose Revenue Fund comprises general activities of the State. In addition, the State established an Emergency Reserve Fund as a General Fund component in Fiscal Year 2021, with the State transferring $201.1 million into the fund. Revenues of the General Purpose Revenue Fund consist of two broad categories – general-purpose revenues and augmenting revenues. General-purpose revenues are taxes, fines, and other similar sources that are collected without regard to how they will be spent. Other augmenting revenues include federal grants and contracts, user fees and charges, and other specific user taxes. Other augmenting revenues are usually limited as to how they can be spent. Even though significant federal grant revenues are accounted for in the General Purpose Revenue Fund, they have little impact on fund balance because most federal revenues are earned on a reimbursement basis and are closely matched with federal expenditures.

Of the overall fund balance of the General Fund, $2,962.2 million (65.2 percent) was attributable to the General Purpose Revenue Fund, including non-spendable, committed, and assigned amounts. The General Purpose Revenue Fund increased by $1,639.6 million from the prior fiscal year, which was attributable to increases in taxes and federal revenues during Fiscal Year 2021. The General Purpose Revenue Fund experienced a significant increase in unrestricted cash and pooled cash at the end of Fiscal Year 2021 as compared to Fiscal Year 2020 due to the statewide income tax filing deadline extension to July 2020 (FY 2021). This delay resulted in more overall cash collections than in normal fiscal years.

State law requires that the General Purpose Revenue Fund portion of the General Fund maintain a reserve of a percentage of General Purpose Revenue Fund appropriations. Section 24-75-201.1 C.R.S. stipulates the reserve requirement as 2.86 percent of the amount appropriated for expenditure from the general fund for Fiscal Year 2021, and the reserve for Fiscal Year 2021 is $314.0 million. The reserve amount is included in the Budgetary Comparison Schedule for the General Fund – General Purpose Revenue Component, presented as Required Supplementary Information in the ACFR. Beginning and ending budgetary fund balance as show on the Schedule are net of the required reserve.

Federal Special Revenue Fund

The Federal Special Revenue Fund was a new major fund for Fiscal Year 2020, and continues to be a major fund in Fiscal Year 2021. The Federal Special Revenue Fund primarily consists of the Coronavirus Aid, Relief, and Economic Security (CARES) Act Fund, and the Coronavirus Emergency Supplemental Fund. The ending total fund balance of the Federal Special Revenue Fund was $11.4 million. The fund had an ending balance of $3,771.2 million in cash and restricted cash from federal aid related to COVID-19 and economic recovery relief received late in the fiscal year. Thus, the State expended only a small portion of these funds as of June 30, 2021 – resulting in the State recording $3,754.3 million in unearned revenue at June 30, 2021. Fund revenues totaled $909.8 million, and fund expenditures totaled $919.6 million, resulting in a deficit of expenditures over revenues of $9.8 million for Fiscal Year 2021. The main sources of revenue for the fund were federal grants and contracts of $919.9 million (offset by investment losses of $10.1 million); the main expenditures of the fund consist of outflows related to school districts, cities, and counties of $410.1 million, $188.0 million, and $137.3 million, respectively.

Highway Users Tax

The Highway Users Tax Fund qualified as a new major fund for Fiscal Year 2020, and remained a major fund in Fiscal Year 2021. The ending total fund balance of the Highway Users Tax Fund was $752.4 million, which represents a 23.1 percent decrease over the prior year fund balance of $978.4 million. Total cash (restricted and unrestricted) increased by 13.5 percent from $825.1 million in the prior fiscal year to $936.7 million in Fiscal Year 2021. Fund revenues totaled $1,857.6 million, and expenditures totaled $2,343.2 million, resulting in a deficit of expenditures over revenues of $485.6 million for Fiscal Year 2021. Fund revenues decreased 6.5 percent, while fund expenditures also decreased 4.2 percent from the prior fiscal year. The main sources of revenue for the fund were federal grants and contracts of $620.4 million, excise taxes of $593.6 million, and licenses, permits, and fines of $417.9 million. The main expenditures of the fund consisted of transportation-related projects and highway maintenance of $1,479.8 million, and intergovernmental expenditures for cities, counties, and special districts totaling approximately $569.4 million in Fiscal Year 2021.

Proprietary Funds:

Higher Education Institutions

The net position of the Higher Education Institutions fund increased from the prior fiscal year by $2,270.6 million, or 73.1 percent, which generally resulted from increases in cash, investments, and capital asset additions; reductions in overall spending; and increases in nonoperating revenues including investment income, federal grants and contracts, gifts and donations, and transfers-in from other funds. The higher education fund has a variety of revenue and funding sources, which, overall, were relatively consistent with the prior fiscal year. Overall operating revenues decreased by $481.9 million mainly due to decreases in tuition and fees and sales of goods and services. Overall, total operating revenues decreased by 7.0 percent, while total operating expenses decreased by 0.9 percent. Higher Education Institutions received capital contributions of $97.8 million and $114.2 million in Fiscal Years 2021 and 2020, respectively. Transfers-in to the Higher Education Institutions fund totaled $486.1 million for Fiscal Year 2021, an increase of $5.1 million compared to the prior fiscal year amount of $481.0 million. Transfers-in are primarily from the General Fund for student financial aid and vocational training and from the Capital Projects Fund for capital construction.

Healthcare Affordability

During the Fiscal Year 2017 legislative session, the general assembly passed Senate Bill 17-267 – Sustainability of Rural Colorado – which repealed the existing hospital provider fee program effective for Fiscal Year 2018. Section 17 of the bill created the new Colorado Healthcare Affordability and Sustainability Enterprise (CHASE) within the Department of Healthcare Policy and Financing. The fund qualifies as a major enterprise fund based on the amount of revenues in the fund related to total revenues of all enterprise funds. As of June 30, 2021, net position was $67.9 million, a decrease of $7.0 million from the prior fiscal year amount of $74.9 million. Operating revenues of the fund totaled $4,191.9 million, which mainly consists of federal grants and contracts of $3,065.1 million, and fees charged to healthcare providers of $1,126.8 million. Operating revenues increased 16.9 percent by approximately $604.6 million from the prior year amount of $3,587.3 million. Total operating expenses of the fund totaled $4,198.8 million, which mainly consisted of payments to hospital providers for Medicaid services. Because CHASE is an enterprise for purposes of the Taxpayer's Bill of Rights (TABOR), its revenue does not count against the state fiscal year spending limit (Referendum C cap).

Transportation Enterprise

The Transportation Enterprise met the classification as a major fund for Fiscal Year 2021. The Transportation Enterprise consists of the High Performance Transportation Enterprise and the Statewide Bridge Enterprise at the Colorado Department of Transportation. The ending total fund balance of the Transportation Enterprise was $1,363.5 million, which was an increase of 0.2 percent from the prior year net position of $1,360.6 million. Enterprise revenues totaled $150.1 million; nonoperating expenses totaled $102.1 million; and operating expenses totaled $45.2 million; resulting in an excess of revenues over expenses of roughly $2.8 million for Fiscal Year 2021. The main sources of revenue for the Enterprise were sales of goods and services, and federal grants and contracts; the main expenses of the Enterprise consist of depreciation and amortization of capital assets, and outflows related to salaries and fringe benefits, and operating and travel.

Unemployment Insurance

The Unemployment Enterprise met the classification as a major fund for Fiscal Year 2021, which consists of the Employee Leasing Company Certification, Employee Misclassification Advisory Opinion, Employment and Training Technology, Unemployment Bond Repayment, Unemployment Insurance, and the Unemployment Revenue Funds. The ending total fund balance was for Fiscal Year 2021 was a deficit of $1,866.7 million, which was a decrease of $1,865.2 million from the prior year deficit net position of $1.5 million. Fund revenues totaled $7,597.0 million, and expenditures totaled $9,425.3 million, resulting in an excess of expenses over revenues for Fiscal Year 2021. The deficit fund balance primarily resulted from the Department of Labor & Employment borrowing $1,000.0 million from the federal government for the Unemployment Insurance Trust Fund. Other causes for deficit increases include higher accrued expenses and bad debt expense due to overpayments and suspected fraud related to unemployment benefit claims paid throughout Calendar Year 2020 (crosses FY 2020 and FY 2021). The main sources of revenue for the fund were federal grants and contracts, and insurance premiums; the main expenses of the fund consist of unemployment benefit payments and bad debt expense.

<u>TABOR Revenue, Debt, and Tax-Increase Limits</u>

Fiscal Year 2021 is the twenty-eighth year of State operations under Article X, Section 20 of the State Constitution revenue limitations, also known as the Taxpayer Bill of Rights (TABOR). With certain exceptions, the rate of growth of State revenues is limited to the combination of the percentage change in the State's population and inflation based on the Denver-Boulder-Greeley CPI-Urban index. The exceptions include revenues from federal funds, gifts, property sales, refunds, damage recoveries, transfers, voter-approved revenue changes, and qualified enterprise fund revenues.

Revenues collected in excess of the limitation must be returned to the citizens unless a vote at the annual election in November allows the State to retain the surplus. TABOR also limits the General Assembly's ability to raise taxes, to borrow money, and to increase spending limits. With the exception of a declared emergency, taxes can only be raised by a vote of the people at the annual election. Multiple year borrowings can only be undertaken after approval by a similar vote.

The TABOR limits are calculated and applied at the statewide level. However, refunds to taxpayers related to TABOR have historically been paid from the General Fund. Therefore, the TABOR revenue, expenditure, debt, and tax-increase limitations have historically been significant factors in the changing fiscal status of the State's General Fund. The decision to pay TABOR refunds out of the General Fund is notable because revenues in excess of the TABOR limit that are recorded by cash funds remain in those funds (barring Legislative action) but are required to be budgeted and expended from the General Fund Exempt Account created in the General Fund.

After the Referendum C five-year excess revenue retention period that encompassed Fiscal Years 2006 through Fiscal Year 2010, the State is subject to an Excess State Revenue Cap (ESRC) starting in Fiscal Year 2011. Calculation of the TABOR retention limit continues to apply, but the ESRC replaces it as the limit that triggers taxpayer refunds.

During the 2017 legislative session, the general assembly passed Senate Bill 17-267, which revised the TABOR refunding mechanism. Section 24 of the bill specifies that for any state fiscal year commencing on or after July 1, 2017, for which revenue in excess of the reduced Referendum C cap is required to be refunded in accordance with TABOR, reimbursement for the property tax exemptions for qualifying seniors and disabled veterans that is paid by the state to local governments for the property tax year that commenced during the state fiscal year is a refund of such excess state revenue. The exemptions continue to be allowed at current levels and the state continues to reimburse local governments for local property tax revenue lost as a result of the exemptions regardless of whether or not there are excess state revenues. Section 27 prioritizes the new TABOR refund mechanism ahead of the existing temporary state income tax rate reduction refund and sales tax refund mechanisms as the first mechanism used to refund excess state revenue.

For Fiscal Year 2021, State revenues subject to TABOR were $16,169.8 million, which was $525.5 million over the ESRC, and $3,541.7 million over the fiscal year spending limit. Revenue in excess of the ESRC must be refunded to the taxpayers in the next fiscal year including any remaining un-refunded revenues. Therefore, the total amount to be refunded in future fiscal years is $547.9 million. Absent Referendum C, the State would have been required to refund the amount exceeding the fiscal year spending limit.

Additional information on TABOR – including Tax, Spending, and Debt Limitations – is found in Notes to the Financial Statements (Note 2B), and also in the Notes to the TABOR Schedule of Required Computations presented in the Supplementary Information section of the ACFR.

ANALYSIS OF BUDGET VARIANCES

The following analysis is based on the Budgetary Comparison Schedule for the General Fund – General Purpose Revenue Component included in Required Supplementary Information section of the ACFR. That schedule isolates general-purpose revenues and expenditures funded from those revenues, and it is therefore the best source for identifying general-funded budget variances.

Differences Between Original and Final Budgets

The following list shows departments that had net changes in general-funded budgets greater than $10.0 million and the reasons for the change.

- Department of Education – the Department had a net increase of $80.3 million in appropriations resulting from the Connecting Colorado Students Grant under House Bill 20B-1001, as well as adjustments to school funding for the 2021 budget year under Senate Bill 21-053.

- Office of the Governor – the Office had a net increase of $49.7 million in appropriations resulting from various supplemental and special bills related to economic recovery programs including small business accelerated growth and COVID grants, general fund transfers to creative industries, and the Colorado Economic Development Fund.

- Department of Health Care Policy and Financing – the Department had a net decrease of $241.8 million in appropriations mainly due to decreases in medical services premiums related to supplemental Senate Bills 21-043 and 21-205.

- Department of Human Services – the Department had a net increase of $49.5 million in appropriations from the passage of House Bills 20B-1002 and 1003, related to COVID-19 emergency relief grant programs for the child-care sector, and the food pantry assistance grant program.

- Department of Local Affairs – the Department had a net increase of $28.3 million in appropriations for COVID-19 relief for certain small businesses such as restaurants, bars, movie theatres, and fitness and recreational sports centers.

- Department of Personnel and Administration – the Department had a net increase of $14.2 million in appropriations for a general fund transfer to the Workers, Employers, and Workforce Centers Cash Fund related to Senate Bill 21-232.

- Department of Revenue – the Department had a net increase of $244.8 million in appropriations primarily comprised of statutory retail marijuana retail sales tax transfers to the Older Coloradans program, the State Public School Fund, and the Marijuana Tax Cash Fund under Sections 39 and 28.8 C.R.S., as well as Senate Bill 17-267, and House Bills 20-1367, 21-1002, and 20-1360.

- Department of Treasury – the Department had a net increase of $369.7 million in appropriations for the transfer to the PERA payment cash fund under Senate Bill 21-228.

Differences Between Final Budget and Actual Expenditures

In total, state departments reported general-funded appropriations reversions of $5.0 million for Merit Pay and $3.5 million for Legislative reversions. In addition, departments reverted $206.0 million to the General Fund for expenditures under the legally adopted final budget. The final budget is presented without reduction for restrictions in order to show the total reversion of appropriated budget. The following list shows those departments that had reversions of at least $10.0 million of General Fund reversions, and the related budget line item:

- Department of Corrections – the Department reverted $17.1 million, primarily comprised of payments to in-state private prisons, Hepatitis C treatment costs, purchases of pharmaceuticals, and the transitional work program.

- Judicial Department – the Department reverted $19.4 million, primarily consisting of conflict of interest contracts, mandated costs, and court-appointed counsel.

- Department of Local Affairs – the Department reverted $16.6 million primarily related to COVID-19 small business relief grants.

- Department of Public Safety – the Department reverted nearly $10.0 million primarily related to community corrections placements.

- Department of Health Care Policy and Financing – the Department reverted $110.6 million across multiple programs and budget lines, with the largest consisting of general professional services and special projects, indirect cost assessments, third-party liability cost avoidance contracts, medical and long-term care services for Medicaid eligible individuals, behavioral health capitation payments, and regional centers.

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

The State's net investment in capital assets at June 30, 2021 was $13,071.9 million, as compared to $15,571.9 million in Fiscal Year 2020. Included in this amount were $19,105.8 million of net depreciable capital assets after reduction of $15,161.0 million for accumulated depreciation. Non-depreciable capital assets totaled $5,201.3 million – including land, construction in progress, non-depreciable infrastructure and other capital assets. The State added a net $889.2 million and $900.4 million of capital assets in Fiscal Years 2021 and 2020, respectively. Of the Fiscal Year 2021 additions, $473.3 million was recorded in governmental activities, and $415.9 million was recorded in business-type activities. General-purpose revenues funded $24.0 million of capital and controlled maintenance expenditures during Fiscal Year 2021, and the balance of capital asset additions was funded by federal funds, cash funds, or borrowing.

The table below provides information on the State's capital assets by asset type for both governmental and business-type activities.

The State's capital assets at June 30, 2021 and 2020, were as follows (see Note 5 for additional detail):

(Amounts in Thousands)	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY2021	FY2020	FY2021	FY2020	FY2021	FY2020
Capital Assets Not Being Depreciated						
Land and Land Improvements	$ 147,728	$ 126,974	$ 740,663	$ 673,831	$ 888,391	$ 800,805
Collections	11,213	11,213	34,150	33,148	45,363	44,361
Other Capital Assets	6,659	12,347	23,938	15,461	30,597	27,808
Construction in Progress	1,779,298	1,548,817	1,298,034	1,529,265	3,077,332	3,078,082
Infrastructure	1,061,015	1,040,339	98,564	98,042	1,159,579	1,138,381
Total Capital Assets Not Being Depreciated	3,005,913	2,739,690	2,195,349	2,349,747	5,201,262	5,089,437
Capital Assets Being Depreciated						
Buildings and Related Improvements	3,696,321	3,481,275	12,178,850	11,419,985	15,875,171	14,901,260
Software	599,234	578,925	252,314	240,501	851,548	819,426
Vehicles and Equipment	1,079,607	1,029,805	1,391,735	1,331,747	2,471,342	2,361,552
Library Books, Collections, and Other Capital Assets	42,815	42,638	652,121	632,974	694,936	675,612
Infrastructure	12,886,486	12,502,697	1,487,372	1,308,495	14,373,858	13,811,192
Total Capital Assets Being Depreciated	18,304,463	17,635,340	15,962,392	14,933,702	34,266,855	32,569,042
Accumulated Depreciation	(8,240,780)	(7,778,766)	(6,920,245)	(6,461,833)	(15,161,025)	(14,240,599)
Total	$ 13,069,596	$ 12,596,264	$ 11,237,496	$ 10,821,616	$ 24,307,092	$ 23,417,880

The State is constitutionally prohibited from issuing general obligation debt except to fund buildings for State use, to defend the State or the U.S. in time of war, or to provide for unforeseen revenue shortfalls. Except for exempt enterprises, TABOR requires a vote of the people for the creation of any debt unless existing cash reserves are irrevocably pledged to service the debt. TABOR does allow debt issuance to refinance a borrowing at a lower interest rate. These requirements limit management's ability to address revenue shortfalls by borrowing for capital expenditures. However, the State has issued Certificates of Participation (COPs) secured by buildings and vehicles and has issued revenue bonds that are secured by pledges of future revenues. The State has other forms of borrowing that are small in relation to the revenue bonds and COPs.

The schedule that follows shows the principal and interest that will be paid over the following thirty-five year period to retire the current borrowing for capital leases, bonds and COPs (see Note 11). Revenue bonds in this schedule include net payments on interest rate swap derivatives.

Fiscal Year 2021

(Amounts in Thousands)

	Capital Leases		Revenue Bonds		Certificates of Participation		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Governmental Activities	$ 117,998	$ 9,797	$ -	$ -	$ 3,899,901	$ 1,720,489	$ 4,017,899	$ 1,730,286
Business-Type Activities	$ 74,224	$ 38,322	$ 4,485,403	$ 2,135,452	$ 114,607	$ 16,495	$ 4,674,234	$ 2,190,269
Total	$ 192,222	$ 48,119	$ 4,485,403	$ 2,135,452	$ 4,014,508	$ 1,736,984	$ 8,692,133	$ 3,920,555

Fiscal Year 2020

(Amounts in Thousands)

	Capital Leases		Revenue Bonds		Certificates of Participation		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Governmental Activities	$ 119,822	$ 11,980	$ -	$ -	$ 2,809,799	$ 1,370,077	$ 2,929,621	$ 1,382,057
Business-Type Activities	$ 35,645	$ 4,066	$ 4,413,396	$ 2,360,678	$ 374,877	$ 103,359	$ 4,823,918	$ 2,468,103
Total	$ 155,467	$ 16,046	$ 4,413,396	$ 2,360,678	$ 3,184,676	$ 1,473,436	$ 7,753,539	$ 3,850,160

For Fiscal Year 2021, the total principal amount of capital leases, revenue bonds, and COPs increased by 12.1 percent from the prior year to $8,692.1 million. The Fiscal Year 2021 increase is attributable primarily to the $500.0 million issuance of State of Colorado Rural Colorado Certificates of Participation, Series 2021A, $100.2 million in Building Excellent Schools Today Series 2020R refunding Certificates of Participation, and $64.3 million in Higher Education Lease Purchase Financing Program Certificates of Participation.

CONDITIONS EXPECTED TO AFFECT FUTURE OPERATIONS

Many of the conditions affecting future operations of the State remain unchanged from the prior fiscal year. These conditions are as follows:

Coronavirus Disease 2019 (COVID-19) Pandemic – COVID-19 was first identified in December 2019 in Wuhan, China. The outbreak was declared a Public Health Emergency of International Concern in January 2020, and a pandemic in March 2020. The pandemic resulted in a nationwide recession that began in March 2020, which significantly reduced Colorado's economic activity the last quarter of Fiscal Year 2020. Despite significant improvement from the depths of the recession in April 2020 and outperforming the national average, Colorado's economic activity remains below normal levels. In response to the pandemic, the U.S. Congress passed the $1.9 trillion American Rescue Plan Act of 2021 to assist with economic and health effects of the COVID-19 pandemic and the ongoing recession. The Act provided funding for the following:

- $656.2 billion of direct financial assistance in the form of stimulus checks to individuals, unemployment benefit claims, tax credits, the paycheck protection program, and the economic injury disaster loan program.
- $362.0 billion for state and local fiscal recovery funds, Coronavirus capital projects, and local assistance for public lands and tribal consistency funds.
- $211.6 billion for education and childcare including education stabilization, the childcare and development block grant program, childcare entitlements to states, the low-income home energy assistance program, childcare stabilization, and Head Start.
- Tens of billions of dollars for other programs including health care and transportation.

The U.S. economy slowly continues to improve with the federal aid. Personal incomes and savings rates are above pre-pandemic levels due to these major federal relief measures. While higher incomes and savings are positive signs for the economic outlook, the recovery remains highly dependent on the course of the virus including mutations, and the effectiveness of vaccines developed to mitigate the spread of COVID and lessen symptoms.

Public Employees Retirement Association Reforms – The State Legislature passed – and the governor signed – Senate Bill 18-200 during the 2018 legislative session. Senate Bill 18-200 contained a package of reforms designed to reduce the overall risk profile of the PERA retirement plan and improve its funded status. The bill makes several changes to the pension plan including:

- Increasing contribution rates from employers and employees.

- Allocates $225.0 million annually beginning in Fiscal Year 2019 to PERA to reduce the unfunded liability for the State, Judicial, Schools, and Denver Public Schools Divisions Trust Funds. To assist with reductions in spending for Fiscal Year 2021 resulting from the economic impact of COVID-19, the state legislature eliminated the $225.0 million direct distribution for Fiscal Year 2021. The State resumed the direct distribution in Fiscal Year 2022.

- Modifies retirement benefits, including reducing the annual increase for all current and future retirees.

- Raises the retirement age for new employees; and (5) establishes an automatic adjustment provision designed to keep PERA on a path to full funding in 30 years by 2048.

Election 2000 Amendment 23 – This constitutional requirement was originally designed to exempt a portion of State revenues from TABOR and dedicate those revenues to education programs. With the passage of Referendum C, revenues in excess of the TABOR limit are not being refunded. However, resources that were once general-purpose revenues continue to be diverted to the State Education Fund. The amendment requires the General Assembly to increase funding of education by one percent over inflation through Fiscal Year 2011 and by inflation thereafter. This requirement will have an increasing impact if the inflation rate increases. The revenue diversion and mandated expenditure growth infringes on general funding for other programs when State revenues decline with the business cycle. Notwithstanding these expenditure increases, the State continues to face legal challenges that assert the current school funding system fails to provide a thorough and uniform system of free public education as required by the Colorado Constitution.

Cash Basis Accounting – For Fiscal Year 2003 and following years, the Legislature changed the budgetary accounting for June payroll and certain Medicaid expenditures to the cash basis and deferred June pay-dates until July (after Fiscal Year-end). During Fiscal Year 2008, similar treatment was extended to certain Old Age Pension, Medicare, and Children's Basic Health Plan expenditures. In Fiscal Year 2009, this treatment was applied to an additional month of Medicare payments, and legislation was passed to extend the pay-date shift beginning in Fiscal Year 2011 to all information technology staff formerly paid by the General Purpose Revenue Fund. Each of these items causes the outflow of resources to be deferred into the following year for General Fund budget purposes. As a result, the State does not use full or modified accrual accounting to calculate budgetary compliance. Instead, potentially significant liabilities are delayed until the following year assuming that subsequent revenues will be adequate to pay those liabilities. In Fiscal Year 2012, legislation was passed to eliminate the deferral of June pay dates until July for employees paid on a biweekly basis beginning in Fiscal Year 2013. It will be difficult for the State to return to the GAAP basis of accounting for budgetary expenditures because of the significant one-time budgetary impact of recording payroll, Medicaid, and other expenditures that were previously deferred.

General Fund Liquidity – The General Purpose Revenue Fund shows a cash balance of $2,243.5 million at June 30, 2021. Due to the COVID-19 pandemic, the State delayed its statewide income tax filing deadline extension to July 2020 (FY 2021), resulting in less overall cash collections in Fiscal Year 2020, and a significant increase in tax collections in Fiscal Year 2021. From the prior fiscal year to the current fiscal year, General Purpose Revenue Fund taxes receivable decreased by $1,028.3 million to $1,835.8 million; tax refunds payable increased by $202.6 million to $1,144.7 million; and deferred inflows related to the tax receivables not expected to be collected within the next year decreased by $26.8 million down to $154.6 million. The tax receivable and related refunds are based on the best economic data available at year-end; however, economic projections rarely identify inflection points in the economy. If the State's economy experiences another downturn, tax receivables will likely decline (due to declining personal income) and tax refunds will likely increase (due to higher than required estimated tax and withholding payments) putting additional pressure on the fund balance of the General Purpose Revenue Fund. The General Fund legally has access to short-term borrowing from the cash balances of other funds. However, those transfers become increasingly difficult as accessible cash fund balances are depleted from transfers in prior years.

Debt Service – Various state departments, agencies, and institutions of higher education have outstanding notes, bonds, and/or Certificates of Participation (COPs) for the purchase of equipment or to construct facilities or infrastructure. The average debt service related to governmental activities over the next five years is $272.5 million for these agreements and debt instruments. The majority of the revenue streams to cover the debt service payments comprise general governmental resources; there is no general obligation associated with these debt instruments; and the investors' sole recourse is the leased asset. However, if the revenue streams intended to fund this debt service do not materialize, the State will need to find other ways to pay for the service-potential represented by these capital assets. The average debt service related to business-type activities including revenue bonds over the next five years is $341.5 million.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS:				
Current Assets:				
Cash and Pooled Cash	$ 11,224,875	$ 2,662,612	$ 13,887,487	$ 282,804
Restricted Cash and Pooled Cash	122,403	-	122,403	70,190
Investments	-	2,261,237	2,261,237	-
Taxes Receivable, net	1,739,314	125,713	1,865,027	-
Contributions Receivable, net	-	-	-	49,548
Other Receivables, net	663,412	827,965	1,491,377	85,006
Due From Other Governments	1,638,331	2,550,350	4,188,681	1,102
Internal Balances	48,657	(48,657)	-	-
Due From Component Units	-	24,857	24,857	-
Inventories	269,427	50,406	319,833	-
Prepaids, Advances and Deposits	122,230	37,461	159,691	201
Other Current Assets	-	-	-	4,136
Total Current Assets	15,828,649	8,491,944	24,320,593	492,987
Noncurrent Assets:				
Restricted Cash and Pooled Cash	2,971,240	353,797	3,325,037	39,546
Restricted Investments	1,324,475	131,547	1,456,022	63,514
Restricted Receivables	323,485	20,808	344,293	876
Investments	158,487	2,109,357	2,267,844	2,909,333
Contributions Receivable, net	-	-	-	90,734
Other Long-Term Assets	763,849	114,217	878,066	943,012
Depreciable Capital Assets and Infrastructure, net	10,063,683	9,042,147	19,105,830	153,034
Land and Nondepreciable Capital Assets	3,005,913	2,195,349	5,201,262	20,747
Total Noncurrent Assets	18,611,132	13,967,222	32,578,354	4,220,796
TOTAL ASSETS	34,439,781	22,459,166	56,898,947	4,713,783
DEFERRED OUTFLOW OF RESOURCES:	1,654,895	909,377	2,564,272	2,327
LIABILITIES:				
Current Liabilities:				
Tax Refunds Payable	1,154,442	-	1,154,442	-
Accounts Payable and Accrued Liabilities	1,756,431	955,419	2,711,850	25,839
TABOR Refund Liability (Note 2B)	547,872	-	547,872	-
Due To Other Governments	379,075	1,693,848	2,072,923	2,320
Due To Component Units	-	240	240	-
Unearned Revenue	4,513,916	421,714	4,935,630	4,019
Accrued Compensated Absences	15,331	31,583	46,914	-
Claims and Judgments Payable	45,135	819	45,954	-
Leases Payable	30,538	5,984	36,522	-
Notes, Bonds, and COPs Payable	110,285	104,291	214,576	33,095
Other Postemployment Benefits	-	14,753	14,753	-
Other Current Liabilities	24,245	2,813,580	2,837,825	225,909
Total Current Liabilities	8,577,270	6,042,231	14,619,501	291,182
Noncurrent Liabilities:				
Deposits Held In Custody For Others	1,779	25	1,804	608,509
Accrued Compensated Absences	214,870	433,340	648,210	-
Claims and Judgments Payable	141,339	52,714	194,053	-
Capital Lease Payable	87,460	68,240	155,700	-
Derivative Instrument Liability	-	25,602	25,602	-
Notes, Bonds, and COPs Payable	3,881,964	5,082,716	8,964,680	321,755
Due to Component Units	-	1,458	1,458	-
Net Pension Liability	5,874,655	3,370,077	9,244,732	3,855
Other Postemployment Benefits	203,724	1,041,543	1,245,267	214
Other Long-Term Liabilities	228,926	138,497	367,423	43,586
Total Noncurrent Liabilities	10,634,717	10,214,212	20,848,929	977,919
TOTAL LIABILITIES	19,211,987	16,256,443	35,468,430	1,269,101
DEFERRED INFLOW OF RESOURCES:	3,531,733	1,260,085	4,791,818	2,728
NET POSITION:				
Net investment in Capital Assets:	9,172,398	5,973,861	15,146,259	173,882
Restricted for:				
Construction and Highway Maintenance	671,488	-	671,488	-
Education	724,957	632,230	1,357,187	-
Debt Service	148,326	36,346	184,672	-
Emergencies	244,000	-	244,000	-
Permanent Funds and Endowments:				
Expendable	8,886	232,960	241,846	1,556,479
Nonexpendable	1,457,856	89,102	1,546,958	757,703
Other Purposes	839,781	34,494	874,275	793,890
Unrestricted	83,264	(1,146,978)	(1,063,714)	162,327
TOTAL NET POSITION	$ 13,350,956	$ 5,852,015	$ 19,202,971	$ 3,444,281

The notes to the financial statements are an integral part of this statement.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	Expenses		Program Revenues		
Functions/Programs	Expenses	Indirect Cost Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:					
Governmental Activities:					
General Government	$ 844,684	$ (22,293)	$ 165,563	$ 338,299	$ 4,304
Business, Community, and Consumer Affairs	1,365,893	2,660	206,723	753,421	105
Education	6,655,207	1,740	43,333	1,192,639	-
Health and Rehabilitation	1,659,004	1,652	132,533	1,212,884	-
Justice	1,687,335	4,623	368,886	281,017	567
Natural Resources	98,594	459	147,299	116,000	-
Social Assistance	10,152,228	5,052	178,318	6,439,949	70
Transportation	1,631,403	1,452	492,297	161,059	539,507
Interest on Debt	135,332	-	-	-	-
Total Governmental Activities	24,229,680	(4,655)	1,734,952	10,495,268	544,553
Business-Type Activities:					
Higher Education	6,897,028	3,380	4,770,763	3,697,584	99,178
Healthcare Affordability	4,198,822	-	1,126,847	3,067,758	-
Unemployment Insurance	9,465,001	-	603,154	6,997,205	-
Lottery	691,482	462	795,845	(135)	-
Parks and Wildlife	170,360	345	236,497	50,153	84,029
College Assist	79,517	120	-	74,638	-
Other Business-Type Activities	523,537	348	398,533	208,169	-
Total Business-Type Activities	22,025,747	4,655	7,931,639	14,095,372	183,207
Total Primary Government	46,255,427	-	9,666,591	24,590,640	727,760
Total Component Units	$ 296,454	$ -	$ 80,386	$ 757,629	$ 35,841

General Revenues:
Taxes:
Sales and Use Taxes
Excise Taxes
Individual Income Tax
Corporate Income Tax
Other Taxes
Restricted for Education:
Individual Income Tax
Corporate and Fiduciary Income Tax
Restricted for Transportation:
Fuel Taxes
Other Taxes
Unrestricted Investment Earnings (Losses)
Other General Revenues
(Transfers-Out) / Transfers-In
Permanent Fund Additions
Total General Revenues, Special Items, and Transfers

Change in Net Position

Net Position - Fiscal Year Beginning
Prior Period Adjustment (See Note 15A)
Accounting Changes (See Note 15B)
Net Position - Fiscal Year Beginning (Restated)

Net Position - Fiscal Year Ending

The notes to the financial statements are an integral part of this statement.

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
Governmental Activities	Business-Type Activities	Total	Component Units
$ (314,225)	$ -	$ (314,225)	
(408,304)	-	(408,304)	
(5,420,975)	-	(5,420,975)	
(315,239)	-	(315,239)	
(1,041,488)	-	(1,041,488)	
164,246	-	164,246	
(3,538,943)	-	(3,538,943)	
(439,992)	-	(439,992)	
(135,332)	-	(135,332)	
(11,450,252)	-	(11,450,252)	
-	1,667,117	1,667,117	
-	(4,217)	(4,217)	
-	(1,864,642)	(1,864,642)	
-	103,766	103,766	
-	199,974	199,974	
-	(4,999)	(4,999)	
-	82,817	82,817	
-	179,816	179,816	
(11,450,252)	179,816	(11,270,436)	
			577,402
3,954,846	-	3,954,846	-
433,686	-	433,686	-
8,292,319	-	8,292,319	-
1,090,209	-	1,090,209	-
517,762	9,238	527,000	-
804,935	-	804,935	-
69,665	-	69,665	-
593,646	-	593,646	-
91	-	91	-
50,931	-	50,931	79,356
104,683	-	104,683	-
(366,962)	366,962	-	-
141,128	5	141,133	-
15,686,939	376,205	16,063,144	79,356
4,236,687	556,021	4,792,708	656,758
9,290,973	5,113,700	14,404,673	2,787,056
(196,566)	181,689	(14,877)	-
19,862	605	20,467	467
9,114,269	5,295,994	14,410,263	2,787,523
$ 13,350,956	$ 5,852,015	$ 19,202,971	$ 3,444,281

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	GENERAL	FEDERAL SPECIAL REVENUE FUND	HIGHWAY USERS TAX	OTHER GOVERNMENTAL FUNDS	TOTAL
ASSETS:					
Cash and Pooled Cash	$ 2,716,157	$ 3,771,198	$ 55,291	$ 4,584,308	$ 11,126,954
Taxes Receivable, net	1,835,824	-	1,843	61,821	1,899,488
Other Receivables, net	478,692	-	1,097	164,748	644,537
Due From Other Governments	1,560,917	12,680	-	64,653	1,638,250
Due From Other Funds	99,965	-	13,715	56,730	170,410
Inventories	70,664	-	17,908	179,646	268,218
Prepaids, Advances and Deposits	50,814	814	6,077	46,242	103,947
Restricted Assets:					
Restricted Cash and Pooled Cash	1,214,940	-	881,407	997,088	3,093,435
Restricted Investments	-	-	-	1,324,475	1,324,475
Restricted Receivables	437	-	323,048	-	323,485
Investments	12,909	-	-	145,578	158,487
Other Long-Term Assets	25,496	-	31,495	545,825	602,816
TOTAL ASSETS	$ 8,066,815	$ 3,784,692	$ 1,331,881	$ 8,171,114	$ 21,354,502
DEFERRED OUTFLOW OF RESOURCES:	-	-	-	4,847	4,847
LIABILITIES:					
Tax Refunds Payable	$ 1,144,749	$ -	$ -	$ 9,693	$ 1,154,442
Accounts Payable and Accrued Liabilities	1,185,056	15,096	297,884	216,181	1,714,217
TABOR Refund Liability (Note 2B)	547,872	-	-	-	547,872
Due To Other Governments	290,670	3,894	38,997	45,514	379,075
Due To Other Funds	42,009	-	500	79,080	121,589
Unearned Revenue	143,449	3,754,329	237,606	377,263	4,512,647
Claims and Judgments Payable	728	-	174	89	991
Other Current Liabilities	9,850	-	42	10,370	20,262
Deposits Held In Custody For Others	387	-	1,174	218	1,779
TOTAL LIABILITIES	3,364,770	3,773,319	576,377	738,408	8,452,874
DEFERRED INFLOW OF RESOURCES:	156,381	-	3,062	1,526	160,969
FUND BALANCES:					
Nonspendable:					
Inventories	70,664	-	17,908	179,646	268,218
Permanent Fund Principal	-	-	-	1,438,292	1,438,292
Prepaids	50,702	-	6,077	46,242	103,021
Restricted	609,779	11,373	679,412	986,088	2,286,652
Committed	1,287,662	-	49,045	4,785,759	6,122,466
Assigned	123,036	-	-	-	123,036
Unassigned	2,403,821	-	-	-	2,403,821
TOTAL FUND BALANCES	4,545,664	11,373	752,442	7,436,027	12,745,506
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 8,066,815	$ 3,784,692	$ 1,331,881	$ 8,175,961	$ 21,359,349

The notes to the financial statements are an integral part of this statement.

GOVERNMENTAL FUNDS BALANCE SHEET
RECONCILED TO
STATEMENT OF NET POSITION
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	TOTAL GOVERNMENTAL FUNDS	(A) INTERNAL SERVICE FUNDS	(B) CAPITAL ASSET BALANCES	(C) DEBT RELATED BALANCES	(D) CENTRALIZED RISK MANAGEMENT LIABILITIES	(E) OTHER MEASUREMENT FOCUS ADJUSTMENTS	(F) INTERNAL BALANCES ELIMINATION	STATEMENT OF NET POSITION TOTALS
ASSETS:								
Current Assets:								
Cash and Pooled Cash	$ 11,126,954	$ 98,108	$ -	$ -	$ -	$ (187)	$ -	$ 11,224,875
Restricted Cash and Pooled Cash	122,403	-	-	-	-	-	-	122,403
Taxes Receivable, net	1,899,488	-	-	-	-	(160,174)	-	1,739,314
Other Receivables, net	644,537	1,365	-	-	-	17,390	120	663,412
Due From Other Governments	1,638,250	81	-	-	-	-	-	1,638,331
Due From Other Funds	170,410	884	-	-	-	-	(171,294)	-
Internal Balances	-	-	-	-	-	-	48,657	48,657
Inventories	268,218	1,209	-	-	-	-	-	269,427
Prepaids, Advances and Deposits	103,947	7,243	-	-	-	11,040	-	122,230
Total Current Assets	15,974,207	108,890	-	-	-	(131,931)	(122,517)	15,828,649
Noncurrent Assets:								
Restricted Cash and Pooled Cash	2,971,032	208	-	-	-	-	-	2,971,240
Restricted Investments	1,324,475	-	-	-	-	-	-	1,324,475
Restricted Receivables	323,485	-	-	-	-	-	-	323,485
Investments	158,487	-	-	-	-	-	-	158,487
Other Long-Term Assets	602,816	-	-	-	-	161,033	-	763,849
Depreciable Capital Assets and Infrastructure, net	-	118,815	9,944,868	-	-	-	-	10,063,683
Land and Nondepreciable Capital Assets	-	377	3,005,536	-	-	-	-	3,005,913
Total Noncurrent Assets	5,380,295	119,400	12,950,404	-	-	161,033	-	18,611,132
TOTAL ASSETS	21,354,502	228,290	12,950,404	-	-	29,102	(122,517)	34,439,781
DEFERRED OUTFLOW OF RESOURCES:	4,847	50,657	-	1,599,391	-	-	-	1,654,895
LIABILITIES:								
Current Liabilities:								
Tax Refunds Payable	1,154,442	-	-	-	-	-	-	1,154,442
Accounts Payable and Accrued Liabilities	1,714,217	36,140	-	6,065	-	-	9	1,756,431
TABOR Refund Liability (Note 2B)	547,872	-	-	-	-	-	-	547,872
Due To Other Governments	379,075	-	-	-	-	-	-	379,075
Due To Other Funds	121,589	937	-	-	-	-	(122,526)	-
Unearned Revenue	4,512,647	1,338	-	-	-	(69)	-	4,513,916
Compensated Absences Payable	-	1,296	-	-	-	14,035	-	15,331
Claims and Judgments Payable	991	-	-	-	38,143	6,001	-	45,135
Leases Payable	-	25,033	-	5,505	-	-	-	30,538
Notes, Bonds, and COPs Payable	-	-	-	110,285	-	-	-	110,285
Other Current Liabilities	20,262	382	-	-	-	3,601	-	24,245
Total Current Liabilities	8,451,095	65,126	-	121,855	38,143	23,568	(122,517)	8,577,270
Noncurrent Liabilities:								
Deposits Held In Custody For Others	1,779	-	-	-	-	-	-	1,779
Accrued Compensated Absences	-	14,368	-	-	-	200,502	-	214,870
Claims and Judgments Payable	-	-	-	-	93,591	47,748	-	141,339
Capital Lease Payable	-	69,341	-	18,119	-	-	-	87,460
Notes, Bonds, and COPs Payable	-	1	-	3,881,963	-	-	-	3,881,964
Net Pension Liability	-	338,048	-	-	-	5,536,607	-	5,874,655
Other Postemployment Benefits	-	11,130	-	-	-	192,594	-	203,724
Other Long-Term Liabilities	-	-	-	-	-	228,926	-	228,926
Total Noncurrent Liabilities	1,779	432,888	-	3,900,082	93,591	6,206,377	-	10,634,717
TOTAL LIABILITIES	8,452,874	498,014	-	4,021,937	131,734	6,229,945	(122,517)	19,211,987
DEFERRED INFLOW OF RESOURCES:	160,969	79,412	-	-	-	3,291,352	-	3,531,733
NET POSITION:								
Net investment in Capital Assets:	-	24,820	12,950,404	(3,802,826)	-	-	-	9,172,398
Restricted for:								
Construction and Highway Maintenance	671,488	-	-	-	-	-	-	671,488
Education	724,957	-	-	-	-	-	-	724,957
Debt Service	148,326	-	-	-	-	-	-	148,326
Emergencies	244,000	-	-	-	-	-	-	244,000
Permanent Funds and Endowments:								
Expendable	8,886	-	-	-	-	-	-	8,886
Nonexpendable	1,457,856	-	-	-	-	-	-	1,457,856
Other Purposes	839,781	-	-	-	-	-	-	839,781
Unrestricted	8,650,212	(323,299)	-	1,380,280	(131,734)	(9,492,195)	-	83,264
TOTAL NET POSITION	$ 12,745,506	$ (298,479)	$ 12,950,404	$ (2,422,546)	$ (131,734)	$ (9,492,195)	$ -	$ 13,350,956

The notes to the financial statements are an integral part of this statement.

Differences Between the *Balance Sheet – Governmental Funds* and
Governmental Activities on the Government-Wide *Statement of Net Position*

(A) Management uses Internal Services Funds to report the charges for and the costs of goods and services sold by state agencies solely within the state. Because the sales are primarily to governmental funds, the assets and liabilities of the Internal Service Funds are included in the governmental activities on the government-wide *Statement of Net Position.* Internal Service Funds are reported using proprietary fund-type accounting in the fund-level financial statements. In addition to minor training services provided by the Department of Personnel & Administration, and internal sales within the Department of Transportation and the Department of Public Safety, the State's Internal Service Funds provide the following goods and services to nearly all state agencies:

- Fleet management,
- Printing and mail services,
- Information technology and telecommunication services,
- Building maintenance and management in the capitol complex,
- Administrative court services,
- Legal services, and
- Others including debt collection.

(B) Capital assets used in governmental activities are not current financial resources, and therefore, they are not included in the fund-level financial statements. However, capital assets are economic resources and are reported in the government-wide *Statement of Net Position.*

(C) Long-term liabilities such as leases, bonds, notes, mortgages, and Certificates of Participation (including accrued interest) are not due and payable in the current period, and therefore, they are not included in the fund-level financial statements. However, from an economic perspective these liabilities reduce net position and are reported in the *Statement of Net Position.* The portion reported as current in the reconciliation is payable within the following fiscal year. Deferred outflows related to debt refunding losses require a similar adjustment. The largest single portion of the long-term balance is related to Transportation Revenue Anticipation Notes issued by the Department of Transportation.

(D) Risk management liabilities are actuarially determined claims and consist of a current and long-term portion. Generally accepted accounting principles (GAAP) list claims and judgments as an exception to the full accrual basis of accounting that constitutes the modified accrual basis of accounting. The current portion (payable within one year) is excluded from the fund-level statements because it is not payable with expendable available financial resources. In this instance, "payable with expendable available financial resources" means the amounts are not accrued as fund liabilities because they are not budgeted in the current year. The long-term portion of the risk management liability is excluded from the fund-level statements because it is not due and payable in the current period.

(E) Other measurement focus adjustments include:

- Interfund balances receivable from or payable to fiduciary funds are reported on the fund-level *Balance Sheet – Governmental Funds* as due from/to other funds. On the government-wide *Statement of Net Position*, these amounts are considered external receivables and payables.
- Long-term assets and long-term taxes receivable are not available to pay for current period expenditures; therefore, the related revenue is reported as a deferred inflow of resources on the fund-level *Balance Sheet – Governmental Funds*. From an economic perspective, this revenue is earned and the related deferred inflow of resources is removed from the government-wide *Statement of Net Position* when the revenue is recognized on the government-wide *Statement of Activities*.
- Compensated absences are a GAAP modification of the full accrual basis of accounting similar to claims and judgments discussed above. Therefore, both the current and long-term portions of the liability are shown on the government-wide *Statement of Net Position*, but they are not reported on the fund-level *Balance Sheet – Governmental Funds*.
- Claims and Judgments Payable and other long-term liabilities including pension liabilities are not reported on the fund-level *Balance Sheet – Governmental Funds* because the amounts are not due and payable from current financial resources. However, from an economic perspective, these liabilities reduce net position, and they are therefore reported on the government-wide *Statement of Net Position*.

(F) All interfund payable balances shown on the fund-level Balance Sheet – Governmental Funds are reported in the internal balances line on the government-wide Statement of Net Position along with all governmental-activities interfund receivables.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	GENERAL	FEDERAL SPECIAL REVENUE FUND	HIGHWAY USERS TAX	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES:					
Taxes:					
Individual and Fiduciary Income	$ 8,305,502	$ -	$ -	$ 808,701	$ 9,114,203
Corporate Income	1,117,777	-	-	65,899	1,183,676
Sales and Use	3,920,489	-	-	30,226	3,950,715
Excise	112,551	-	593,646	320,456	1,026,653
Other Taxes	336,628	-	91	225,497	562,216
Licenses, Permits, and Fines	36,173	-	417,864	440,745	894,782
Charges for Goods and Services	70,069	-	141,884	173,814	385,767
Rents	2	-	2,717	128,734	131,453
Investment Income (Loss)	87,847	(10,094)	(10,899)	97,633	164,487
Federal Grants and Contracts	8,702,952	919,870	620,418	604,168	10,847,408
Additions to Permanent Funds	-	-	-	141,128	141,128
Unclaimed Property Receipts	-	-	-	143,231	143,231
Other	183,157	-	91,849	55,142	330,148
TOTAL REVENUES	22,873,147	909,776	1,857,570	3,235,374	28,875,867
EXPENDITURES:					
Current:					
General Government	278,846	34,605	74,727	79,016	467,194
Business, Community, and Consumer Affairs	320,357	39,378	-	520,225	879,960
Education	475,967	819	-	221,208	697,994
Health and Rehabilitation	1,363,876	58,995	12,277	188,114	1,623,262
Justice	1,660,185	23,467	142,777	281,522	2,107,951
Natural Resources	41,049	-	-	79,437	120,486
Social Assistance	8,832,971	8,358	-	230,253	9,071,582
Transportation	-	-	1,479,831	5,600	1,485,431
Capital Outlay	207,566	17	60,866	124,360	392,809
Intergovernmental:					
Cities	100,597	188,016	202,529	95,436	586,578
Counties	1,699,047	137,268	230,494	138,054	2,204,863
School Districts	4,960,306	410,057	-	662,697	6,033,060
Special Districts	75,794	18,572	136,385	26,485	257,236
Federal	-	-	16	2,281	2,297
Other	62,651	10	3,251	67,517	133,429
Debt Service	84,724	-	-	144,412	229,136
TOTAL EXPENDITURES	20,163,936	919,562	2,343,153	2,866,617	26,293,268
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,709,211	(9,786)	(485,583)	368,757	2,582,599
OTHER FINANCING SOURCES (USES):					
Transfers-In	900,632	-	354,626	1,481,511	2,736,769
Transfers-Out	(1,589,302)	(191)	(95,287)	(1,410,723)	(3,095,503)
Face Amount of Bond/COP Issuance	98,030	-	-	676,838	774,868
Bond/COP Premium/Discount	19,932	-	-	158,117	178,049
Issuance of Capital Leases	502	-	-	4,206	4,708
Sale of Capital Assets	836	-	-	5,775	6,611
Insurance Recoveries	4,229	-	91	1,540	5,860
Bond/COP Refunding Issuance	-	-	19,050	-	19,050
Bond/COP Premium Refunding Proceeds	-	-	3,742	-	3,742
Bond/COP Refunding Payments	-	-	(22,550)	-	(22,550)
TOTAL OTHER FINANCING SOURCES (USES)	(565,141)	(191)	259,672	917,264	611,604
NET CHANGE IN FUND BALANCES	2,144,070	(9,977)	(225,911)	1,286,021	3,194,203
FUND BALANCE, FISCAL YEAR BEGINNING	2,401,594	21,350	978,353	6,090,424	9,491,721
Prior Period Adjustment (See Note 15A)	-	-	-	39,720	39,720
Accounting Changes (See Note 15B)	-	-	-	19,862	19,862
FUND BALANCE, FISCAL YEAR BEGINNING (RESTATED)	2,401,594	21,350	978,353	6,150,006	9,551,303
FUND BALANCE, FISCAL YEAR END	$ 4,545,664	$ 11,373	$ 752,442	$ 7,436,027	$ 12,745,506

The notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES RECONCILED TO STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	TOTAL GOVERNMENTAL FUNDS	(A) INTERNAL SERVICE FUNDS	(B) CAPITAL RELATED ITEMS	(C) LONG-TERM DEBT TRANSACTIONS	(D) OTHER MEASUREMENT FOCUS ADJUSTMENTS	STATEMENT OF ACTIVITIES TOTALS
REVENUES:						
Taxes:						
Individual and Fiduciary Income	$ 9,114,203	$ -	$ -	$ -	$ (13,183)	$ 9,101,020
Corporate Income	1,183,676	-	-	-	(27,568)	1,156,108
Sales and Use	3,950,715	-	-	-	4,131	3,954,846
Excise	1,026,653	-	-	-	679	1,027,332
Other Taxes	562,216	-	-	-	(4,209)	558,007
Licenses, Permits, and Fines	894,782	-	-	-	30	894,812
Charges for Goods and Services	385,767	-	-	-	-	385,767
Rents	131,453	-	-	-	-	131,453
Investment Income (Loss)	164,487	(1,150)	-	-	1	163,338
Federal Grants and Contracts	10,847,408	-	-	-	-	10,847,408
Additions to Permanent Funds	141,128	-	-	-	-	141,128
Unclaimed Property Receipts	143,231	-	-	-	-	143,231
Other	330,148	-	-	-	1,862	332,010
TOTAL REVENUES	28,875,867	(1,150)	-	-	(38,257)	28,836,460
EXPENDITURES:						
Current:						
General Government	467,194	(20,492)	28,969	-	(99,668)	376,003
Business, Community, and Consumer Affairs	879,960	(18,333)	2,358	-	(133,284)	730,701
Education	697,994	(1,137)	41,131	-	(46,727)	691,261
Health and Rehabilitation	1,623,262	(5,385)	592	-	(180,250)	1,438,219
Justice	2,107,951	(14,688)	51,755	-	(689,236)	1,455,782
Natural Resources	120,486	(7,367)	475	-	(33,552)	80,042
Social Assistance	9,071,582	(33,650)	18,326	-	(67,825)	8,988,433
Transportation	1,485,431	(6,841)	321,637	-	(165,004)	1,635,223
Capital Outlay	392,809	-	(872,294)	-	-	(479,485)
Intergovernmental:						
Cities	586,578	-	-	-	-	586,578
Counties	2,204,863	-	-	-	-	2,204,863
School Districts	6,033,060	-	-	-	78,020	6,111,080
Special Districts	257,236	-	-	-	1,743	258,979
Federal	2,297	-	-	-	-	2,297
Other	133,429	-	-	-	-	133,429
Debt Service	229,136	2,385	-	(97,338)	-	134,183
TOTAL EXPENDITURES	26,293,268	(105,508)	(407,051)	(97,338)	(1,335,783)	24,347,588
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,582,599	104,358	407,051	97,338	1,297,526	4,488,872
OTHER FINANCING SOURCES (USES):						
Transfers-In	2,736,769	1,759	-	-	-	2,738,528
Transfers-Out	(3,095,503)	(7,808)	-	-	-	(3,103,311)
Face Amount of Bond/COP Issuance	774,868	-	-	(774,867)	-	1
Bond/COP Premium/Discount	178,049	-	-	(162,723)	-	15,326
Issuance of Capital Leases	4,708	-	-	(4,536)	-	172
Sale of Capital Assets	6,611	-	80,901	-	-	87,512
Insurance Recoveries	5,860	-	-	-	-	5,860
Bond/COP Refunding Issuance	19,050	-	-	(19,050)	-	-
Bond/COP Premium Refunding Proceeds	3,742	-	-	(3,742)	-	-
Bond/COP Refunding Payments	(22,550)	-	-	22,792	-	242
TOTAL OTHER FINANCING SOURCES (USES)	611,604	(6,049)	80,901	(942,126)	-	(255,670)
Internal Service Fund Charges to BTAs	-	3,485	-	-	-	3,485
NET CHANGE FOR THE YEAR	3,194,203	101,794	487,952	(844,788)	1,297,526	4,236,687
Prior Period Adjustment (See Note 15A)	39,720	-	-	-	(236,286)	(196,566)
Accounting Changes (See Note 15B)	19,862	-	-	-	-	19,862
TOTAL CHANGE FOR THE CURRENT YEAR	$ 3,253,785	$ 101,794	$ 487,952	$ (844,788)	$ 1,061,240	$ 4,059,983

The notes to the financial statements are an integral part of this statement.

Differences Between the *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds* and Governmental Activities on the Government-Wide *Statement of Activities*

(A) Management uses Internal Services Funds to report charges for and the costs of goods and services sold by state agencies solely within the state. Internal Service Funds are intended to operate on the cost reimbursement basis and should break even each period. If an Internal Service Fund makes a profit, the other funds of the State have been overcharged. If an Internal Service Fund has an operating loss, the other funds of the State have been undercharged. In order to show the true cost of services purchased from Internal Service Funds, an adjustment is made that allocates the net revenue/expense of each Internal Service Fund to the programs that purchased the service. Investment income, debt service, and transfers of the Internal Service Fund are not allocated. In addition to minor training services provided by the Department of Personnel & Administration, and internal sales within the Department of Transportation and the Department of Public Safety, the State's Internal Service Funds provide the following goods and services to nearly all state agencies:

- Fleet management,
- Printing and mail services,
- Information technology services and telecommunication services,
- Building maintenance and management in the capitol complex,
- Administrative court services,
- Legal services, and
- Others including debt collection.

(B) The following adjustments relate to capital assets:

- Capital assets, received as donations, are not reported on the fund-level *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds* because they are not current financial resources. However, such donations increase net position and are reported on both the government-wide *Statement of Net Position* and *Statement of Activities*.
- Depreciation is not reported on the fund-level *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds*, but it is reported for the economic perspective on which the government-wide *Statement of Activities* is presented.
- Expenditures reported for capital outlay on the fund-level *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds* are generally reported as a conversion of cash to a capital asset on the government-wide *Statement of Net Position*. They are not reported as expenses on the government-wide *Statement of Activities*.
- On the fund-level *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds* all cash received on disposal of capital assets is reported as a gain on sale of capital assets. On the government-wide *Statement of Activities* the reported gain or loss on sale is based on the carrying value of the asset as well as the cash received.

(C) The following adjustments relate to debt issuance and debt service including leases:

- Payments on principal and debt refunding payments are reported as expenditures and other financing uses, respectively, on the fund-level *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds*. These payments are reported as reductions of lease, bond, and other debt liability balances on the government-wide *Statement of Net Position* and are not reported on the government-wide *Statement of Activities*.
- Amortization of debt premium/discount and gain/loss on refunding are not reported on the fund-level *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds*, but are reported on the government-wide *Statement of Activities*.
- Lease proceeds, issuance of debt, and debt refunding proceeds are all reported as other financing sources on the fund-level *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds*. From an economic perspective lease proceeds, debt issuances, and debt refunding proceeds are reported as liabilities on the government-wide *Statement of Net Position* and are not reported on the government-wide *Statement of Activities*.

(D) Other measurement focus adjustments include:

- Long-term taxes receivable and certain other long-term assets are offset by deferred inflows or unearned revenue and are not part of fund balance on the fund-level *Balance Sheet – Governmental Funds*; however, from a full accrual perspective, changes in the fund-level unearned revenue balances result in adjustments to revenue that are recognized and reported on the government-wide *Statement of Activities*.
- Compensated absences accruals, pension liabilities, and claims and judgments are not normally expected to be liquidated from expendable available financial resources; and therefore, they are not reported on the fund-level *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds*. However, from a full accrual perspective, these are expenses that are reported on the government-wide *Statement of Activities*.

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITIES
	HIGHER EDUCATION INSTITUTIONS	HEALTHCARE AFFORDABILITY	TRANSPORTATION ENTERPRISE	UNEMPLOYMENT INSURANCE	OTHER ENTERPRISES	TOTAL	INTERNAL SERVICE FUNDS
ASSETS:							
Current Assets:							
Cash and Pooled Cash	$ 1,414,157	$ 51,702	$ 317,393	$ 127,619	$ 751,741	$ 2,662,612	$ 98,108
Investments	2,261,237	-	-	-	-	2,261,237	-
Premiums/Taxes Receivable, net	-	-	-	125,452	261	125,713	-
Student and Other Receivables, net	586,841	101,939	8,409	69,960	60,809	827,958	1,365
Due From Other Governments	291,757	177,999	4,828	1,887,066	188,700	2,550,350	81
Due From Other Funds	48,978	-	-	92	9,261	58,331	884
Due From Component Units	24,857	-	-	-	-	24,857	-
Inventories	37,654	-	-	-	12,752	50,406	1,209
Prepaids, Advances and Deposits	28,246	-	340	-	8,875	37,461	7,243
Total Current Assets	4,693,727	331,640	330,970	2,210,189	1,032,399	8,598,925	108,890
Noncurrent Assets:							
Restricted Cash and Pooled Cash	102,983	-	32,787	177,706	40,321	353,797	208
Restricted Investments	131,547	-	-	-	-	131,547	-
Restricted Receivables	-	-	-	-	20,808	20,808	-
Investments	2,109,357	-	-	-	-	2,109,357	-
Other Long-Term Assets	113,320	-	-	-	897	114,217	-
Depreciable Capital Assets and Infrastructure, net	7,384,334	27,879	1,291,055	33,641	305,238	9,042,147	118,815
Land and Nondepreciable Capital Assets	1,196,152	2,542	548,752	-	447,903	2,195,349	377
Total Noncurrent Assets	11,037,693	30,421	1,872,594	211,347	815,167	13,967,222	119,400
TOTAL ASSETS	15,731,420	362,061	2,203,564	2,421,536	1,847,566	22,566,147	228,290
DEFERRED OUTFLOW OF RESOURCES:	831,543	2,442	2,899	813	71,680	909,377	50,657
LIABILITIES:							
Current Liabilities:							
Accounts Payable and Accrued Liabilities	442,072	160,416	23,093	31,040	275,231	931,852	36,140
Due To Other Governments	-	97,034	-	1,577,206	19,608	1,693,848	-
Due To Other Funds	2,747	22,618	-	17,832	58,857	102,054	937
Due To Component Units	240	-	-	-	-	240	-
Unearned Revenue	337,082	-	5,169	20,228	59,235	421,714	1,338
Compensated Absences Payable	30,072	7	-	-	1,504	31,583	1,296
Claims and Judgments Payable	819	-	-	-	-	819	-
Leases Payable	5,656	-	-	-	328	5,984	25,033
Notes, Bonds, and COPs Payable	103,691	-	-	-	600	104,291	-
Other Postemployment Benefits	14,753	-	-	-	-	14,753	-
Other Current Liabilities	118,220	-	-	2,630,685	64,675	2,813,580	382
Total Current Liabilities	1,055,352	280,075	28,262	4,276,991	480,038	6,120,718	65,126
Noncurrent Liabilities:							
Due to Other Funds	-	-	12,950	-	15,544	28,494	-
Deposits Held In Custody For Others	-	-	-	-	25	25	-
Accrued Compensated Absences	417,154	209	91	-	15,886	433,340	14,368
Claims and Judgments Payable	52,714	-	-	-	-	52,714	-
Capital Lease Payable	67,136	-	-	-	1,104	68,240	69,341
Derivative Instrument Liability	25,602	-	-	-	-	25,602	-
Notes, Bonds, and COPs Payable	4,511,357	-	571,303	-	56	5,082,716	1
Due to Component Units	1,458	-	-	-	-	1,458	-
Net Pension Liability	2,965,082	13,058	6,906	7,065	377,966	3,370,077	338,048
Other Postemployment Benefits	1,027,843	435	238	245	12,782	1,041,543	11,130
Other Long-Term Liabilities	44,999	-	93,484	-	14	138,497	-
Total Noncurrent Liabilities	9,113,345	13,702	684,972	7,310	423,377	10,242,706	432,888
TOTAL LIABILITIES	10,168,697	293,777	713,234	4,284,301	903,415	16,363,424	498,014
DEFERRED INFLOW OF RESOURCES:	1,018,835	2,817	129,754	4,730	103,949	1,260,085	79,412
NET POSITION:							
Net investment in Capital Assets:	4,166,677	30,421	1,037,187	33,641	705,935	5,973,861	24,820
Restricted for:							
Education	632,230	-	-	-	-	632,230	-
Debt Service	20,699	-	15,647	-	-	36,346	-
Permanent Funds and Endowments:							
Expendable	232,960	-	-	-	-	232,960	-
Nonexpendable	89,102	-	-	-	-	89,102	-
Other Purposes	-	-	-	-	34,494	34,494	-
Unrestricted	233,763	37,488	310,641	(1,900,323)	171,453	(1,146,978)	(323,299)
TOTAL NET POSITION	$ 5,375,431	$ 67,909	$ 1,363,475	$ (1,866,682)	$ 911,882	$ 5,852,015	$ (298,479)

The notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITIES
(DOLLARS IN THOUSANDS)	HIGHER EDUCATION INSTITUTIONS	HEALTHCARE AFFORDABILITY	TRANSPORTATION ENTERPRISE	UNEMPLOYMENT INSURANCE	OTHER ENTERPRISES	TOTAL	INTERNAL SERVICE FUNDS
OPERATING REVENUES:							
Unemployment Insurance Premiums	$ -	$ -	$ -	$ 602,104	$ -	$ 602,104	$ -
License and Permits	-	-	-	88	181,378	181,466	-
Tuition and Fees	3,020,102	-	-	-	863	3,020,965	-
Scholarship Allowance for Tuition and Fees	(718,136)	-	-	-	-	(718,136)	-
Sales of Goods and Services	2,303,408	1,126,820	138,876	-	995,432	4,564,536	477,171
Scholarship Allowance for Sales of Goods & Services	(31,707)	-	-	-	-	(31,707)	-
Investment Income (Loss)	915	-	-	-	(5,544)	(4,629)	-
Rental Income	17,089	-	-	-	2,218	19,307	15,630
Gifts and Donations	53,827	-	-	-	-	53,827	-
Federal Grants and Contracts	1,310,005	3,065,067	11,251	6,994,675	320,407	11,701,405	-
Intergovernmental Revenue	8,393	-	-	-	38,828	47,221	-
Other	405,141	28	-	128	3,173	408,470	99
TOTAL OPERATING REVENUES	6,369,037	4,191,915	150,127	7,596,995	1,536,755	19,844,829	492,900
OPERATING EXPENSES:							
Salaries and Fringe Benefits	4,426,816	31,177	10,852	(2,434)	110,394	4,576,805	169,870
Operating and Travel	1,652,005	4,142,380	8,674	9,425,527	521,279	15,749,865	184,262
Cost of Goods Sold	103,214	-	-	-	51,379	154,593	1
Depreciation and Amortization	490,709	4,770	25,649	2,195	23,408	546,731	30,965
Intergovernmental Distributions	36,642	20,497	-	-	17,674	74,813	-
Debt Service	-	-	-	-	2,867	2,867	-
Prizes and Awards	345	-	-	-	518,421	518,766	3
TOTAL OPERATING EXPENSES	6,709,731	4,198,824	45,175	9,425,288	1,245,422	21,624,440	385,101
OPERATING INCOME (LOSS)	(340,694)	(6,909)	104,952	(1,828,293)	291,333	(1,779,611)	107,799
NONOPERATING REVENUES AND (EXPENSES):							
Taxes	-	-	-	-	47,593	47,593	-
Fines and Settlements	529	-	1,418	834	555	3,336	-
Investment Income (Loss)	784,259	2,691	(4,699)	2,530	1,849	786,630	(1,150)
Rental Income	28,637	-	-	-	20,036	48,673	-
Gifts and Donations	300,472	-	-	-	12,448	312,920	-
Intergovernmental Distributions	(14,101)	-	-	-	(71,719)	(85,820)	-
Federal Grants and Contracts	970,211	-	5,169	-	-	975,380	-
Gain/(Loss) on Sale or Impairment of Capital Assets	(1,714)	-	(89,763)	(39,714)	(682)	(131,873)	2,349
Insurance Recoveries from Prior Year Impairments	1,449	-	-	-	(108)	1,341	-
Debt Service	(169,589)	-	(13,658)	-	(181)	(183,428)	(2,372)
Other Expenses	(3,087)	-	(577)	-	(14)	(3,678)	-
Other Revenues	14,265	-	-	-	1,682	15,947	-
TOTAL NONOPERATING REVENUES (EXPENSES)	1,911,331	2,691	(102,110)	(36,350)	11,459	1,787,021	(1,173)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,570,637	(4,218)	2,842	(1,864,643)	302,792	7,410	106,626
CONTRIBUTIONS, TRANSFERS, AND OTHER ITEMS:							
Capital Contributions	97,839	-	-	-	86,178	184,017	1,215
Additions to Permanent Endowments	947	-	-	-	5	952	-
Transfers-In	486,077	-	-	-	54,690	540,767	1,760
Transfers-Out	(53,153)	(16,491)	-	(508)	(106,973)	(177,125)	(7,807)
TOTAL CONTRIBUTIONS AND TRANSFERS	531,710	(16,491)	-	(508)	33,900	548,611	(4,832)
CHANGE IN NET POSITION	2,102,347	(20,709)	2,842	(1,865,151)	336,692	556,021	101,794
NET POSITION - FISCAL YEAR BEGINNING	3,104,807	74,947	1,360,633	(1,531)	574,844	5,113,700	(400,273)
Prior Period Adjustments (See Note 15A)	168,003	13,671	-	-	15	181,689	-
Accounting Changes (See Note 15B)	274	-	-	-	331	605	-
NET POSITION - FISCAL YEAR BEGINNING (RESTATED)	3,273,084	88,618	1,360,633	(1,531)	575,190	5,295,994	(400,273)
NET POSITION - FISCAL YEAR ENDING	$ 5,375,431	$ 67,909	$ 1,363,475	$ (1,866,682)	$ 911,882	$ 5,852,015	$ (298,479)

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS HIGHER EDUCATION INSTITUTIONS	HEALTHCARE AFFORDABILITY	TRANSPORTATION ENTERPRISE
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from:			
Tuition, Fees, and Student Loans	$ 2,355,210	$ -	$ -
Fees for Service	2,172,583	1,120,787	135,018
Receipts for Interfund Services	-	-	8,478
Sales of Products	2,717	-	-
Gifts, Grants, and Contracts	1,557,984	3,205,715	16,435
Loan and Note Repayments	378,815	-	-
Unemployment Insurance Premiums	-	-	-
Income from Property	45,726	-	-
Other Sources	-	26	44,131
Cash Payments to or for:			
Employees	(5,226,989)	(30,498)	(12,076)
Suppliers	(1,394,801)	(4,059,589)	(21,342)
Payments for Interfund Services	-	(134,294)	(2,315)
Sales Commissions and Lottery Prizes	-	(5)	-
Unemployment Benefits	-	-	-
Scholarships	(221,205)	-	-
Others for Student Loans and Loan Losses	(367,540)	-	-
Other Governments	(36,642)	(11,387)	-
Other	(484,316)	(5,238)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	(1,218,458)	85,517	168,329
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers-In	395,017	-	-
Transfers-Out	(53,153)	(16,491)	-
Receipt of Deposits Held in Custody	283,071	218	-
Release of Deposits Held in Custody	(296,436)	(218)	-
Gifts and Grants for Other Than Capital Purposes	1,265,415	-	-
Intergovernmental Distributions	(14,101)	-	-
Unclaimed Property Fund Interest	-	-	-
NonCapital Debt Proceeds	2,760	-	48,077
NonCapital Debt Service Payments	-	-	(2,062)
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	1,582,573	(16,491)	46,015
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of Capital Assets	(726,437)	(40,030)	(232,163)
Capital Contributions	249,013	-	-
Capital Gifts, Grants, and Contracts	15,073	-	-
Proceeds from Sale of Capital Assets	8,702	20,015	-
Capital Debt Proceeds	196,366	-	-
Capital Debt Service Payments	(162,190)	-	(10,021)
Capital Lease Payments	(22,399)	-	-
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(441,872)	(20,015)	(242,184)

The notes to the financial statements are an integral part of this statement.

			GOVERNMENTAL ACTIVITIES
UNEMPLOYMENT INSURANCE	OTHER ENTERPRISES	TOTALS	INTERNAL SERVICE FUNDS
$ -	$ 849	$ 2,356,059	$ -
76,720	310,367	3,815,475	4,799
-	11,499	19,977	471,727
-	840,135	842,852	1,027
6,867,165	157,800	11,805,099	47
-	-	378,815	-
603,154	-	603,154	-
-	22,143	67,869	15,630
2,042,294	330,081	2,416,532	218
(12,843)	(216,473)	(5,498,879)	(262,968)
-	(152,831)	(5,628,563)	(115,531)
-	(8,769)	(145,378)	(62,938)
-	(570,508)	(570,513)	-
(9,559,594)	-	(9,559,594)	-
-	-	(221,205)	-
-	-	(367,540)	-
-	(18,449)	(66,478)	(1)
(48,619)	(332,253)	(870,426)	(6,303)
(31,723)	373,591	(622,744)	45,707
-	56,731	451,748	2,163
(508)	(106,973)	(177,125)	(7,807)
-	1,481	284,770	1,989
-	(1,558)	(298,212)	(2,306)
-	12,448	1,277,863	-
-	(70,895)	(84,996)	-
-	1,671	1,671	-
-	122	50,959	47
-	(122)	(2,184)	(46)
(508)	(107,095)	1,504,494	(5,960)
(35,219)	(152,374)	(1,186,223)	(29,453)
-	-	249,013	-
-	-	15,073	-
35,219	116,316	180,252	30,083
-	-	196,366	-
-	(717)	(172,928)	(59)
-	(378)	(22,777)	(28,119)
-	(37,153)	(741,224)	(27,548)

(Continued)

STATEMENT OF CASH FLOWS, CONTINUED
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS HIGHER EDUCATION INSTITUTIONS	HEALTHCARE AFFORDABILITY	TRANSPORTATION ENTERPRISE
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and Dividends on Investments	93,149	2,090	4,246
Proceeds from Sale/Maturity of Investments	6,183,762	-	29,806
Purchases of Investments	(6,873,549)	-	(14,110)
Increase(Decrease) from Unrealized Gain(Loss) on Investments	528,426	601	(8,809)
NET CASH FROM INVESTING ACTIVITIES	(68,212)	2,691	11,133
NET INCREASE (DECREASE) IN CASH AND POOLED CASH	(145,969)	51,702	(16,707)
CASH AND POOLED CASH , FISCAL YEAR BEGINNING	1,663,109	-	366,887
CASH AND POOLED CASH, FISCAL YEAR END	$ 1,517,140	$ 51,702	$ 350,180
RECONCILIATION OF OPERATING INCOME TO NET CASH			
PROVIDED BY OPERATING ACTIVITIES			
Operating Income (Loss)	$ (340,694)	$ (6,909)	$ 104,952
Adjustments to Reconcile Operating Income (Loss)			
to Net Cash Provided by Operating Activities:			
Depreciation	490,709	4,770	25,649
Investment/Rental Income and Other Revenue in Operating Income	-	-	-
Rents, Fines, Donations, and Grants and Contracts in NonOperating	52,843	-	6,588
(Gain)/Loss on Disposal of Capital and Other Assets	750	-	-
Compensated Absences Expense	38,056	110	25
Interest and Other Expense in Operating Income	18,323	13,671	(7,560)
Net Changes in Assets, Deferred Outflows, Liabilities, and Deferred			
Inflows Related to Operating Activities:			
(Increase) Decrease in Operating Receivables	(264,032)	145,926	4,633
(Increase) Decrease in Inventories	3,507	-	-
(Increase) Decrease in Other Operating Assets and Deferred Outflows	7,958	-	293
(Increase) Decrease in Pension Deferred Outflow	(164,987)	2,865	106
(Increase) Decrease in OPEB Deferred Outflow	(140,486)	93	(6)
Increase (Decrease) in Accounts Payable	38,104	52,378	(20,718)
Increase (Decrease) in Pension Liability	(193,067)	(125)	301
Increase (Decrease) in OPEB Liability	208,028	(72)	(21)
Increase (Decrease) in Other Operating Liabilities and Deferred Inflows	(389,235)	(124,707)	55,719
Increase (Decrease) in Pension Deferred Inflow	(550,991)	(2,529)	(1,601)
Increase (Decrease) in OPEB Deferred Inflow	(33,244)	46	(31)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ (1,218,458)	$ 85,517	$ 168,329
SUPPLEMENTARY INFORMATION - NONCASH TRANSACTIONS:			
Capital Assets Funded by the Capital Projects Fund	(4,585)	-	-
Capital Assets Acquired by Grants or Donations and Payable Increases	52,450	-	28,380
Unrealized Gain/Loss on Investments and Interest Receivable Accruals	605,936	-	7,443
Loss on Disposal of Capital and Other Assets	115	-	-
Disposal of Capital Assets	(1,965)	-	-
Amortization of Debt Valuation Accounts and Interest Payable Accruals	191,340	-	-
Assumption of Capital Lease Obligation or Mortgage	2,823	-	-
Financed Debt Issuance Costs	92	-	-
Gain on Debt Defeasance	103,390	-	-
Bad Debt Expense	3,897	-	-
Fair Value Change in Derivative Instrument	1,201	-	-
Noncapital Gifts	34,186	-	-
Additions to Investments held by Foundation	3,655	-	-
Federal Receivables (BABS & CARES)	221	-	-
Proceeds from 2019A refunding Bonds	-	-	12
Proceeds from MEXL Loan Refi	-	-	25,000
Payment of MEXL BofA Loan	-	-	(25,000)
Payment of debt fees	-	-	(372)
Transfer of managed lanes	-	-	89,334

The notes to the financial statements are an integral part of this statement.

				GOVERNMENTAL ACTIVITIES
	UNEMPLOYMENT INSURANCE	OTHER ENTERPRISES	TOTALS	INTERNAL SERVICE FUNDS
	2,544	8,994	111,023	347
	-	-	6,213,568	-
	-	-	(6,887,659)	-
	(14)	(7,593)	512,611	(1,497)
	2,530	1,401	(50,457)	(1,150)
	(29,701)	230,744	90,069	11,049
	335,026	561,318	2,926,340	87,267
	$ 305,325	$ 792,062	$ 3,016,409	$ 98,316
	$ (1,828,293)	291,333	$ (1,779,611)	$ 107,799
	2,195	23,408	546,731	30,965
	-	450	450	-
	834	68,152	128,417	12
	-	4	754	-
	-	362	38,553	1,907
	(58,204)	3,875	(29,895)	649
	(1,486,115)	(169,823)	(1,769,411)	(62)
	-	3,212	6,719	75
	-	1,366	9,617	1,627
	(77)	(32,146)	(194,239)	(21,463)
	13	(759)	(141,145)	(153)
	(11,062)	232,569	291,271	(1,001)
	(2,760)	(4,918)	(200,569)	(5,849)
	(143)	(2,110)	205,682	(1,962)
	3,353,569	24,328	2,919,674	(1,358)
	(1,745)	(67,551)	(624,417)	(66,721)
	65	1,839	(31,325)	1,242
	$ (31,723)	$ 373,591	$ (622,744)	$ 45,707
	-	2,041	(2,544)	812
	-	10,815	91,645	-
	-	-	613,379	-
	-	757	872	(2,337)
	-	-	(1,965)	-
	-	(35)	191,305	-
	-	-	2,823	22,609
	-	-	92	-
	-	-	103,390	-
	-	-	3,897	-
	-	-	1,201	-
	-	-	34,186	-
	-	-	3,655	-
	-	-	221	-
	-	-	12	-
	-	-	25,000	-
	-	-	(25,000)	-
	-	-	(372)	-
	-	-	89,334	-

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	PENSION AND OTHER EMPLOYEE BENEFIT TRUST	PRIVATE-PURPOSE TRUST	CUSTODIAL	TOTAL
ASSETS:				
Cash and Pooled Cash	$ 107,374	$ 323,327	$ 504,596	$ 935,297
Investments:				
Government Securities	6,002	4,914	-	10,916
Corporate Bonds	13,135	7,871	-	21,006
Asset Backed Securities	374	-	-	374
Mortgages	6,917	22,983	-	29,900
Mutual Funds	99,523	11,128,070	-	11,227,593
Guaranteed Investment Contracts	-	172,727	-	172,727
Other Investments	29,613	622	-	30,235
Taxes Receivable, net	-	-	225,566	225,566
Other Receivables, net	11,350	27,149	1,297	39,796
Due From Other Governments	-	-	67	67
Due From Other Funds	1,618	15,194	6,764	23,576
Prepaids, Advances and Deposits	999	-	19	1,018
Other Long-Term Assets	-	-	8,900	8,900
TOTAL ASSETS	276,905	11,702,857	747,209	12,726,971
LIABILITIES:				
Tax Refunds Payable	-	-	2,132	2,132
Accounts Payable and Accrued Liabilities	25,982	31,793	1,360	59,135
Due To Other Governments	-	-	198	198
Due To Other Funds	-	7	120	127
Unearned Revenue	-	23,724	226	23,950
Claims and Judgments Payable	21,061	-	-	21,061
Other Current Liabilities	31,282	-	210	31,492
Accrued Compensated Absences	215	-	-	215
Other Long-Term Liabilities	-	8,274	539	8,813
TOTAL LIABILITIES	78,540	63,798	4,785	147,123
NET POSITION:				
Restricted for:				
OPEB	129,152	-	-	129,152
Held in Trust for:				
Pension/Benefit Plan Participants	69,213	-	-	69,213
Individuals, Organizations, and Other Entities	-	11,639,059	742,424	12,381,483
TOTAL NET POSITION	$ 198,365	$ 11,639,059	$ 742,424	$ 12,579,848

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	PENSION AND OTHER EMPLOYEE BENEFIT TRUST	PRIVATE-PURPOSE TRUST	CUSTODIAL	TOTAL
ADDITIONS:				
Member Contributions	$ 80,587	$ -	$ -	$ 80,587
Employer Contributions	407,842	-	-	407,842
Investment Income/(Loss)	12,802	1,879,962	(52,526)	1,840,238
Gifts and Bequests	-	694	-	694
Unclaimed Property Receipts	-	1,255,306	-	1,255,306
Court Awards and Restitution Receipts	-	-	115,242	115,242
Collections of Sales Tax for Other Governments	-	-	2,501,371	2,501,371
Other Additions	289,772	2,771	92,983	385,526
Transfers-In	1,247	-	-	1,247
TOTAL ADDITIONS	792,250	3,138,733	2,657,070	6,588,053
DEDUCTIONS:				
Distributions to Participants	3,354	983,343	-	986,697
Health Insurance Premiums Paid	278,343	-	-	278,343
Health Insurance Claims Paid	162,294	-	-	162,294
Other Benefits Plan Expense	29,990	-	-	29,990
Payments of Sales Tax to Other Governments	-	-	2,488,338	2,488,338
Distributions - Intergovernmental Entities	-	700	-	700
Administrative Expense	17,929	279	7,506	25,714
Other Deductions	312,328	40,346	181,693	534,367
Transfers-Out	89	19	-	108
TOTAL DEDUCTIONS	804,327	1,024,687	2,677,537	4,506,551
CHANGE IN NET POSITION	(12,077)	2,114,046	(20,467)	2,081,502
NET POSITION - FISCAL YEAR BEGINNING	151,500	9,529,272	-	9,680,772
Prior Period Adjustments (Note 15A)	-	(15)	-	(15)
Accounting Changes (See Note 15B)	58,942	(4,244)	762,891	817,589
NET POSITION - FISCAL YEAR BEGINNING (RESTATED)	210,442	9,525,013	762,891	10,498,346
NET POSITION - FISCAL YEAR ENDING	$ 198,365	$ 11,639,059	$ 742,424	$ 12,579,848

The notes to the financial statements are an integral part of this statement.

STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY	UNIVERSITY OF COLORADO FOUNDATION	OTHER COMPONENT UNITS	TOTAL
ASSETS:				
Current Assets:				
Cash and Pooled Cash	$ 235,570	$ 40,785	$ 6,449	$ 282,804
Restricted Cash and Pooled Cash	63,784	-	6,406	70,190
Contributions Receivable, net	-	49,548	-	49,548
Other Receivables, net	78,222	-	6,784	85,006
Due From Other Governments	1,102	-	-	1,102
Prepaids, Advances and Deposits	-	-	201	201
Other Current Assets	42	177	3,917	4,136
Total Current Assets	378,720	90,510	23,757	492,987
Noncurrent Assets:				
Restricted Cash and Pooled Cash	39,546	-	-	39,546
Restricted Investments	63,514	-	-	63,514
Restricted Receivables	876	-	-	876
Investments	-	2,909,333	-	2,909,333
Contributions Receivable, net	-	90,734	-	90,734
Other Long-Term Assets	942,793	-	219	943,012
Depreciable Capital Assets and Infrastructure, net	21	1,252	151,761	153,034
Land and Nondepreciable Capital Assets	-	-	20,747	20,747
Total Noncurrent Assets	1,046,750	3,001,319	172,727	4,220,796
TOTAL ASSETS	1,425,470	3,091,829	196,484	4,713,783
DEFERRED OUTFLOW OF RESOURCES:	1,986	-	341	2,327
LIABILITIES:				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	7,743	13,689	4,407	25,839
Due To Other Governments	2,320	-	-	2,320
Unearned Revenue	-	-	4,019	4,019
Notes, Bonds, and COPs Payable	33,095	-	-	33,095
Other Current Liabilities	197,151	22,592	6,166	225,909
Total Current Liabilities	240,309	36,281	14,592	291,182
Noncurrent Liabilities:				
Deposits Held In Custody For Others	-	608,509	-	608,509
Notes, Bonds, and COPs Payable	321,755		-	321,755
Net Pension Liability	3,397	-	458	3,855
Other Postemployment Benefits	156	-	58	214
Other Long-Term Liabilities	21,658	21,928	-	43,586
Total Noncurrent Liabilities	346,966	630,437	516	977,919
TOTAL LIABILITIES	587,275	666,718	15,108	1,269,101
DEFERRED INFLOW OF RESOURCES:	1,985	-	743	2,728
NET POSITION:				
Net investment in Capital Assets:	(97)	1,252	172,727	173,882
Restricted for:				
Permanent Funds and Endowments:				
Expendable	-	1,556,479	-	1,556,479
Nonexpendable	-	757,703	-	757,703
Other Purposes	792,183	-	1,707	793,890
Unrestricted	46,110	109,677	6,540	162,327
TOTAL NET POSITION	$ 838,196	$ 2,425,111	$ 180,974	$ 3,444,281

The notes to the financial statements are an integral part of this statement.

STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY	UNIVERSITY OF COLORADO FOUNDATION	OTHER COMPONENT UNITS	TOTAL
EXPENSES	$ 30,731	$ 216,684	$ 49,039	$ 296,454
PROGRAM REVENUES:				
Charges for Services	24,128	5,547	50,711	80,386
Operating Grants and Contributions	6,050	751,579	-	757,629
Capital Grants and Contributions	33,575	-	2,266	35,841
TOTAL PROGRAM REVENUES:	63,753	757,126	52,977	873,856
NET (EXPENSE) REVENUE	33,022	540,442	3,938	577,402
GENERAL REVENUES:				
Unrestricted Investment Earnings (Losses)	4,453	74,884	19	79,356
Other General Revenues	-	-	-	-
TOTAL GENERAL REVENUES	4,453	74,884	19	79,356
CHANGE IN NET POSITION	37,475	615,326	3,957	656,758
NET POSITION - FISCAL YEAR BEGINNING	800,721	1,809,785	176,550	2,787,056
Prior Period Adjustment (See Note 15A)	-	-	-	-
Accounting Changes (See Note 15B)	-	-	467	467
NET POSITION - FISCAL YEAR BEGINNING (Restated)	800,721	1,809,785	177,017	2,787,523
NET POSITION - FISCAL YEAR ENDING	$ 838,196	$ 2,425,111	$ 180,974	$ 3,444,281

The notes to the financial statements are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the State of Colorado have been prepared in conformance with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), which is the primary standard setting body for establishing governmental accounting and financial reporting principles. A summary of the State of Colorado's significant accounting policies applied in the preparation of these financial statements follows.

A. NEW ACCOUNTING STANDARDS

The following accounting standards were implemented in Fiscal Year 2021:

GASB Statement No. 84 – Fiduciary Activities. In 2021, the State implemented GASB Statement No. 84. The objective of this Statement is to improve the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement establishes criteria, in which the focus is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

GASB Statement No. 89 – Accounting for Interest Cost Incurred before the End of a Construction Period. In 2021, the Colorado School of Mines and Colorado State University both early-implemented GASB Statement No. 89. The Statement was not implemented at a statewide level. This Statement seeks to enhance the relevance and comparability of information about capital assets and the costs of borrowing for a reporting period and to simplify accounting for interest costs incurred before the end of a construction period.

B. FINANCIAL REPORTING ENTITY

For financial reporting purposes, the State of Colorado's primary government includes all funds of the State, its three branches of government, departments, and agencies that make up the State's legal entity. The State's reporting entity also includes those component units that are legally separate entities, for which the State's elected officials are financially accountable.

Financial accountability is defined in GASB Statement No. 14 – The Financial Reporting Entity, as amended by GASB Statement No. 61, The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34. The State is financially accountable for those entities for which the State appoints a voting majority of the governing board and either is able to impose its will upon the entity or there exists a financial benefit or burden relationship with the State.

For those entities that the State does not appoint a voting majority of the governing board, GASB Statement No. 14 includes them in the reporting entity if they are fiscally dependent and there exists a financial benefit or burden relationship with the State. Entities that do not meet the specific criteria for inclusion may still be included if it would be misleading to exclude them. Under GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units—an amendment of GASB Statement No. 14, individually significant legally separate tax-exempt organizations are included as component units if their resources are for the direct benefit of the State and the State can access those resources.

Blended Component Units:

Some legally separate component units are so intertwined with the State that they are reported as part of the State's fund and government-wide financial statements and are considered blended component units.

The University Physicians Inc., d/b/a CU Medicine, is a Colorado non-profit corporation under Section 501(c)(3) of the Internal Revenue Code, organized to perform the billing, collection, and disbursement of functions for professional services rendered for CU Anschutz as authorized in Section 23-20-114 of the Colorado Revised Statutes (C.R.S). The State appoints a majority of CU Medicine's governing body, and is able to impose its will. Additionally, CU Medicine exclusively benefits the State by providing the services described above.

Incorporated in 2015 with operations starting in Fiscal Year 2017, the University of Colorado Property Construction, Inc. (CUPCO), receives, holds, invests, and administers real and personal property for the benefit of the University of Colorado. The State appoints CUPCO's governing body, is able to impose its will on the organization, and the organization provides services entirely to the State.

The entities noted below are blended component units of state universities and, as such, are included with the balances for state universities in this report. This report does not include any disclosures specific to these entities, as they do not meet the state's threshold for disclosure.

- 18th Avenue, LLC
- Altitude West, LLC
- Colorado School of Mines Building Corporation
- Mines Applied Technology Transfer, Inc.
- University License Equity Holdings, Inc.

Discretely Presented Component Units:

The Colorado Water Resources and Power Development Authority's purpose is to initiate, acquire, construct, maintain, repair, and operate, or cause to be operated, projects for the protection, preservation, conservation, upgrading, development, and utilization of the water resources of the State. The Governor appoints the Board of Directors, subject to approval by the Senate. In addition, water projects are subject to General Assembly authorization giving the state the ability to impose its will.

The University of Colorado Foundation was incorporated in 1967 and is authorized by the Board of Regents of the University of Colorado to receive, hold, invest, and transfer funds for the benefit of the University of Colorado. The Foundation is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Service Code and is exempt from income tax on related income. Management believes it would be misleading to exclude this entity.

The Denver Metropolitan Major League Baseball Stadium District currently includes all or part of the seven counties in the Denver metro area. The district was created for the purpose of acquiring, constructing, and operating a major league baseball stadium. To accomplish this purpose, the General Assembly authorized the district to levy a sales tax of one-tenth of one percent throughout the district for a period not to exceed 20 years. However, the district discontinued the sales tax levy on January 1, 2001, upon the final defeasance of all its outstanding debt. Board members are appointed by the Governor, with consent of the Senate. The Board members serve at the pleasure of the Governor which gives the State the ability to impose its will.

The Statewide Internet Portal Authority (SIPA) was created by Colorado Statute in 2004 to develop the officially recognized statewide internet portal (Colorado.gov) in order to connect citizens with state and local government in Colorado. SIPA provides governments with the efficient technology solutions they need to enable their citizens to obtain information and conduct business electronically. SIPA is governed by a Board of Directors that are all appointed by the State or member by ex-officio due to position in the State which gives the State the ability to impose its will.

The State's financial statements do not include amounts relating to several component units that would be discretely presented. Based upon the State's determination, the following component units do not meet the minimum threshold required to be included in the State's financial statements:

- Colorado Channel Authority
- Colorado Energy Research Authority
- Colorado Horse Development Authority
- Colorado Mesa University Real Estate Foundation
- Colorado National Guard Foundation, Inc.
- Colorado Pet Overpopulation Authority
- Higher Education Competitive Research Authority

Fiduciary Component Units:

Under GASB Statement No. 84, Fiduciary Activities, component units that are engaged in fiduciary activities are presented in the fiduciary fund financial statements.

The University of Colorado Health and Welfare Trust is a fiduciary component unit of the State and is intended to be a voluntary employees' beneficiary association under Section 501(c)(9) of the Internal Revenue Code of 1986, as amended. It was established to administer and manage certain health and welfare benefits for participating employees and retirees of member employers. Member employers of the Trust are the University of Colorado and University Physicians Inc., d/b/a CU Medicine. The Trust's Board is controlled by the University of Colorado which gives the State the ability to impose its will.

The State Board for Community Colleges and Occupational Education (SBCCOE) Employee Benefit Trust Fund was created as a not-for-profit 501(c)(9) entity in 1983 and is a fiduciary component unit of the State. It was established to provide benefits to SBCCOE employees that may include life, accidental death and dismemberment, short-term and/or long-term disability, basic or major medical, dental, other sick or accident benefits, or other benefits, as determined by the Benefit Trust Committee. The SBCCOE appoints the Trust's Board members, manages the benefit plans, and is administratively intertwined with the Trust, which gives the State the ability to impose its will.

Contact:

Detailed financial information on all component units may be obtained from the following address:

State of Colorado
Office of the State Controller
Financial Reporting & Analysis
1525 Sherman Street, 5th Floor
Denver, CO 80203
303-866-6200

C. BASIS OF PRESENTATION – GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements focus on the government as a whole. The *Statement of Net Position* and the *Statement of Activities* are presented using the economic resources measurement focus and the full accrual basis of accounting. Under this presentation, all revenues, expenses, and all current and long-term assets, deferred outflows and liabilities and deferred inflows of the government are reported including capital assets, depreciation, and long-term debt.

The government-wide statements report all non-fiduciary activities of the primary government and its component units. Fiduciary activities of the primary government and its component units are excluded from the government-wide statements because those resources are not available to fund the programs of the government. The primary government is further subdivided between governmental activities and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities include proprietary funds financed in whole or in part by fees charged to external parties for goods or services.

The *Statement of Net Position* presents the financial position of the government. The net position section of the statement focuses on whether assets and deferred outflows, net of related liabilities and deferred inflows, have been restricted as to the purpose for which they may be used. When an external party or the State Constitution places a restriction on the use of certain assets, those assets, net of related liabilities, are reported in the Net Position line items shown as Restricted. The nature of an asset may also result in a restriction on asset use. The line item Net Investment in Capital Assets, comprises capital assets (net of depreciation) reduced by the outstanding balance of leases, bonds, mortgages, notes, Certificates of Participation, or other borrowings that were used to finance the acquisition, construction, or improvement of the capital asset. The State does not report restrictions of net position related to enabling legislation because a settled court case determined that crediting money to a special fund does not mean that the General Assembly is prohibited from appropriating the money for another purpose. Internal Service Fund assets and liabilities are reported in the government-wide *Statement of Net Position* as part of the governmental activities.

The *Statement of Activities* shows the change in financial position for the year. It focuses on the net program cost of individual functions and business-type activities in State government. It does this by presenting direct and allocated indirect costs reduced by program revenues of the function or business-type activities. Direct costs are those that can be specifically identified with a program. The State allocates indirect costs based on the Statewide Appropriations/Cash Fees Plan. Program revenues comprise fines and forfeitures, charges for goods and services, and capital and operating grants.

Taxes, with the exception of unemployment insurance premiums supporting a business-type activity, are presented as general-purpose revenues. General-purpose revenues are presented at the bottom of the statement and do not affect the calculation of net program cost.

Interfund transactions, such as federal and state grants moving between State agencies, have been eliminated from the government-wide statements to the extent that they occur within either the governmental or business-type activities, except as follows. In order not to misstate the sales revenue and purchasing expenses of individual functions or business-type activities, the effects of interfund services provided and used have not been eliminated. Balances between governmental and business-type activities are presented as internal balances and are eliminated in the total column. Internal Service Fund activity has been eliminated by allocating the net revenue/expense of the Internal Service Fund to the function originally charged for the internal sale.

Some of the State's component units have fiscal year-ends that differ from the State's fiscal year-end, and as a result amounts receivable and payable between the primary government and component units may not be equal. Amounts shown as receivable and payable between the primary government and the component units are primarily with the University of Colorado Foundation, which has a matching fiscal year end, but also includes amounts related to component units not deemed material for discrete reporting.

Interfund balances between the primary government's fiduciary activities and the primary government are presented on the government-wide statements as external receivables and payables.

D. BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS

The fund-level statements provide additional detail about the primary government and its component units. The information is presented in four types – governmental funds, proprietary funds, fiduciary funds, and component units. With the exception of the fiduciary fund type, each type is presented with a major fund focus. The State's major funds report the following activities:

GOVERNMENTAL FUND TYPE (MAJOR):

General Fund

Transactions that are not related to specific revenue streams for dedicated purposes for services traditionally provided by state government are accounted for in the General Fund. The General Fund contains the Emergency Reserve Fund as well as Special Purpose Funds, which include the State Public School, Risk Management, and Other Special Purpose Funds. Resources obtained from federal grants that support general governmental activities are accounted for in the General Fund consistent with applicable legal requirements. As a result of comingled current and cumulative general-purpose and special-purpose revenue in the General Fund, combining schedules detailing the components of the General Fund are included as supplementary information. The schedules segregate activities funded with general-purpose revenue in order to demonstrate compliance with the legal definition of the General Fund, which is referred to as the General Purpose Revenue Fund.

Federal Special Revenue Fund

This fund reports funds received from the Federal Government as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and Coronavirus Emergency Supplemental Funding (CESF) programs. These programs were passed in response to the economic fallout of the COVID-19 pandemic in the United States.

Highway Users Tax Fund

Expenditures of this fund are for the construction and maintenance of public highways, the operations of the State Patrol, and the motor vehicle related operations of the Department of Revenue. Revenues are from excise taxes on motor fuels, driver, and vehicle registration fees, and other related taxes. In prior years, this fund has issued revenue bonds to finance construction and maintenance of highway infrastructure.

PROPRIETARY FUND TYPE (MAJOR):

Higher Education Institutions

This fund reports the activities of all state institutions of higher education. Fees for educational services, tuition payments, and research grants are the primary sources of funding for this activity. Higher Education Institutions have significant capital debt secured solely by pledged revenues.

Healthcare Affordability

The Colorado Healthcare Affordability and Sustainability Enterprise Act of 2017, created the Colorado Healthcare Affordability and Sustainability Enterprise (CHASE) as a government-owned business within the Department of Health Care Policy and Financing to collect a healthcare affordability and sustainability fee from hospitals to provide business services to Colorado hospitals. This fee, not to exceed six percent of net patient revenues, is assessed on hospital providers.

Transportation Enterprise

This fund consists of the Bridge Enterprise and the High Performance Transportation Enterprise in the Department of Transportation. The bridge and highway construction activity is financed through bond issuances and user fees.

Unemployment Insurance

This fund accounts for the collection of unemployment insurance premiums from employers, related federal support, the payment of unemployed benefits to eligible claimants, and revenue bonds issued through a related party, the Colorado Housing and Finance Authority.

Internal Service Funds

The State uses internal service funds to account for the sale of goods and services, primarily to internal customers, on a cost reimbursement basis. The major fund concept does not apply to internal service funds. The State's Internal Service Funds reported in supplementary information include Central Services, Statewide Financial Information Technology, Information Technology, Capitol Complex, Highways, Public Safety, Administrative Courts, Legal Services, and Other Enterprise Services. In the fund financial statements, these activities are aggregated into a single column. In the government-wide statements, the Internal Service Funds are included in the governmental activities on the *Statement of Net Position,* and they are included in the *Statement of Activities* through an allocation of their net revenue/expense back to the programs originally charged for the goods or services.

FIDUCIARY FUND TYPE:

Fiduciary Funds are used to report assets held in a trustee or custodial capacity for others. Therefore, the resources reported in Fiduciary Funds cannot be used to support the government's own programs and are excluded in the government-wide financial statements. The types of Fiduciary Funds maintained by the State consist of the following:

Pension and Other Employee Benefit Trust Funds

Pension and other employee benefit trust funds are used to account for the activities of the retirement system, which accumulates resources for pension benefit payments to qualified public employees. In the basic financial statements, the State reports in a single column the activities related to resources being held in trust for (1) members and beneficiaries of the Group Benefits Plan, which provides health, life, dental, and short-term disability benefits to state employees, and (2) the Colorado State University Other Post-Employment Benefit Trust Funds.

Private Purpose Trust Funds

Private purpose trust funds are used to report the resources held in trust for the benefit of other governments, private organizations, or individuals. A single column in the basic financial statements aggregates the Treasurer's Private

Purpose Trusts, the College Savings Plan operated by CollegeInvest, and several smaller funds shown in the aggregate as Other.

Custodial Funds

Custodial funds are used to report resources held in a purely custodial capacity for other individuals, private organizations, or other governments. Custodial funds primarily include local sales tax collections, trustee investments related to State capital projects, and investments of the Colorado Water Resource and Power Development Authority. Typically the time between receipt and disbursement of these resources is short and investment earnings are inconsequential.

PRESENTATION OF INTERNAL BALANCES

Intrafund transactions are those transactions that occur completely within a column in the financial statements, while interfund transactions involve more than one column. This definition applies at the level of combining financial statements in the Supplementary Information section of the Annual Comprehensive Financial Report. Substantially all intrafund transactions and balances of the primary government have been eliminated from the fund-level financial statements. Interfund sales and federal grant pass-throughs are not eliminated, but are shown as revenues and expenditures/expenses of the various funds. Substantially all other interfund transactions are classified as transfers-in or transfers-out after the revenues and expenses are reported on each of the Statements of Changes in Net Position, or the Statement of Revenues, Expenditures and Changes in Fund Balances.

FUNCTIONAL PRESENTATION OF EXPENDITURES

In the governmental fund types, expenditures are presented on a functional basis, rather than an individual program basis, because of the large number of programs operated by the State. The State's eight functional classifications and the State agencies or departments comprising each are:

General Government

Legislative Branch, Department of Personnel & Administration, most of the Department of Military and Veterans Affairs, part of the Governor's Office, part of the Department of Revenue, and Department of Treasury.

Business, Community, and Consumer Affairs

Department of Agriculture, part of the Governor's Office, Department of Labor and Employment, Department of Local Affairs, most of the Department of Regulatory Agencies, Gaming Division of the Department of Revenue, and Department of State.

Education

Department of Education, and the portion of the Department of Higher Education not reported as a business-type activity.

Health and Rehabilitation

Department of Public Health and Environment, and part of the Department of Human Services.

Justice

Department of Corrections, Division of Youth Corrections in the Department of Human Services, Judicial Branch, Department of Law, Department of Public Safety, and the Civil Rights Division of the Department of Regulatory Agencies.

Natural Resources

Department of Natural Resources.

Social Assistance

Department of Human Services, Department of Military and Veterans' Affairs, and the Department of Health Care Policy and Financing.

Transportation

Department of Transportation.

E. BASIS OF ACCOUNTING

The basis of accounting applied to a fund depends on both the type of fund and the financial statement on which the fund is presented.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

All transactions and balances on the government-wide financial statements are reported on the full accrual basis of accounting. Under full accrual, revenues, expenses, gains, losses, assets, deferred outflows, liabilities, and deferred inflows resulting from exchange transactions are recognized when the exchange takes place and the earnings process is complete. Similar recognition occurs for nonexchange transactions, depending on the type of transaction as follows:

- Derived tax revenues are recognized when the underlying exchange transaction occurs.
- Imposed nonexchange revenues are recognized when the State has an enforceable legal claim.
- Government mandated and voluntary nonexchange revenues are recognized when all eligibility requirements are met – assets are recognized if received before eligibility requirements are met.

FUND-LEVEL FINANCIAL STATEMENTS

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they are measurable and available. The State defines revenues as available if they are expected to be collected within one year. Historical data, adjusted for economic trends, are used to estimate the following revenue accruals:

- Sales, use, liquor, and cigarette taxes are accrued based on filings received and an estimate of filings due at June 30.

- Income taxes, net of refunds, to be collected from individuals, corporations, and trusts are accrued based on current income earned by taxpayers before June 30. Quarterly filings, withholding statements, and other historical and economic data are used to estimate taxpayers' current income. The related revenue is accrued net of an allowance for uncollectible taxes.

Revenues earned under the terms of reimbursement agreements with other governments or private sources are recorded at the time the related expenditures are made if other eligibility requirements have been met.

Expenditures are recognized in governmental funds when:

- The related liability is incurred and is due and payable in full (examples include professional services, supplies, utilities, and travel).

- The matured portion of general long-term indebtedness is due and payable (or resources have been designated in the Debt Service Fund and the debt service is payable within thirty days of fiscal year-end).

- The liability has matured and is normally expected to be liquidated with expendable available financial resources.

Under these recognition criteria, compensated absences, claims and judgments, and termination benefits are reported as fund liabilities only in the period that they become due and payable. Expenditures/liabilities not recognized in the fund-level statements are reported as expenses/liabilities on the government-wide statements.

Proprietary and Fiduciary Funds

All transactions and balances of the proprietary and fiduciary fund types are reported on the full accrual basis of accounting as described above for the government-wide statements.

F. ACCOUNTING POLICIES AFFECTING SPECIFIC ASSETS, LIABILITIES, AND NET POSITION

CASH AND POOLED CASH

For purposes of reporting cash flows, cash and pooled cash is defined as cash-on-hand, demand deposits, certificates of deposit with financial institutions, pooled cash with the State Treasurer, and warrants payable.

RECEIVABLES

Accounts receivable in the governmental and business-type activities consist mainly of amounts due from the Federal Government, customers, and others. Receivables from the Federal Government are reasonably assured; accordingly, no allowance for uncollectible accounts has been established. Accrued taxes include receivables for taxpayer-assessed taxes where the underlying exchange has occurred in the period ending June 30 or prior, net of applicable estimated refunds and allowances.

INVENTORIES AND PREPAIDS

Inventories of the various State agencies are primarily comprised of finished goods inventories held for resale and consumable items such as office and institutional supplies, fuel, and maintenance items. Inventories of the governmental funds are stated at cost, while inventories of the proprietary funds are stated at the lower of cost or fair value. The State uses various valuation methods (FIFO, average cost, etc.) as selected by individual State agencies.

The method used in each agency is consistent from year to year. Consumable inventories that are deemed material are expended at the time they are consumed. Immaterial consumable inventories are expended at the time of purchase, while inventories held for resale are expensed at the time of sale. Payments made to vendors for services representing costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

INVESTMENTS

Investments, including those held by the State Treasurer and reported as pooled cash, include both short and long-term investments. They are stated at fair value, except for certain investments which are measured at their Net Asset Value (see Note 4). Investments that do not have an established market are reported at their estimated fair value. The State Treasurer records investment interest in individual funds based on book yield as adjusted for amortization of investment premiums and discounts.

CAPITAL ASSETS

Depreciable capital assets are reported at historical cost, net of accumulated depreciation, on the government-wide *Statement of Net Position*. Donated capital assets are carried at their estimated acquisition value at the date of donation. Donated capital assets acquired prior to July 1, 2015 are stated at fair value as of the date of donation. Land, certain land improvements, construction in progress, and certain works of art or historical treasures are reported as nondepreciable assets.

The following table lists the range of capitalization thresholds established by the State, as well as lower thresholds adopted by some State agencies. State agencies are allowed to capitalize assets below established thresholds. The University of Colorado adopted a $75,000 threshold for land and leasehold improvements, buildings, intangibles, and infrastructure. All land and library materials/collections are capitalized regardless of cost.

Asset Class	Lower Threshold	Established State Thresholds
Land Improvements	$ 5,000	$ 50,000
Buildings	5,000	50,000
Leasehold Improvements	5,000	50,000
Intangible Assets	5,000	50,000
Vehicles and Equipment	NA	5,000
Software (purchased)	NA	5,000
Software (internally developed)	NA	50,000
Works of Art/Historical Treasure	NA	5,000
Other	5,000	NA
Infrastructure	50,000	500,000

All depreciable capital assets are depreciated using the straight-line method. State agencies are required to use actual experience in setting useful lives for depreciating capital assets. The following table lists the range of lives that State agencies normally use in depreciating capital assets. Certain historical and Department of Transportation buildings are depreciated over longer lives, but they are excluded from the following table. Useful life for intangible assets, excluding software, vary based upon the nature of the asset.

Asset Class	Estimated Useful Life
Land Improvements	5 to 50 years
Buildings	3 to 122 years
Leasehold Improvements	2 to 50 years
Vehicles and Equipment	2 to 50 years
Software	2 to 20 years
Library Books & Collections	3 to 20 years
Other Capital Assets	3 to 25 years
Infrastructure	10 to 75 years

Roads and bridges, except for right-of-way and fiber optic infrastructure, owned by the Department of Transportation and other infrastructure primarily owned by the Department of Natural Resources, are capitalized and depreciated. The Department of Transportation depreciates roadways over 40 years, and bridges over 75 years.

With the exceptions of the University of Colorado, the Colorado Community College System, the Metropolitan State University of Denver, the Colorado School of Mines, and Colorado State University, which early-implemented GASB Statement No. 89; the State capitalizes interest incurred during the construction of capital assets that are reported in enterprise funds.

UNEARNED REVENUE AND DEFERRED INFLOWS

Under reimbursement agreements, receipts from the federal government and other program sponsors are not earned until the related expenditures occur. These receipts are recorded as unearned revenue, except for amounts recorded as deferred inflows when the only eligibility requirement not met is the time requirement.

On the fund-level governmental financial statements, revenues related to taxes receivable that the State does not expect to collect until after the following fiscal year, are not earned and are reported as deferred inflows. However, taxes receivable are recognized as revenue on the government-wide financial statements.

ACCRUED COMPENSATED ABSENCES LIABILITY

State law concerning the accrual of sick leave was changed effective July 1, 1988. After that date all employees in classified permanent positions within the State Personnel System accrue sick leave at the rate of 6.66 hours per month. Total sick leave per employee is limited to the individual's accrued balance on July 1, 1988, plus 360 additional hours. Employees that exceed the limit at June 30 are required to convert five hours of unused sick leave to one hour of annual leave. Employees or their survivors are paid for one-fourth of their unused sick leave upon retirement or death. Annual leave is earned at increasing rates based on employment longevity. No classified employee is allowed to accumulate more than 42 days of annual leave at the end of a fiscal year. Employees are paid 100 percent of their annual leave balance upon leaving State service.

Compensated absence liabilities related to the governmental funds are recognized as liabilities of the fund only to the extent that they are due and payable at June 30. For all other fund types, both current and long-term portions are recorded as individual fund liabilities. On the government-wide *Statement of Net Position,* all compensated absence liabilities are reported.

INSURANCE

The State has an agreement with Broadspire to act as the third party administrator for the State's self-insured workers' compensation claims. The State reimburses Broadspire for the current cost of claims paid and related administrative expenses. Actuarially determined liabilities are accrued for claims to be paid in future years.

The State insures its property through a combination of self-insurance and commercial insurance carriers and is self-insured against liability risks for both its officials and employees (see Note 9). It is self-funded for employee healthcare plans, however, in the healthcare instance, the risk resides with the employees, because the State contribution to the plan is subject to appropriation each year, and employees are required to cover the balance of any premiums due. The State pays the actual costs of unemployment benefits paid to separated employees, rather than unemployment insurance premiums.

NET POSITION

In the government-wide and proprietary fund financial statements, net position is the difference between assets, liabilities, deferred inflows, and deferred outflows. Net investment in capital assets, represents capital assets; less accumulated depreciation; and less any outstanding borrowings related to the acquisition, construction, or improvement of those assets. Certain net positions are restricted for highway maintenance, education, unemployment insurance, debt service, donor restrictions, and various other funds that were established at the direction of the federal government, the courts, the State Constitution, or other external parties.

FUND BALANCES

Nonspendable – Nonspendable fund balances are amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained. This fund balance category consists of inventories; prepaid expenditures such as advances to counties for social assistance programs, local entities for species conservation, and to Colorado cities and special districts from emergency management funds; permanent funds related to state lands, and the corpus of other permanent funds.

Restricted – This classification is the portion of fund balance that is restricted by the State Constitution or external parties, and therefore, the related fund balance can only be expended as directed by the State Constitution or the external party.

Committed – This fund balance classification consists of amounts constrained by the General Assembly, the State's highest level of decision-making authority. Changes to constraints require legislative action by the General Assembly. The classification applies to the majority of governmental funds, excluding the General Purpose Revenue Fund.

In the General Purpose Revenue Fund, the Committed category represents the requirement in Colorado Revised Statutes 24-75-201.1(1)(d). See Note 15 for additional detail.

Committed balances also include earned augmenting revenue, such as insurance proceeds, that State agencies are not required to revert into the General Purpose Revenue Funds' fund balance.

In the Capital Projects Fund, the Committed classification represents the fund balance of the Corrections Expansion Reserve and the balance of certain other projects that are allowed to maintain a fund balance. These projects are not required to revert excess cash revenue to the Capital Projects Fund.

Assigned – This classification represents the portion of the General Purpose Revenue Fund fund balance related to certain Fiscal Year 2020 appropriations that the Colorado State Controller approved in accordance with Fiscal Rule 7-3 for use in the subsequent fiscal year.

Unassigned – This is the residual classification for the General Fund, and is not shown in other governmental funds, unless the fund balance is a deficit.

When an expenditure incurred could be funded from either restricted or unrestricted sources, unrestricted dollars are spent first, and within unrestricted sources funding is allocated first from unassigned, then assigned, and then committed resources. However, in certain circumstances restricted and/or committed resources are spent without regard to other available funding sources including transfers to pay indirect costs, to fund programs operating in the General Purpose Revenue Fund, to support health-related programs funded by tobacco tax, to support programs partially funded by Highway Users' Tax funds, and other situations that are not individually significant.

G. ACCOUNTING POLICIES AFFECTING REVENUES, EXPENDITURES/ EXPENSES

PROGRAM REVENUES

The government-wide *Statement of Activities* presents two broad types of revenues – program revenues and general revenues. All taxes, with the exception of unemployment insurance premiums used to support a business-type activity, are reported as general revenues. Unrestricted investment earnings and the court ordered awards of the Tobacco Litigation Settlement Fund, a nonmajor Other Special Revenue Fund, are also reported as general revenues. Except for transfers, permanent fund additions, and special items, all other revenues are reported as program revenues. In general, program revenues include:

- Fees for services, tuition, licenses, certifications, and inspections
- Fines and forfeitures
- Sales of products
- Rents and royalties
- Donations and contributions
- Intergovernmental revenues (including capital and operating grants)

INDIRECT COST ALLOCATION

The State allocates indirect costs on the government-wide *Statement of Activities*. In general, the allocation reduces costs shown in the general government functions and increases costs in the other functions and business-type activities. The allocation is based on the Statewide Appropriations/Cash Fees Plan.

The Plan uses allocation statistics from Fiscal Year 2018 and costs from the Fiscal Year 2020 (SB19-207 and other special or supplemental bills) Appropriations bill that were incorporated in State agency budgets for Fiscal Year 2021.

The allocation of costs between the governmental activities and business-type activities would normally result in an adjustment of internal balances on the government-wide *Statement of Net Position*. However, since the amount allocated from the governmental activities to the business-type activities is small, an offsetting adjustment is made to the (Transfers-Out)/Transfers-In line item at the bottom of the *Statement of Activities.*

OPERATING REVENUES AND EXPENSES

The State reports four major enterprise funds, multiple nonmajor enterprise funds, and multiple internal service funds. Because these funds engage in a wide variety of activities, the State's definition of operating revenues and expenses is highly generalized. For these funds, operating revenues and expenses are defined as transactions that result from the core business activity of the proprietary fund.

In general, this definition provides consistency between operating income on the *Statement of Revenues, Expenses, and Changes in Net Position* and cash from operations on the *Statement of Cash Flows.* However, certain exceptions occur including:

- Interest earnings and expenses of proprietary funds, for which the core business activity is lending, are reported as operating revenues and expenses on the *Statement of Revenues, Expenses, and Changes in Net Position* but are reported as investing activities on the *Statement of Cash Flows.*

- Some rents, fines, donations, and certain grants and contracts are reported as nonoperating revenues on the *Statement of Revenues, Expenses, and Changes in Net Position*, but are reported as cash from operations on the *Statement of Cash Flows.*

The State's institutions of higher education have defined operating revenues and expenses as generally resulting from providing goods and services for instruction, research, public service, or related support services to an individual or entity separate from the institution.

H. ADDITIONAL DISCLOSURE

SUBSEQUENTLY DISCOVERED FACTS THAT BECAME KNOWN AFTER THE RELEASE OF THE INDEPENDENT AUDITOR'S REPORT

On February 17, 2022, subsequent to the release of the Independent Auditor's Report on January 31, 2022, management notified the auditor of a misstatement in the classifications of net position for Business Type Activities. The Transportation Enterprise column on the Statement of Net Position - Proprietary Funds (page 56) reported a $2.1 billion understatement in the classification of Net Investment in Capital Assets and a $2.1 billion overstatement in the classification of Unrestricted. These misstatements affected the same classifications of net position for Business-Type Activities on the Government-wide Statement of Net Position (page 47) by the same dollar amounts. There was no misstatement of total net position at both the proprietary fund and government-wide levels.

The financial statements and Required Supplementary Information were revised and the Independent Auditor's Report has been dual-dated to include an additional date of March 8, 2022. The additional date is limited to the revisions to the financial statements and Required Supplementary Information.

NOTE 2 – STEWARDSHIP, ACCOUNTABILITY, AND LEGAL COMPLIANCE

A. OVEREXPENDITURES

Depending on the accounting fund type involved, expenditures/expenses are determined using the modified accrual or accrual basis of accounting even if the accrual will result in an overexpenditure. In the General Purpose Revenue Fund and Regular Capital Projects Fund, if earned cash revenues plus available reserved fund balance and earned federal revenues are less than cash and federal expenditures, then those excess expenditures are considered general-funded expenditures. If general-funded expenditures exceed the general-funded appropriation, then an overexpenditure occurs even if the expenditures did not exceed the total legislative line item appropriation. Absent general-funded appropriations, agencies are not allowed to use general-purpose revenue to support an expenditure/expense that was appropriated from cash or federal funds. Budget-to-actual comparisons are presented in the Required Supplementary Information Section. Differences noted between departmental reversions or overexpended amounts on the budgetary schedules and the overexpended amounts discussed below are due to offsetting underexpended line item appropriations.

Within the limitations discussed below, the State Controller, with the approval of the Governor, may allow certain overexpenditures of the legal appropriation, as provided by Section 24-75-109, C.R.S. Unlimited overexpenditures are allowed in the Medicaid program. The statute also provides for $250,000 of general-funded overexpenditure authority in the Children's Basic Health Plan. The Department of Human Services is allowed $1.0 million of overexpenditures not related to Medicaid, and unlimited overexpenditures for self-insurance of its workers' compensation plan. Statute also allows overexpenditures up to $3.0 million in total for the remainder of the Executive Branch. An additional $1.0 million of combined transfers and overexpenditures are allowed for the Judicial Branch.

The State Controller is generally required by statute to restrict the subsequent year appropriation whether or not an overexpenditure is approved. Such a restriction requires the agency to seek a supplemental appropriation from the General Assembly, earn adequate cash or federal revenue to cover the expenditure in the following year, and/or reduce their subsequent year's expenditures. Per Section 24-75-109(2)(b) C.R.S., neither the Governor nor the State Controller is allowed to approve any overexpenditure in excess of the unencumbered balance of the fund from which the overexpenditure is made.

Total overexpenditures at June 30, 2021, were $1,912.6 million as described in the following paragraphs.

Approved Medicaid Overexpenditures:

- Children's Basic Health Plan Medical and Dental Costs – The Department of Health Care Policy & Financing overspent this line item by $0.4 million cash funds. The overexpenditure was driven by higher-than-anticipated caseload growth for the expansion population funded by the Healthcare Affordability and Sustainability Fee cash fund.

- Behavioral Health Fee-for-Service Payments – The Department of Health Care Policy & Financing overspent this line item by $0.05 million cash funds and $0.2 million general funds. The behavioral health fee-for-service line represents expenditures that are excluded from coverage under the behavioral health capitation, either because the member is not attributed to the Regional Accountable Entity or the service fell outside of the contractual requirements of covered services. The overexpenditure occurred due to utilization growing by more than projected in the second half of the year.

- Behavioral Health Capitation Payments – The Department of Health Care Policy & Financing overspent this line item by $0.1 million cash funds. The overexpenditure was driven by an increase in the number of ACA expansion members with Medicare coverage, which are funded through cash funds as the state share and the standard FMAP. The increase in this population is a byproduct of the Medicaid continuous coverage requirement.

Approved Department of Human Services Overexpenditures, Other Than Medicaid, subject to the $1.0 million limit:

- None at June 30, 2021.

Approved State Departments Overexpenditures Subject to the $3.0 Million Limit:

- None at June 30, 2021.

Approved Judicial Overexpenditures, subject to the $1.0 million limit:

- None at June 30, 2021.

Overexpenditures Not Allowed to Be Approved (Deficit Fund Balances):

- Colorado Office of Film, Television and Media Operational Account – The Governor's Office of Economic Development and International Trade had a deficit in the fund of $0.2 million due to the transfer of Gaming revenue to this fund being suspended with the passage of HB20-1399. Historically, funds distributed in August were used to cover the prior year's spending. This is a continuation of the overexpenditure HB20-1399 caused in Fiscal Year 2020 as the gaming funds are still suspended. Without cash coming into the fund restrictions of Fiscal Year 2021 budget was not possible. This will be remedied with the restriction the amount of the overexpenditure in the Fiscal Year 2022 budget and when gaming funds are restored. This issue will no longer exist, as the funds will be transferred at the beginning of the year rather than at the end.

- History Colorado Restricted Donations Fund – History Colorado had a deficit in the fund of $0.7 million. Due to COVID-19, History Colorado's revenue from the operation and gaming taxes decreased significantly. In order to continue to pay staff salaries, during Fiscal Year 2020 and Fiscal Year 2021, History Colorado applied for Paycheck Protection Program (PPP) loan from the Small Business Administration (SBA) and received PPP loan for $2.3 million. On July 1, 2021, SBA approved the forgiveness for the full amount of the PPP loan. This will be one time deficit. The deficit will be eliminated in Fiscal Year 2022 once History Colorado recognize the forgiven loan amount.

- Highway Fund – The Department of Transportation had a deficit in this fund of $0.3 million. This fund provides the following services: Print Shop, State Fleet and Sign Shop services. The Print Shop has not been able to cover its expenses and is closed. The Sign Shop is working on reducing the deficit fund balance.

- Unemployment Insurance Fund – The Department of Labor and Employment had a deficit in this fund of $1,908.7 million. Due to the recession caused by the COVID-19 pandemic, estimated unemployment insurance benefits payable exceeded available and estimated resources at the end of Fiscal Year 2021. The Department has options available to address the deficit including, but not limited to, assessing unemployment insurance premium surcharges. The Department does not expect that this would be an ongoing problem outside of unprecedented circumstances like the COVID-19 pandemic.

The deferral of Medicaid expenditures and revenues for budget purposes only is authorized in Section 25.5-8-108(5) C.R.S. However, those expenditures are recognized in the current fiscal year for financial statement presentation under Generally Accepted Accounting Principles (GAAP). The recognition of those expenditures on the GAAP basis resulted in fund balance deficits. Because the budget deferral that caused the GAAP deficit fund balance is in compliance with statute, no restriction of Fiscal Year 2021 spending authority is recommended. The following cash funds were in a deficit fund balance position as a result of Department of Health Care Policy and Financing Medicaid activity as of June 30, 2021:

- Colorado Autism Treatment Fund - $0.1 million
- Health Care Expansion Fund - $1.8 million

A separately issued report comparing line item expenditures to authorized budget is available upon request from the Office of the State Controller.

B. TAX, SPENDING, AND DEBT LIMITATIONS

Certain State revenues, primarily taxes and fees, are limited under Article X, Section 20 (TABOR) of the State Constitution. Growth in these revenues from year to year is limited to the rate of population growth plus the rate of inflation. The TABOR section of the State Constitution also requires voter approval for any new tax, tax rate increase, or new debt. These limitations apply to the State as a whole, not to individual funds, departments, or agencies of the State. Government run businesses accounted for as enterprise funds that have the authority to issue bonded debt and that receive less than ten percent of annual revenues from the State and its local governments are exempt from the TABOR revenue limits.

In the 2005 general election, voters approved Referendum C, a statutory measure referred to the ballot by the Legislature that authorized the State to retain revenues in excess of the limit for the five fiscal years from 2006 through 2010. With the end of the Referendum C five-year excess revenue retention period, the State is subject to an Excess State Revenue Cap (ESRC), which began in Fiscal Year 2011. Calculation of the original TABOR limit continues to apply, but the ESRC replaces the previous TABOR limit for triggering taxpayer refunds. The beginning base for the ESRC was the highest adjusted TABOR revenue during the five-year period, which occurred in Fiscal Year 2008.

In Fiscal Year 2021, revenue subject to TABOR was $16,169.8 million, which was above the $15,644.3 million ESRC by $525.5 million, and by $3,541.7 million over the original TABOR limit. Therefore, there is a refund payable from Fiscal Year 2021 revenue of $525.5 million. During the year, the State reimbursed $22.3 thousand of the Fiscal Year 2015 refund payable through the sales tax and earned income tax credit mechanisms and $120.7 million of the Fiscal Year 2019 refund payable through the income tax rate reduction mechanism. The State's liability for TABOR refunds was $547.9 million at June 30, 2021, which includes the Fiscal Year 2021 revenue above the ESRC and prior-year revenue adjustments of $809.1 thousand. Since the inception of Referendum C in Fiscal Year 2006, the State has retained $27,457.0 million (unadjusted for prior year errors) – $3,593.6 million during the initial five-year revenue retention period, and an additional $23,863.4 million as a result of the higher ESRC limit in Fiscal Year 2011 through Fiscal Year 2021.

TABOR requires the State to reserve three percent of fiscal year nonexempt revenues for emergencies. The estimated reserve for Fiscal Year 2021 was based on the revenue projection prepared in the spring of 2020 by the Legislative Council. In the Long Appropriations Act, HB 20-1360, the funds designated below and the maximum balances from each, constitute the reserve.

At June 30, 2021, the financial net positions, or fund balances of the following funds were restricted:

- Major Medical Insurance Fund, a portion of the nonmajor Labor Fund – $63.0 million maximum set in the Long Appropriations Act.

- Colorado Water Conservation Board Construction Fund, a portion of the major Resource Extraction Fund – $33.0 million.

- Controlled Maintenance Trust Fund, a portion of the major General Fund – $73.0 million.

- Disaster Emergency Fund – $75.0 million.

- Unclaimed Property Tourism Promotion Trust Fund, a portion of the nonmajor Private Purpose Trust Fund – $5.0 million.

The 2020 legislative session Long Appropriations Act also designated up to $160.0 million of State properties as the remainder of the emergency reserve.

Based on actual fiscal year nonexempt revenues in Fiscal Year 2021, the required reserve was $485.1 million. Because the actual reserve requirement was more than the amount set in HB 20-1360, the total amount restricted for the reserve was $76.1 million less than the combined maximums allowable in the designated funds detailed above.

During Fiscal Year 2021, nine executive orders called for a net amount of $65.9 million to be transferred from the funds constituting the TABOR reserve, to the Disaster Emergency Fund (DEF), in response to the costs of dealing with the COVID-19 pandemic. Another $9.8 million was transferred to the DEF through six executive orders for the costs of fighting wildfires across the State.

NOTE 3 – CASH, RECEIVABLES, INVENTORIES, PREPAIDS, AND OTHER

CASH AND POOLED CASH

The State Treasury acts as a bank for all State agencies, with the exception of the University of Colorado. Moneys deposited in the Treasury are invested until the cash is needed. Interest earnings on these investments are credited to the General Purpose Revenue Fund unless a specific statute directs otherwise. Most funds are required to be invested in noninterest bearing warrants of the General Purpose Revenue Fund if the General Purpose Revenue Fund overdraws its rights in the pool. This means that under certain conditions participating funds would not receive the interest earnings to which they would otherwise be entitled. The detailed composition of the Treasury pooled cash and investment are shown in the Treasurer's Investment Reports. Where a major fund or fund category has a cash deficit, that deficit has been reclassified to an interfund payable to the General Purpose Revenue Fund – the payer of last resort for the pool.

State agencies are authorized by various statutes to deposit funds in accounts outside the custody of the State Treasury. Legally authorized deposits include demand deposits and certificates of deposit. The State's cash management policy is to invest all significant financial resources as soon as the moneys are available within the banking system. To enhance availability of funds for investment purposes, the State Treasurer uses electronic funds transfers to move depository account balances into the Treasurer's pooled cash.

Colorado statutes require protection of public moneys in banks beyond that provided by the federal insurance corporations. The Public Deposit Protection Act in Colorado Revised Statutes 11-10.5-107(5) requires all eligible depositories holding public deposits, including those of the State's component units, to pledge designated eligible collateral having market value equal to at least 102 percent of the deposits exceeding the amounts insured by federal insurance. Upon liquidation of a defaulting eligible depository, the statute requires the banking board to seize the eligible collateral, liquidate the collateral, and repay the public deposits to the depositing government.

The State had an accounting system cash deposit balance of $1,181.3 million as of June 30, 2021. Under the GASB Statement No. 40 definitions, $29.0 million of the State's total bank balance of $1,371.6 million was exposed to custodial credit risk because the deposits were uninsured and the related collateral was held by the pledging institution or was held by the pledging institution's trust department or agent, but not in the State's name.

RECEIVABLES

The Taxes Receivable of $1,865.0 million shown on the government-wide *Statement of Net Position* in current assets net of long-term taxes receivable of $160.2 million, primarily comprises the following:

- $1,835.8 million in the General Purpose Revenue Fund, mainly self-assessed income and sales tax. This amount includes $160.2 million of Taxes Receivable expected to be collected after one year that are reclassified on the *Governmental Funds Balance Sheet Reconciled to Statement of Net Position* so they can be reported as Other Long-Term Assets on the government-wide *Statement of Net Position*.

- $125.5 million of unemployment insurance premiums receivable primarily recorded in the Unemployment Insurance Fund.

- $61.8 million recorded in non-major special revenue funds that include approximately $17.8 million from insurance premium tax and $18.7 million from gaming tax.

The Restricted Receivables of $323.5 million shown for Governmental Activities on the government-wide *Statement of Net Position* in non-current assets related primarily to $3.0 million of taxes receivable, $114.5 million of other receivables, and $205.5 million of intergovernmental receivables recorded in the Highway Users Tax Fund and State

Highway Fund. All three items were reported as Restricted Receivables because the State Constitution and federal requirements restrict that portion of the Highway Users Tax Fund and State Highway Fund. The tax receivable was primarily fuel taxes while the intergovernmental receivable was primarily due from the Federal Government.

The Other Receivables of $1,491.4 million shown on the government-wide *Statement of Net Position* are net of $288.2 million in allowance for doubtful accounts and primarily comprise the following:

- $452.2 million of receivables recorded in the General Fund, of which $57.0 million is from interest receivable on investments. The Department of Health Care Policy and Financing recorded receivables of $363.7 million related primarily to rebates from drug companies and overpayments to healthcare providers, and the Colorado Mental Health Institutes recorded $9.2 million of patient receivables.

- $587.2 million of student and other receivables of Higher Education Institutions.

- $101.9 million of receivables recorded by the Department of Health Care Policy and Financing in the Colorado Healthcare Affordability and Sustainability Enterprise Fund related primarily to rebates from drug companies associated with prescriptions for Medicaid clients.

- $70.0 million of receivables recorded by the Department of Labor and Employment primarily for unemployment insurance overpayments.

INVENTORIES

Inventories of $319.8 million shown on the government-wide *Statement of Net Position* at June 30, 2021, primarily comprise the following:

- $228.0 million of consumable supplies inventories, of which $102.4 million was recorded in the Disaster Emergency Fund; $42.1 million was recorded by the Department of Natural Resources for the Colorado Water Conservation Board Fund; $61.2 million was recorded in the General Fund; $10.5 million was recorded by Higher Education Institutions; and $9.9 million was recorded for Highways.

- $74.4 million of resale inventories, of which $34.5 million was recorded for Resource Extraction; $27.1 million recorded by Higher Education Institutions; $7.6 million recorded for Highways; and $2.5 million recorded for the Colorado Lottery.

- $9.0 million of warehouse and consignment inventories recorded in the General Fund; and $7.3 million of raw material, work in process, and finished goods inventories recorded by Correctional Industries – a nonmajor enterprise fund.

PREPAIDS, ADVANCES, AND DEPOSITS

Prepaids, Advances, and Deposits of $159.7 million shown on the government-wide *Statement of Net Position* are primarily general prepaid expenses. The significant items include:

- $28.3 million advanced to Colorado counties by the General Purpose Revenue Fund primarily related to emergency management and social assistance programs.

- $22.7 million prepaid by Higher Educational Institutions, of which $4.2 million primarily related to cash payments for library subscriptions at Colorado State University.

- $18.5 million prepaid from the Marijuana Tax Cash Fund was to designated service organizations by the Department of Human Services primarily for behavioral health.

- $16.1 million advanced to Colorado cities and special districts by the Division of Homeland Security and Emergency Management.

- $8.0 million advanced by the Office of Economic Development for grants from the Advance Industries program.

- $6.9 million advanced to conservation organizations by the Department of Natural Resources from the Species Conservation Fund, a portion of the Resource Extraction Fund.

- $6.8 million prepaid by the Governor's Office of Information Technology primarily for multi-year maintenance and licensing agreements.

- $5.7 million prepaid by the Department of Transportation for the Owners Controlled Insurance Program (OCIP) on substantially large highway construction projects.

- $5.4 million of prize expense paid by the Colorado Lottery to a multistate organization related to participation in the Powerball lottery game.

OTHER LONG-TERM ASSETS

The $878.1 million shown as Other Long-Term Assets on the government-wide *Statement of Net Position* is primarily long-term taxes receivable and long-term loans. Long-term taxes receivable of $160.2 million recorded in the General Purpose Revenue Fund are not included as Other Long-Term Assets on the *Balance Sheet – Governmental Funds* but are shown in Taxes Receivable.

The $602.8 million of Other Long-Term Assets shown on the fund-level *Balance Sheet – Governmental Funds* is primarily related to loans issued by the Highway Users Tax Fund ($31.5 million), a non-major special revenue fund, and the Resource Extraction Fund ($498.9 million), a non-major special revenue fund. This balance primarily comprises water loan activity. The Water Conservation Board makes water loans from the Water Projects Fund, part of the Resource Extraction Fund, to local entities for the purpose of constructing water projects in the State.

The water loans are made for periods ranging from 10 to 30 years. Interest rates range from 2 to 6 percent for most projects, and they require the local entities or districts to make a yearly payment of principal and interest.

The $114.2 million shown as Other Long-term Assets on the *Statement of Net Position – Proprietary Funds* is primarily student loans issued by Higher Education Institutions but also includes livestock.

NOTE 4 – INVESTMENTS

The State holds investments both for its own benefit and as an agent for certain entities as provided by statute. The State does not invest its funds with any external investment pool. Funds not required for immediate payment of expenditures are administered by the authorized custodian of the funds or pooled and invested by the State Treasurer.

Colorado Revised Statutes 24-75-601.1 authorizes the types of securities in which public funds of governmental entities, including State agencies, may be invested. Investments of the Public Employees Retirement Association discussed in Note 6 and other pension funds are not considered public funds. In general, the statute allows investment in: Certificates of Participation related to a lease or lease purchase commitment, local government investment pools, repurchase and reverse repurchase agreements (with certain limitations), securities lending agreements, corporate or bank debt securities denominated in US dollars, guaranteed investment or interest contracts including annuities and funding agreements, securities issued by or fully guaranteed by the United States Treasury or certain federal entities and the World Bank, inflation indexed securities issued by the United States Treasury, general obligation and revenue debt of other states in the United States and their political subdivisions (including authorities), or registered money market funds with policies that meet specific criteria.

The statute establishes high minimum credit quality ratings by at least two national rating agencies for most investment types. That statute also sets maximum time to maturity limits, but allows the governing body of the public entity to extend those limits. Public entities may also enter securities lending agreements that meet certain requirements. The statute prohibits investment in subordinated securities and securities that do not have fixed coupon rates unless the variable reference rate is a United States Treasury security with maturity less than one year, the London Interbank Offer Rate, or the Federal Reserve cost of funds rate. The above statutory provisions do not apply to the University of Colorado.

Colorado Revised Statutes 24-36-113 authorizes securities in which the State Treasurer may invest and requires prudence and care in maintaining investment principal and maximizing interest earnings. In addition to the investments authorized for all public funds, the State Treasurer may invest in securities of the federal government and its agencies and corporations without limitation, asset-backed securities, certain bankers' acceptances or bank notes, certain commercial paper, certain international banks, certain loans and collateralized mortgage obligations and certain debt obligations backed by the full faith and credit of the state of Israel. The Treasurer’s statute also establishes credit quality rating minimums specific to the Treasurer’s investments. The Treasurer’s statute is the basis for a formal investment policy published on the State Treasurer’s website. In addition to the risk restrictions discussed throughout this Note 4, the Treasurer’s investment policy precludes the purchase of derivative securities.

The State Treasurer maintains a custodial fund for the Great Outdoors Colorado Program (GOCO), a related organization. At June 30, 2021 and 2020, the treasurer had $82.1 million and $76.9 million at fair value, respectively, of GOCO’s funds on deposit and invested.

The investment earnings of the Unclaimed Property Tourism Trust Fund, a nonmajor special revenue fund, are assigned by law to the Colorado Travel and Tourism Promotion Fund, a nonmajor special revenue fund, to the State Fair, a nonmajor enterprise fund, and to the Agriculture Management Fund, a nonmajor special revenue fund.

As provided by State statute, the State Treasurer held $12.9 million of investment in residential mortgages representing payments of property taxes of certain elderly State citizen homeowners that qualify for the Property Tax Deferral Program. The investment is valued based on the outstanding principal and interest currently owed to the State as there is no quoted market price for these investments.

The following schedule reconciles deposits and investments to the financial statements for the primary government including fiduciary funds:

(Amounts in Thousands)

Footnote Amounts	Carrying Amount
Deposits (Note 3)	$ 1,181,296
Investments:	
Governmental Activities	19,191,486
Business-Type Activities	4,502,141
Fiduciary Activities	11,492,751
Total	$ 36,367,674
Financial Statement Amounts	
Net Cash and Pooled Cash	$ 14,822,784
Add: Warrants Payable Included in Cash	619,596
Total Cash and Pooled Cash	15,442,380
Add: Restricted Cash	3,447,440
Add: Restricted Investments	1,456,022
Add: Investments	16,021,832
Total	$ 36,367,674

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure, the State will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured, are not registered in the State's name, and are held by either the counterparty to the investment purchase or are held by the counterparty's trust department or agent but not held in the State's name.

The State Treasurer's investment policy requires all securities to be held by the State Treasurer or a third party custodian designated by the Treasurer with each security evidenced by a safekeeping receipt. Certain trustees have selected the State Treasurer's pool as their primary investment vehicle. The Treasurer accounts for the trustees' deposits in custodial funds, and the investment types and related risks are disclosed through the Treasurer's pool investments.

Open-end mutual funds and certain other investments are not subject to custodial risk because ownership of the investment is not evidenced by a security. The following tables list the investments of the State Treasurer's pooled cash, major governmental funds, and nonmajor governmental funds in aggregate, by investment type at fair value.

(Amounts in Thousands)
Governmental Activities

	Treasurer's Pool	General Fund	Other Governmental	Total
NOT SUBJECT TO CUSTODIAL CREDIT RISK				
U.S. Treasury Bills	$ 339,997	$ -	$ -	$ 339,997
U.S. Treasury Notes/Bonds	2,589,580	-	165,730	2,755,310
U.S. Agency Securities (Not Explicitly Guaranteed)	602,333	-	24,503	626,836
Commercial Paper	2,709,359	-	-	2,709,359
Corporate Bonds	4,949,759	-	579,498	5,529,257
Municipal Bonds	187,832	-	9,361	197,193
Money Market Mutual Funds	3,810,000	-	1,020	3,811,020
Bond Mutual Funds	-	-	14,653	14,653
Asset-Backed Securities	479,347	-	24,431	503,778
Mortgage-Backed Securities	1,943,949	12,909	220,903	2,177,761
Sovereigns/Supranationals	96,368	-	10,822	107,190
Equity Mutual Funds	-	-	364,407	364,407
Other	-	-	53,851	53,851
SUBTOTAL	17,708,524	12,909	1,469,179	19,190,612
SUBJECT TO CUSTODIAL CREDIT RISK				
Money Market Mutual Funds	-	-	874	874
SUBTOTAL	-	-	874	874
TOTAL	$ 17,708,524	$ 12,909	$ 1,470,053	$ 19,191,486

The following table lists the investments of the major enterprise funds, nonmajor enterprise funds in aggregate, and fiduciary funds by investment type at fair value as of June 30, 2021. The University of Colorado, Colorado State University, and the Colorado School of Mines reported investments in the internal pools of their respective foundations. These investments are reported as Investment in Foundation Pool.

	(Amounts in Thousands)		
	Business-Type Activities		Fiduciary
	Higher Education Institutions	Total	Fiduciary
NOT SUBJECT TO CUSTODIAL CREDIT RISK			
U.S. Treasury Bills	$ 15,988	$ 15,988	$ 4,914
U.S. Treasury Notes/Bonds	110,041	110,041	4,571
U.S. Agency Securities (Explicitly Guaranteed)	191	191	-
U.S. Agency Securities (Not Explicitly Guaranteed)	83,984	83,984	-
Commercial Paper	2,003	2,003	-
Corporate Bonds	275,463	275,463	21,007
Municipal Bonds	759	759	1,431
Money Market Mutual Funds	400,862	400,862	27,786
Bond Mutual Funds	176,156	176,156	43,762
Asset-Backed Securities	193,224	193,224	374
Investment In Foundation Pool	636,728	636,728	-
Mortgage-Backed Securities	107,887	107,887	29,900
Guaranteed Investment Contracts	4,374	4,374	-
Corporate Equities	3,108	3,108	-
Private Equities	67,206	67,206	6,002
Equity Mutual Funds	1,643,402	1,643,402	28,139
Other	226,659.00	226,659	23,609
SUBTOTAL	3,948,035	3,948,035	191,495
SUBJECT TO CUSTODIAL CREDIT RISK			
U.S. Treasury Bills	2,008	2,008	-
U.S. Treasury Notes/Bonds	168,941	168,941	-
U.S. Agency Securities (Explicitly Guaranteed)	13,912	13,912	-
U.S. Agency Securities (Not Explicitly Guaranteed)	97	97	-
Corporate Bonds	201,819	201,819	-
Municipal Bonds	22,795	22,795	-
Money Market Mutual Funds	223	223	1,184,277
Bond Mutual Funds	31,673	31,673	3,956,476
Asset-Backed Securities	1,028	1,028	-
Mortgage-Backed Securities	952	952	-
Guaranteed Investment Contracts	-	-	172,727
Corporate Equities	10,698	10,698	-
Equity Mutual Funds	48,599	48,599	5,987,153
Balanced Mutual Funds	406	406	-
Other	50,955	50,955	623
SUBTOTAL	554,106	554,106	11,301,256
TOTAL	$ 4,502,141	$ 4,502,141	$ 11,492,751

Credit Quality Risk

Credit quality risk is the risk that the issuer or other counterparty to a debt security will not fulfill its obligations to the State. This risk is assessed by nationally recognized rating agencies, which assign a credit quality rating for many investments. Credit quality ratings for obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government are not reported. However, credit quality ratings are reported for obligations of U.S. Government agencies that are not explicitly guaranteed by the U.S. Government.

The State Treasurer's formal investment policy requires that eligible securities must be rated at least by one and preferably two nationally recognized rating organizations. One rating must be from Moody's, Standard & Poor's, or Fitch. The policy sets acceptable credit quality ratings by investment portfolio and investment type.

The fair value amount of rated and unrated debt securities is detailed in the following table by the lowest known credit quality rating, which shows the Treasurer's Pool, Higher Education Institutions, Fiduciary Funds, and All Other Funds in the aggregate. The credit quality ratings shown are Moody's, Standard and Poor's, and Fitch, respectively.

CREDIT QUALITY RATINGS
(Amounts In Thousands)

Credit Quality Rating	U.S. Govt. Securities	Commercial Paper	Corporate Bonds	Asset Backed Securities	Mortgage Backed Securities	Money Market Mutual Funds	Bond Mutual Funds	Sovereigns & Supranationals	Guaranteed Investment Contracts	Other	Total
Treasurer's Pool:											
Long-term Ratings											
Aaa/AAA/AAA	$ -	$ -	$ 184,664	$ 479,347	$ -	$3,810,000	$ -	$ 96,368	$ -	$ 29,639	$ 4,600,018
Aa/AA/AA	602,333	2,709,359	642,161	-	1,943,949	-	-	-	-	158,192	6,055,994
A/A/A	-	-	2,279,340	-	-	-	-	-	-	-	2,279,340
Baa/BBB/BBB	-	-	1,838,611	-	-	-	-	-	-	-	1,838,611
Unrated	-	-	4,983	-	-	-	-	-	-	-	4,983
Total T-Pool	602,333	2,709,359	4,949,759	479,347	1,943,949	3,810,000	-	96,368	-	187,831	14,778,946
Higher Education Institutions:											
Long-term Ratings											
Aaa/AAA/AAA	868	-	63,302	135,234	560	439,164	79	-	-	5,962	645,169
Aa/AA/AA	37,828	-	27,821	12,873	-	-	119,816	-	-	25,260	223,598
A/A/A	451	-	153,324	11,482	-	-	-	-	-	2,357	167,614
Baa/BBB/BBB	2,893	-	215,923	4,427	-	-	-	-	-	560	223,803
Ba/BB/BB	-	-	14,566	83	371	-	-	-	-	-	15,020
B/B/B	-	-	287	244	-	-	-	-	-	-	531
Caa/CCC/CCC	-	-	-	1,221	-	-	-	-	-	-	1,221
Short-term Ratings											
P1/MIG1/A-1/F-1	-	2,003	-	-	-	-	-	-	-	-	2,003
Unrated	42,042	-	3,443	28,514	3,206	214	117,669	-	46,115	67,327	308,530
Total Higher Ed	84,082	2,003	478,666	194,253	4,137	439,378	237,564	-	46,115	101,466	1,587,664
Fiduciary Funds:											
Long-term Ratings											
Aaa/AAA/AAA	-	-	531	155	-	1,697	-	-	-	571	2,954
Aa/AA/AA	-	-	1,767	-	6,917	-	-	-	-	746	9,430
A/A/A	-	-	6,455	-	-	-	-	-	-	114	6,569
Baa/BBB/BBB	-	-	4,217	76	-	-	-	-	-	-	4,293
Unrated	-	-	165	143	-	743,873	4,408,151	-	172,727	-	5,325,059
Total Fiduciary	-	-	13,135	374	6,917	745,570	4,408,151	-	172,727	1,431	5,348,305
All Other Funds:											
Long-term Ratings											
Aaa/AAA/AAA	-	-	14,601	13,668	-	-	-	10,822	-	1,852	40,943
Aa/AA/AA	24,503	-	74,364	1,952	242,697	-	-	-	-	2,363	345,879
A/A/A	-	-	194,969	2,432	228	-	-	-	-	-	197,629
Baa/BBB/BBB	-	-	215,247	3,082	592	-	-	-	-	-	218,922
Ba/BB/BB	-	-	35,577	794	368	-	-	-	-	-	36,740
B/B/B	-	-	37,106	-	-	-	-	-	-	-	37,106
Caa/CCC/CCC	-	-	6,444	-	-	-	-	-	-	-	6,444
Ca/D/DDD	-	-	51	-	-	-	-	-	-	-	51
Unrated	-	-	6,284	2,503	12,909	-	14,653	-	-	-	36,350
Total Other	24,503	-	584,643	24,431	256,794	-	14,653	10,822	-	4,215	920,064
Total	$ 710,918	$2,711,362	$6,026,203	$ 698,405	$2,211,797	$4,994,948	$4,660,368	$ 107,190	$ 218,842	$ 294,943	$22,634,979

Interest Rate Risk

Interest rate risk is the risk that changes in the market rate of interest will adversely affect the value of an investment. The State manages interest rate risk using either weighted average maturity or duration. Weighted average maturity is a measure of the time to maturity, measured in years, that has been weighted to reflect the dollar size of individual investments within an investment type. Various methods are used to measure duration; in its simplest form, duration is a measure, in years, of the time-weighted present value of individual cash flows from an investment divided by the price of the investment.

Statute requires the State Treasurer to formulate investment policies regarding liquidity, maturity, and diversification for each fund or pool of funds in the State Treasurer's custody. The State Treasurer's formal investment policy targets a weighted average effective duration of 3 years within range of 1-5 years and a maximum stated maturity limited to 30 years from the settlement date for Treasurer's pool funds. The policy also sets maturity limits for the Unclaimed Property Tourism Promotion Trust Fund (1 - 30 years). The policy also mitigates interest rate risk through the use of maturity limits delineated to meet the needs of each funds and the use of active management to react to changes in the yield curve, economic forecasts, and the liquidity needs of the fund.

The following table shows the weighted average maturity and fair value amount for those investments managed using the weighted average maturity measure.

(Dollar Amounts in Thousands, Weighted Average Maturity in Years)

Investment Type	Treasurer's Pool Fair Value Amount	Treasurer's Pool Weighted Average Maturity	Higher Education Institutions Fair Value Amount	Higher Education Institutions Weighted Average Maturity	Fiduciary Funds Fair Value Amount	Fiduciary Funds Weighted Average Maturity	All Other Funds Fair Value Amount	All Other Funds Weighted Average Maturity
U.S. Treasury Bills/Notes/Bonds	$ 2,930,703	4.886	$ 296,835	9.747	$ 4,571	2.454	$ 164,604	10.184
U.S. Agency Securities	602,333	6.101	201,800	22.998	-	-	24,503	3.515
Bond Mutual Funds	-	-	196,235	8.600	11,271	3.980	-	-
Commercial Paper	2,709,359	0.183	2,003	0.109	-	-	-	-
Corporate Bonds	4,949,759	7.199	477,283	9.010	13,135	3.673	579,498	8.072
Repurchase Agreements	-	-	67,206	0.666	-	-	-	-
Asset-Backed Securities	479,347	1.651	194,253	17.242	374	0.056	24,431	3.422
Money Market Funds	-	-	61,917	0.098	745,570	0.003	-	-
Municipal Bonds	187,832	10.754	34,246	9.765	1,431	0.389	9,361	25.245
Mortgage-Backed Securities	1,944,148	7.333	4,137	0.398	29,900	4.454	220,704	4.659
Other	96,368	3.180	46,115	1.367	-	-	10,822	6.417
Total Investments	$13,899,849		$ 1,582,030		$ 806,252		$ 1,033,923	

The table below presents the fair value amount and duration measure for State agencies that manage some or all of their investments using the duration measure.

The CollegeInvest program has investments reported in the College Savings Plan, a Private Purpose Trust Fund. CollegeInvest uses duration to manage the interest rate risk of selected mutual funds in the College Savings Plan. CollegeInvest's Private Purpose Trust Fund holds inflation protected bond mutual funds for $378.0 million with a duration of 7.7 years and a short-term inflation protected securities index fund for $93.0 million with a duration of 2.6 years. These securities are excluded from the duration table below because interest rate risk is effectively mitigated by the inflation protection attribute of the funds.

(Dollar Amounts in Thousands, Duration in Years)

	Fair Value Amount	Duration
Enterprise Funds:		
Higher Education Institutions:		
Colorado School of Mines:		
Money Market Funds	$ 1,383	7.100
Private Purpose Trust Funds:		
CollegeInvest:		
Bond Mutual Fund-1	$ 1,238,825	6.800
Bond Mutual Fund-2	723,901	7.100
Bond Mutual Fund-3	594,605	1.900
Bond Mutual Fund-4	570,705	8.400
Bond Mutual Fund-5	91,195	6.800
Bond Mutual Fund-6	266,252	2.700
Bond Mutual Fund-7	440,404	3.200

Foreign Currency Risk

Foreign Currency risk is the risk that changes in exchange rates will adversely affect their value of an investment or deposit. The Treasurer's formal investment policy does not allow for investments in foreign currency. Risk is mitigated by only permitting a maximum of 4% of treasury pool assets to be invested in sovereign/government/supranational securities.

Concentration of Credit Risk

The State Treasurer's formal investment policy sets minimum and maximum holding percentages for each investment type for the investment pool and for the Unclaimed Property Tourism Promotion Trust Fund. The pool and the Unclaimed Property Tourism Promotion Trust Fund may be 100 percent invested in U.S. Treasury securities with more restrictive limits (ranging from 5 percent to 80 percent) set for the other allowed investment types. For the pool and the Unclaimed Property Tourism Promotion Trust Fund, the policy sets maximum concentrations in an individual issuer for certain investment types.

Fair Value Measurements

To the extent available, the State's investments are recorded at fair value as of June 30, 2021. Fair value is the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

Level 1 Investments – values are based on quoted prices (unadjusted) for identical assets (or liabilities) in active markets that a government can access at the measurement date.

Level 2 Investments – inputs other than quoted prices included within Level 1 – that are observable for an asset (or liability), either directly or indirectly.

Level 3 Investments – classified as Level 3 have unobservable inputs for an asset (or liability) and may require a degree of professional judgment.
The following table summarizes the State's investments within the fair value hierarchy at June 30, 2021:

(Amounts in Thousands)

	Fair Value as of June 30, 2021	Fair Value Measurements Using: Quoted prices in active markets for identical assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
U.S. Treasury Bills	$ 362,905	$ 361,116	$ 1,789	$ -
U.S. Treasury Notes/Bonds	3,038,863	2,919,552	119,311	-
U.S. Agency Securities (Explicitly Guaranteed)	14,103	191	13,912	-
U.S. Agency Securities (Not Explicitly Guaranteed)	710,918	97	710,821	-
Commercial Paper	2,711,362	-	2,711,362	-
Corporate Bonds	6,027,546	7,871	6,019,494	181
Municipal Bonds	222,177	-	222,177	-
Money Market Mutual Funds	5,086,098	5,085,078	1,020	-
Bond Mutual Funds	4,222,721	4,222,721	-	-
Asset-Backed Securities	698,405	-	697,201	1,204
Mortgage-Backed Securities	2,316,500	2,968	2,300,623	12,909
Sovereigns/Supranationals	107,190	-	107,190	-
Guaranteed Investment Contracts	177,101	4,374	-	172,727
Investment in Foundation Pool	636,728	-	-	636,728
Corporate Equities	13,806	13,806	-	-
Private Equities	6,002	-	-	6,002
Equity Mutual Funds	8,071,700	8,039,347	32,353	-
Balanced Mutual Funds	406	406	-	-
Other	134,662	6,857	10,551	117,254
Total	$ 34,559,193	$ 20,664,384	$ 12,947,804	$ 947,005
Total investments measured at NAV	169,604			
Total other investments not valued at fair value	457,549			
Total	$ 35,186,346			

On June 30, 2021, the University of Colorado held an investment in an equity trust valued at $169.6 million. The value was determined using the University's Net Asset Value (NAV) per share in the equity trust. The assets held by the trust could be sold at an amount different than the NAV per share due to the liquidation policies in the trust's investor agreements. Redemption frequencies for these funds range from one to seven days and there were no unfunded commitments as of June 30, 2021.

The University of Colorado also held investments in a repurchase agreement with a contract value of $67.2 million, guaranteed investment agreements with a contract value of $46.1 million, and private equities measured at a cost of $5.3 million. It is the State's policy to report money market fund investments at fair market value unless the institution managing the investment reports its value at amortized cost. At June 30, 2021, the University of Colorado held $338.9 million of money market funds valued at amortized cost.

Treasurer's Investment Pool

Participation in the State Treasurer's cash/investment pool is mandatory for all State agencies with the exception of Colorado Mesa University, Colorado State University System, Colorado School of Mines, Fort Lewis State College, and the University of Colorado and its blended component units; however, all participate in the Treasurer's Pool. The Treasurer, in consultation with the State's investment custodian, determines the fair value of the pool's investments at each month-end for performance tracking purposes. Short-term realized gains, losses, and interest earnings, adjusted for amortization of investment premiums and discounts, are distributed monthly. If the statutes authorize the participant to receive interest and investment earnings, these gains or losses are prorated according to the average of the participant's daily balance during the month.

NOTE 5 – CAPITAL ASSETS

During Fiscal Year 2021, the State capitalized $17.0 million of interest incurred during the construction of capital assets. The majority of this capitalized interest was for the Department of Transportation's Bridge Enterprise of $16.2 million, and the High Performance Transportation Enterprise of $0.7 million, and Institutions of Higher Education of $0.1 million.

On the government-wide *Statement of Activities,* depreciation charged to functional programs and business-type activities is as follows:

(Amounts in Thousands)	Depreciation Amount
GOVERNMENTAL ACTIVITIES	
General Government	$ 58,658.5
Business, Community and Consumer Affairs	2,487.3
Education	40,823.1
Health and Rehabilitation	12,367.4
Justice	50,800.0
Natural Resources	455.0
Social Assistance	18,329.2
Transportation	321,872.2
Total Depreciation Expense - Governmental Activities	505,792.7
BUSINESS-TYPE ACTIVITIES	
Higher Education	491,505.0
Parks and Wildlife	18,104.0
State Nursing Homes	1,862.6
Unemployment Insurance	2,195.4
Transportation	25,648.7
Social Assistance	5,213.8
Other Enterprise Funds	2,201.3
Total Depreciation Expense - Business-Type Activities	546,730.8
Total Depreciation Expense Primary Government	$ 1,052,523.5

The schedule on the following page shows the capital asset activity during Fiscal Year 2021. The schedule shows that $526.1 million of construction in progress projects were completed and added to capital assets for Governmental activities, and $920.8 million of construction in progress were completed and added to capital assets for Business-Type activities. These amounts are net of additions.

(Amounts in Thousands)	Beginning Balance	Increases	CIP Transfers	Decreases/ Adjustments	Ending Balance
GOVERNMENTAL ACTIVITIES:					
Capital Assets Not Being Depreciated:					
Land	$ 119,222	$ 20,844	$ -	$ (90)	$ 139,976
Land Improvements	7,752	-	-	-	7,752
Collections	11,213	-	-	-	11,213
Other Capital Assets	12,347	4,118	-	(9,806)	6,659
Construction in Progress (CIP)	1,548,817	779,767	(545,720)	(3,566)	1,779,298
Infrastructure	1,040,339	1,019	19,657	-	1,061,015
Total Capital Assets Not Being Depreciated	2,739,690	805,748	(526,063)	(13,462)	3,005,913
Capital Assets Being Depreciated:					
Leasehold and Land Improvements	81,861	3,275	317	(964)	84,489
Buildings	3,399,414	2,111	217,830	(7,523)	3,611,832
Software	578,925	15,335	8,285	(3,311)	599,234
Vehicles and Equipment	1,029,805	87,559	5,196	(42,953)	1,079,607
Library Materials and Collections	5,482	381	-	(338)	5,525
Other Capital Assets	37,156	134	-	-	37,290
Infrastructure	12,502,697	19	294,435	89,335	12,886,486
Total Capital Assets Being Depreciated	17,635,340	108,814	526,063	34,246	18,304,463
Less Accumulated Depreciation:					
Leasehold and Land Improvements	(43,573)	(3,759)	-	276	(47,056)
Buildings	(1,272,738)	(89,849)	-	1,280	(1,361,307)
Software	(371,159)	(48,775)	-	2,936	(416,998)
Vehicles and Equipment	(639,522)	(69,270)	-	38,948	(669,844)
Library Materials and Collections	(3,984)	(373)	-	338	(4,019)
Other Capital Assets	(36,635)	(28)	-	-	(36,663)
Infrastructure	(5,411,155)	(293,738)	-	-	(5,704,893)
Total Accumulated Depreciation	(7,778,766)	(505,792)	-	43,778	(8,240,780)
Total Capital Assets Being Depreciated, net	9,856,574	(396,978)	526,063	78,024	10,063,683
TOTAL GOVERNMENTAL ACTIVITIES	12,596,264	408,770	-	64,562	13,069,596
BUSINESS-TYPE ACTIVITIES:					
Capital Assets Not Being Depreciated:					
Land	656,790	10,562	7,150	49,120	723,622
Land Improvements	17,041	-	-	-	17,041
Collections	33,148	982	-	20	34,150
Construction in Progress (CIP)	1,529,265	774,906	(928,506)	(77,631)	1,298,034
Other Capital Assets	15,461	8,477	-	-	23,938
Infrastructure	98,042	-	522	-	98,564
Total Capital Assets Not Being Depreciated	2,349,747	794,927	(920,834)	(28,491)	2,195,349
Capital Assets Being Depreciated:					
Leasehold and Land Improvements	890,981	84,919	49,853	(788)	1,024,965
Buildings	10,529,004	55,034	572,203	(2,356)	11,153,885
Software	240,501	42,635	15,227	(46,049)	252,314
Vehicles and Equipment	1,331,747	87,847	14,235	(42,094)	1,391,735
Library Materials and Collections	629,100	21,917	-	(2,851)	648,166
Other Capital Assets	3,874	81	-	-	3,955
Infrastructure	1,308,495	964	269,316	(91,403)	1,487,372
Total Capital Assets Being Depreciated	14,933,702	293,397	920,834	(185,541)	15,962,392
Less Accumulated Depreciation:					
Leasehold and Land Improvements	(491,542)	(41,965)	-	617	(532,890)
Buildings	(4,149,512)	(344,853)	-	966	(4,493,399)
Software	(203,910)	(15,092)	-	45,796	(173,206)
Vehicles and Equipment	(990,524)	(93,619)	-	37,346	(1,046,797)
Library Materials and Collections	(495,963)	(24,208)	-	3,160	(517,011)
Other Capital Assets	(2,027)	(130)	-	-	(2,157)
Infrastructure	(128,355)	(26,865)	-	435	(154,785)
Total Accumulated Depreciation	(6,461,833)	(546,732)	-	88,320	(6,920,245)
Total Capital Assets Being Depreciated, net	8,471,869	(253,335)	920,834	(97,221)	9,042,147
TOTAL BUSINESS-TYPE ACTIVITIES	10,821,616	541,592	-	(125,712)	11,237,496
TOTAL CAPITAL ASSETS, NET	$ 23,417,880	$ 950,362	$ -	$ (61,150)	$ 24,307,092

NOTE 6 – DEFINED BENEFIT PENSIONS

Summary of Significant Accounting Policies

The State of Colorado is a participating employer in the State Division Trust Fund ("SDTF") and the Judicial Division Trust Fund ("JDTF"), both cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees' Retirement Association of Colorado ("PERA"). The State of Colorado is also a governmental nonemployer contributing entity in the SDTF, JDTF, School, and Denver Public Schools Division Trust Fund ("DPS") Divisions. In addition, the University of Colorado offers a single-employer, defined benefit Alternate Medicare Payment pension plan to retirees of its Optional Retirement Plan. The net pension liability, deferred outflows of resources, deferred inflows of resources, pension expense, aid to other governments, information about the fiduciary net position, and additions to/deductions from the fiduciary net position of the SDTF, JDTF, School Division, DPS Division, and the Alternate Medicare Payment Plan have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Recent Legislative Changes

Senate Bill (SB) 18-200 entitled *Modifications To PERA Public Employees' Retirement Association To Eliminate Unfunded Liability* requires a direct distribution from the State Treasury to PERA for $225.0 million annually to reduce unfunded PERA liabilities. The direct distributions are to occur until no unfunded actuarial accrued liabilities exist for any PERA Division Trust. PERA allocates the direct distribution to four PERA Division Trusts in proportion with payroll-based contributions.

House Bill (HB) 20-1379, signed by Governor Polis on June 29, 2020, suspended the July 1, 2020 direct distribution for the State's fiscal year ended June 30, 2021. Due to the suspension, the State of Colorado's nonemployer contributing entity's proportion is zero percent. Refer to the sections below on Net Pension Liability and Pension Expense & Aid to Other Governments for information on the effect to the State's financial statements from the zero percent proportionate share for the State of Colorado as a nonemployer contributing entity.

Pursuant to Section 24-51-414 Colorado Revised Statutes (C.R.S.), the annual direct distribution payment from the State of Colorado resumed on July 1, 2021.

General Information about the Pension Plan

Eligible employees of the State of Colorado receive a pension benefit through the SDTF and the JDTF, both cost-sharing multiple-employer defined benefit pension plans administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes, administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. The Colorado General Assembly may amend Colorado State law provisions from time to time. PERA issues a publicly available annual comprehensive financial report (Annual Report) that can be obtained at www.copera.org/investments/pera-financial-reports.

PERA provides retirement, disability, and survivor benefits. Retirement benefits determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at Sections 24-51-602, 604, 1713, and 1714, C.R.S.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the DPS benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit

- $15 times the first 10 years of service credit plus $20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases, the service retirement benefit is limited to 100 percent of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to Section 24-51-413, C.R.S. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SDTF and for the JDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in Section 24-51-413, C.R.S.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. For the SDTF, State Troopers whose disability is caused by an on-the-job injury are immediately eligible to apply for disability benefits and do not have to meet the five years of service credit requirement. For the JDTF, the five-year requirement is not applicable to active judges. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions

Eligible employees and the State are required to contribute to the SDTF at rates established under Section 24-51-401, C.R.S., *et seq.* and Section 24-51-413, C.R.S. Employee and employer contribution rates for the period July 1, 2020 through June 30, 2021 are presented in the following tables:

State Division Trust Fund	July 1, 2020 Through June 30, 2021
Employee contribution (all employees except State Troopers)	10.00%
State Troopers Only	12.00%

Employee contribution rates for the SDTF are expressed as a percentage of salary as defined in Section 24-51-101(42) C.R.S.

The employer contribution requirements for all employees except State Troopers are summarized in the table below:

State Division Trust Fund	July 1, 2020 Through December 31, 2020	January 1, 2021 Through June 30, 2021
Employer contribution rate	10.90%	10.90%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%	(1.02)%
Amount apportioned to the SDTF	9.88%	9.88%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	5.00%	5.00%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.00%	5.00%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	N/A	0.05%
Total employer contribution rate to the SDTF	**19.88%**	**19.93%**

The employer contribution requirements for State Troopers are summarized in the table below:

State Division Trust Fund	July 1, 2020 Through December 31, 2020	January 1, 2021 Through June 30, 2021
Employer contribution rate	13.60%	13.60%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%	(1.02)%
Amount apportioned to the SDTF	12.58%	12.58%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	5.00%	5.00%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.00%	5.00%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	N/A	0.05%
Total employer contribution rate to the SDTF	**22.58%**	**22.63%**

Contribution rates for the SDTF are expressed as a percentage of salary as defined in Section 24-51-101(42), C.R.S.

Eligible employees and the State are required to contribute to the JDTF at rates established under Section 24-51-401 C.R.S., *et seq.* and Section 24-51-413, C.R.S. Employee and employer contribution rates for the period July 1, 2020 through June 30, 2021 are presented in the following tables:

Judicial Division Trust Fund	July 1, 2020 Through June 30, 2021
Employee contribution	15%

Judicial Division Trust Fund	July 1, 2020 Through December 31, 2020	January 1, 2021 Through June 30, 2021
Employer contribution rate	9.41%	9.41%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%	(1.02)%
Amount apportioned to the JDTF	8.39%	8.39%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	3.80%	4.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	3.80%	4.20%
Total employer contribution rate to the JDTF	**15.99%**	**16.79%**

Contribution rates for the JDTF are expressed as a percentage of salary as defined in Section 24-51-101(42), C.R.S.

As specified in Section 24-51-414 C.R.S., the State is required to contribute $225.0 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SDTF and JDTF based on the proportionate amount of annual payroll of those division trust funds to the total annual payroll of each trust to the School Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SDTF and JDTF is considered a nonemployer contribution for financial reporting purposes. As noted above, House Bill (HB) 20-1379 suspended the $225.0 million direct distribution for July 1, 2020 which relates to the State's fiscal year ended June 30, 2021.

Employer contributions are recognized by the SDTF and by the JDTF in the period in which the compensation becomes payable to the member and the State is statutorily committed to pay the contributions to the SDTF and to the JDTF. Employer contributions made by the State to the SDTF and to the JDTF were $626.0 million and $8.5 million, respectively, for the year ended June 30, 2021.

Net Pension Liability

The net pension liability for the SDTF and for the JDTF were measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. The State's proportion of the net pension liability of the SDTF and of the JDTF is based on the State's contributions to the SDTF and to the JDTF for calendar year 2020 relative to the total contributions of all participating employers and the nonemployer contributions made by the State to the SDTF and to the JDTF.

The State reports a net pension liability in accordance with the requirements of GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions* using the Schedule of Employer and Nonemployer Allocations and Schedule of Collective Pension Amounts published by PERA. The Schedule of Employer and Nonemployer Allocations for PERA's fiscal year ended December 31, 2020 reports a proportionate share of zero percent for the State of Colorado as a nonemployer contributing entity due to the suspension of the July 1, 2020 direct distribution payment. The zero percent proportionate share resulted in no liability attributable to employees of other governments at June 30, 2021 as well as no proportionate share of collective pension expense for the fiscal year ended June 30, 2021. Pursuant to Section 24-51-414 C.R.S., the direct distribution payment from the State of Colorado recommenced on July 1, 2021 and the State will resume reporting a component of its net pension liability attributable to employees of other governments for its fiscal year ending June 30, 2022. Refer to the last four tables in Note RSI-2 for historical information on the State of Colorado's proportionate share of collective pension amounts as a nonemployer contributing entity. Historical information on the collective pension amounts is available in the Required Supplementary Information section of PERA's Annual Comprehensive Financial Report available at https://www.copera.org/investments/pera-financial-reports.

For purposes of GASB 68 paragraph 15, a circumstance continues to exist in which a nonemployer contributing entity is legally responsible for making contributions to the State, Judicial, School and DPS Division Trust Funds and is considered to meet the definition of a special funding situation.

At June 30, 2021, the State reported a total liability of $9.1 billion for its proportionate share of the net pension liability. The amounts recognized by the State for its proportionate share of the net pension liability are as follows:

(Amounts in thousands)	PERA Division Trust Fund				
Proportionate share of the net pension liability attributable to:	State	Judicial	School	DPS	Total
State's own employees	$ 9,066,999	$ 57,929	-	-	$ 9,124,928
Employees of other governments	-	-	-	-	-
Total	$ 9,066,999	$ 57,929	$ -	$ -	$ 9,124,928

Proportionate Share

The State's proportions at December 31, 2019, December 31, 2020, and how the proportions increased or decreased are presented in the following table:

As a Participating Employer			
	Proportionate Share		
PERA Division	12/31/2019	12/31/2020	Increase (Decrease)
State	95.49%	95.60%	0.11%
Judicial	94.28%	93.49%	-0.79%

As a Governmental Nonemployer Contributing Entity			
	Proportionate Share		
PERA Division	12/31/2019	12/31/2020	Decrease
State	0.51%	0.00%	-0.51%
Judicial	0.64%	0.00%	-0.64%
School	11.26%	0.00%	-11.26%
DPS	30.71%	0.00%	-30.71%

Pension Expense & Aid to Other Governments

For the year ended June 30, 2021, the State recognized pension expense for its own employees and expense to aid other governments related to support provided by the State as a governmental nonemployer contributing entity. The components of expense are presented in the following table.

	PERA Division Trust Fund				
(Amounts in thousands)	State	Judicial	School	DPS	Total
Pension expense	$ (1,880,214)	$ (15,026)	-	-	$ (1,895,240)
Aid to other governments*	1,706	37	74,647	3,373	79,763
Total	$ (1,878,508)	$ (14,989)	$ 74,647	$ 3,373	$ (1,815,477)

* Amortization of employer-level deferrals only. Due to the suspension of the PERA direct distribution in Fiscal Year 2021, this does not include amounts for a proportionate share of collective pension expense since the proportionate share was zero.

Deferred Outflows of Resources and Deferred Inflows of Resources

The State participates in the SDTF and the JDTF as both an employer and as a governmental nonemployer contributing entity. The following tables therefore segregate deferred outflows of resources and deferred inflows of resources between balances related to the State's own employees and balances related to employees of other governments. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

State Division Trust Fund

	Deferred Outflows of Resources Related to		Deferred Inflows of Resources Related to	
(Amounts in thousands)	State's Own Employees	Employees of Other Governments	State's Own Employees	Employees of Other Governments
Difference between expected and actual experience	$ 224,071	$ -	$ -	$ -
Changes of assumptions or other inputs	615,665	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	1,855,773	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	246,008	-	236,216	43,694
Contributions subsequent to the measurement date	311,594	-	-	-
Total	$ 1,397,338	$ -	$ 2,091,989	$ 43,694

Deferred outflows of resources of $311.6 million related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	(Amounts in thousands)
2022	(83,239)
2023	(44,866)
2024	(630,940)
2025	(290,830)

Judicial Division Trust Fund

(Amounts in thousands)	Deferred Outflows of Resources Related to		Deferred Inflows of Resources Related to	
	State's Own Employees	Employees of Other Governments	State's Own Employees	Employees of Other Governments
Difference between expected and actual experience	$ 12,722	$ -	$ -	$ -
Changes of assumptions or other inputs	671	-	39,662	-
Net difference between projected and actual earnings on pension plan investments	-	-	41,646	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	322	676	1,397	1,025
Contributions subsequent to the measurement date	4,322	-	-	-
Total	$ 18,037	$ 676	$ 82,705	$ 1,025

Deferred outflows of resources of $4.3 million related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	(Amounts in thousands)
2022	(28,636)
2023	(23,208)
2024	(11,960)
2025	(5,535)

School & Denver Public Schools Division Trust Funds

The State participates in the School Division Trust Fund and the Denver Public Schools (DPS) Division Trust Fund as a governmental nonemployer contributing entity. Therefore, the deferred outflows of resources and deferred inflows of resources associated with the School and DPS Divisions relate only to employees of other governments.

School & DPS Division Trust Funds

(Amounts in thousands)	Deferred Outflows of Resources		Deferred Inflows of Resources	
	School Division	DPS Division	School Division	DPS Division
Difference between expected and actual experience	$ -	$ -	$ -	$ -
Changes of assumptions or other inputs	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	497,435	114,418	1,880,940	191,135
Total	$ 497,435	$ 114,418	$ 1,880,940	$ 191,135

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as expense to aid other governments as follows:

Year ended June 30:	(Amounts in thousands)
2022	(253,558)
2023	(747,680)
2024	(458,984)

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	State Division Trust Fund	Judicial Division Trust Fund	School Division Trust Fund	DPS Division Trust Fund
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Price inflation	2.40 percent	2.40 percent	2.40 percent	2.40 percent
Real wage growth	1.10 percent	1.10 percent	1.10 percent	1.10 percent
Wage inflation	3.50 precent	3.50 precent	3.50 precent	3.50 precent
Salary increases, including wage inflation	3.50 - 9.17 percent	4.00 - 5.00 percent	3.50 - 9.70 percent	3.50 - 9.70 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent	7.25 percent	7.25 percent	7.25 percent
Discount rate	7.25 percent	7.25 percent	7.25 percent	7.25 percent
Post-retirement benefit increases:				
PERA benefit structure hired prior to 1/1/07	1.25 percent	1.25 percent	1.25 percent	1.25 percent
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve	Financed by the Annual Increase Reserve	Financed by the Annual Increase Reserve	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor for the SDTF and a 93 percent factor for JDTF, School, and DPS Divisions applied to rates for ages less than 80, a 108 percent factor for the SDTF and a 113 percent factor for the JDTF, School, and DPS Divisions applied to rates for ages 80 and above, and further adjustments for credibility.

- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor for the SDTF and a 68 percent factor for the JDTF, School, and DPS Divisions applied to rates for ages less than 80, a 109 percent factor for the SDTF and a 106 percent factor for the JDTF, School, and DPS Divisions applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020.

	State Division Trust Fund	Judicial Division Trust Fund	School Division Trust Fund	DPS Division Trust Fund
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Price inflation	2.30 percent	2.30 percent	2.30 percent	2.30 percent
Real wage growth	0.70 percent	0.70 percent	0.70 percent	0.70 percent
Wage inflation	3.00 precent	3.00 precent	3.00 precent	3.00 precent
Salary increases, including wage inflation	3.50 - 10.90 percent	2.80 - 5.30 percent	3.40 - 11.00 percent	3.80 - 11.50 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent	7.25 percent	7.25 percent	7.25 percent
Discount rate	7.25 percent	7.25 percent	7.25 percent	7.25 percent
Post-retirement benefit increases:				
PERA benefit structure hired prior to 1/1/07	1.25 percent	1.25 percent	1.25 percent	1.25 percent
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve	Financed by the Annual Increase Reserve	Financed by the Annual Increase Reserve	Financed by the Annual Increase Reserve

Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Pre-retirement mortality assumptions for Members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for Members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a benefit-weighted basis.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.

- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors were considered in evaluating the long-term rate of return assumption for the SDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	**100.00%**	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225.0 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the $225.0 million (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the fiduciary net position of the SDTF, JDTF, and the School Division were projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the net pension liability to changes in the discount rate

The following table presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

(Amount in thousands)	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
	Proportionate Share of the Net Pension Liability		
State Division Trust Fund	$ 11,995,907	$ 9,066,999	$ 6,607,774
Judicial Division Trust Fund	103,919	57,929	18,530
School Division Trust Fund	-	-	-
DPS Division Trust Fund	-	-	-

Pension plan fiduciary net position. Detailed information about the SDTF's fiduciary net position is available in PERA's Annual Report which can be obtained at: www.copera.org/investments/pera-financial-reports.

Payables to the PERA Defined Benefit Pension Plan

A short-term payable of approximately $2.9 million existed at June 30, 2021 for employer and employee contributions due to PERA. C.R.S. 24-51-401 requires employer, employee, and retiree contributions be remitted to PERA within five days after the date the members and retirees are paid. PERA Rule 4.10-A specifies that employers are responsible for payment of interest computed on a daily rate for contributions not remitted timely.

Alternate Medicare Payment

Plan description. The University of Colorado offers an Alternate Medicare Payment (AMP) to retirees of the University of Colorado Optional Retirement Plan (ORP) participating in Medicare as an alternative to healthcare coverage provided under the University OPEB Plan (University OPEB). The AMP is a single- employer, defined benefit, pension plan established by the University who also administers and has the authority to amend benefits (e.g., ad hoc postemployment benefit changes). No assets are accumulated in a trust as the University funds the AMP on a pay-as-you-go basis. No stand-alone financial report is issued, and the AMP is not included in the report of a public employee retirement system.

Benefits. A participant must be in a benefits-eligible position at 50 percent or greater appointment immediately preceding retirement and have met the required number of service years. Only ORP retirees participating in Medicare are eligible to receive AMP benefits. The AMP is available to the employee and eligible spouse/same gender domestic partner. AMP benefits are not provided for dependent children. The AMP is non-contributory for the retiree and provides a monthly, non-salary dependent, cash payment to offset healthcare-related costs. As the monthly cash payments are not restricted as to use, they are considered a pension benefit rather than OPEB. Since the AMP's inception, monthly cash payments have been $154 for a retiree, $262 for a retiree plus spouse/same gender domestic partner, and $108 for a surviving spouse.

Employees Covered by Benefit Terms. The actuarial valuation was based on census data as of March 1, 2019. Table below is a summary of the employees covered by the benefit terms used in the valuation.

Employees Covered by AMP's Benefit Terms

Active employees	13,619
Retirees and beneficiaries currently receiving benefit payments	685
Retirees and beneficiaries entitled to but not yet receiving benefit payments	214
Total	**14,518**

Total Pension Liability. The AMP's total pension liability at June 30, 2021 of $119.8 million was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date. The University contributed $1.8 million for the year ended June 30, 2021.

Actuarial Assumptions and Other inputs. The AMP's total pension liability in the June 30, 2020 actuarial valuation was determined using the actuarial assumptions and other inputs in Table below, applied to all periods included in the measurement, unless otherwise specified.

AMP's Actuarial Assumptions and Other Inputs

Actuarial cost method	Entry age
Inflation rate	2.50%
Salary increases	PERA's 12/31/2020 assumption for the State Division (Non-Troopers)
Discount rate	2.20%
Benefit cost trend rate	2.50%

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

Mortality rates were based upon the PUB-2010 Amounts-Weighted Teachers Classification Table for Employees with generational projection using Scale MP-2020.

With the exception of the mortality assumption, the demographic assumptions are based upon Colorado PERA's "Experience Study for the Four Year Period Ending December 31, 2015" for the State Division (Non-Troopers).
Changes in the Total Pension Liability. Table below details the changes in the AMP's total pension liability during Fiscal Year 2021.

Reconciliation of AMP's Total Pension Liability
(*in thousands*)

	Fiscal Year Ending June 30, 2021
Total pension liability, beginning of year	$90,199
Changes recognized for the fiscal year:	
Service cost	4,854
Interest on total AMP liability	3,295
Differences between expected and actual experience	(124)
Changes of assumption	23,408
Estimated benefit payments	(1,828)
Net changes	29,605
Total pension liability, end of year	$119,804

Sensitivity of the total pension liability to changes in the discount rate. The following table presents the total pension liability of the AMP, as well as what the AMP's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

Sensitivity of AMP's Total Pension Liability to Changes in the Discount Rate ***(in thousands)***

	1% Decrease	Discount Rate	1% Increase
Fiscal year ended	1.20%	2.20%	3.20%
June 30, 2021	145,137	119,804	100,082

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension. The University recognized $12.1 million of pension expense for the AMP in Fiscal Years 2021. The following table presents the AMP's deferred outflows of resources and deferred inflows of resources related to pension from the following sources as of June 30, 2021.

AMP Deferred Outflows and Inflows of Resources ***(in thousands)***

	Deferred Outflows	Deferred Inflows
Changes in Assumptions	32,015	1,684
Differences between expected and actual experience	-	4,942
Benefit payments subsequent to the measurement date	1,819	-
Total	33,834	6,626

The $1.8 million reported as deferred outflows of resources as of June 30, 2021, resulting from benefit payments subsequent to the measurement date, will be recognized as a reduction to the AMP's total pension liability in the year ended June 30, 2022.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as summarized in table below.

Future Amortization of AMP's Deferred Outflows of Resources and Inflows of Resources ***(in thousands)***		
Years ending June 30:		
2022	$	3,950
2023		3,950
2024		3,950
2025		3,310
2026		3,050
2027-2029		7,179
Total	$	25,389

The following table lists the amortization bases included in the AMP's deferred outflows and inflows of resources as of June 30, 2021.

Amortization of AMP Deferred Outflows of Resources and Deferred Inflows of Resources ***(in thousands)***

		Period		Balance		Annual
Date Established	Type of Base	Original	Remaining	Original	Remaining	Amortization
July 1, 2016	Differences between expected and actual experience	8.5	3.5	$ (101)	(41)	(12)
July 1, 2016	Changes in assumptions	8.5	3.5	10,999	4,529	1,294
July 1, 2017	Differences between expected and actual experience	8.5	4.5	(3,377)	(1,789)	(397)
July 1, 2017	Changes in assumptions	8.5	4.5	(3,180)	(1,684)	(374)
July 1, 2018	Differences between expected and actual experience	8.3	5.3	(109)	(70)	(13)
July 1, 2018	Changes in assumptions	8.3	5.3	4,940	3,155	595
July 1, 2019	Differences between expected and actual experience	8.3	6.3	(3,865)	(2,933)	(466)
July 1, 2019	Changes in assumptions	8.3	6.3	4,845	3,677	584
July 1, 2020	Differences between expected and actual experience	8.5	7.5	(124)	(109)	(15)
July 1, 2020	Changes in assumptions	8.5	7.5	23,408	20,654	2,754
				Total	**$ 25,389**	**$ 3,950**

NOTE 7 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLANS

Summary of OPEB Plans

The State of Colorado participates in the following OPEB plans:

- PERA Health Care Trust Fund (HCTF) OPEB
- University of Colorado Healthcare and Life Insurance Subsidy
- Colorado State University OPEB
    - Retiree Medical Premium Refund Plan for DCP Participants
    - Retiree Medical Premium Subsidy for PERA Participants
    - Retiree Umbrella Rx Plan for PERA Participants
    - Long-Term Disability Plan

Disclosures provided in this note are applicable to the PERA Health Care Trust Fund (HCTF) OPEB and to the University of Colorado OPEB.

PERA Health Care Trust Fund OPEB

Summary of Significant Accounting Policies
The State of Colorado participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan
Eligible employees of the State are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues an Annual Comprehensive Financial Report available at: www.copera.org/investments/pera-financial-reports.

Benefits Provided
The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure

The maximum service-based premium subsidy is $230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum $230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions

Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the State is statutorily committed to pay the contributions. Contributions made by the State and allocated to the HCTF for purposes of financial reporting were $31.4 million for the year ended June 30, 2021.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

At June 30, 2021 the State reported a liability of $313.2 million for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The State's proportion of the net OPEB liability is based on contributions to the HCTF from the State for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the State's proportion was 32.96 percent, which was an increase of 0.21 percent from its proportion measured as of December 31, 2019.

For the fiscal year ended June 30, 2021, the State recognized OPEB expense of $6.0 million. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

(Amounts in thousands)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 831	$ 68,859
Changes of assumptions or other inputs	2,340	19,206
Net difference between projected and actual earnings on pension plan investments	-	12,798
Changes in proportion and differences between contributions recognized and proportionate share of contributions	16,152	20,846
Contributions subsequent to the measurement date	15,600	-
Total	$ 34,923	$ 121,709

$15.6 million reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	(Amounts in thousands)
2022	$ (24,316)
2023	(22,525)
2024	(24,731)
2025	(22,531)
2026	(7,789)
Thereafter	(494)

Actuarial Assumptions

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	8.10 percent in 2020, gradually decreasing to 4.50 percent in 2029
Medicare Part A premiums	3.50 percent in 2020, gradually increasing to 4.50 percent in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2020 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Medicare Advantage/Self-Insured Prescription	$588	$227
Kaiser Permanente Medicare Advantage HMO	$621	$232

The 2020 Medicare Part A premium is $458 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Medicare Advantage/Self-Insured Prescription	$550
Kaiser Permanente Medicare Advantage HMO	$586

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates.

Effective December 31, 2019, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2020	8.10%	3.50%
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

Post-retirement non-disabled mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total OPEB liability from December 31, 2019, to December 31, 2020.

	Trust Fund			
	State Division	**School Division**	**Local Government Division**	**Judicial Division**
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Price inflation	2.30%	2.30%	2.30%	2.30%
Real wage growth	0.70%	0.70%	0.70%	0.70%
Wage inflation	3.00%	3.00%	3.00%	3.00%
Salary increases, including wage inflation:				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40%*	N/A

* C.R.S. § 24-51-101 (46), as amended, expanded the definition of "State Troopers" to include certain employees within the Local Government Division, effective January 1, 2020. See Note 4 of the Notes to the Financial Statements in PERA's 2020 Annual Report for more information.

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions were 7.25 percent.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Mortality assumptions used in the roll forward calculations for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the roll forward calculation for the HCTF, using a headcount-weighted basis.

Pre-retirement mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

The pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

- Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

- Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.

- Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a head-count weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.

- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	**100.00%**	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Sensitivity to Changes in Health Care Cost Trend Rates

The following table presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

Sensitivity - Health Care Cost Trend Rates

(Amounts in thousands)	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A	2.50%	3.50%	4.50%
Ultimate Medicare Part A	3.50%	4.50%	5.50%
Net OPEB Liability	$305,117	$313,213	$322,637

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity to Changes in the Discount Rate
The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

Sensitivity - Discount rate

(Amount in thousands)	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	$ 358,791	$ 313,213	$ 274,270

OPEB plan fiduciary net position. Detailed information about the HCTF's fiduciary net position is available in PERA's Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

Payables to the PERA Health Care Trust OPEB Plan

A short-term payable of approximately $144.2 thousand existed at June 30, 2021 for employer and employee contributions due to PERA. Section 24-51-401(1.7)(a)(I), C.R.S. requires employer, employee, and retiree contributions be remitted to PERA within five days after the date the members and retirees are paid. PERA Rule 4.10-A specifies that employers are responsible for payment of interest computed on a daily rate for contributions not remitted timely.

University of Colorado Healthcare and Life Insurance Subsidy (University OPEB)

Plan description. University OPEB provides OPEB for University employees who participate in either the University of Colorado Optional Retirement Plan (ORP) or the University of Colorado PERA Retirement Plans (PERA). University OPEB is a single-employer, defined benefit, OPEB plan administered by the University, and established by the Regents (Regent Policy 11.F Benefits) who have the authority to amend plan provisions. No assets are accumulated in a trust that meets the criteria established in GAAP, as the University funds University OPEB on a pay-as-you-go basis. No stand-alone financial report is issued, and University OPEB is not included in the report of a public employee retirement system.

Benefits. The University subsidizes a portion of healthcare and life insurance premiums for retirees on a pay-as-you-go basis. All employees in a benefit-eligible position at 50 percent or greater appointment immediately preceding retirement are eligible to participate based on age and years of service. Spouses/partners, surviving spouses/partners, and dependents are eligible for benefits. The University specifies the maximum amount that it will contribute towards retiree healthcare benefits at the beginning of each coverage period. The retiree is required to make up the difference between the total cost and the amount contributed by the University. Benefits are not dependent on salary. For non-Medicare retirees, the subsidy for medical plans ranges from $610 per month to $1,763 per month depending on the number of individuals covered. For Medicare retirees, the subsidy ranges from $716 per month to $1,030 per month depending on the number of individuals covered. For dental plans, the subsidy ranges from $0 per month to $58 per month. The amount of life insurance offered is the lesser of 25 percent of the employee's pre-retirement benefit or $3,000. It is assumed for purposes of this report that everyone is eligible for the maximum life insurance benefit of $3,000.

For ORP retirees, normal retirement benefits are available at age 55 with 20 years of service. Early retirement benefits begin at age 55 with 15 years of service. For PERA retirees, normal retirement benefits begin at 20 years of service and the individual must meet requirements as defined by PERA. The individual must retire with PERA concurrent with or prior to retirement from the University. Early retirement is available with fewer than 20 years of service. Healthcare benefits for PERA retirees cease at age 65. Following the death of an active employee, the surviving spouse receives 100 percent of the University contribution for a period of two years. After two years, the surviving spouse receives the portion of the University contribution that the employee earned immediately prior to death.

The percentage of the University contribution the retiree receives is based on the retiree's years of service at retirement divided by the required number of years of service. Enrollment in University OPEB is voluntary. University and participant payments for healthcare benefits are paid to the University of Colorado Health and Welfare Trust which is responsible for administration of healthcare benefits. The University contributed $14.4 million for the fiscal year ended June 30, 2021.

Employees Covered by Benefit Terms. The actuarial valuation was based on census data as of March 1, 2019. The following table presents a summary of the employees covered by the benefit terms used in the valuation.

	Healthcare		Life Insurance	
	ORP	**PERA**	**ORP**	**PERA**
Active employees	13,619	5,085	14,973	5,533
Retirees and beneficiaries	1,380	646	1,910	3,060
Total	**14,999**	**5,731**	**16,883**	**8,593**

Total OPEB Liability. The University OPEB's total OPEB liability at June 30, 2021 of $941.6 million was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the actuarial assumptions and other inputs in the following table, applied to all periods included in the measurement, unless otherwise specified.

University OPEB's Actuarial Assumptions and Other Inputs	
Actuarial cost method	Entry age
Salary increases	PERA's 12/31/2020 assumption for the State Division (Non-Troopers)
Discount rate	2.2% at 6/30/2020 measurement date
	3.5% at 6/30/2019 measurement date

Healthcare Cost Trend Rates:

	Non-Medicare			Medicare		
Year	Medical	Rx	Contributions	Medical	Rx	Contributions
2019-2020	6.0%	9.0%	6.7%	4.9%	9.0%	7.6%
2020-2021	5.8%	8.5%	6.4%	4.9%	8.5%	7.3%
2021-2022	5.6%	8.0%	6.2%	4.8%	8.0%	7.0%
2022-2023	5.4%	7.5%	5.9%	4.8%	7.5%	6.7%
2023-2024	5.3%	7.0%	5.7%	4.7%	7.0%	6.3%
2024-2025	5.1%	6.5%	5.5%	4.7%	6.5%	6.0%
2025-2026	5.0%	6.0%	5.2%	4.6%	6.0%	5.6%
2026-2027	4.8%	5.5%	5.0%	4.6%	5.5%	5.2%
2027-2028	4.7%	5.0%	4.7%	4.5%	5.0%	4.9%
2028-2029+	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%

Dental trend rate 4.50% in all years.

Administrative expense trend rate is 3.00% in all years.

Retirees' Share of Benefit Related Costs:

Plan	Retiree Only	Retiree and Spouse or Partner
Kaiser Medical	$ 109.00	$ 296.50
Exclusive Medical	$ 50.50	$ 184.50
High Deductible Medical	$ -	$ 15.00
Medicare Primary Medical	$ 41.31	$ 207.30
Essential Dental	$ -	$ 16.50
Choice Dental	$ 17.00	$ 51.50
Premier Dental	$ 46.50	$ 82.50

The discount rate was based upon the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

Mortality rates were based upon the PubT.H-2010 – Healthy Retiree Table for Males or Females, as appropriate, with generational projection using Scale MP-2020.

With the exception of the mortality assumption, the demographic assumptions are based upon Colorado PERA's "Experience Study for the Four Year Period Ending December 31, 2015" for the State Division (Non-Troopers).

Changes in the Total OPEB Liability. The following table details the changes in the University's total OPEB plan liability during fiscal year 2021.

Reconciliation of University OPEB's Total OPEB Liability *(in thousands)*

	Total OPEB Liability
Balance recognized at June 30, 2020	$ 712,892
Changes recognized for the fiscal year:	
Services cost	49,138
Interest on total OPEB liability	26,392
Differences between expected and actual experience	287
Changes of assumption	168,948
Benefit payments	(16,062)
Net changes	228,703
Balance recognized at June 30, 2021	$ 941,595

Changes of assumptions and other inputs reflect:

- Discount rate changed from 3.50 percent to 2.20 percent.

- Mortality table was updated from PUB-2010 “Teachers” table with generational projection using Scale PM-2019 to the PUB-2010 “Teachers” table with generational projection using Scale MP-2020.

Sensitivity of the total OPEB liability to changes in the discount rate. The following table presents the total OPEB liability of the University OPEB, as well as what University OPEB’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate for the fiscal year ended June 30, 2021.

Sensitivity of University OPEB's Total OPEB Liability to Changes in the Discount Rate (in thousands)

Fiscal year ended	1% Decrease 1.20%	Discount Rate 2.20%	1% Increase 3.20%
June 30, 2021	1,122,721	941,595	799,768

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following table presents the total OPEB liability of the University OPEB, as well as what the University OPEB’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates for the fiscal year ended June 30, 2021.

Sensitivity of University OPEB's Total OPEB Liability to Changes in the Healthcare Cost Trend Rate (in thousands)

Fiscal year ended	1% Decrease	Trend Rate	1% Increase
June 30, 2021	770,782	941,595	1,169,982

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. The University recognized $56.8 million in OPEB expense for the University OPEB Plan in fiscal year 2021. There are no assets accumulating in trust for the University OPEB plan. The following table illustrates the deferred outflows and inflows of resources from various sources as of June 30, 2021.

University OPEB's Deferred Outflows and Inflows of Resources *(in thousands)*

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	250	193,066
Changes in Assumptions	171,257	21,322
Contributions subsequent to the measurement date	14,407	-
Total	185,914	214,388

The $14.4 million reported as deferred outflows of resources as of June 30, 2021, resulting from contributions subsequent to the measurement date, will be recognized as a reduction to the University’s OPEB liability in the year ending June 30, 2022.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as shown in the following table.

Future Amortization of University OPEB's Deferred Outflows of Resources and Inflows of Resources (in thousands)		
Years ending June 30:		
2022	$	(18,681)
2023		(18,681)
2024		(18,681)
2025		(7,813)
2026		(2,846)
2027-2028		23,821
Total	$	(42,881)

Amortization bases included in the University's OPEB deferred outflows and inflows of resources as of June 30, 2021 are presented in the following table.

Amortization of University OPEB's Deferred Outflows of Resources and Deferred Inflows of Resources *(in thousands)*

Date Established	Type of Base	Period Original	Period Remaining		Balance Original		Balance Remaining		Annual Amortization
July 1, 2017	Differences between expected and actual experience	7.4	3.4	$	(87,654)		(40,274)		(11,845)
July 1, 2017	Changes in assumptions	7.4	3.4		(46,406)		(21,322)		(6,271)
July 1, 2018	Differences between expected and actual experience	7.5	4.5		(1,728)		(1,038)		(230)
July 1, 2018	Changes in assumptions	7.5	4.5		35,919		21,552		4,789
July 1, 2019	Differences between expected and actual experience	7.5	5.5		(209,938)		(151,754)		(27,592)
July 1, 2019	Changes in assumptions	7.5	5.5		3,678		2,698		490
July 1, 2020	Differences between expected and actual experience	7.7	6.7		287		250		37
July 1, 2020	Changes in assumptions	7.7	6.7		168,948		147,007		21,941
					Total	$	(42,881)	$	(18,681)

NOTE 8 – OTHER EMPLOYEE BENEFITS

A. MEDICAL AND DISABILITY BENEFITS

The Group Benefit Plans Fund is a Pension and Other Employee Benefits Trust Fund established for the purpose of risk financing employee and state-official medical claims. The fund includes several medical plan options ranging from provider of choice to managed care. The State uses a self-funded approach for certain employee and state-official medical claims. The State's contribution to the premium is subject to appropriation by the legislature each year, and State employees pay the difference between the State's contribution and the premium required to meet actuarial estimates. Since the amount of the State contribution is at the discretion of the legislature, employees ultimately bear the risk of funding the benefit plans.

The premiums, which are based on actuarial analysis, are intended to cover claims, reserves, third party administrator fees, stop-loss premiums and other external administration costs (such as COBRA and case management). Premiums also include a fee to offset the internal costs of administering the plan. Internal costs include developing plan offerings, maintaining the online benefits system, and communicating benefit provisions to employees. Employee healthcare premiums are allowed on a pretax basis under the State's Salary Reduction Plan Document. Effective July 1, 2013, premiums also included a fee to implement a statewide wellness program. During Fiscal Year 2020, covered employees who elected to participate in the wellness plan received a monthly health insurance premium credit of $20 depending on the level of participation.

The Group Benefit Plans short-term disability program provides an employee with 60 percent of their pay beginning after 30 days of disability or exhausting their sick leave balance, whichever is later. This benefit expires six months after the beginning of the disability.

For the fiscal year ended June 30, 2021, the State offered two statewide, self-funded PPO options administered by Cigna and two regional, fully-insured HMO options administered by Kaiser Permanente. Two of these medical options were HSA-qualified high-deductible health plans (HDHPs). Two statewide, dental PPO options administered by Delta Dental were also offered.

The Public Employees Retirement Association (PERA) covers short-term disability claims for State employees eligible under its retirement plan (see Note 6). The Group Benefit Plans Fund provides short-term disability coverage for employees not yet qualified for the retirement plan and secondary benefits for employees also covered under the PERA short-term disability plan.

B. DEFINED CONTRIBUTION RETIREMENT PLANS

Defined Contribution Retirement Plan (PERA DC Plan)

Plan Description – Employees of the State of Colorado that were hired on or after January 1, 2006 , and employees of certain community colleges that were hired on or after January 1, 2008, which were eligible to participate in the SDTF, a cost-sharing multiple-employer defined benefit pension plan, have the option to participate in the SDTF or the Defined Contribution Retirement Plan (PERA DC Plan). Pursuant to C.R.S. § 24-51-1501(4), the PERA DC Plan eligibility was extended to certain new classified employees at State Colleges and Universities beginning on January 1, 2019. The PERA DC Plan is an Internal Revenue Code Section 401(a) governmental profit-sharing defined contribution plan. Title 24, Article 51, Part 15 of the C.R.S., as amended, assigns the authority to establish Plan provisions to the PERA Board of Trustees. The DC Plan is also included in PERA's Annual Report as referred to above.

Funding Policy – All participating employees in the PERA DC Plan, with the exception of State Troopers, are required to contribute 10.00 percent of their PERA-includable salary, and the State of Colorado is required to contribute 10.15 percent of PERA-includable salary on behalf of these employees. All participating State Troopers are required to contribute 12.00 percent of their PERA-includable salary, and the State of Colorado is required to contribute 12.85 percent of PERA-includable salary on behalf of these employees. Additionally, the State of Colorado is required to contribute AED and SAED to the SDTF as follows:

	July 1, 2020 through December 31, 2020	*January 1, 2021 through June 30, 2021*
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 [1]	5.00%	5.00%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 [1]	5.00%	5.00%
Automatic Adjustment Provision (AAP), as specified in C.R.S. § 24-51-413[1]	0.50%	0.50%
Defined Contribution statutory contribution as specified in C.R.S. § 24-51-1505[1]	0.25%	0.25%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	N/A	0.05%
Total employer contribution rate to the SDTF[1]	**10.75%**	**10.80%**

[1]Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Contribution requirements are established under Title 24, Article 51, Section 1505 of the C.R.S., as amended. Participating employees of the PERA DC Plan are immediately vested in their own contributions and investment earnings and are immediately 50 percent vested in the amount of employer contributions made on their behalf. For each full year of participation, vesting of employer contributions increases by 10 percent. Forfeitures are used to pay expenses of the PERA DC Plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the C.R.S. As a result, forfeitures do not reduce pension expense. For the Fiscal Year ending June 30, 2021, the State of Colorado recognized pension expense of $16.8 million for the PERA DC Plan.

University of Colorado - Optional Retirement Plan

Under the University's optional retirement plan (ORP), a 401(a) plan, certain members of the University are required to participate in a defined contribution retirement plan administered by the University for the benefit of full-time faculty and exempt staff members. The State constitution assigns the authority to establish and amend plan provisions to the Regents. The contribution requirements of plan members and the University are established and may be amended by the Regents. Generally, employees are eligible for participation in the ORP upon hire and are vested immediately upon participation.

For the year ended June 30, 2021, the University's contribution to the defined contribution retirement plan was equal to 10 percent of covered payroll, and the employee contribution was equal to 5 percent of covered payroll. The University's contribution under the ORP approximated $170.0 million.

Participants in the University's ORP choose to invest all contributions with one or more of three designated vendors. In addition, participants in the University's ORP are covered under federal Social Security. Federal Social Security regulations require both the employer and employee to contribute a percentage of covered payroll to Social Security.

Colorado State University - University Optional Retirement Plan – The Defined Contribution Plan for Retirement (DCP)

Under the University's optional retirement plan, all Academic Faculty, Administrative Professionals, Post-Doctoral Fellows, Veterinary Interns and Clinical Psychology Interns appointed on or after April 1, 1993, are required as a condition of employment under Colorado law to participate in either the University's Defined Contribution Plan (DCP) for Retirement or, in very limited cases, in the PERA Defined Benefit plan (as eligibility permits). DCP participants may select from three investment companies as follows:

- Fidelity Investments / MetLife (eligible Faculty/Staff at CSU-Pueblo do not have access to this investment company)

- Teachers Insurance and Annuity Association (TIAA)

- AIG Retirement Services (AIG)

The defined contribution retirement plans are established pursuant to state statute (24 54.5 101 to 24 54.5 107 C.R.S.). The CSU plan was adopted by the Board of Governors in December 1992 and the CSU-Pueblo plan was adopted in April 1993. The Defined Contribution Retirement Plan is a qualified plan under Section 401(a) of the IRC. CSU and CSU-Pueblo are the Plan Sponsors. All participants contribute the required eight percent of eligible salary. As required, CSU provides a matching contribution of 12.0 percent of eligible salary for all “permanent” appointees (those with regular, special and senior teaching appointments at half time or greater) and for temporary appointees with appointments of half time or greater for the second and subsequent consecutive year(s). CSU-Pueblo provides a matching contribution of 11.1 percent, as required, of eligible salary for all nonstudent employees, including those employees at less than half time and nonstudent temporary, hourly employees. Both employee and employer contributions are vested immediately. Investments are participant directed within the funds available through the authorized investment companies. For the year ended June 30, 2020, the System’s contribution to the defined contribution retirement plan was equal to 11.5 percent of covered payroll, and the employee contribution was equal to 8 percent of covered payroll. The System’s contribution under the ORP approximated $55.2 million during the year ended June 30, 2021.

NOTE 9 – RISK MANAGEMENT

The State currently self-insures its agencies, officials, and employees for certain risks of loss to which they are exposed. These include general liability, motor vehicle liability, and workers' compensation. Per statute, individual Department property claims have a $5,000 deductible per occurrence. Pursuant to the Colorado Governmental Immunity Act, Section 24-10-101 C.R.S,. claims that accrued before January 1, 2018 brought under state law are limited to $350,000 per person, and $990,000 per accident. Claims that accrue after January 1, 2018 and before January 1, 2022 brought under state law are limited to $387,000 per person, and $1,093,000 per accident. The Colorado Governmental Immunity Act requires the Secretary of State to certify adjusted limits for claims that accrue after January 1, 2022 by that date based on the percentage change of the consumer price index over the preceding four years. The Risk Management Fund is reported as a Special Purpose General Fund, and it is used to account for claims adjustment, investigation, defense, and authorization for the settlement and payment of claims or judgments against the State.

Workers compensation losses are self-insured per the Risk Management Act (Section 24-30-1501, C.R.S.); the State has purchased $50.0 million of excess insurance per occurrence ($10.0 million deductible). Property claims are self-insured as well with $450.0 million of property loss insurance ($1,000,000 deductible). The State has also purchased excess liability coverage for automotive liability outside Colorado $5.0 million per occurrence ($2.0 million deductible), and $10.0 million of employee dishonesty and theft loss coverage ($250,000 deductible). Liability settlements have not exceeded insurance coverage in any of the three prior years.

All funds and agencies of the State, except for the University of Colorado, Colorado State University (not including CSU-Pueblo and CSU-Global), the University of Northern Colorado, Colorado School of Mines, Fort Lewis College, Colorado Mesa University, Western State Colorado University, Adams State University and component units participate in the State Risk Management Fund. State agency premiums are based on an assessment of risk exposure and historical claims experience.

Claims are reported in the General Fund in accordance with GASB Interpretation No. 6, and therefore, related liabilities are only reported to the extent that they are due and payable at June 30. On the government-wide statements, risk management liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Those liabilities include an amount for claims that have been incurred but not reported and an adjustment for non-incremental claims expense that is based on current administrative costs as a percentage of current claims and projected to the total actuarial claims estimate.

Because actual claims liabilities depend on complex factors such as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. A contractor completes an actuarial study each year determining both the current and long-term liabilities of the Risk Management Fund.

Colorado employers, including the State, are liable for occupational injuries and diseases of their employees through workers' compensation insurance or self-insurance. Benefits are prescribed by the Workers' Compensation Act of Colorado for medical expenses and loss of wages resulting from job-related injuries. The State is self-insured and uses the services of a third party administrator, CorVel Corporation, to administer its plan. The State reimburses CorVel the current cost of claims paid and related administrative expenses.

From January 1, 2000 through June 30, 2005, the State and its employees purchased insurance for medical claims. Beginning July 1, 2005, the State returned to the self-funding approach (used prior to January 1, 2000) for medical claims except for stop-loss insurance purchased for claims over $500,000 per individual. The State also maintains a fully insured health plan with Kaiser that is separate from the self-funded plan. In Fiscal Year 2021, the State recovered $4.8 million related to the stop-loss insurance claims. The State's contribution to medical premiums is subject to appropriation by the legislature each year, and State employees pay the difference between the State's contribution and the premium required to meet actuarial estimates. Since the amount of the State's contribution is at the discretion of the legislature, employees ultimately bear the risk of funding the benefit plans. The claims and related liabilities are reported in the Group Benefit Plans, a Pension and Other Employee Benefits Trust Fund.

The State recorded approximately $14.1 million of insurance recoveries during Fiscal Year 2021. Of that amount approximately $6.4 million was related to asset impairments that occurred in prior years. The remaining $7.7 million relates to the current year and was primarily recorded by Group Benefits Plans (including the $4.8 million, as noted above), a Pension and Other Employee Benefits Fund, and $2.0 million by Higher Education in the Higher Education Institutions Fund.

The University of Colorado is self-insured for workers' compensation, auto, and general and property liability. The Fund's liabilities are projected on a semi-annual basis by an actuary, Willis Towers Watson. The risks of loss are related to workers' compensation, auto, property and general liability claims. The University has purchased excess insurance to cover losses over its' self-insured retention (SIR), which varies by line of coverage and policy year. The current SIR levels are $500,000 per property claim, $1.5 million per workers' compensation claim, and $1.25 million per general liability claim. Tort claims are subject to the governmental immunity act, and damages are capped for specified areas at $350,000 per person and $990,000 per occurrence. There were no significant reductions in insurance coverage in Fiscal Year 2021 and there were four claims that exceeded coverage in the past three fiscal years: two Property, one General Liability, and one Workers' Compensation.

University of Colorado Anschutz Medical Campus and its faculty and staff are self-insured for medical malpractice liability under the terms of the Colorado Governmental Immunity Act. The University of Colorado Self-Insurance Trust was authorized and established by the Board of Regents under the limits of governmental immunity. For claims outside of governmental immunity, the Trust has purchased a stop-loss policy to cover claims greater than $500,000 per claimant and $1.5 million per occurrence. The policy provides $15.0 million coverage in aggregate annually. There were no reductions of insurance coverage in Fiscal Year 2021. Over the past three years, the plan has collected $141,531 from the stop-loss insurance carrier for settlements in excess of the individual stop-loss insurance coverage.

The University of Colorado Graduate Medical Education (GME) Health Benefits Program is a comprehensive health and dental insurance program for physicians in training at the Anschutz Medical Campus. Coverage includes major medical, outpatient, lab, x-ray, prescriptions and personal psychiatric services for residents plus their immediate family (spouses and children). The plan's exposure to loss results from medical and dental claims filed on behalf of the enrolled members after receiving medical and dental services from qualified health care providers. Excess risk exposure is covered by the purchase of stop-loss insurance, which entitles GME to get reimbursement for claims exceeding $325,000 per individual and per plan year. There were no reductions of insurance coverage in Fiscal Year 2021 for this program. There have been no claims against the aggregate stop-loss insurance in the previous three years; however, the University collected $5.7 million from the stop-loss insurance carrier for individual claims in excess of the threshold over the previous three years. There was a high-cost claimant incurred in Fiscal Year 2020 with a result of $5.1 million in reimbursements. An insurance brokerage firm estimates liabilities of the plan using actuarial methods.

The University of Colorado Denver also self-insures its faculty and staff for medical malpractice through the University of Colorado Self-Insurance Trust, consistent with the limits of governmental immunity. For claims outside of governmental immunity, the Trust has purchased stop-loss insurance to cover claims greater than $500,000 per claimant, $1.5 million per occurrence, and $15.0 million in aggregate annually. The discounted liability for malpractice is determined annually by an actuarial study. There was no significant reduction in insurance coverage in Fiscal

Year 2021, however, the University collected $141,531 from the stop-loss insurance carrier for settlements in excess of the individual stop-loss insurance coverage.

Colorado State University medical, dental, short-term disability, liability and workers' compensation liabilities are based on a calculation using past experience and current data. CSU also purchases re-insurance which covers individual health care claims of more than $350,000 in any plan (calendar) year. The health care plans have reserves that are set by the University based upon the underwriting review by our benefits consultant and our third-party administrator. Workers comp, liability and property liability also have reserve accounts established. CSU instructs an actuarial company to perform an annual actuarial study of CSU's Workers' Compensation and Liability self-insurance programs. CSU is self-insured for liability insurance and carries Excess Public Liability for claims exceeding $500,000 per occurrence. CSU is liable for the first $500,000 and purchases excess liability in the amount of $25.0 million per occurrence in two layers: the first layer of $10.0 million with Brit (Lloyds of London), with a sexual abuse sublimit of $5.0 million, and an additional layer of $10.0 million with Munich RE, and Brit providing an additional layer of $5.0 million. CSU carries excess Workers Compensation. Under this coverage CSU is liable for the first $500,000 and Safety National Casualty Company covers the rest up to Workers' Compensation's statutory limits. CSU carries excess insurance for property insurance with FM Global which provides coverage up to $1.0 billion per occurrence after CSU covers the first $100,000. CSU purchases a standalone Fine Arts/Special Collections policy with limits of $30.0 million. CSU carries Cyber Risk Liability Insurance with Lloyds of London with a liability limit of $10.0 million after the following deductible amounts are met: $250,000 for cyber extortion, and $10,000 for crisis management and public relations. CSU has International Liability Insurance with Great Northern Insurance Company for $1.0 million. CSU carries Non-Owned Aviation Liability Insurance (Non-Owned) with Starr Aviation with a liability limit of $50.0 million after CSU pays the $1,000 deductible for each occurrence. CSU also carries UAV (Unmanned Aerial Vehicles) Liability Insurance with Global Aerospace with a single limit of $1.0 million per occurrence. Insurance policies are reviewed regularly for gaps in coverage, and where appropriate additional coverage may be purchased. In Fiscal Year 2019, additional limits of $1.0 million were purchased for social engineering coverage. As of March 1, 2016, CSU purchased liability, professional liability and pollution liability for all CEMML (Center for Environmental Management of Military Lands) operations, including their prescribed burn operations. This insurance included a primary layer of $2.0 million aggregate, an umbrella layer of $5.0 million, and an excess layer of $5.0 million. Effective October 2017 CSU purchased additional limits of $50.0 million for CEMML operations, including additional responsibility for prescribed burning. There were no significant reductions in insurance coverage in Fiscal Year 2021, and the amount of settlements has not exceeded insurance coverage in any of the three prior fiscal years.

The University of Northern Colorado manages general liability, professional liability, property, automobile, and worker's compensation risks primarily through the purchase of insurance. The University retains a small amount of self-insurance risk from taking over claims previously covered by State risk management from Fiscal Year 2006.

The University of Northern Colorado has purchased $3.0 million of general liability insurance ($0 deductible), $3.0 million of professional liability insurance ($25,000 deductible), $1.0 million of automobile liability ($0 deductible), $3.0 million of errors and omissions insurance ($25,000 deductible), $3.0 million of employment practices liability ($50,000 deductible), $500,000 of workers compensation ($1,000 deductible), $2.0 million umbrella liability with a self-insured retention of $10,000, $3.0 million of employee dishonesty ($25,000 deductible), and $500 million for other property coverage ($50,000 deductible). There were no significant reductions in insurance coverage in Fiscal Year 2021, and the amount of settlements has not exceeded insurance coverage in any of the three prior fiscal years.

Colorado School of Mines manages worker's compensation risks primarily through the purchase of insurance. The University has purchased $500,000 of worker's compensation insurance ($1,000 deductible). Before Fiscal Year 2018, the University was covered under the State's risk management program. There were no significant reductions in insurance coverage in Fiscal Year 2021, and the amount of settlements has not exceeded coverage during the fiscal year.

Colorado School of Mines manages other liability risks through the purchase of insurance. The University purchased $2.0 million of general liability insurance ($0 deductible), $4.0 million of educator's legal liability insurance ($10,000 deductible), $1.0 million of automobile liability ($1,000 deductible), $1.0 million of fiduciary ($10,000 deductible), $4.0 million of employment practices liability ($50,000 deductible), $3.0 million of umbrella liability ($10,000 self-insured retention), $1.0 million of employee dishonesty ($25,000 deductible), $1.1 billion of property ($100,000 deductible), $725,000 of inland marine ($5,000 deductible), $1.0 million of aviation ($0 deductible), $5.0 million of cybersecurity coverage ($50,000 deductible) and $4.0 million of foreign coverage ($0 deductible). Before Fiscal Year 2018, the University was covered under the State's risk management program. There were no significant reductions in insurance coverage in Fiscal Year 2021, and the amount of settlements has not exceeded coverage during the fiscal year.

Fort Lewis College manages worker's compensation risks primarily through the purchase of insurance. The College has purchased $500,000 of worker's compensation insurance ($5,000 deductible). Before Fiscal Year 2011, the College was covered under the State's risk management program. The College retains a small amount of self-insurance risk from taking over claims previously covered by State risk management from Fiscal Year 2010. There were no significant reductions in insurance coverage in Fiscal Year 2021, and the amount of settlements has not exceeded insurance coverage in any of the three prior fiscal years.

Fort Lewis College manages general liability risks primarily through the purchase of insurance. The College has purchased blanket building and personal property insurance of $571.7 million ($10,000 deductible), $2.0 million of general liability ($0 deductible), and $7.0 million of fine arts insurance ($2,500 deductible). The College has also purchased $1.0 million of employee dishonesty insurance ($10,000 deductible). Before Fiscal Year 2012, the College was covered under the State's risk management program. There were no significant reductions in insurance coverage in Fiscal Year 2021 and settlements have not exceeded insurance coverage in any of the prior three fiscal years.

Colorado Mesa University manages worker's compensation risks primarily through the purchase of insurance. The University has purchased $1.0 million of worker's compensation insurance ($5,000 deductible). Before Fiscal Year 2011, the University was covered under the State's risk management program. The University retains a small amount of self-insurance risk from taking over claims previously covered by State risk management from Fiscal Year 2010. There were no significant reductions in insurance coverage in Fiscal Year 2021, and the amount of settlements has not exceeded insurance coverage in the past three fiscal years.

Colorado Mesa University manages general liability risks primarily through the purchase of insurance. The University has purchased $2.0 million of general liability insurance ($1,000 deductible). Before Fiscal Year 2012, the University was covered under the State's risk management program. The University retains a small amount of self-insurance risk from taking over claims previously covered by State risk management from Fiscal Year 2011. There were no significant reductions in insurance coverage in Fiscal Year 2021 and settlements have not exceeded insurance coverage in any of the prior three fiscal years.

Western State Colorado University manages worker's compensation risks primarily through the purchase of insurance. The University has purchased $500,000 of worker's compensation insurance ($500 deductible). Before Fiscal Year 2012, the University was covered under the State's risk management program. The University retains a small amount of self-insurance risk from taking over claims previously covered by State risk management from Fiscal Year 2011. There were no significant reductions in insurance coverage in Fiscal Year 2021 and settlements have not exceeded insurance coverage in any of the prior three fiscal years.

Western State Colorado University manages general liability risks primarily through the purchase of insurance.

The University has purchased general liability insurance of $2.0 million ($1,000 deductible for accidents and acts of nature, $10,000 for loss to property). Before Fiscal Year 2013, the University was covered under the State's risk management program. The University retains a small amount of self-insurance risk from taking over claims previously covered by State risk management from Fiscal Year 2013. There were no significant reductions in insurance coverage in Fiscal Year 2021, and the amount of settlements has not exceeded insurance coverage in any of the prior three fiscal years.

Adams State University manages worker's compensation risks primarily through the purchase of insurance. The University has purchased worker's compensation insurance of $500,000 ($500 deductible). There were no significant reductions in insurance coverage in Fiscal Year 2021 and settlements have not exceeded insurance coverage in any of the prior three fiscal years.

Adams State University manages liability risks primarily through the purchase of insurance. The University has purchased a property policy that will cover the replacement costs of all real or personal property, a $2.0 million aggregate general liability policy ($1,000 deductible), auto, fidelity, and a $10.0 million aggregate umbrella policy. Before Fiscal Year 2012, the University was covered under the State's risk management program. There were no significant reductions in insurance coverage in Fiscal Year 2021 and settlements have not exceeded insurance coverage in any of the prior three fiscal years.

Changes in claims liabilities were as follows:

Changes in Claims Liabilities
(Amounts in Thousands)

Fiscal Year	Liability at July 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability at June 30
State Risk Management:				
Liability Fund				
2020-21	27,954	(6,400)	(3,941)	25,495
2019-20	22,076	12,695	6,817	27,954
2018-19	22,399	4,007	4,330	22,076
Workers' Compensation				
2020-21	104,030	25,262	32,496	96,796
2019-20	118,210	16,170	30,350	104,030
2018-19	126,908	22,011	30,709	118,210
Group Benefit Plans:				
2020-21	22,928	293,995	295,862	21,061
2019-20	20,935	262,537	260,544	22,928
2018-19	18,459	246,177	243,701	20,935
University of Colorado:				
General Liability, Property, and Workers' Compensation				
2020-21	17,621	7,530	6,440	18,711
2019-20	19,308	5,520	7,207	17,621
2018-19	16,769	9,512	6,973	19,308
University of Colorado Denver:				
Graduate Medical Education Health Benefits Program				
2020-21	2,502	13,293	14,119	1,676
2019-20	2,832	10,470	10,800	2,502
2018-19	2,689	13,856	13,713	2,832
Medical Malpractice				
2020-21	10,445	3,636	1,830	12,251
2019-20	10,710	943	1,208	10,445
2018-19	9,767	4,377	3,434	10,710

Changes in Claims Liabilities
(Amounts in Thousands)

(Continued) Fiscal Year	Liability at July 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability at June 30
Colorado State University:				
Medical, Dental, and Disability Benefits and General Liability				
2020-21	37,074	69,799	60,088	46,785
2019-20	34,975	62,265	60,166	37,074
2018-19	30,548	62,504	58,077	34,975
University of Northern Colorado:				
General Liability, Property, and Workers' Compensation				
2020-21	52	77	22	107
2019-20	55	56	59	52
2018-19	78	36	59	55
Colorado School of Mines:				
General Liability, Property, and Workers' Compensation				
2020-21	256	-	-	256
2019-20	256	-	-	256
2018-19	295	-	39	256
Fort Lewis College:				
Workers' Compensation				
2020-21	4	7	4	7
2019-20	6	4	6	4
2018-19	2	4	-	6
General Liability				
2020-21	10	-	10	-
2019-20	11	(1)	-	10
2018-19	-	11	-	11
Colorado Mesa University:				
Workers' Compensation				
2020-21	32	647	574	105
2019-20	52	36	56	32
2018-19	29	42	19	52
General Liability				
2020-21	319	(310)	9	-
2019-20	182	673	536	319
2018-19	36	238	92	182

NOTE 10 – LEASES AND SHORT-TERM DEBT

LEASE COMMITMENTS

Management is authorized to enter lease or rental agreements for buildings and/or equipment. All leases contain clauses stipulating that continuation of the lease is subject to funding by the Legislature. Historically, these leases have been renewed in the normal course of business. Therefore, they are treated as non-cancellable for financial reporting purposes.

At June 30, 2021, the State had the following amounts of assets under capital lease:

	(Amounts in Thousands)		
Gross Capital Assets Under Lease:	Governmental Activities	Business-Type Activities	Total
Buildings	$ 54,936	$ 64,628	$ 119,564
Equipment and Other	290,556	32,678	323,234
Total Capital Assets Under Lease, Gross	345,492	97,306	442,798
Less Accumulated Depreciation:			
Buildings	(24,119)	(10,226)	(34,345)
Equipment and Other	(187,514)	(12,484)	(199,998)
Total Accumulated Depreciation	(211,633)	(22,710)	(234,343)
Total Capital Assets Under Lease, Net	$ 133,859	$ 74,596	$ 208,455

At June 30, 2021, expected future minimum sublease rentals relating to operating leases are $2.1 million for business-type activities, and $156.0 thousand for governmental activities. No future minimum sublease rentals related to capital leases are expected.

During the fiscal year ended June 30, 2021, the State incurred no contingent rentals related to capital and operating leases.

For Fiscal Year 2021, the State recorded building and land rent of $97.1 million for governmental activities, $23.9 million for business-type activities, and $1,449 for fiduciary activities. The State also recorded equipment and vehicle rental expenditures of $25.9 million and $51.0 million for governmental and business-type activities, respectively. The above amounts were payable to entities external to State government and do not include transactions with the State's fleet management program.

The State recorded $3.1 million of capital lease interest costs for governmental activities and $3.1 million for business-type activities in Fiscal Year 2021.

In Fiscal Year 2021, the State entered into approximately $23.7 million of capital leases related to the State's fleet management program, which is reported in an internal service fund that does not report capital lease proceeds.

Future minimum payments at June 30, 2021, for existing leases were as follows:

(Amounts in Thousands)

	Operating Leases		Capital Leases			
			Governmental Activities		Business-Type Activities	
Fiscal Year(s)	Governmental Activities	Business-Type Activities	Principal	Interest	Principal	Interest
2022	$ 56,138	$ 33,570	$ 30,538	$ 3,227	$ 5,984	$ 2,780
2023	48,121	25,659	22,732	2,153	5,656	2,603
2024	43,681	22,861	18,495	1,498	4,148	2,433
2025	37,949	20,461	14,216	1,114	3,473	2,271
2026	28,482	18,070	10,706	783	3,150	2,156
2027 to 2031	44,730	52,596	20,939	1,011	17,476	9,211
2032 to 2036	2,365	6,113	372	11	6,408	7,067
2037 to 2041	639	785	-	-	8,028	5,447
2042 to 2046	561	628	-	-	10,056	3,419
2047 to 2051	61	303	-	-	9,845	935
2052 to 2056	61	113	-	-	-	-
2057 to 2061	61	119	-	-	-	-
Thereafter	577	-	-	-	-	-
Total	$ 263,426	$ 181,278	$ 117,998	$ 9,797	$ 74,224	$ 38,322

SHORT-TERM DEBT

On August 6, 2020, the State Treasurer issued $600.0 million of General Fund Tax Revenue Anticipation Notes (GTRAN), Series 2020A. The notes were due and payable on June 25, 2021, at a coupon rate of 4.000 percent. The total interest related to this issuance was $21.3 million; however, the notes were issued at a premium of $20.3 million, resulting in net interest costs (including the cost of issuance) of $1.3 million and a yield of 0.177 percent. The notes were issued for cash management purposes and were repaid by June 25, 2021, as required by the State Constitution.

Statutes authorize the State Treasurer to issue notes and lend the proceeds to local school districts in anticipation of local school district revenues to be collected at a later time. On August 4, 2020, the State Treasurer issued $410.0 million of Education Loan Program Tax and Revenue Anticipation Notes (ETRAN), Series 2020A. The notes were due and payable on June 29, 2021, at a coupon rate of 3.512 percent. The total interest related to this issuance was $13.0 million; however, the notes were issued at a premium of $12.3 million, resulting in net interest costs (including cost of issuance) of $1.0 million or 0.193 percent. The notes matured on June 29, 2021, and were repaid.

On January 28, 2021, the State Treasurer issued $390.0 million of ETRAN, Series 2020B. The notes were due and payable on June 29, 2021, at a coupon rate of 3.058 percent. The total interest related to this issuance was $5.0 million; however, the notes were issued at a premium of $4.9 million, resulting in net interest costs (including cost of issuance) of $0.2 million or 0.075 percent. The notes matured on June 29, 2021, and were repaid.

On June 5, 2018, the University of Colorado of issued the first tranche of Commercial Paper (CP) in the amount of $40.0 million with a maturity of September 6, 2018. The Commercial Paper program has been used to fund the Imig Music Building, AMC Health Sciences Building and associated basement remodels. The average interest rate of borrowing from inception of the program through fiscal year end was 1.44 percent. In Fiscal Year 2020, $155.7 million of commercial paper was retired with permanent financing. On July 2, 2020, the outstanding balance of $50.0 million was retired with Variable Rate Demand Bond series 2020B1.

On June 20, 2018, the Board of Governors of the Colorado State University System (CSU) authorized the issuance of Commercial Paper Notes (Notes) in the aggregate principal amount not to exceed $50.0 million as part of the Series A (tax-exempt) and Series B (taxable) issuance. The maturity date of any Notes issued may not exceed two hundred and seventy days from the date of issuance and no maturity may be later than March 1, 2037. Pursuant to the Bond Resolution, the obligations are payable solely from net revenues paid in portions by both CSU and CSU-Pueblo, as defined in the bond agreement. The Notes are being used to finance certain projects, as determined by the Board, for any of the campuses for which the Board has spending authority. In May 2019, the Board of Governors of the Colorado State University System approved the first amendment to the twelfth supplemental resolution, increasing the aggregate principal amount authorized to be issued from $50.0 million to $75.0 million. This increase became effective beginning Fiscal Year 2020. As of June 30, 2021, no action has been taken on the authorized increase of $25.0 million.

The following schedule shows the changes in short-term financing for the period ended June 30, 2021:

(Amount in Thousands)

	Beginning Balance July 1	Changes Additions	Changes Reductions	Ending Balance June 30
Governmental Activities:				
Tax Revenue Anticipation Notes	$ -	$ 600,000	$ (600,000)	$ -
Education Loan Anticipation Notes	-	800,000	(800,000)	-
Total Governmental Activities Short-Term Financing	-	1,400,000	(1,400,000)	-
Business-Type Activities:				
Tax Exempt Commercial Paper	82,500	(31,000)	(1,810)	49,690
Total Business-Type Activities Short-Term Financing	82,500	(31,000)	(1,810)	49,690
Total Short-Term Financing	$ 82,500	$ 1,369,000	$(1,401,810)	$ 49,690

NOTE 11 – NOTES, BONDS, AND CERTIFICATES OF PARTICIPATION PAYABLE

Various institutions of higher education, History Colorado, the Judicial Branch, and the Departments of Corrections, Transportation, Agriculture, Public Administration, Public Safety, and Treasury have outstanding notes, bonds, and/or Certificates of Participation (COPs) for the purchase of equipment or to construct facilities or infrastructure. Except for the Department of Corrections that receives Capital Projects Fund appropriations and the Department of Public Safety that receives General Purpose Revenue Fund appropriations for lease payments related to COPs, specific user revenues are pledged for the payments of interest and future retirement of the obligations. The State is not allowed by its Constitution to issue general obligation debt except to fund buildings for State use, to defend the State or the U.S. (in time of war), or to provide for unforeseen revenue deficiencies; additional restrictive limitations related to the valuation of taxable property also apply.

Collectively, the State's business-type activities had $1,738.4 million in available net revenue after operating expenses to meet the $189.7 million of debt service requirement related to revenue bonds.

The revenue of an individual business-type activity is generally not available to meet the debt service requirements of another business-type activity. (See additional disclosures regarding pledged revenue in Note 17.)

During Fiscal Year 2021, the State recorded $266.8 million of interest costs, of which $137.2 million was recorded by governmental activities and $129.6 million was recorded by business-type activities. The governmental activities interest cost primarily comprises $5.4 million of Highway Users Tax Fund interest on Transportation Revenue Anticipation Notes issued by the Department of Transportation, $16.7 million of interest on Certificates of Participation issued by the Judicial Branch, $48.4 million of interest on Certificates of Participation issued by the State Treasurer for the Building Excellent Schools Today program and $1.0 million of interest on Education and General Fund Tax and Revenue Anticipation Notes issued by the State Treasurer. The business-type activities interest cost primarily comprises $112.2 million of interest on revenue bonds issued by institutions of higher education, $2.9 million of interest paid to lending institutions that made loans to students under the College Assist loan guarantee program, and $14.5 million of interest on bonds issued by the Bridge Enterprise in the Transportation Enterprise. College Assist and the Transportation Enterprise are nonmajor enterprise funds. Annual maturities of notes, bonds, and COPs payable at June 30, 2021, are as follows:

(Amounts in Thousands)

Governmental Activities (Non-Direct Borrowings and Non-Direct Placements)

Fiscal Year	Certificates of Participation Principal	Certificates of Participation Interest	Totals Principal	Totals Interest
2022	$ 104,120	$ 151,391	$ 104,120	$ 151,391
2023	110,805	144,762	110,805	144,762
2024	203,200	139,216	203,200	139,216
2025	126,115	133,139	126,115	133,139
2026	122,540	127,110	122,540	127,110
2027 to 2031	880,570	524,945	880,570	524,945
2032 to 2036	861,160	328,154	861,160	328,154
2037 to 2041	797,610	143,850	797,610	143,850
2042 to 2046	257,405	27,922	257,405	27,922
Subtotals	3,463,525	1,720,489	3,463,525	1,720,489
Unamortized Prem/Discount	436,376	-	436,376	-
Totals	$ 3,899,901	$ 1,720,489	$ 3,899,901	$ 1,720,489

(Amounts in Thousands)

Governmental Activities (Direct Borrowings and Direct Placements)

Fiscal Year	Notes Payable		Certificates of Participation		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 2,315	$ 48	$ 3,850	$ 3,167	$ 6,165	$ 3,215
2023	-	-	2,920	3,010	2,920	3,010
2024	-	-	3,040	2,857	3,040	2,857
2025	-	-	3,165	2,686	3,165	2,686
2026	-	-	17,835	12,548	17,835	12,548
2027 to 2031	-	-	19,340	8,984	19,340	8,984
2032 to 2036	-	-	17,725	7,537	17,725	7,537
2037 to 2041	-	-	21,925	4,715	21,925	4,715
Subtotals	2,315	48	89,800	45,504	92,115	45,552
Unamortized Prem/Discount	-	-	232	-	232	-
Totals	$ 2,315	$ 48	$ 90,032	$ 45,504	$ 92,347	$ 45,552

(Amounts in Thousands)

Business-Type Activities (Non-Direct Borrowings and Non-Direct Placements)

Fiscal Year	Revenue Bonds		Mortgages Payable		Certificates of Participation		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 78,234	$ 122,934	$ 403	$ 397	$ 14,830	$ 4,777	$ 93,467	$ 128,108
2023	116,147	121,028	421	380	15,595	4,017	132,163	125,425
2024	147,749	160,909	439	362	16,395	3,217	164,583	164,488
2025	369,928	152,062	457	344	17,235	2,378	387,620	154,784
2026	178,863	157,696	476	325	18,115	1,495	197,454	159,516
2027 to 2031	829,073	603,919	2,702	1,303	20,850	611	852,625	605,833
2032 to 2036	853,239	418,291	4,859	354	-	-	858,098	418,645
2037 to 2041	741,390	235,025	-	-	-	-	741,390	235,025
2042 to 2046	388,975	103,092	-	-	-	-	388,975	103,092
2047 to 2051	394,034	43,393	-	-	-	-	394,034	43,393
2052 to 2056	120,145	16,661	-	-	-	-	120,145	16,661
2057 to 2061	17,685	442	-	-	-	-	17,685	442
Subtotals	4,235,462	2,135,452	9,757	3,465	103,020	16,495	4,348,239	2,155,412
Unamortized Prem/Discount	252,752	-	-	-	11,587	-	264,339	-
Unaccreted Interest	(2,811)	-	-	-	-	-	(2,811)	-
Totals	$ 4,485,403	$ 2,135,452	$ 9,757	$ 3,465	$ 114,607	$ 16,495	$ 4,609,767	$ 2,155,412

(Amounts in Thousands)

Business-Type Activities (Direct Borrowings and Direct Placements)

Fiscal Year	Revenue Bonds		Notes Payable		Certificates of Participation		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 7,104	$ 8,216	$ 1,150	$ 2,046	$ 2,570	$ 451	$ 10,824	$ 10,713
2023	8,549	7,986	1,108	2,018	2,090	372	11,747	10,376
2024	239,734	7,721	12,201	3,858	2,065	323	254,000	11,902
2025	8,518	5,776	17,356	3,787	2,125	272	27,999	9,835
2026	9,355	5,844	17,280	2,620	2,160	220	28,795	8,684
2027 to 2031	50,095	22,864	54,889	7,680	6,800	336	111,784	30,880
2032 to 2036	54,255	13,765	2,341	145	-	-	56,596	13,910
2037 to 2041	42,900	6,728	219	50	-	-	43,119	6,778
2042 to 2046	23,875	1,683	-	-	-	-	23,875	1,683
2047 to 2051	3,460	56	-	-	-	-	3,460	56
Subtotals	447,845	80,639	106,544	22,204	17,810	1,974	572,199	104,817
Unamortized Prem/Discount	5,031	-	-	-	(14)	-	5,017	-
Unaccreted Interest	-	-	24	-	-	-	24	-
Totals	$452,876	$80,639	$106,568	$22,204	$ 17,796	$ 1,974	$577,240	$104,817

In March 2008, the Colorado School of Mines entered a derivative instrument agreement (interest rate swap) as an effective hedge against expected increasing interest costs on its variable rate debt.

Assuming current interest rates are applied over the term of the debt, at June 30, 2021, the Colorado School of Mines' aggregate debt service payments and net swap cash payments are reflected in the table below:

(Amounts in Thousands)

Net Debt Service for Colorado School of Mines' Interest Rate Swap Agreement

Fiscal Year	Principal	Interest	Interest Rate Swap, Net	Total
2022	$ 850	$ 202	$ 1,257	$ 2,309
2023	925	197	1,226	2,348
2024	975	193	1,192	2,360
2025	1,000	185	1,157	2,342
2026	1,050	180	1,121	2,351
2027 to 2031	11,250	743	4,618	16,611
2032 to 2036	14,100	366	2,263	16,729
2037 to 2041	6,035	32	197	6,264
Totals	$ 36,185	$ 2,098	$ 13,031	$ 51,314

In January 2018, Colorado State University entered into a floating to fixed interest rate swap agreement in connection with the 2015D System Enterprise Revenue Bonds.

Assuming current interest rates are applied over the term of the debt, at June 30, 2021, Colorado State University's aggregate debt service payments and net swap cash payments are reflected in the table below:

(Amounts in Thousands)

Net Debt Service for Colorado State University Interest Rate Swap Agreement

Fiscal Year	Principal	Interest	Interest Rate Swap, Net	Total
2022	$ -	$ 353	$ 1,256	$ 1,609
2023	-	354	1,256	1,610
2024	1,005	353	1,251	2,609
2025	1,005	348	1,232	2,585
2026	1,000	341	1,213	2,554
2027 to 2031	12,980	1,561	5,547	20,088
2032 to 2036	17,910	1,087	3,867	22,864
2037 to 2041	13,510	711	2,529	16,750
2042 to 2046	15,785	327	1,162	17,274
2047 to 2050	3,460	12	43	3,515
Totals	$ 66,655	$ 5,447	$ 19,356	$ 91,458

In Fiscal Year 2020, CSU entered into a floating to fixed interest swap agreement in connection with the 2015A System Enterprise Revenue Bonds. This agreement gives the university the right to enter into a swap agreement on a future date, March 2025.

Assuming current interest rates are applied over the term of the debt, at June 30, 2021, Colorado State University's aggregate debt service payments and net swap cash payments are reflected in the table below:

(Amounts in Thousands)

Net Debt Service for Colorado State University Interest Rate Swap Agreement

Fiscal Year	Principal	Interest	Interest Rate Swap, Net	Total
2022	$ -	$ -	$ -	$ -
2023	-	-	-	-
2024	-	4,511	-	4,511
2025	-	4,511	-	4,511
2026	375	4,511	(1,963)	2,923
2027 to 2031	1,990	22,554	(9,953)	14,591
2032 to 2036	7,700	22,218	(10,056)	19,862
2037 to 2041	12,530	20,900	(9,676)	23,754
2042 to 2046	5,370	18,701	(8,635)	15,436
2047 to 2050	41,290	14,730	(6,994)	49,026
2051 to 2055	39,485	4,637	(2,299)	41,823
Totals	$ 108,740	$ 117,273	$ (49,576)	$ 176,437

In April 2020, Metropolitan State University entered a derivative instrument agreement (interest rate swap) as an effective hedge against expected increasing interest costs.

Assuming current interest rates are applied over the term of the debt, at June 30, 2021, Metropolitan State University's aggregate debt service payments and net swap cash payments are reflected in the table below:

(Amounts in Thousands)

Net Debt Service for Metropolitan State University Interest Rate Swap Agreement

Fiscal Year	Principal	Interest	Interest Rate Swap, Net	Total
2022	$ -	$ 732	$ 1,099	$ 1,831
2023	1,415	710	1,065	3,190
2024	1,465	687	1,030	3,182
2025	1,535	663	994	3,192
2026	1,590	638	956	3,184
2027 to 2031	8,925	2,775	4,163	15,863
2032 to 2036	10,810	1,983	2,975	15,768
2037 to 2041	13,115	1,022	1,534	15,671
2042 to 2046	7,490	72	108	7,670
Totals	$ 46,345	$ 9,282	$ 13,924	$ 69,551

The original principal amount of the State's debt disclosed in the above tables is as follows:

Non-Direct Borrowings and Non-Direct Placements (Amounts in Thousands)

	Revenue Bonds	Mortgages Payable	Certificates of Participation	Total
Governmental Activities	$ -	$ -	$ 3,915,818	$ 3,915,818
Business-Type Activities	5,717,529	12,450	227,990	$ 5,957,969
Total	$ 5,717,529	$ 12,450	$ 4,143,808	$ 9,873,787

Direct Borrowings and Direct Placements (Amounts in Thousands)

	Revenue Bonds	Notes Payable	Certificates of Participation	Total
Governmental Activities	$ -	$ 21,075	$ 117,420	$ 138,495
Business-Type Activities	478,105	114,289	34,080	$ 626,474
Total	$ 478,105	$ 135,364	$ 151,500	$ 764,969

Assets pledged as collateral for debt across state departments and institutions of higher education include the following:

- The Colorado Bureau of Investigations (CBI) Grand Junction Regional Office and Forensic Laboratory (related to direct borrowing/direct placement for governmental activities);

- The CBI Pueblo Regional Office and Forensic Laboratory (related to direct borrowing/direct placement for governmental activities);

- The Colorado Department of Transportation (CDOT) Headquarters (related to non-direct borrowing/non-direct placement for governmental activities) and Regional Office Buildings (related to both non-direct borrowing/non-direct placement and direct borrowing/direct placement for governmental activities);

- The Colorado History Building at 1200 Broadway in Denver (related to related to direct borrowing/direct placement for governmental activities).

Regarding terms specified in debt agreements related to significant (1) events of default with finance-related consequences, (2) termination events with finance-related consequences, and (3) subjective acceleration clauses, the following points were noted across state departments and institutions of higher education:

- In each Certificate of Participation (COP), the State has the right to purchase the Leased Property in connection with the defeasance or redemption of all of the Series 201X Certificates, as described in the section of the agreements' State's Purchase Option Price. Upon a nonrenewal of the Lease Term/s by reason of a Lease Event of Default or Lease Event of Nonappropriation, and so long as the State or Sublessee has not exercised its purchase option with respect to all the Leased Property, the State or Sublessee must vacate the Leased Property within 90 days. The Trustee/s may proceed to exercise any remedies available for the benefit of the Owners of the Certificates and may exercise any other remedies available upon default as provided in the Lease, including the sale of or lease of the Trustees' interest under the Site Lease/s (related to direct borrowing/direct placement for governmental activities).

- For Notes Payable, in the event of termination acceleration of payment for debt due (or to be due within that fiscal year) and the relinquishment of the equipment purchased through the energy performance contract measures could occur (related to direct borrowing/direct placement for business-type activities).

- CDOT will take over the payments for the C-470 bonds in the event High Performance Transportation Enterprise (HPTE) is unable to pay (related to non-direct borrowing/non-direct placement for business-type activities). Additionally, for Notes Payable, CDOT would take over debt service payments if HPTE was in default (related to direct borrowing/direct placement for business-type activities).

Derivative Instruments

Colorado School of Mines: In Fiscal Year 2008, the University entered into a floating to fixed interest rate swap agreement (Swap Agreement) in connection with the 2008A issuance. The Swap Agreement was entered into with the objective of protecting against the potential of rising interest rates. The 2008A issuance was refunded with the Series 2010A issuance. The Series 2010A was refunded with the issuance of the Series 2018A Refunding Bonds. The Swap Agreement was not terminated and was associated with the Series 2018A issuance. The Swap Agreement has a notional amount of $36,185,000 and $36,760,000 and a fair value of ($9,645,000) and ($12,838,000) at June 30, 2021 and 2010, respectively. The Swap Agreement provides for certain payments to or from Morgan Stanley equal to the difference between the fixed rate of 3.59 percent payable by the University and 67 percent of one month USD-LIBOR-BBA, 0.100 percent and 0.166 percent at June 30, 2021 and 2020, respectively, payable by Morgan Stanley. The fair value of the swap is classified as a noncurrent liability and the change in fair value of the swap is classified as a deferred outflow at June 30, 2021 and 2020. On the date of the refunding of the Series 2010A Bonds, the fair market value of the swap was ($6,998,662) and was included in the calculation of deferred loss on refunding and is being amortized over the life of the Series 2018A Refunding Bonds. Accumulated amortization of the deferred loss as of June 30, 2021 and 2020 was $2,929,000 and $2,395,000, respectively. Morgan Stanley, counterparty to the Swap Agreement, determined the fair value as of June 30, 2021 and 2020, using a discounted forecasted cash flows;

however, the actual method and significant assumptions used are proprietary. The Swap Agreement has an effective date of March 5, 2008 and a termination date of December 1, 2038.

There can be risks inherent to interest rate swaps that the University addresses and monitors pursuant to entering into interest rate swap agreements:

- Termination Risk – The need to terminate the transaction in a market that dictates a termination payment by the University. It is possible that a termination payment is required in the event of termination of a swap agreement due to a counterparty default or following a decrease in credit rating. In general, exercising the right to optionally terminate an agreement should produce a benefit to the University, either through receipt of a payment from a termination, or if a termination payment is made by the University, a conversion to a more beneficial debt instrument or credit relationship.
- Credit Risk – The risk that the counterparty will not fulfill its obligations. The University considers the Swap Agreement counterparty's (Morgan Stanley) credit quality rating and whether the counterparty can withstand continuing credit market turmoil. As of June 30, 2021, Morgan Stanley's credit rating is A1 by Moody's, BBB+ by Standards & Poor's.

  For the outstanding Swap Agreement the University has a maximum possible loss equivalent to the swaps' fair value at June 30, 2021 and 2020 related to the credit risk. However, the University was not exposed to this loss because of the negative fair value of the swaps as of June 30, 2021 and 2020. In addition, these agreements required no collateral and no initial net cash receipt or payment by the University.
- Basis Index Risk – Basis risk arises as a result of movement in the underlying variable rate indices that may not be in tandem, creating a cost differential that could result in a net cash outflow from the University. Basis risk can also result from the use of floating, but different, indices. To mitigate basis risk, it is the University's policy that any index used as part of an interest rate swap agreement shall be a recognized market index, including, but not limited to, the Securities Industry and Financial Markets Association (SIFMA) or the London Interbank Offered Rate (LIBOR).

Colorado State University: On January 16, 2018, the System entered into a floating to fixed interest rate swap agreement (2015 D Swap Agreement) in connection with the Series 2015 D System Enterprise Revenue Bonds (Notes from Direct Placements). The 2015 D Swap Agreement was entered into with the objective of protecting against the potential rising of interest rates. The 2015 D Swap Agreement had a notional value of $66.7 million and a negative fair value of $8.2 million as of June 30, 2021. The fair value of the 2015 D Swap Agreement was recorded as a noncurrent liability and a deferred outflow of resources as of fiscal year ended June 30, 2021. The 2015 D Swap Agreement had a notional value of $66.7 million and a negative fair value of $14.9 million as of June 30, 2020. The fair value of the 2015 D Swap Agreement was recorded as a noncurrent liability and a deferred outflow of resources as of fiscal year ended June 30, 2020. The 2015 D Swap Agreement has an effective date of July 1, 2019 and a termination date of March 1, 2047.

The 2015 D Swap Agreement provides for certain payments by The Royal Bank of Canada (RBC) equal to the difference between the fixed rate of 1.91390 percent payable by the System and 70 percent of one-month UDS-LIBOR-BBA, payable by RBC. RBC, counterparty to the 2015 D Swap Agreement, determined the fair value as of June 30, 2021 using a discounted forecasted cash flow.

On February 18, 2020, the System entered into a floating to fixed interest rate swap agreement (2015 A Swap Agreement) in connection with the Series 2015 A System Enterprise Revenue Bonds. The 2015 A Swap Agreement was entered into with the objective of protecting against the potential rising of interest rates. The 2015 A Swap Agreement had a notional value of $108.7 million and a negative fair value of $646 thousand as of June 30, 2021. The fair value of the 2015 A Swap Agreement was recorded as a noncurrent liability and a deferred outflow of resources as of fiscal year ended June 30, 2021. The 2015 A Swap Agreement had a notional value of $108.7 million and a negative fair value of $7.7 million as of June 30, 2020. The fair value of the 2015 A Swap Agreement was recorded as a noncurrent liability and a deferred outflow of resources as of fiscal year ended June 30, 2020. The 2015 A Swap Agreement has an effective date of March 1, 2025 and a termination date of March 1, 2055.

The 2015 A Swap Agreement provides for certain payments by The Royal Bank of Canada (RBC) equal to the difference between the fixed rate of 1.74250 percent payable by the System and 70 percent of one-month UDS-LIBOR-BBA, payable by RBC. RBC, counterparty to the 2015 A Swap Agreement, determined the fair value as of June 30, 2021 using a discounted forecasted cash flow.

There can be risks inherent to interest rate swaps that the System addressed and monitors pursuant to entering into interest rate Swap Agreements:

- Termination Risk – Termination Risk is the need to terminate the transaction in a market that dictates a termination payment by the System. It is possible that a termination payment is required in the event of termination of a Swap Agreement due to a counterparty default. In general, exercising the right to optionally terminate an agreement should produce a benefit to the System, either through receipt of a payment from a termination, or if a termination payment is made by the System, a conversion to a more beneficial debt instrument or credit relationship.
- Credit Risk – Credit Risk is the risk that the counterparty will not fulfill its obligations. The System considers the Swap Agreement counterparty's (RBC) credit quality rating and whether the counterparty can withstand continuing credit market turmoil. As of June 30, 2021, RBC's credit rating is rated Aa2 by Moody's, AA- by S&P, and AA+ by Fitch.

  The Swap Agreement contract contains a credit support annex that allows for collateral to be posted if the market value threshold exceeds $25.0 million at both parties' current credit rating or $10.0 million if the parties credit rating falls to A3/A-.
- Basis Index Risk – Basis Index Risk arises as a result of movement in the underlying variable rate indices that may not be in tandem, creating a cost differential that could result in a net cash outflow from the System. Basis Index Risk can also result from the use of floating, but different, indices.

Metropolitan State University: On September 30, 2020 MSU Denver executed a Novation agreement which transferred the HLC@Metro Inc's floating to fixed interest rate swap agreement (Swap Agreement) with RBC to the University. This was a part of the University's acquisition of most of the HLC's assets and liabilities on June 30, 2020. The Swap Agreement was entered with the objective of protecting against the potential increase of interest rates. The Swap Agreement had a notional value of $48.7 million and a negative fair value of $7.1M and $11.5 million as of June 30, 2021 and 2020, respectively. The fair value of the Swap Agreement was recorded as a noncurrent liability and a deferred outflow of resources as of fiscal year ended June 30, 2021 and 2020. The Swap Agreement has an effective date of September 1, 2020 and a termination date of July 1, 2042.

Pursuant to the interest rate swap, the University will pay RBC a fixed rate of 2.451% per annum. RBC will pay the University 80% of USD-LIBOR-BBA. In addition, the University will pay JPMorgan, as owner of the Series 2020 Bonds, 80% of LIBOR plus 150 basis points. This arrangement will produce an interest rate on the Series 2020 Bonds equal to approximately 3.95% and helps ensure the University can leverage a low interest rate in an otherwise unpredictable market. RBC, the counterparty to the Swap Agreement, determined the fair value as of June 30, 2021 and 2020 using an indicative mid-market valuation.

There can be risks inherent to interest rate swaps that the University addressed and monitors pursuant to entering into interest rate Swap Agreements:

- Termination Risk – Termination Risk is the need to terminate the transaction in a market that dictates a termination payment by the University. It is possible that a termination payment is required in the event of termination of a Swap Agreement due to a counterparty default. In general, exercising the right to optionally terminate an agreement should produce a benefit to the University, either through receipt of a payment from a termination, or if a termination payment is made by the University, a conversion to a more beneficial debt instrument or credit relationship.
- Credit Risk – Credit Risk is the risk that the counterparty will not fulfill its obligations. MSU Denver considers the Swap Agreement counterparty's (RBC) credit quality rating and whether the counterparty can withstand continuing credit market turmoil. As of June 30, 2021, RBC's credit rating is rated Aa2 by

Moody's and AA- by S&P. The Swap Agreement contract contains a credit support annex that allows for collateral to be posted if the market value threshold exceeds $5.0 million and the credit rating is equal to A3 as rated by Moody's or A- as rated by S&P, or if threshold is zero but the credit ratings are Baa1 as rated by Moody's or BBB+ as rated by S&P.

- Basis Index Risk – Basis Index Risk arises as a result of movement in the underlying variable rate indices that may not be in tandem, creating a cost differential that could result in a net cash outflow from the University. Basis Index Risk can also result from the use of floating, but different, indices.

NOTE 12 – CHANGES IN LONG-TERM LIABILITIES

Primary Government

The following table summarizes the changes in long-term liabilities for Fiscal Year 2021:

(Amount in Thousands)

	Beginning Balance July 1	Changes Additions	Changes Reductions	Ending Balance June 30	Due Within One Year
Governmental Activities					
Deposits Held In Custody For Others	$ 1,404	$ 1,344	$ 9,619	$ 12,367	$ 10,588
Accrued Compensated Absences	213,176	34,962	(17,937)	230,201	15,331
Claims and Judgments Payable	198,417	-	(11,943)	186,474	45,135
Capital Lease Obligations	119,822	24,999	(26,823)	117,998	30,538
Certificates of Participation from Direct Borrowings and Direct Placements	322,824	-	(4,282)	318,542	3,850
Certificates of Participation from Non-Direct Borrowings and Non-Direct Placements*	2,805,878	975,709	(110,196)	3,671,391	104,120
Notes, Anticipation Warrants, Mortgages from Direct Borrowings and Direct Placements	4,585	-	(2,270)	2,315	2,315
Notes, Anticipation Warrants, Mortgages from Non-Direct Borrowings and Direct Placements	-	1	-	1	-
Net Pension Liability	7,804,791	-	(1,930,136)	5,874,655	-
Other Postemployment Benefits	233,180	-	(29,456)	203,724	-
Other Long-Term Liabilities	229,134	20,135	(20,343)	228,926	-
Total Governmental Activities Long-Term Liabilities	11,933,211	1,057,150	(2,143,767)	10,846,594	211,877
Business-Type Activities					
Deposits Held In Custody For Others	46,825	-	(13,517)	33,308	33,283
Accrued Compensated Absences	426,369	77,262	(38,708)	464,923	31,583
Claims and Judgments Payable	46,441	12,865	(5,773)	53,533	819
Capital Lease Obligations	35,645	46,781	(8,202)	74,224	5,984
Derivative Instrument Liabilities	46,864	-	(21,262)	25,602	-
Bonds Payable from Direct Borrowings and Direct Placements	222,384	471,545	(244,984)	448,945	7,104
Bonds Payable from Non-Direct Borrowings and Non-Direct Placements	4,414,804	462,101	(387,571)	4,489,334	78,234
Certificates of Participation from Direct Borrowings and Direct Placements	18,371	-	(575)	17,796	2,570
Certificates of Participation from Non-Direct Borrowings and Non-Direct Placements*	149,763	-	(35,156)	114,607	14,830
Notes, Anticipation Warrants, Mortgages from Direct Borrowings and Direct Placements	56,226	76,400	(26,058)	106,568	1,150
Notes, Anticipation Warrants, Mortgages from Non-Direct Borrowings and Non-Direct Placements	10,145	-	(388)	9,757	403
Net Pension Liability	3,570,647	-	(200,570)	3,370,077	-
Other Postemployment Benefits	835,859	205,684	-	1,041,543	-
Other Long-Term Liabilities	104,600	65,980	(30,625)	139,955	-
Total Business-Type Activities Long-Term Liabilities	9,984,943	1,418,618	(1,013,389)	10,390,172	175,960
Fiduciary Activities					
Deposits Held In Custody For Others	1,863,250	20,315	(1,857,029)	26,536	18,262
Accrued Compensated Absences	139	107	(31)	215	-
Claims and Judgments Payable	22,986	21,061	(22,986)	21,061	21,061
Other Long-Term Liabilities	32	539	(32)	539	-
Total Fiduciary Activities Long-Term Liabilities	1,886,407	42,022	(1,880,078)	48,351	39,323
Total Primary Government Long-Term Liabilities	$ 23,804,561	$ 2,517,790	$ (5,037,234)	$ 21,285,117	$ 427,160

*Beginning balances were restated for FY2021 due to a reclassification of certain COP from Business-Type to Governmental Activities. Refer to Note 15 for additional information.

Liabilities for accrued compensated absences, net pension liabilities, and other postemployment benefits of both governmental activities and the business-type activities are normally liquidated using resources of the fund that are responsible for paying the employee's salary. As a result, the resources of nearly all of the State's funds are used to liquidate the compensated absence, net pension, and OPEB liabilities.

The amounts in the table above for the changes in net pension liability and other postemployment benefits liability are netted and presented as either additions or reductions. See Note 6 for additional information on pensions and Note 7 for additional information on OPEB.

The amounts shown in the schedule above for Notes, Bonds, and Certificates of Participation do not include short-term borrowing disclosed in Note 10. A current portion is not normally identifiable for Claims and Judgments Payable, Derivative Instrument Liabilities, Other Post-Employment Benefits in business-type activities and Other Long-Term Liabilities in both governmental activities and business-type activities.

Long-term liabilities that are actuarially determined include amounts for claims that are incurred but not yet reported. Since these liabilities are not based on individually identifiable claims, it is not practicable to report gross additions and reductions. (See Notes 7 and 9 for the amount of claims reported and paid and other adjustments to these actuarially determined liabilities.)

Governmental activities include internal service funds which apply full accrual accounting, and as a result, additions to Capital Lease Obligations shown above include amounts that are not shown as capital lease proceeds on the *Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds*.

NOTE 13 – DEFEASED DEBT AND POLLUTION REMEDIATION OBLIGATIONS

DEFEASED DEBT

Debt is defeased by depositing in escrow accounts an amount sufficient, together with known minimum investment yields, to pay principal, interest, and any redemption premium on the debt to be defeased. During Fiscal Year 2021, debt was defeased in both governmental and business-type activities.

At June 30, 2021, the remaining balances of amounts previously placed in escrow accounts with paying agents are as follows:

(Amount in Thousands)

Agency	Amount
Governmental Activities:	
Department of Treasury	$ 579,425
Business-Type Activities:	
University of Colorado	877,890
Colorado State University	484,410
Colorado Community College System	40,930
Colorado School of Mines	34,000
Fort Lewis College	1,665
Total	$ 2,018,320

The Board of Regents of the University of Colorado issued $140.9 million of its Enterprise Revenue Refunding Bonds, Series 2020B2 to partially defease its Enterprise Revenue Refunding Bonds, Series 2007A, 2011A, 2011B, 2012A-1, 2012A-3, 2012B, 2013A, 2014A, 2014B1, 2015A, 2015B, 2015C, 2016A, 2016B1, 2017A1, 2017A2, 2019A, 2019A2, 2019B, and 2019C. The defeased debt had an interest rate of 3.79 percent, and the new debt had an interest rate of 2.56 percent. The remaining term of the debt was 15 years and the estimated debt service cash flows increased by $56.0 million. The defeasance resulted in an economic gain of $133,959, and book loss of $31.2 million that will be amortized as an adjustment of interest expense over the remaining 28 years of the new debt.

The Board of Regents of the University of Colorado issued $44.5 million of its Enterprise Revenue Refunding Bonds, Series 2021B to partially defease its Enterprise Revenue Refunding Bonds, Series 2011B, 2012A1, 2012A2, 2012A3, 2013B, and 2014A1. The defeased debt had an interest rate of 3.62 percent, and the new debt had an interest rate of 1.22 percent. The remaining term of the debt was 8 years and the estimated debt service cash flows decreased by $1.6 million. The defeasance resulted in an economic gain of $1.5 million, and book loss of $2.8 million that will be amortized as an adjustment of interest expense over the remaining 8 years of the new debt.

The Board of Governors of Colorado State University issued $230.0 million of its System Enterprise Revenue Refunding Bonds Taxable, Series 2020A to partially defease its System Enterprise Revenue Bonds Series 2010B, 2012A, 2013D, 2013E, 2015B, 2015E-2, 2015F, 2016A, and 2018A, and System Enterprise Revenue Refunding Bonds Series 2012B, 2013A, 2015C, 2016B, 2017A, 2017B, 2017D, 2017E, 2017F, 2019A, and 2019B. The defeased debt had an interest rate of 4.20 percent, and the new debt had an interest rate of 2.66 percent. The remaining term of the debt was 2 years and the estimated debt service cash flows increased by $114.4 million. The defeasance resulted in an economic loss of $34.8 million, and book loss of $103.4 million that will be amortized as an adjustment of interest expense over the remaining 29 years of the new debt.

The Board of Governors of Colorado State University issued $115.0 million of its System Enterprise Revenue Refunding Bonds Taxable, Series 2021A to partially defease its System Enterprise Revenue Refunding Bonds Taxable, Series 2020A. The defeased debt had an interest rate of 0.51 percent, and the new debt had an interest rate of 0.72 percent. The remaining term of the debt was 2 years and the estimated debt service cash flows decreased by $1.9 million. The defeasance resulted in an economic gain of $2.4 million and, no book loss/gain.

The Board of Governors of Colorado State University issued $115.0 million of its System Enterprise Revenue Refunding Bonds Taxable, Series 2021B to partially defease its System Enterprise Revenue Refunding Bonds Taxable, Series 2020A. The defeased debt had an interest rate of 0.51 percent, and the new debt had an interest rate of 0.72 percent. The remaining term of the debt was 2 years and the estimated debt service cash flows decreased by $1.9 million. The defeasance resulted in an economic gain of $2.4 million, and no book loss/gain.

The Board of Trustees of Fort Lewis College issued $5.0 million of its Enterprise Refunding Revenue Bonds – Tax-Exempt Series 2020A-1 and 2020B-1 and Enterprise Refunding Revenue Bonds – Taxable Series 2020A-2 and 2020B-2 to partially defease its Enterprise Refunding Revenue Bonds – Series 2016A and 2016B and Enterprise Revenue Bonds – Series 2016C. The defeased debt had an interest rate of 3.25 percent, and the new debt had an interest rate of 3.00 percent. The remaining term of the debt was 18 years and the estimated debt service cash flows increased by $1.5 million. The defeasance resulted in an economic loss of $494,927, and book loss of $1.9 million that will be amortized as an adjustment of interest expense over the remaining 18 years of the new debt.

The Colorado Department of Transportation issued $19.1 million of its Second Amended and Restated Headquarters Facilities Lease Purchase Agreement Refunding Certificates of Participation, Series 2020 to partially defease its Headquarters Facilities Lease Purchase Agreement Certificates of Participation, Series 2016. The defeased debt had an interest rate of 5.00 percent, and the new debt had an interest rate of 4.00 percent. The remaining term of the debt was 20 years and the estimated debt service cash flows decreased by $10.1 million. The defeasance resulted in an economic gain of $295,571, and book gain of $460,640 that will be amortized as an adjustment of interest expense over the remaining 20 years of the new debt.

POLLUTION REMEDIATION OBLIGATIONS

Various state agencies and institutions of higher education have pollution remediation obligations as defined by GASB Statement No. 49. Liability amounts are included in Other Current Liabilities or Other Long-Term Liabilities on the government-wide and proprietary fund-level *Statement of Net Position.*

The State has numerous instances of hazardous waste contamination that qualify as Superfund sites. Superfund is the federal government's program to clean up these hazardous waste sites. A hazardous waste site becomes a Superfund site when it is placed on an Environmental Protection Agency (EPA) list that ranks sites according to a process that assesses current or potential health impacts. The following individually significant items are all Superfund sites under the control of the Department of Public Health and Environment.

The State's total amount of pollution remediation obligations as of June 30, 2021 was $209.7 million, of which $4.5 million is a current liability. Individually significant pollution remediation obligations are disclosed below:

- The Department of Public Health & Environment recorded a liability for remediation activities in the Clear Creek Basin of approximately $87.2 million related to a number of inactive precious metal mines that caused contamination in surface water and soil in the basin. The liability includes remediation and site clean-up activities, projected post-remediation operating and monitoring costs, the State operation of an existing water treatment plant, and operation of a water treatment plant. Current operating and maintenance costs are estimated at $1.5 million beginning in Fiscal Year 2022, increasing to approximately $2.6 million in Fiscal Year 2029, with a projected annual increase of 2 percent thereafter. The department shares the remaining costs to complete the remediation projects with the EPA in a cost-sharing ratio of 10 percent State, 90 percent EPA for 10 years. After this time, the State assumes 100 percent of the operating and maintenance costs. Operating and maintenance estimates are based on experience in operating existing plants adjusted for the newer design and technological advancements. Potential changes affecting these estimates include regulatory changes in the EPA cost-sharing ratio, as well as technology and pricing changes that could impact construction and operating costs.

- The Department of Public Health & Environment recorded a liability for remediation activities at the Summitville Mine of approximately $91.9 million related to the operation of a water treatment plant. The mine is located in the San Juan Mountains, surrounded by the Rio Grande National Forest. The operating and maintenance costs of the treatment plant are to be shared with the EPA in a cost-sharing ratio of 10 percent State, 90 percent EPA through Fiscal Year 2022. Beginning in Fiscal Year 2023, the State will assume 100 percent of the operating costs of the treatment plant, with a projected total cost of approximately $2.0 million per year, with a projected annual increase of 2 percent thereafter. Operating and maintenance estimates are based on experience in operating existing plants adjusted for the newer design and technological advancements. Potential changes affecting these estimates include regulatory changes in the EPA cost-sharing ratio, as well as technology and pricing changes that could impact operating costs. As of June 30, 2021, the State has $2.6 million in recoveries funded from other responsible parties.

- The Department of Public Health & Environment recorded a liability for remediation activities at the Captain Jack Mill located at the headwaters of the Left Hand Creek Watershed in the mountains west of Boulder of approximately $9.5 million related to the clean-up of contamination from mine waste piles and drainage. The EPA and the State have agreed upon a remediation plan from a recently completed engineering study, which includes construction of a capping mine waste tunnel plug. Construction cost estimates of approximately $0.2 million in Fiscal Year 2022 and 2023 for the project's completion. In Fiscal Year 2024, a sulfate reducing bioreactor is estimated to be completed with a projected cost of $0.2 million. Upon completion, the State's 10% share of O&M will commence in Fiscal Year 2025. Annual ongoing projected costs for subsurface remedy average $0.1 million per year until Fiscal Year 2035, when the State assumes 100% share of O&M, and projected costs increase to $0.4 million per year, with a 2 percent projected annual increase thereafter. Periodic maintenance for the surface remedy is projected to start in Fiscal Year 2023 at a cost of approximately less than $0.1 million, with a 2 percent projected annual increase thereafter. Construction cost estimates were based upon an engineering study and construction bids received by the State. Operating and maintenance estimates are based on experience in operating existing plants adjusted for the newer design and technological advancements. Potential changes affecting these estimates include regulatory changes in the EPA's cost-sharing ratio, as well as technology and pricing changes that could impact construction and operating costs.

- The Department of Public Health & Environment recorded a liability for remediation activities at the Bonita Peak Mining District site is located near Silverton, Colorado for approximately $6.0 million. The Bonita Peak Mining District is within the Mineral Creek, Cement Creek, and the Upper Animas River drainages. The site consists of 48 historic mines or mining-related sources where ongoing releases of metal-laden water and sediments occur within Mineral Creek, Cement Creek, and the Upper Animas. An interim record of decision (IROD) establishes a site-wide repository for disposing of site-related mine waste from remedial action cleanups, sludge generated at the water treatment plant, and waste from future water treatment operations. The projected five-year costs are $0.1 million per year for the first four years with a $1.0 million projected cost in Fiscal Year 2026. The site-wide repository is estimated at $0.3 million per year for a five-year period ending in Fiscal Year 2027. The State's share of O&M is not projected to start until Fiscal Year 2028, where projected annual costs are $0.1 million, with a 2% annual increase thereafter. Approximately 20 of the 48 sites do not have viable responsible parties. Therefore, these sites will likely be addressed using a fund-financed remedial action of 90% EPA and 10% State, at which time the State's share will increase. As of June 30, 2021, the State has $0.3 million in recoveries funded from other responsible parties.

- The Nelson Tunnel is a former mining site outside of Creede, CO, which has a large waste pile. Runoff from this pile adversely affects the Rio Grande River via Willow Creek. While a portion of the project is reasonably estimable, the State cannot estimate a majority of the project costs. The water treatment component of the project has historically been included as a presumptive remedy. However, no decision document has been executed that would require water treatment. Although the State believes there will be associated water treatment costs in the future, these costs won't be included in the projection until there is an idea of what the remedy and long-term operating/maintenance costs are. Any long-term remedies are dependent on the initial assessment and monitoring procedures. Additionally, once a long-term remedy is identified, the Department will negotiate with the EPA to determine which entity is responsible for what share of the costs (typically 90% federal, 10% state).

NOTE 14 – DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Deferred outflows of resources represent a consumption of assets by the entity that is applicable to a future reporting period, and deferred inflows of resources represent an acquisition of assets by the entity that is applicable to a future reporting period. The table below provides information about amounts reported as deferred outflows/inflows on the *Statement of Net Position* as of June 30, 2021.

(Amounts in Thousands)

	Governmental Activities	Business-Type Activities	Total
Deferred Outflows of Resources:			
Asset Retirement Obligations	$ -	$ 586	$ 586
Refunding Losses	29,319	220,451	249,770
Derivatives	-	20,230	20,230
Other	4,847	36	4,883
Other Post Employment Benefits	26,511	200,554	227,065
Pensions	1,594,218	467,520	2,061,738
	1,654,895	909,377	2,564,272
Deferred Inflows of Resources:			
Refunding Gains	438	710	1,148
Nonexchange Transactions	-	3	3
Other	17,390	2,050	19,440
Unavailable Revenue	795	-	795
Service Concession Arrangements	-	127,834	127,834
Other Post Employment Benefits	71,689	272,798	344,487
Pensions	3,441,421	856,690	4,298,111
	$ 3,531,733	$ 1,260,085	$ 4,791,818

NOTE 15 – NET POSITION AND FUND BALANCE

PRIOR PERIOD ADJUSTMENTS AND ACCOUNTING CHANGES TO NET POSITION

A. PRIOR PERIOD ADJUSTMENTS

Fund balances and net position at July 1, 2020 have been increased (decreased) as follows in order to correct errors:

GOVERNMENTAL ACTIVITIES	(Dollars in Thousands)	
Nonmajor Governmental Funds		
Debt Service		
To report debt service benefiting institutions of higher education with governmental activities.	$ (3,482)	
Regular Capital Projects		
To report capital projects benefiting institutions of higher education with governmental activities.	71,930	
Labor		
Department of Public Safety, correction to personal protective equipment inventory	(28,728)	
Total Nonmajor Governmental Funds		39,720
Government-wide Reconciling Items		
General Full Accrual Account Group		
Colorado State University, National Western Complex Certificates of Participation	(129,073)	
University of Colorado, Fitzsimons Certificates of Participation	(107,377)	
Department of Natural Resources, Public Lands Division accumulated depreciation	164	
Total Government-wide Reconciling Items		(236,286)
TOTAL GOVERNMENTAL ACTIVITIES		**$ (196,566)**
BUSINESS-TYPE ACTIVITIES		
Major Enterprise Funds		
Higher Education Institutions		
To report debt service, capital projects, and long-term liabilities benefiting institutions of higher education as a governmental activity.	$ 168,003	
Healthcare Affordability		
Reclassify committed healthcare expense funds to cash fund.	13,671	
Other Enterprises		
Reclassify CollegeInvest private-purpose trust fund to enterprise fund	15	
Total Major Enterprise Funds		181,689
TOTAL BUSINESS-TYPE ACTIVITIES		**$ 181,689**
FIDUCIARY ACTIVITIES		
Private-Purpose Trust Funds		
Department of Higher Education		
To reclassify CollegeInvest funds to business type activity	$ (15)	
Total Private-Purpose Trust Funds		(15)
TOTAL FIDUCIARY ACTIVITIES		**$ (15)**

B. ACCOUNTING CHANGES

Fund balance, net position, and fiduciary net position at July 1, 2020 have been increased (decreased) as follows in order to implement the requirements of GASB Statement No. 84 – Fiduciary Activities. Net position at July 1, 2020 for discretely presented component units was restated for the purpose as noted in the Component Unit section below.

		(Dollars in Thousands)	
GOVERNMENTAL ACTIVITIES			
Nonmajor Governmental Funds			
Debt Service			
Department of Treasury		$ 15,078	
Environment and Health Protection			
Department of Public Health and Environment		47	
Other Special Revenue			
Department of Law	4,533		
Department of Treasury	204		
Total Other Special Revenue		4,737	
Total Nonmajor governmental Funds			19,862
TOTAL GOVERNMENTAL ACTIVITIES			**$ 19,862**
BUSINESS-TYPE ACTIVITIES			
Major Enterprise Funds			
Higher Education Institutions			
Colorado School of Mines		$ 95	
Metropolitan State University of Denver		179	
Total Enterprise Funds - Major			274
Enterprise Funds - Non-Major			
Other Enterprise Activities			
Department of Agriculture		331	
Total Enterprise Funds - Non-Major			331
TOTAL BUSINESS-TYPE ACTIVITIES			**$ 605**
FIDUCIARY ACTIVITIES			
Fiduciary Funds			
Pension and Other Employee Benefit Trust Funds			
Department of Higher Education		$ 58,942	
Private-Purpose Trust Funds			
Department of Higher Education	(15,078)		
Department of Treasury	(204)		
Other Non-Major Departments	11,038		
Total Private-Purpose Trust Funds		(4,244)	
Custodial Funds			
Department of Corrections	3,751		
Department of Higher Education	(35)		
Department of Human Services	28,022		
Judicial	64,761		
Department of Labor and Employment	10,881		
Department of Law	146		
Dept of Natural Resources	74,087		
Dept of Regulatory Agencies	61		
Department of Revenue	403,629		
Department of Treasury	177,588		
Total Custodial Funds		762,891	
TOTAL FIDUCIARY ACTIVITIES			**$ 817,589**

COMPONENT UNITS

Nonmajor Other Component Units

HLC @ Metro

HLC@Metro is no longer included as a discretely presented component unit. The basis for inclusion was the State's guarantee of HLC@Metro's bonded debt. HLC@Metro's bonds were defeased, thereby relieving the State of its guarantee and financial accountability.	$ 467	
Total Nonmajor Other Component Units		467
TOTAL COMPONENT UNITS		**$ 467**

C. FUND BALANCE

On the *Balance Sheet – Governmental Funds,* the fund balance is comprised of the following (refer to Note 1 for additional information):

(Dollars in Thousands)

	Restricted Purposes	Committed Purposes	Assigned Purposes
GENERAL FUND			
General Government	$ 331,761	$ 886,867	$ 123,036
Business, Community and Consumer Affairs	-	170,080	-
Education	278,018	171,938	-
Health and Rehabilitation	-	6,324	-
Justice	-	4,637	-
Natural Resources	-	398	-
Social Assistance	-	47,418	-
Transportation	-	-	-
TOTAL	$ 609,779	$ 1,287,662	$ 123,036
FEDERAL SPECIAL REVENUE			
General Government	4,340	-	-
Business, Community and Consumer Affairs	932	-	-
Education	4	-	-
Health and Rehabilitation	5,852	-	-
Justice	153	-	-
Social Assistance	92	-	-
TOTAL	$ 11,373	$ -	$ -
HIGHWAY USERS TAX			
General Government	$ 69,664	$ 33,848	$ -
Health and Rehabilitation	1,350	-	-
Justice	2,498	1,468	-
Natural Resources	496	-	-
Transportation	605,404	13,729	-
TOTAL	$ 679,412	$ 49,045	$ -
OTHER GOVERNMENTAL FUNDS			
General Government	$ 138,906	$ 2,166,002	$ -
Business, Community and Consumer Affairs	74,098	593,063	-
Education	731,538	134,006	-
Health and Rehabilitation	21,076	89,236	-
Justice	5	267,057	-
Natural Resources	20,465	1,119,477	-
Social Assistance	-	317,733	-
Transportation	-	99,185	-
TOTAL	$ 986,088	$ 4,785,759	$ -

D. STABILIZATION ARRANGEMENTS

Restriction on State Appropriations – General Fund Reserve

In accordance with Section 24-75-201.1(1)(d) C.R.S., state general fund appropriations are limited in order to maintain sufficient available budgetary fund balance (the reserve) for the General Fund - General Purpose Revenue Component. For the fiscal year ended June 30, 2021, the required reserve is calculated as two and eighty-six one-hundredths percent of General Purpose Revenue Fund appropriations less exceptions pursuant to Section 24-75-201.1(2) C.R.S. Section 24-75-201.5(1)(a) C.R.S. further requires the Governor to take action within the fiscal year to preserve one half of the reserve when economic forecasts indicate revenues will not be adequate to maintain the required reserve. In conjunction with the Governor's actions to reduce expenditures, the legislature has traditionally taken action to use the reserve. Historically, the statutory reserve has only been expended during recessionary periods when other budget measures have been exhausted. As of June 30, 2021, on a legal budgetary basis the reserve was $314.0 million. Refer to the Budgetary Comparison Schedule General Fund – General Purpose Revenue Component, and to Note RSI-4 for additional information.

Emergency Reserve

Senate Bill (SB) 21-227 established the State Emergency Reserve Cash Fund effective with the State's fiscal year ended June 30, 2021. SB 21-227 required a transfer of $101.0 million from the General Purpose Revenue Component of the General Fund and a transfer of $100.0 million from the Controlled Maintenance Trust Fund to the to the State Emergency Reserve Cash Fund. The State Emergency Reserve Cash Fund is reported as the Emergency Reserve component of the State's General Fund. Refer to the Combining Balance Sheet – General Fund Components and to the Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund Components for additional information. The Emergency Reserve was $201.0 million at June 30, 2021. The Emergency Reserve shall not be expended or appropriated for any purpose other than for an emergency declared by the Governor pursuant to 24-33.5-704(4). Refer to Note RSI-4 for additional information.

E. MINIMUM FUND BALANCE POLICIES

The appropriations process and statutory structure that governs State fiscal matters generally does not provide for the ability to set aside fund balances outside of those processes. However, in limited circumstances, boards and committees have fiscal policy and/or rulemaking authority. No minimum fund balances were established under this type of authority for Fiscal Year 2021.

F. NET POSITION DEFICITS

The following table shows deficit net position balances for individual nonmajor funds. See Note 2 for information regarding statutory spending violations and over expenditures.

(In Thousands)

	Enterprise Funds	Internal Service Funds
State Lottery	$ (19,443)	$ -
Correctional Industries	(24,134)	-
State Nursing Homes	(42,312)	-
Petroleum Storage Tank	(3,866)	-
Central Services	-	(5,476)
Information Technology	-	(211,218)
Capitol Complex	-	(5,569)
Highways	-	(1,458)
Administrative Courts	-	(10,413)
Legal Services	-	(69,438)
Other Internal Service Funds	-	(1,679)
	$ (89,755)	*$ (305,251)*

NOTE 16 – INTERFUND TRANSACTIONS

INTERFUND BALANCES

Interfund balances at June 30, 2021, consisted of the following:

(DOLLARS IN THOUSANDS)	DUE FROM General	Highway Users Tax	Other Governmental Funds	Higher Education Institutions	Healthcare Affordability	Transportation Enterprise
DUE TO						
General	$ -	$ 193	$ 49,530	$ 432	$ 22,618	$ -
Highway Users Tax	68	-	573	-	-	12,950
Other Governmental Funds	21,891	211	-	-	-	-
Higher Education Institutions	19,663	89	28,975	-	-	-
Unemployment Insurance	92	-	-	-	-	-
Other Enterprises	-	-	-	706	-	-
Internal Service Funds	288	7	-	-	-	-
Pension and Other Employee Benefit Trust	7	-	2	1,609	-	-
Private Purpose Trust	-	-	-	-	-	-
Custodial	-	-	-	-	-	-
Total	$ 42,009	$ 500	$ 79,080	$ 2,747	$ 22,618	$ 12,950

(DOLLARS IN THOUSANDS)	DUE FROM Unemployment Insurance	Other Enterprises	Internal Service Funds	Private Purpose Trust	Custodial	Total
DUE TO						
General	$ -	$ 26,379	$ 813	$ -	$ -	$ 99,965
Highway Users Tax	-	-	124	-	-	13,715
Other Governmental Funds	17,547	16,961	-	-	120	56,730
Higher Education Institutions	-	251	-	-	-	48,978
Unemployment Insurance	-	-	-	-	-	92
Other Enterprises	-	8,548	-	7	-	9,261
Internal Service Funds	285	304	-	-	-	884
Pension and Other Employee Benefit Trust	-	-	-	-	-	1,618
Private Purpose Trust	-	15,194	-	-	-	15,194
Custodial	-	6,764	-	-	-	6,764
Total	$ 17,832	$ 74,401	$ 937	$ 7	$ 120	$ 253,201

Interfund balances represent amounts owed between funds at the end of the fiscal year. They occur when there are timing differences between when transactions are recognized and when the related cash payments are made. They also occur when loans are made between funds.

The balance of $49.5 million due from Other Governmental Funds to the General Fund consists primarily of $44.7 million due from the Gaming Fund.

Other Governmental Funds owed Higher Education Institutions $29.0 million. $27.8 million of the balance was due from the Capital Projects Fund for the reimbursement of capital expenditures related to the National Western Center complex.

The $26.4 million due to the General Fund from Other Enterprises primarily consists of amounts owed from the State Lottery Fund as of June 30, 2021 for distributions related to the fourth quarter of Fiscal Year 2021 that were made in Fiscal Year 2022.

The Healthcare Affordability Fund had a payable to the General Fund of $22.6 million. This amount represents Medicaid payments to providers in Fiscal Year 2021 for which the State was reimbursed in Fiscal Year 2022 due to the timing of the receipt of federal monies into the Healthcare Affordability Fund.

The General Fund owed Other Governmental Funds $21.9 million. $15.0 million of this was owed to the Just Transition Cash Fund, which is reported in the Labor Fund, for a transfer prescribed by House Bill 21-1290.

Of the $19.7 million owed from the General Fund to Institutions of Higher Education, $7.6 million was due from the Department of Higher Education for various purposes. An additional $7.5 million was due to Colorado State University to mitigate the risk of wildfire as prescribed by Senate Bill 21-258.

Other Governmental Funds report an internal receivable of $17.5 million from the Unemployment Insurance Fund. This amount represents Fiscal Year 2021 revenue in the Labor Fund for which cash was transferred in Fiscal Year 2022.

Other Governmental Funds report an internal receivable of $17.0 million from Other Enterprises. Most of this balance, $15.5 million, reflects outstanding loans payable from the Parks and Wildlife Fund to the Resource Extraction Fund that are not expected to be repaid within one year.

The $13.0 million owed from the Transportation Enterprise Fund to the Highway Users Tax Fund represents loans within the Colorado Department of Transportation and are not expected to be paid within one year.

INTERFUND TRANSFERS

Interfund transfers for Fiscal Year 2021, consisted of the following:

(DOLLARS IN THOUSANDS)	TRANSFER FROM General	Federal Special Revenue	Highway Users Tax	Other Governmental Funds	Higher Education Institutions	Healthcare Affordability
TRANSFER TO						
General	$ -	$ 191	$ 20,834	$ 718,835	$ 53,153	$ 16,491
Highway Users Tax	35,020	-	-	319,606	-	-
Other Governmental Funds	1,261,857	-	74,453	142,853	-	-
Higher Education Institutions	260,038	-	-	226,039	-	-
Other Enterprises	31,972	-	-	1,179	-	-
Internal Service Funds	415	-	-	964	-	-
Pension and Other Employee Benefit Trust	-	-	-	1,247	-	-
Total	$ 1,589,302	$ 191	$ 95,287	$ 1,410,723	$ 53,153	$ 16,491

(DOLLARS IN THOUSANDS)	TRANSFER FROM Unemployment Insurance	Other Enterprises	Internal Service Funds	Pension and Other Employee Benefit Trust	Private Purpose Trust	Total
TRANSFER TO						
General	$ -	$ 83,678	$ 7,342	$ 89	$ 19	$ 900,632
Highway Users Tax	-	-	-	-	-	354,626
Other Governmental Funds	508	1,756	84	-	-	1,481,511
Higher Education Institutions	-	-	-	-	-	486,077
Other Enterprises	-	21,539	-	-	-	54,690
Internal Service Funds	-	-	381	-	-	1,760
Pension and Other Employee Benefit Trust	-	-	-	-	-	1,247
Total	$ 508	$ 106,973	$ 7,807	$ 89	$ 19	$ 3,280,543

As a normal order of business, the General Assembly appropriates a large number of transfers between funds to allocate the State's resources to support programs across the State government.

The $1,261.9 million transferred from the General Fund to Other Governmental Funds includes $260.7 million to the Home- and Community-Based Services Improvement Fund, an Other Special Revenue Fund, as directed by Senate Bill 21-286. In addition, $186.1 million of Marijuana Sales Tax Revenues was transferred the Marijuana Tax Cash Fund, an Other Special Revenue Fund, as directed by Senate Bill 17-267.

Transfers from Other Governmental Funds to the General Fund totaled $718.8 million. The largest of these transfers is $137.0 million from the Retail Marijuana Excise Tax Fund, an Other Special Revenue Fund, as directed by House Bill 20-1401.

There were $319.6 million of transfers from Other Governmental Funds to the Highway Users Tax Fund. This primarily consists of $317.3 million transferred from the Capital Projects Fund and relate to projects funded by the State of Colorado Rural Colorado Certificates of Participation.

General Fund transfers to Higher Education Institutions totaled $260.0 million. The majority of these transfers, $167.0 million, were for student financial aid.

$226.0 million is reported as transfers from Other Governmental Funds to Higher Education Institutions. This amount is comprised primarily of $187.6 million of transfers from the Capital Projects Fund.

NOTE 17 – PLEDGED REVENUE AND DONOR RESTRICTED ENDOWMENTS

PLEDGED REVENUE

Various institutions of higher education and the Department of Transportation have issued bonds, notes, and/or Certificates of Participation (COPs) for the purchase of equipment, and the construction of facilities and infrastructure. Specific user revenues are pledged for the payments of interest and future retirement of the obligations. In Fiscal Year 2021, the following pledges were in place:

The Department of Transportation Statewide Bridge Enterprise pledged $111.6 million (gross) of federal highway funds, Build America Bonds, and surcharges to meet the current year interest payments on debt issued for construction activities related to the Funding Advancement for Surface Transportation and Economic Recovery (FASTER) Bridge Program. The debt was originally issued in Fiscal Year 2011 and has a final maturity date of Fiscal Year 2046. The pledged revenue represents 100 percent of the revenue stream, and $524.1 million of the pledge commitment remains outstanding.

The Department of Transportation High-Performance Transportation Enterprise pledged $2.9 million (gross) of C-470 Express Lanes Senior Revenue Bonds to meet the current year interest payments on debt issued for the cost of designing, engineering, developing and constructing an Express Lanes project on a portion of C-470, widening and replacing adjacent general purpose lanes and rehabilitating or reconstructing related bridges. The debt was originally issued in Fiscal Year 2018 and has a final maturity date of Fiscal Year 2057. The pledged revenue represents 100 percent of the revenue stream, and $409.6 million of the pledge commitment remains outstanding.

Higher Education Institutions have pledged auxiliary fees primarily related to student housing rent, and in some cases tuition, to meet the debt service commitment of their various bond issues. The debt issues involved had an earliest origination date in Fiscal Year 1999 and furthest maturity date of Fiscal Year 2055. In some instances, the gross revenue of the activity is pledged and in other instances the net available revenue is pledged. Total pledged revenue of the Higher Education Institutions is approximately $1.6 billion. Individually significant Higher Education Institution pledges include:

- $1.2 billion (net) pledged by the University of Colorado to secure $78.3 million of current principal and interest on debt issued to finance the construction of enterprise facilities and to refund prior enterprise debt. The related debt was issued in Fiscal Year 2007 and has a final maturity date of Fiscal Year 2051. The pledged revenue represents approximately 77.5 percent of the revenue stream, and $2.5 billion of the pledge (principal and interest) remains outstanding.

- $154.0 million (net) pledged by Colorado State University to secure $5.1 million of current principal and interest on debt issued to finance the construction, expansion, or renovation of certain recreation, research, athletic, and academic facilities. The related debt was originally issued in Fiscal Year 2011 and has a final maturity date of Fiscal Year 2055. The pledged revenue represents 59.2 percent of the total revenue stream, and $1.7 billion of the pledge (principal and interest) remains outstanding.

- $53.8 million (net) pledged by the Colorado School of Mines to secure $20.4 million of current principal and interest on debt issued to finance or refinance the construction, acquisition, improvement, renovation, and equipment for certain facilities and complete qualified conservation improvement projects. The debt issuances had an earliest origination date of Fiscal Year 1999 and furthest maturity date of Fiscal Year 2048. The pledged revenue represents approximately 75.9 percent of the revenue stream, and $420.9 million of the pledge (principal and interest) remains outstanding.

- $40.6 million (gross) pledged by Metropolitan State University of Denver to secure $10.2 million of current principal and interest on debt issued to finance the construction, expansion, or renovation of certain academic facilities. The related debt was originally issued in Fiscal Year 2010 and has a final maturity date of Fiscal Year 2046. The pledged revenue represents 10 percent of the tuition revenue stream and 100 percent of the fee and other revenues revenue stream, and $199.1 million of the pledge (principal and interest) remains outstanding.

- $29.2 million (net) pledged by Colorado Mesa University to secure $14.5 million of current principal and interest on debt issued to construct auxiliary facilities. The related debt was originally issued in Fiscal Year 2010 and has a final maturity date of Fiscal Year 2049. The pledged revenue represents approximately 55.2 percent of the revenue stream and $330.8 million of the pledge (principal and interest) remains outstanding.

- $37.1 million pledged by the University of Northern Colorado to secure $10.5 million of current principal and interest on debt issued to finance refunding of previous debt and for improvements of auxiliary facilities. The debt issuances had an earliest origination date of Fiscal Year 2014 and furthest maturity date of Fiscal Year 2046. The pledged revenue represents 52.5 percent of the net total auxiliary, extended studies, and student fee revenue streams; 100 percent of gross facility & admin cost recoveries; and 10 percent of gross general fund tuition revenue. $192.4 million of the pledge (principal and interest) remains outstanding.

- $5.5 million pledged by the Auraria Higher Education Center to secure $5.5 million of current principal and interest on debt issued to finance construction of Tivoli Student Union park, coffee lounge, and patio and building parking structures. The debt issuances had an earliest origination date of Fiscal Year 2006 and furthest maturity date of Fiscal Year 2034. The pledged revenue represents 2.2 percent of the net and 100 percent of the gross auxiliary revenue stream. $62.5 million of the pledge (principal and interest) remains outstanding.

- $9.6 million (net) pledged by the Western State Colorado University to secure $7.2 million of current principal and interest on debt issued to finance a new student apartment complex and a new sports complex. The debt issuances had an earliest origination date of Fiscal Year 2010 and furthest maturity date of Fiscal Year 2045. The pledged revenue represents 37.8 percent of the revenue stream, and $150.5 million of the pledge (principal and interest) remains outstanding.

Revenue available to meet debt service requirements is shown in the following table:

(Amounts In Thousands)

Agency Name	Gross Revenue	Direct Operating Expense	Available Net Revenue	Debt Service Requirements Principal	Interest	Total
Higher Education Institutions	$ 2,207,833	$ (586,621)	$ 1,621,212	$ 84,250	$ 80,160	$ 164,410
Statewide Bridge Enterprise	111,572	-	111,572	-	17,181	17,181
High Performance Transportation Enterprise	2,879	-	2,879	-	8,090	8,090
	$ 2,322,284	$ (586,621)	$ 1,735,663	$ 84,250	$ 105,431	$ 189,681

DONOR RESTRICTED ENDOWMENTS

The State's donor restricted endowments exist solely in its institutions of higher education. The policies of individual boards govern the spending of net appreciation on investments; there is no State law that governs endowment spending. Donor restricted endowment appreciation reported by the State's institutions of higher education totaled $27.6 million.

The University of Colorado reported net appreciation on endowment investments of $18.8 million that was available for spending. The University reported the related net position in Restricted for Permanent Funds and Endowments – Expendable on the Statement of Net Position – Proprietary Funds. The University spends its investment income in accordance with the University of Colorado Foundation's established spending policy.

The Colorado School of Mines reported $4.6 million of net appreciation on endowment investments that was available for spending. The School reported the related net position in Restricted for Permanent Funds and Endowments – Expendable on the Statement of Net Position – Proprietary Funds. The School has an authorized spending rate of 4.25% of the rolling 36-month average market value of the endowment investments.

Colorado State University reported net appreciation on endowment investments of $4.2 million that was available for spending. The University reported the related net position in Restricted for Permanent Funds and Endowments – Expendable on the Statement of Net Position – Proprietary Funds. The University spends its investment income as authorized by the University's President.

NOTE 18 – RELATED PARTIES

RELATED ORGANIZATIONS

The following related organizations, for which the State appoints a voting majority of their governing boards, are not part of the reporting entity based on the criteria of GASB Statement No. 14, as amended by GASB Statements No. 39 and 61:

- Colorado Agricultural Development Authority
- Colorado Beef Council Authority
- Colorado Educational and Cultural Facilities Authority
- Colorado Health Benefit Exchange
- Colorado Health Facilities Authority
- Colorado Housing and Finance Authority
- Colorado New Energy Improvement District
- Colorado Sheep and Wool Authority
- Fire and Police Pension Association
- Pinnacol Assurance
- The State Board of the Great Outdoors Colorado Trust Fund
- Venture Capital Authority

Even though the appointment of governing boards of these authorities is similar to those included in the reporting entity, the State cannot impose its will upon these entities and it does not have a financial benefit or burden relationship with them. Detailed financial information may be obtained directly from these organizations.

RELATED PARTY TRANSACTIONS

The Colorado Housing & Finance Authority (CHFA) provides administrative services while serving as a fiscal agent for small business programs to provide relief to business that are affected by COVID-19, helps businesses that typically struggle to get access to a bank loan, and programs that promote energy efficiency and renewable energy in Colorado. The State paid a total of $27.4 million to CHFA for the administration of these programs during Fiscal Year 2021.

The University of Colorado Health (UCHealth) is a legal entity separate from the University of Colorado. Faculty members of the University's School of Medicine perform a majority of their clinical practice and clinical training at UCHealth. The clinical revenue for these clinical services provided by the University's faculty is collected by University Physicians Inc., d/b/a CU Medicine, a blended component unit of the State. The University enters into contracts with UCHealth to support the University's educational mission. During Fiscal Year 2021, UCHealth paid the University $87.5 million, and the University paid UCHealth $12.5 million. At June 30, 2021, the University had accounts receivable from UCHealth of $3.8 million, and $0.2 million of accounts payable to UCHealth.

The State Board of the Great Outdoors Colorado (GOCO) Trust Fund is a constitutionally created entity whose purpose is to administer the GOCO Program and Trust Fund. The purpose of the program is to promote the wildlife and outdoor recreation resources of the State using funds it receives from the Colorado Lottery. During Fiscal Year 2021, the Board awarded $81.8 million to the Division of Parks and Wildlife at the Department of Natural Resources. At June 30, 2021, the amount the Division spent on GOCO grants was $38.6 million, and GOCO owed the Department of Natural Resources $14.4 million. Additionally, the GOCO Trust Fund is reported as a fiduciary fund in the State's financial statements. The Department of Treasury recorded deposits of $84.3 million and disbursements of $77.2 million in the GOCO Trust Fund, and the Trust Fund had an ending cash balance of $81.6 million as of June 30, 2021.

The Colorado Health Benefit Exchange, operating as Connect for Health Colorado, operates the State's health insurance marketplace. During Fiscal Year 2021, the Colorado Health Benefit Exchange received $9.2 million in payments from the State for eligibility determinations and system changes.

The Colorado Beef Council Authority oversees the sale of cattle in Colorado and imported beef and beef products. Statute requires the Brand Board within the Department of Agriculture to collect a fee up to $1 on each head of cattle inspected and remit it to the Colorado Beef Council Authority. In return for collecting and administering the fee, 3 percent is paid back to the Brand Board. During Fiscal Year 2021, the Brand Board paid $3.3 million to the Colorado Beef Council Authority, and the Colorado Beef Council Authority paid $0.1 million to the Brand Board.

NOTE 19 – COMMITMENTS AND CONTINGENCIES

COMMITMENTS

On August 24, 2017, Keiwit Meridiam Partners (KMP) was selected to be the Central 70 project developer to undertake the $1.2 billion project. On November 22, 2017, Colorado Bridge Enterprise (CBE) and the HPTE Boards approved the Project Agreement and completed the commercial close of the Central 70 project. On December 21, 2017, KMP and CBE completed the financial close of the project that included CBE issuing $120.8 million of Private Activity Bonds (PABs) and closing on a TIFIA loan totaling $416.0 million. Since CBE acted as a conduit issuer for the TIFIA loan and the PABs, CBE has no liabilities to record, and the debt will be repaid by KMP. Construction officially started in the summer of 2018 with completion estimated to occur in 2022.

SERVICE CONCESSION ARRANGEMENTS

On February 25 2014, the High Performance Transportation Enterprise (HPTE) and Plenary Roads Denver (PRD) completed the financial close of a 50-year concession arrangement. The concession arrangement is HPTE and CDOT's first public private partnership (P3) project, where public and private sectors work together to provide transportation improvements.

The commercial close of the concession arrangement transferred from HPTE to PRD the operations, maintenance, and revenues related to the existing I-25 High Occupancy Toll (HOT) lanes and the U.S. 36 Phase I project once completed in July 2015. Additionally, PRD assumed HPTE's 50-year $54 million TIFIA loan at the completion of U.S. 36 Phase I. PRD also financed, designed, and constructed U.S. 36 Phase II. Once completed in March 2016, PRD transferred the Phase II capital asset with an acquisition value of $88.7 million to HPTE. PRD subsequently assumed the operations, maintenance, and revenues from U.S. 36 Phase II. PRD has the right to collect tolls and raise rates with permission from the HPTE Board. If the Board does not approve the rate increase, HPTE must compensate PRD for any lost revenue.

HPTE reported deferred inflow of resources related to the arrangement of $127.8 million, which is included on the *Statement of Net Position*. The table below shows the carrying amount of HPTE's capital assets at fiscal year-end pursuant to the concession arrangement.

Project	Description	Carrying Amount	
U.S. 36 Phase II	Tolling Equipment and Software	$	-
U.S. 36 Phase II	Managed Lanes	$	91,180,538
U.S. 36 Phase II	36 Tolling Stations	$	132,434

ENCUMBRANCES

Most encumbrances are supported by annual appropriations and lapse at year-end. However, the Capital Projects Funds, Institutions of Higher Education, and Colorado Department of Transportation Funds (primarily the Highway Users Tax Fund) include multi-year encumbrances of $53.4 million, $89.9 million and $1.7 billion, respectively, which are related to purchase orders and long-term contracts for the construction of major capital projects and infrastructure.

FINANCIAL GUARANTEES

Colorado statutes (Section 22-41-110, C.R.S.) hold the State liable for defaults on school district bonds and other obligations unless a school district board of education adopts a resolution stating it will not accept payment on their behalf. The State Treasurer shall recover the amount forwarded on behalf of the school districts by withholding amounts from the school district's payments of the state share of the district's total program received and from property tax and specific ownership tax revenues collected by the county treasurer on behalf of the school district; except that the State Treasurer may not recover amounts from property tax revenues that are pledged to pay notes and bonds issued by the school district. The guarantee will continue to be in effect as long as any bonds or other obligations of a school district remain outstanding. As of June 30, 2021, $10.7 billion of the school district bond is outstanding and no liability has been recorded, as the school districts have been deemed capable of meeting the debt service payments.

CONTINGENCIES

Numerous court cases are pending in which the plaintiffs allege that the State has deprived persons of their constitutional rights, civil rights, inadequately compensated them for their property, engaged in regulatory misfeasance, or breached contracts. In the aggregate, the monetary damages (actual, punitive, and attorney’s fees) claimed in the constitutional and civil rights cases would exceed the insurance coverage available by a material amount. The property compensation and breach of contract suits are generally limited to the appraised value of the property or the contract amount. In the breach of contract suits, the State often files counterclaims. While it is reasonably possible that awards of judgment could occur, it is unlikely that those awards would have a material adverse effect on the State’s financial condition.

Significant matters that are deemed a contingent liability to the State requiring disclosure are summarized below. A significant matter is defined as a single instance where an unfavorable outcome would result in damages of $5.0 million or more.

General Litigation

The State is a defendant in a number of lawsuits or is subject to potentially be named as a party to lawsuits that are associated with its normal governmental operations. Although the outcomes are uncertain, some of these litigations could involve substantial losses. However, the State believes in most cases that it will not incur a resulting liability that would have a material or adverse effect on the State’s financial condition. Should the State incur a loss through an unfavorable outcome, some of the losses may be covered through liability insurance.

Plaintiffs filed a class action suit on behalf of at least 160 women against the Department of Corrections, alleging violations of the Colorado Anti-Discrimination Act (CADA) for discrimination in a place of public accommodation based on sexual orientation and disability. The State will vigorously defend against an estimated $19.0 million of damage claims in the action, including by invoking any available immunity defenses. The State also intends to reopen discussions with Plaintiffs about potential settlement including changes to CDOC policies and practices.

A collective action for unpaid wages under the Fair Labor Standards Act (FLSA) was brought against the Department of Corrections. Under Plaintiffs' theory, members of the putative class should have been paid overtime weekly while on call. If Plaintiffs prevailed, they would likely be entitled to double damages as well as attorneys' fees under the FLSA. Based on the foregoing, we anticipate the damages sought will be significant and potentially exceed $25.0 million. The State will vigorously defend the lawsuit.

Multiple lawsuits have been filed against the Department of Higher Education on behalf of all students enrolled at the University of Colorado and Colorado State University who have paid tuition and the mandatory student fees for the Spring 2020 semester. Plaintiffs allege breach of contract and, in the alternative, unjust enrichment. The dispute relates to transition to remote delivery of educational services for the latter portion of the Spring 2020 semester in response to the COVID-19 pandemic. Although the likelihood of an unfavorable outcome is uncertain, should the court award a full refund of fees paid for the portion of the semester during which educational services were delivered remotely to all enrolled students, each institution's liability could potentially exceed $10.0 million. The State will vigorously defend the claims in the action.

The Department of Public Health & Environment has been named as a defendant related to a claim that it ordered a regulatory taking by prohibiting a corporate entity from legally distributing wastewater. Although the plaintiff seeks $110.0 million in compensatory damages, a reliable loss or range of loss cannot be estimated at this time. The likelihood of an unfavorable outcome is 50 percent, and the State is vigorously defending the case.

The Department of Revenue has been named as a defendant in a claim whereby the plaintiff challenges the denial of an income tax refund claim on the basis that retroactive changes in the CARES Act allegedly carried through to Colorado law despite a regulation to the contrary. If plaintiffs win, it would overturn the regulation. It would also have a very significant impact on other taxpayers, with a combined impact of several hundred million dollars. For this case, the Department of Revenue's potential exposure could be in excess of $8.0 million. The State is vigorously defending its position.

A lawsuit filed against the Colorado Department of Transportation (CDOT) arises from the design and construction of approximately one mile of I-25 between City Center Drive and Santa Fe Drive in Pueblo, CO. The plaintiff is claiming that CDOT forced the plaintiff to accelerate construction, and claims that it is entitled to an additional $13.0 million in payments from CDOT due to purported scheduling changes allegedly caused by CDOT. CDOT and its' counsel at the Attorney General's office are vigorously defending this lawsuit.

A breach of contract lawsuit was filed against CDOT related to construction projects along the I-25 corridor in Denver. The plaintiff alleges that CDOT did not proceed in good faith in its dispute resolution proceeding, and that defects in the road design and other issues caused cost overruns and incurred delays. Plaintiff is seeking $15.0 million in damages, and the State is vigorously defending the case.

Grants

The State receives federal grants for specific purposes that are subject to review and audit by grantor agencies. This federal funding is conditional upon compliance with the terms and conditions of such grant agreements and applicable federal laws and regulations. Issues resulting from federal reviews or audits can potentially cause disallowance of expenditures and consequently, a liability of the State.

The federal Department of Health and Human Services, Centers for Medicare and Medicaid (CMS) demanded the State return approximately $38.4 million of performance bonus payments under the Children's Health Insurance Program Reauthorization Act of 2009, on the basis the State improperly included individuals in current enrollment counts. The State is vigorously defending against the recovery demand, but the likelihood of an unfavorable outcome is uncertain.

Unemployment Insurance Claims

The Colorado Department of Labor and Employment experienced a significant increase in the number of unemployment insurance claims due to the COVID-19 pandemic. The Department also experienced a significant increase in the number of suspected fraudulent unemployment insurance payments in Fiscal Year 2021, and developed analytical tools to identify claims not yet paid for the presence of unique fraud indicators. The Department established a process to place holds on claims relating to potential fraud. If a payment had fraud indicators identified, the Department placed a Program Integrity Hold on the claim. Although some claims placed on hold may be legitimate, the Department is unable to reliably estimate a range of the amount of fraudulent claims payable because a Program Integrity Hold represents a claim deemed highly suspicious, and is not eligible for release unless the claimant has demonstrated their continuing eligibility. For Fiscal Year 2021, the State cannot reliably estimate the liability for fraudulent claims due to the remote possibility of fraudulent claims meeting all eligibility criteria, as required by state law, in order for a claim to be eligible for payment.

NOTE 20 – TAX ABATEMENTS

The Governor's Office of Economic Development and International Trade (OEDIT) – through the State Economic Development Commission (EDC) – supports recruitment, retention, and economic growth throughout the State by offering a variety of incentives and tax credits. OEDIT provided significant tax abatements under four programs during the fiscal year: Colorado Enterprise Zone Business and Contribution Tax Credits, Job Growth Incentive Tax Credits, Historic Preservation Tax Credits, and the Regional Tourism Act program.

- The Colorado Enterprise Zone (EZ) program was created under Article 30 of Title 39 of the Colorado Revised Statutes (C.R.S.) to promote a business friendly environment in economically distressed areas by offering state income tax credits that incentivize businesses to locate and develop in these communities. The Enterprise Zone Contribution Credit is a sub-credit of the Enterprise Zone program created under Section 39-30-103.5, C.R.S. The Contribution Credit is issued to taxpayers that contribute to an economic development project initiated by the local zone administrator and approved by the EDC. Taxpayers investing in Enterprise Zones can earn a credit on their Colorado income tax by planning and executing specific economic development activities. The following incentives can be earned by businesses located in Enterprise Zones:

Business Income Tax Credits	Credit Amount
Investment Tax Credit	3.0 percent of equipment purchases
Commercial Vehicles Investment Tax Credit	1.5 percent of commercial vehicle purchases
Job Training Tax Credit	12 percent of qualified training expenses
New Employee Credit	$1,100 per new job created
Agricultural Processor New Employee Credit	$500 per new job created
Employer Sponsored Health Insurance Credit	$1,000 per covered employee
Research & Development Increase Tax Credit	3 percent of increased R&D expenditures
Vacant Commercial Building Rehabilitation Tax Credit	25 percent of rehabilitation expenditures
Additional EZ Incentives	Incentive Amount
Manufacturing/Mining Sales and Use Tax Exemption	Expanded Sales & Use tax exemption in EZ
Contribution Tax Credit	25 percent cash/12.5 percent in-kind

  Areas with high unemployment rates (25% above the State average), low per capita income (25% below the State average), and/or slower population growth (less than 25% of the State average in rural areas) may be approved for EZ designation by the EDC.

  Each income tax year, a business located in an EZ must apply and be pre-certified prior to beginning an activity to earn any of the business tax credits listed in the table above. When pre-certifying, the business states that the credit is a contributing factor to the start-up, expansion, or relocation of the business. To certify for the credit, the investments and/or new jobs must have been made. At the end of the income tax year, a business must certify that the activities were performed. Contribution Tax Credits are earned by taxpayers making donations to eligible EZ Contribution Projects, and certifying those donations with the project organization or Local Enterprise Zone Administrator. The Commercial Vehicle Investment Tax Credit has a separate online application process.

  The provision for recapturing abated taxes would be an income tax return audit conducted by the Department of Revenue.

- The Job Growth Incentive Tax Credit (JGITC) is a performance-based job creation incentive program created under Section 39-22-531 C.R.S., in which businesses must create and maintain permanent new jobs for one year before receiving the tax credit. The JGITC provides a state income tax credit equal to 50% of FICA paid by the business on the net job growth for each calendar year in the credit period. A business must undertake a job creation project for which the State of Colorado is competing with at least one other state for the project. The JGITC must be a major factor in the business decision to locate or retain the project in Colorado, and a business may not start or announce the proposed project (including locating or expanding in the State, hiring employees related to the project, or making material expenditures for the project) until a final application has been submitted and approved by the EDC.

Businesses have to create at least 20 new jobs (full-time equivalents) in Colorado during the credit period with an average yearly wage of at least 100% of the county average wage based on where the business is located. A business located in an Enhanced Rural Enterprise Zone must create at least five net new jobs (full-time equivalents) in Colorado during the credit period with an average yearly wage of at least 100% of the county average wage based on where the business is located. The credit period is 96 consecutive months.

The provision for recapturing abated taxes would be an income tax return audit conducted by the Department of Revenue.

- The Historic Preservation Tax Credit was created under Section 39-22-514.5 C.R.S. The program issues tax credits to owners of commercial and residential properties who perform certified rehabilitations on their certified historic structures. Tax credit certificates are issued for specific dollar amount based on amount of qualifying investment made. Taxpayers that have made a qualified rehabilitation receive the credit upon completion of rehabilitation, and the provision for recapturing abated taxes would be an income tax return audit conducted by the Department of Revenue. For taxpayers to quality for the credit, the property must be on a historical register (national, state, or local), and the rehabilitation must maintain the historic register status. A commercial property owner must submit a Tax Credit Application. Once the project is approved by History Colorado, OEDIT will reserve the tax credits for 90 days. The tax credit may be claimed upon completion of the project and approved proof of rehabilitation. Qualified rehabilitation costs are those that support the National Historic Preservation Standard.

  The maximum credit for the State Tax Credit is $50,000 for residential properties within a ten-year period; the amount resets with change of ownership. The maximum credit for the State Tax Credit for commercial properties is $1 million per year per property. The State Tax Credit for commercial properties has a cap on the amount that can be awarded to all projects during a calendar year - $5 million to projects with rehabilitation expenditures of $2 million or less and $5 million to projects with rehabilitation expenditures greater than $2 million. These credits are awarded on a first come – first serve basis.

  Taxpayers must register with OEDIT and submit a tax credit application using OEDIT's project checklist. Applications are reviewed by History Colorado's Office of Archaeology and Historic Preservation, which has up to 45 days to review applications for the State Tax Credit for residential properties and the Federal ITC. History Colorado and the Colorado Office of Economic Development and International Trade have 90 days to review commercial applications for State Tax Credits.

- The Regional Tourism Act (RTA) program was created under Sections 24-46-301 through 309 C.R.S., and provides Tax Increment Financing (TIF) to support construction of unique and extraordinary large scale tourism and entertainment facilities that will drive net new visitors and revenue to Colorado. A percentage of state sales tax within a geographic area in a given year that exceeds a base year amount is collected by the Department of Revenue and diverted to a project financing entity. The EDC shall not approve any project that would likely create an annual state sales tax revenue dedication of more than $50 million to all regional tourism projects. A local government will need to submit a regional tourism project application to OEDIT within the application cycle deadline. OEDIT will review the application for general completeness and to make an initial determination regarding whether the application has met the general criteria for a regional tourism project. The EDC will review applications forwarded with OEDIT recommendations and may approve or reject the project based on a demonstration that the following criteria are materially met:

  - The project is of an extraordinary/unique nature and is reasonably anticipated to contribute significantly to economic development and tourism in the State and communities where the project is located.

  - The project is reasonably anticipated to result in a substantial increase in out-of-state tourism.

- A significant portion of sales tax revenue generated by the project is reasonably anticipated to be attributable to transactions with nonresidents of the zone.

- The local government has provided reliable economic data demonstrating that in the absence of state sales tax increment revenue, the project is not reasonably anticipated to be developed within the foreseeable future.

Recipients must follow the EDC resolution based on their application, and must build certain required elements and improvements and follow conditions established by the EDC. The provision for recapturing abated taxes is a formal decision by the EDC concluding the project has not commenced within five years.

Information relevant to disclosure of these tax abatement programs for the fiscal year ended June 30, 2021 is as follows:

Tax Abatement Program	Amount of Taxes Abated (in thousands)
Colorado Enterprise Zone Business Tax Credits	$ 75,747.0
Colorado Enterprise Zone Contribution Tax Credits	16,354.0
Job Growth Incentive Tax Credits	34,929.6
Historic Preservation Tax Credits	11,524.0
Regional Tourism Act	9,177.7
Total	$147,732.3

NOTE 21 – SUBSEQUENT EVENTS

A. DEBT ISSUANCES AND REFUNDINGS

On July 20, 2021, the State issued Education Loan Program Tax and Revenue Anticipation Notes (ETRAN), Series 2021A. The notes mature on June 29, 2022. The total due on that date includes $370.0 million in principal and $12.9 million in interest. By statute, interest on the notes is payable from the General Fund. The ETRAN was issued with a premium of $12.6 million, an average coupon rate of 3.696%, and a yield of 0.070%.

On August 2, 2021, the Metropolitan State University issued the Series 2021, Institutional Enterprise Revenue Refunding Bonds as a direct placement with PNC Bank to refund the Series 2020 bonds. The Series 2021 bonds offer a more favorable rate with a five-year term. Prior to issuing the refunding bonds the University was paying 80% of LIBOR plus 150 basis points, while after the refunding the University must pay 80% of LIBOR plus 46 basis points, which is an estimated present value savings of $6.4 million.

On August 6, 2021, the Board of Governors of the Colorado State University System has authorized the issuance of Bonds, in one or more series or subseries, to be designated "The Board of Governors of the Colorado State University System, System Enterprise Revenue and Revenue Refunding Bonds, Series 2021C" (referred to herein as the "Refunding Bonds," the "2021 Improvement Bonds" or the "Series 2021C Bonds). The purposes were to (a) defraying the cost of financing the Refunding Project; (b) defraying the cost of financing the 2021 Improvement Project; and (c) paying certain costs relating to the issuance thereof, in accordance with and as provided by the Master Resolution and the Twenty Second Supplemental Resolution. Any Series 2021C Bonds, issued in one or more series or subseries, shall be issued in an aggregate principal amount not to exceed $195.0 million for the Refunding Project and $25.0 million for the 2021 Improvement Project.

In April 2021, the High-Performance Transportation Enterprise (HPTE) and the Colorado Bridge Enterprise (CBE) Boards authorized the restructuring of Kiewit-Meridiam Partners (KMP)'s debt for the Central 70 project. Doing so will allow the Central 70 project to generate additional financing proceeds, without increasing project funding from CBE, and to mitigate increases in project costs, delay costs and future risk to the project. The refinancing involves the following: (1) a new, upsized TIFIA loan with the USDOT (the 2021 TIFIA Loan) at a lower interest rate the existing 2017 TIFIA Loan; (2) new senior revenue bonds issued via CBE as a conduit issuer; and (3) additional equity investment by KMP, while maintaining the same key financial ratios and CBE funding commitments that were in place at the start of the project. The new CBE series 2021A Senior Revenue Bonds will be sized to maximize the total refinancing proceeds, payable from the current Performance Payment amounts, without increase once the final interest rate on the TIFIA is set as of the date of financial close. As with the original Colorado Bridge Enterprise Senior Revenue Bonds (Central 70 Project), Series 2017, issued for this project, CBE is issuing the bonds as a conduit issuer. The Series 2021 are not obligations of CBE and are payable solely by KMP from the Trust Estate (as defined in the Trust Indenture, as amended). On September 15, 2021 the CBE issued $51.7 million in Taxable Central 70 Project Series 2021A Senior Revenue Bonds, and $465.0 million in Taxable Central 70 Project Series 2021B Senior Project Infrastructure Bonds. Proceeds of the bonds will be used for additional Central 70 Project costs, prepay capitalized interest with respect to the 2017 TIFIA Loan, and pay certain costs of issuance of the Series 2021 Bonds. The 2021A and 2021B Series have interests rates of 2.543% and 0.923% (respectively). The 2021A series is due December 31, 2032 and the 2021B series is due December 31, 2023.

On October 5, 2021, Colorado State University System issued $27.7 million in System Enterprise Revenue Refunding Bond Taxable Convertible to Tax-Exempt Series 2021 E. The 2021 E Bond will be used to refund a portion of the Series 2015 C Bonds and to pay certain costs relating to the issuance of the 2021 E Bond.

On October 7, 2021, the University of Colorado Board issued a total of $227.6 million C-2 Bonds comprised of the following bonds as Parity Obligations under the Master Resolution which were purchased by Wells Fargo Municipal Capital Strategies, LLC.:(a) The Regents of the University of Colorado, University Enterprise Refunding Revenue Bonds, Taxable Convertible to Tax-Exempt Series 2021C-2A, in the aggregate principal amount of $41.7 million. (b) The Regents of the University of Colorado, University Enterprise Refunding Revenue Bonds, Taxable Convertible to Tax-Exempt Series 2021C-2B, in the aggregate principal amount of $62.1 million. (c) The Regents of the University of Colorado, University Enterprise Refunding Revenue Bonds, Taxable Convertible to Tax-Exempt Series 2021C-2C, in the aggregate principal amount of $123.8 million. These bonds refund and defease portions of the previously issued Series 2015A, Series 2016B-1 and Series 2017A-2 (Refunded Bonds). The proceeds, along with funds contributed by the University are being held by Zions Bank as Escrow Agent to pay all interest and principal to the respective call dates of the Refunded Bonds. The issuance of the refunding bonds and the defeasance of the Refunded Bonds will result in significant cash flow and present value savings to the University.

On November 2, 2021 the University of Colorado sold $202.5 million of University Enterprise Revenue Bonds Series 2021 C-3 and C-4, scheduled to close on November 16, 2021. Proceeds from the issue, plus original issue premium paid by investors, will be used to immediately retire $225 million Series 2020 A-1, A-2 and B-1 variable rate demand bonds and pay costs of issuance related to the C-3 and C-4 bonds. The Series C-3 and C-4 bonds have coupon interest rates of between 2% and 5%. The $125 million of Series C-3 bonds are being issued in term rates mode (Put Bonds) maturing on October 15, 2025 and October 15, 2026 in the amounts of $65 million and $60 million, respectively. The $77.46 million of Series C-4 bonds are issued as fixed-rate bonds, maturing serially from June 1, 2022 through June 1, 2051.

On November 10, 2021, Colorado State University System issued $38.6 million in System Enterprise Revenue and Revenue Refunding Bonds Series 2021 C and $28.9 million in System Enterprise Revenue Refunding Bonds Taxable Series 2021 D-2. The proceeds from the sale of the Series 2021 C Bonds will be used to finance the Lory Student Center Phase three revitalization, Adult Learner Center, and other capital projects as may be designated and approved by the Board, current refund certain Commercial Paper Notes issued to finance a portion of the Geo-Exchange System in the recreation fields south of Moby Arena, mechanical upgrades to the Moby complex, and pay certain costs relating to the issuance of the Series 2021 C Bonds. The proceeds from the sale of the Series D-2 Bonds will be used to refund in full the Series 2013 D Bonds, refund a portion of the Series 2016 B Bonds, and pay certain costs relating to the issuance of the Series 2021 D-2 Bonds.

On November 18, 2021, the University of Colorado issued $69.6 million of taxable advance refunding bonds, University Enterprise Revenue Refunding Bonds, Series 2021 C-1. The newly issued bonds are fixed rate bonds with interest rates of 0.323% to 2.979% and mature in various amounts on June 1 from 2022 to 2049. The Series 2021 C-1 Bonds advance refunded portions of Series 2012 A-2, 2012 B, 2018 B and 2019 B. The transaction will result in significant cash flow and present value saving on debt service for the University.

On December 09, 2021, the State issued Building Excellent Schools Today (BEST) Certificates of Participation (COPs), Series 2021S in the amount of $150.4 million. The COPs were issued as tax exempt bonds with a premium of $28.1 million, an average coupon rate of 4.099%, and a yield of 1.799%. Base Rents are due semiannually beginning on March 15, 2022, with a final maturity date of March 15, 2046.

On December 30, 2021, University of Northern Colorado Board of Trustees issued Institutional Enterprise Revenue Refunding Bonds Taxable, Series 2021A for $33.0 million. Bond proceeds of $33 million were used to advance refund a portion of outstanding principal balance on the Institutional Enterprise Revenue Refunding Bonds, Series 2014A, totaling $30.2 million as of June 30, 2021. The Series 2021A Bonds shall initially be issued as a Taxable Obligation and bear interest at the taxable rate of 2.29% per annum, and will convert to, and be reissued as, a Tax Exempt Obligation bearing interest at a rate of 1.77% per annum on or after March 5, 2024, upon satisfaction of certain agreed upon conditions. The Series 2021A bonds are guaranteed by the State Intercept program and are set to mature on June 1, 2035. Bond proceeds were also used to pay the cost of issuance totaling $0.15 million. As of December 30, 2021, the Series 2014A Bonds will have a remaining outstanding principal balance of $11.0 million.

On December 30, 2021, Colorado State University System issued $46.0 million in System Enterprise Revenue Refunding Bonds Taxable Series 2021 D-1. The 2021 D-1 Bonds will be used to refund a portion of the Series 2015 C Bonds, Series 2017 C Bonds, and Series 2018 A Bonds, and pay certain costs relating to the issuance of the Series 2021 D-1 Bonds.

On January 19, 2022, the State issued Education Loan Program Tax and Revenue Anticipation Notes (ETRAN), Series 2021B. The notes mature on June 29, 2022. The total due on that date includes $400 million in principal and $2.1 million in interest. By statute, interest on the notes is payable from the General Fund. The ETRAN was issued with a premium of $1.8 million, an average coupon rate of 1.188%, and a yield of 0.175%.

B. OTHER

On July 1, 2021, the Small Business Administration notified History Colorado that their Paycheck Protection Program (PPP) loan had been forgiven. Total amount forgiven consisted of $2.3 million in principal, and $27.9 thousand in interest.

On July 1, 2021 the University of Colorado entered into a $100.0 million operating line of credit with PNC Bank "Credit Agreement", pursuant to the 26th Supplemental Bond Resolution adopted by the Regents on June 17, 2021. Under the Credit Agreement with PNC Bank, the University may borrow up to $100.0 million for any lawful purpose of the University including to pay operating expenses and costs of capital projects. The primary purpose of entering into this agreement is to provide an additional source of liquidity to the University and to allow it to more efficiently invest monies in the pooled funds of the University. As of the date the financial statements were issued, there have been no drawings under the Credit Agreement and there are no current plans to do so .If monies are borrowed under the agreement, the University would pay variable rate of interest at 1 month LIBOR plus 50 basis points, which would currently be .59%. The agreement is a three-year agreement that expires on June 30, 2024 and any amounts drawn under the agreement must be repaid within the three-year term. The University also makes a fixed annual payment to PNC Bank for any unused portion.

Effective July 1, 2021, the CollegeInvest aggregate account balance limit for Colorado Section 529 plans for a particular beneficiary from all sources, excluding income, increased to $0.5 million.

On July 19, 2021, the CollegeInvest transfer of Scholars Choice Program assets, records and management responsibilities from QS Investors, LLC and Legg Mason Investor Services, LLC to TIAA-CREF Tuition Financing, Inc. was completed.

In May 2021, Senate Bill 21-008 amended C.R.S. 2-60-205 to remove the word "Junior" from the name of Otero Junior College to Otero College, as well as Trinidad State Junior College to Trinidad State College, effective September 11, 2021.

The Colorado School of Mines paid the Colorado School of Mines Foundation $1.6 million in October 2021, for two parcels of residential property adjacent to Mines south campus on the corner of 19th Street and Illinois Street. The 1.95 acre property was purchased by the Foundation for $6.5 million with the intent to convey to the University.

On October 13, 2021, the Board of University of Colorado Regents approved entering into an agreement for the sale of property located in Lone Tree, Colorado, and known as CU South Denver, for $10 million. The agreement provides the buyer of the property an inspection period that expires December 8, 2021. If following the inspection period, the buyer elects to move forward with the purchase, the sale closed on December 14, 2021. The net book value of the land, building, and improvements was $36.2 million as of June 30, 2021.

On November 1, 2021 the Colorado Mesa University reached an agreement with the Colorado Health Foundation, a Colorado nonprofit organization to enter into an impact investment agreement for a $5 million non-revolving term loan to help cover the cost of constructing the St. Mary's SCL Health Medical Education Center. The loan is non-interest bearing and the University will make eleven annual payments of $0.25 million beginning January 2, 2028 through January 2, 2038 with a final payment of $2.25 million due when the loan matures on November 1, 2038, the Seventeenth (17th) anniversary of the closing date.

College Assist renewed agreements with three outside collection agencies effective November 1, 2021, to collect on defaulted student loans for a one-year term. The agreements may be renewed annually for a one-year term if both parties agree. Collection agencies have been working with borrowers making voluntary payments and providing customer service. Normal collection activities are scheduled to restart on February 1, 2022. Approximately $150 million of student loans will be subrogated to the Department of Education starting in fiscal year 2022 to comply with the Dear Colleague Letter issued May 12, 2021.

In November 2021, the Board of Trustees of the Colorado School of Mines gave formal approval to enter into an agreement with a partner on a new Public Private Partnership that will reimagine Mines Park. Mines Park is a current housing option for upper division undergraduates, graduate students and families. This redevelopment will increase the bed count from 538 to more than a 1,000 in a sustainable residential village.

On December 17, 2021, the Small Business Administration notified History Colorado that their Paycheck Protection Program (PPP) loan had been forgiven. Total amount forgiven consisted of $2.0 million in principal, and $15.0 thousand in interest.

NOTE 22 – DISCRETELY PRESENTED COMPONENT UNITS

As described in Note 1, the State's discretely presented component units (DPCUs) are entities that are legally separate from the State, but included in the reporting entity due to their relationships with the State. This note discusses the significant balances reported in the financial statements for DPCUs and financial items directly related to the State's financial accountability for the DPCUs.

Basis of Accounting

The financial statements for the Colorado Water Resources and Power Development Authority (the Authority), a major DPCU, as well as the nonmajor DPCUs, the Denver Metropolitan Baseball Stadium District (the District) and the Statewide Internet Portal Authority (SIPA), are prepared on the accrual basis of accounting using the economic resources measurement focus and follow GASB standards for governments. The financial information for the Authority and the District is presented for the fiscal year ended December 31, 2020 and the financial information for SIPA is presented for the fiscal year ended June 30, 2021.

The financial information for the University of Colorado Foundation (the Foundation), a major DPCU, is presented for the fiscal year ended June 30, 2021. The Foundation follows standards for not-for-profit accounting promulgated by the Financial Accounting Standards Board (FASB), which recommends preparing financial statements using the accrual basis of accounting.

Cash and Cash Equivalents

The Authority reported cash and cash equivalents with a fair market value of $338.9 million. This amount comprises $324.3 million held by COLOTRUST (Colorado Local Government Liquid Asset Trust), $2.1 million held in the State Treasurer's Investment Pool, $11.1 million in a Federated Government Obligations Fund, and $1.4 million in bank cash deposits. The COLOTRUST and Federated deposits had nationally recognized statistical rating organization (NRSRO) credit ratings of AAAm. The COLOTRUST deposits were measured at net asset value per share (NAV) and the Federated deposits were measured using quoted market prices. The fair market value disclosures for the Treasurer's Investment Pool are disclosed in Note 4.

Investments

The Foundation holds resources for the benefit of the State and the amount of those resources, the vast majority of which are investments, are significant to the State.

Since the Foundation's financial statements are prepared according to FASB not-for-profit standards, the investment risk disclosures typical of government financial statements are not disclosed. For its endowments, the Foundation has adopted an investment policy that seeks to provide a steady and increasing stream of funding while maintaining the purchasing power of the assets. The Foundation's investments are reported, to the extent possible, at fair market value. The FASB fair market value reporting requirements provide for a valuation method hierarchy similar to GASB's. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

Level 1 Investments – values are based on quoted prices (unadjusted) for identical assets (or liabilities) in active markets that a government can access at the measurement date.

Level 2 Investments – inputs other than quoted prices included within Level 1 – that are observable for an asset (or liability), either directly or indirectly.

Level 3 Investments – classified as Level 3 have unobservable inputs for an asset (or liability) and may require a degree of professional judgment.

The following table summarizes the Foundation's investments by type within the fair value hierarchy as of June 30, 2021. In addition to the investments reported at fair value below, the Foundation reports investment assets at cost or present value of $23.5 million.

University of Colorado Foundation
Fair Value Measurements Using
(Amounts In Thousands)

Investment Type	Fair Value as of 6/30/2021	Quoted prices in active markets for identical assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value Per Share
Mutual Funds - Domestic Equities	$ 116,472	$ 116,472	$ -	$ -	$ -
Mutual Funds - International Equities	254,540	254,540	-	-	-
Mutual Funds - Fixed Income	2,212	2,212	-	-	-
Equity Securities	228,600	178,800	-	49,800	-
Fixed-Income Securities	198,439	-	198,439	-	-
Real Estate	62,597	-	-	-	62,597
Private Equity	434,038	-	-	-	434,038
Commingled Equity Securities	817,137	-	-	-	817,137
Absolute Return	350,760	-	-	-	350,760
Venture Capital	337,586	-	-	501	337,085
Commodities	24,455	-	-	-	24,455
Other	838	-	568	270	-
Assets Held Under Split-Interest Agreements	42,652	42,652	-	-	-
Beneficial Interest in Charitable Trusts Held by Others	15,458	-	-	15,458	-
Total	$ 2,885,784	$ 594,676	$ 199,007	$ 66,029	$ 2,026,072

Receivables

The Authority loans funds to finance local government water resources projects, wastewater treatment projects, and drinking water projects. The Authority reported loans receivable of $1,010,8 million as of December 31, 2020. The scheduled maturities of the loans receivable are below.

Colorado Water Resources and Power Development Authority
Loans Receivable
(In Thousands)

Year	Principal	Interest	Total
2021	$ 70,240	$ 10,944	$ 81,184
2022	73,428	9,840	83,268
2023	70,427	8,608	79,035
2024	70,225	7,410	77,635
2025	69,420	6,628	76,048
2026 to 2030	277,878	23,637	301,515
2031 to 2035	205,697	11,139	216,836
2036 to 2040	113,540	4,847	118,387
2041 to 2045	35,062	1,637	36,699
2046 to 2050	24,558	362	24,920
2051	363	3	366
Total	**$ 1,010,838**	**$ 85,055**	**$ 1,095,893**

The Foundation reported contributions receivable of $140.3 million. This amount is net of allowances for uncollectible contributions and net present value discount. Of this amount, $49.5 million is due within one year, $81.8 million is due within one to five years, and $9.0 million is due in more than five years.

Debt Service Requirements

The Authority has issued several bonds to finance local government water projects, which do not constitute debt of the State. During 2020, the Authority issued 2020 Series A Water Resources Revenue Bonds for $7.4 million and two series of Clean Water Revenue Bonds, the 2020 Series A (SRF) and the 2020 Series B (SRF) for $11.6 million and $11.0 million, respectively. Additionally, the Authority issued the 2020 Series A (SRF) Drinking Water Revenue Bonds for $4.9 million in 2020. The Authority fully retired four series of Water Resources Revenue Bonds in 2020: 2009 Series A, 2010 Series A, 2011 Series A, and 2011 Series C. As of December 31, 2020, the Authority reported $33.1 million in current bonds payable and $321.8 million in noncurrent bonds payable.

The schedule below summarizes the remaining debt service payments for all bond issuances for the Authority.

Colorado Water Resources and Power Development Authority
Debt Service Requirements
(In Thousands)

Year	Principal	Interest	Total
2021	$ 33,095	$ 13,893	$ 46,988
2022	34,600	12,436	47,036
2023	33,375	10,874	44,249
2024	33,375	9,491	42,866
2025	30,215	8,263	38,478
2026 to 2030	101,240	26,922	128,162
2031 to 2035	55,570	10,542	66,112
2036 to 2040	22,540	3,942	26,482
2041 to 2045	7,860	1,166	9,026
2046 to 2050	2,980	206	3,186
Total	**$ 354,850**	**$ 97,735**	**$ 452,585**

Capital Assets

The District owns and operates a major league baseball stadium and other related capital assets. The District depreciates land improvements, buildings and other property and equipment using the straight-line method over estimated useful lives that range from three to 50 years. Changes in capital assets for the District for 2020 are below.

Denver Metropolitan Major League Baseball Stadium District
Changes in Capital Assets
(In Thousands)

	Beginning Balance, 1/1/2020	Additions	Transfers	Retirements	Ending Balance, 12/31/2020
Historical Costs					
Land	$ 20,664	$ -	$ -	$ -	$ 20,664
Land Improvements	13,214	-	-	-	13,214
Buildings	211,800	1,182	4,671	-	217,653
Construction in Progress	4,672	82	(4,671)	-	83
Other Property and Equipment	34,138	2,104	-	-	36,242
Total Historical Costs	284,488	3,368	-	-	287,856
Accumulated Depreciation					
Land Improvements	(6,705)	(217)	-	-	(6,922)
Buildings	(76,334)	(5,860)	-	-	(82,194)
Other Property and Equipment	(24,653)	(1,586)	-	-	(26,239)
Total Accumulated Depreciation	(107,692)	(7,663)	-	-	(115,355)
Net Capital Assets	**$ 176,796**	**$ (4,295)**	**$ -**	**$ -**	**$ 172,501**

Transactions with the Primary Government

Pursuant to statutes, with the written consent of the Department of Public Health and Environment, the Authority is authorized, on behalf of the State, to execute operating agreements with the United States Environmental Protection Agency. The Authority entered into a memorandum of agreement with the Department of Public Health and Environment and the Department of Local Affairs, under which each has agreed to assume specified responsibilities. The Authority incurred expenses for the two state agencies totaling $9.7 million in the fiscal year ending December 31, 2020.

The Foundation reported custodial funds of $619.2 million, held for investment for the University of Colorado. In Fiscal Year 2021, the Foundation collected a 1.5 percent annual advancement support assessment on these funds, which was $5.5 million. $182.3 million of distributions were transferred to the University and $29.5 million of advancement support was paid to the University.

Pension Information

The Authority participates in the PERA defined benefit pension plan disclosed in Note 6. Disclosures in Note 6 for the PERA State Division Trust Fund (SDTF) regarding general information about the plan, contributions, and actuarial assumptions are also applicable to the Authority. The pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions specific to the Authority are provided below.

At December 31, 2020, the Authority reported a liability of $3,397,219 for its proportionate share of the collective net pension liability.

The Authority recognized reduction of pension expense of $928,410 and revenue of $1,218 for support from the State as a nonemployer contributing entity for the fiscal year ended December 31, 2020. At December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 126,928	$ -
Changes of assumptions or other inputs	-	974,396
Net difference between projected and actual earnings on pension plan investments	-	366,010
Changes in proportion	-	250,462
Contributions subsequent to the measurement date	225,628	-
Total	$ 352,556	$ 1,590,868

At December 31, 2020, the Authority reported $225,628 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2021	$ (1,243,998)
2022	(81,019)
2023	(14,366)
2024	(124,557)
	$ (1,463,940)

Other Post-Employment Benefits (OPEB)

The Authority participates in the PERA defined benefit OPEB plan disclosed in Note 7. Disclosures in Note 7 for the PERA Health Care Trust Fund (HCTF) OPEB regarding general information about the plan, contributions, and actuarial assumptions are also applicable to the Authority. The OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB specific to the Authority are provided below.

At December 31, 2020, the Authority reported a liability of $155,969 for its proportionate share of the collective net OPEB liability.

The Authority recognized OPEB expense of $8,950 for the fiscal year ended December 31, 2020. At December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 518	$ 26,209
Changes of assumptions or other inputs	1,294	-
Net difference between projected and actual earnings on OPEB plan investments	-	2,603
Changes in proportion	624	5,032
Contributions subsequent to the measurement date	11,735	-
Total	$ 14,171	$ 33,844

At December 31, 2020, the Authority reported $11,735 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Amount
2021	$ (6,336)
2022	(6,336)
2023	(5,582)
2024	(6,755)
2025	(6,037)
Thereafter	(362)
	$ (31,408)

Subsequent Event

The Authority issued its State Revolving Fund Refunding Revenue Bonds 2021 Series A that closed on June 3, 2021. The $33.8 million proceeds from the issuance will be used to refund bonds of the Authority the proceeds of which were used to fund loans to Colorado governmental municipal borrowers to finance or refinance certain costs of improvements to water system facilities or wastewater treatment facilities, to fund a debt service reserve account, and to pay costs of issuance. The Bonds have maturity dates starting in 2021 and ending in 2032 with interest rates varying between 1.0% and 5.0%.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGETARY BASIS BUDGET AND ACTUAL - APPROPRIATED GENERAL FUNDED FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	ORIGINAL APPROPRIATION	FINAL SPENDING AUTHORITY	ACTUAL	(OVER)/UNDER SPENDING AUTHORITY
REVENUES AND TRANSFERS-IN:				
Sales and Other Excise Taxes			$ 3,478,482	
Income Taxes			8,127,542	
Other Taxes			290,340	
Sales and Services			1,286	
Interest Earnings			45,201	
Other Revenues			23,096	
Transfers-In			403,326	
TOTAL REVENUES AND TRANSFERS-IN			12,369,273	
EXPENDITURES AND TRANSFERS-OUT:				
Operating Budgets:				
Departmental:				
Agriculture	$ 11,344	$ 14,796	$ 14,795	$ 1
Corrections	841,343	844,975	827,872	17,103
Education	3,929,011	4,009,330	4,005,590	3,740
Governor	52,763	85,976	84,080	1,896
Health Care Policy and Financing	3,184,706	2,790,163	2,680,385	109,778
Higher Education	604,518	608,308	607,950	358
Human Services	960,429	1,010,424	1,004,179	6,245
Judicial Branch	580,370	577,549	558,184	19,365
Labor and Employment	18,494	18,792	18,222	570
Law	14,285	14,284	13,765	519
Legislative Branch	53,636	53,660	53,626	34
Local Affairs	37,553	67,532	50,986	16,546
Military and Veterans Affairs	10,344	10,350	9,932	418
Natural Resources	32,699	40,496	33,236	7,260
Personnel & Administration	14,049	29,806	29,717	89
Public Health and Environment	59,959	64,391	63,908	483
Public Safety	152,019	148,122	138,450	9,672
Regulatory Agencies	1,941	1,941	1,906	35
Revenue	83,600	83,744	82,693	1,051
Transportation	1,000	1,000	949	51
Treasury	15,625	395,292	395,151	141
SUB-TOTAL OPERATING BUDGETS	10,659,688	10,870,931	10,675,576	195,355
Capital and Multi-Year Budgets:				
Departmental:				
Agriculture	$ 5,277	$ 2,684	$ 356	$ 2,328
Corrections	17,477	27,479	7,916	19,563
Education	3,533	1,052	620	432
Governor	1,316	31,289	12,210	19,079
Health Care Policy and Financing	1,082	2,913	596	2,317
Higher Education	209,849	113,845	42,449	71,396
Human Services	33,386	63,350	28,086	35,264
Local Affairs	1,327	1,099	11	1,088
Military and Veterans Affairs	1,139	3,319	2,498	821
Natural Resources	-	21,000	299	20,701
Personnel & Administration	17,835	14,571	7,141	7,430
Public Health and Environment	322	2,681	999	1,682
Public Safety	826	3,712	1,130	2,582
Transportation	800	1,000	500	500
SUB-TOTAL CAPITAL AND MULTI-YEAR BUDGETS	294,169	289,994	104,811	185,183
TOTAL EXPENDITURES AND TRANSFERS-OUT	$ 10,953,857	$ 11,160,925	$ 10,780,387	$ 380,538
EXCESS OF REVENUES AND TRANSFERS-IN OVER (UNDER) EXPENDITURES AND TRANSFERS-OUT			$ 1,588,886	

The notes to the required supplementary information are an integral part of this schedule.

SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES, AND CHANGES IN FUND BALANCES/NET POSITION - BUDGETARY BASIS BUDGET AND ACTUAL - APPROPRIATED CASH FUNDED FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	ORIGINAL APPROPRIATION	FINAL SPENDING AUTHORITY	ACTUAL	(OVER)/UNDER SPENDING AUTHORITY
REVENUES AND TRANSFERS-IN:				
Sales and Other Excise Taxes			$ 15,386	
Income Taxes			874,600	
Other Taxes			113,238	
Tuition and Fees			2,620,221	
Sales and Services			1,670,009	
Interest Earnings			31,619	
Other Revenues			933,659	
Transfers-In			2,081,448	
Capital Contributions			1,215	
TOTAL REVENUES AND TRANSFERS-IN			8,341,395	
EXPENDITURES/EXPENSES AND TRANSFERS-OUT:				
Operating Budgets:				
Departmental:				
Agriculture	$ 38,649	$ 39,469	$ 29,160	$ 10,309
Corrections	77,870	76,403	45,987	30,416
Education	1,066,795	1,131,534	1,062,718	68,816
Governor	302,312	303,491	266,689	36,802
Health Care Policy and Financing	1,797,056	1,692,536	1,614,683	77,853
Higher Education	2,857,108	2,670,433	2,606,096	64,337
Human Services	341,238	346,010	284,635	61,375
Judicial Branch	189,954	190,829	148,956	41,873
Labor and Employment	74,501	77,882	68,336	9,546
Law	70,422	70,375	65,509	4,866
Legislative Branch	1,236	1,236	1,142	94
Local Affairs	35,521	35,504	30,807	4,697
Military and Veterans Affairs	4,497	4,497	1,260	3,237
Natural Resources	301,670	335,083	192,433	142,650
Personnel & Administration	135,480	133,508	113,976	19,532
Public Health and Environment	240,790	244,678	199,177	45,501
Public Safety	258,931	259,394	240,116	19,278
Regulatory Agencies	95,744	95,920	87,648	8,272
Revenue	248,661	261,484	219,892	41,592
State	27,238	28,547	27,555	992
Transportation	37,760	133,187	42,301	90,886
Treasury	67,012	67,018	65,776	1,242
SUB-TOTAL OPERATING BUDGETS	8,270,445	8,199,018	7,414,852	784,166
Capital and Multi-Year Budgets:				
Departmental:				
Agriculture	$ -	$ 162	$ 162	$ -
Governor	-	13,088	7,743	5,345
Higher Education	49,332	216,900	102,759	114,141
Human Services	1,759	4,298	769	3,529
Labor and Employment	28,422	6,987	6,567	420
Natural Resources	28,247	63,770	5,716	58,054
Personnel & Administration	-	7,376	1,391	5,985
Public Health and Environment	-	9,274	1,742	7,532
Public Safety	-	2,370	-	2,370
Transportation	1,900	500	500	-
SUB-TOTAL CAPITAL AND MULTI-YEAR BUDGETS	109,660	324,725	127,349	197,376
TOTAL EXPENDITURES/EXPENSES AND TRANSFERS-OUT	$ 8,380,105	$ 8,523,743	$ 7,542,201	981,542
EXCESS OF REVENUES AND TRANSFERS-IN OVER/(UNDER) EXPENDITURES/EXPENSES AND TRANSFERS-OUT			$ 799,194	

The notes to the required supplementary information are an integral part of this schedule.

SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES, AND CHANGES IN FUND BALANCES/NET POSITION - BUDGETARY BASIS BUDGET AND ACTUAL - APPROPRIATED FEDERALLY FUNDED FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	ORIGINAL APPROPRIATION	FINAL SPENDING AUTHORITY	ACTUAL	(OVER)/UNDER SPENDING AUTHORITY
REVENUES AND TRANSFERS-IN:				
Federal Grants and Contracts			$ 7,253,095	
TOTAL REVENUES AND TRANSFERS-IN			7,253,095	
EXPENDITURES/EXPENSES AND TRANSFERS-OUT:				
Capital and Multi-Year Budgets:				
Departmental:				
Health Care Policy and Financing	$ 6,736,939	$ 7,230,381	$ 6,858,105	$ 372,276
Human Services	360,938	380,669	346,610	34,059
Labor and Employment	15,651	18,283	16,425	1,858
Public Health and Environment	19,749	19,749	16,558	3,191
SUB-TOTAL CAPITAL AND MULTI-YEAR BUDGETS	7,133,277	7,649,082	7,237,698	411,384
TOTAL EXPENDITURES/EXPENSES AND TRANSFERS-OUT	$ 7,133,277	$ 7,649,082	$ 7,237,698	$ 411,384
EXCESS OF REVENUES AND TRANSFERS-IN OVER/(UNDER) EXPENDITURES/EXPENSES AND TRANSFERS-OUT			$ 15,397	

The notes to the required supplementary information are an integral part of this schedule.

RECONCILING SCHEDULE
ALL BUDGET FUND TYPES
TO ALL GAAP FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)

	GOVERNMENTAL FUNDS			
	GENERAL	FEDERAL SPECIAL REVENUE FUND	HIGHWAY USERS TAX	OTHER GOVERNMENTAL FUNDS
BUDGETARY BASIS:				
Revenues and Transfers-In Appropriated (Required Supplementary Information):				
General	$ 12,273,074	$ -	$ -	$ 96,199
Cash	1,069,583	-	283,843	2,427,121
Federal	4,304,168	-	-	264
Sub-Total Revenues and Transfers-In Appropriated	17,646,825	-	283,843	2,523,584
Revenues and Transfers-In Non-Appropriated (Supplementary Information):				
General	1,956,640	-	-	-
Cash	5,741,735	7,553	2,064,578	3,860,974
Federal	4,982,981	881,946	620,418	793,729
Sub-Total Revenues and Transfers-In Non-Appropriated	12,681,356	889,499	2,684,996	4,654,703
Total Revenues and Transfers-In Appropriated and Non-Appropriated	30,328,181	889,499	2,968,839	7,178,287
Expenditures/Expenses and Transfers-Out Appropriated (Required Supplementary Information):				
General Funded	10,675,510	-	-	104,877
Cash Funded	1,068,302	-	284,946	1,816,532
Federally Funded	4,288,918	-	-	-
Expenditures/Expenses and Transfers-Out Appropriated	16,032,730	-	284,946	1,921,409
Expenditures/Expenses and Transfers-Out Non-Appropriated(Supplementary Information):				
General Funded	1,768,843	-	-	-
Cash Funded	4,846,771	-	2,317,836	3,147,030
Federally Funded	4,997,578	4,397,312	569,311	577,718
Expenditures/Expenses and Transfers-Out Non-Appropriated	11,613,192	4,397,312	2,887,147	3,724,748
Expenditures/Expenses and Transfers-Out Appropriated and Non-Appropriated	27,645,922	4,397,312	3,172,093	5,646,157
Excess of Revenues and Transfers-In Over (Under) Expenditures and Transfers-Out - Budget Basis - Appropriated	1,614,095	-	(1,103)	602,175
Excess of Revenues and Transfers-In Over (Under) Expenditures and Transfers-Out - Budget Basis - Non-Appropriated	1,068,164	(3,507,813)	(202,151)	929,955
BUDGETARY BASIS ADJUSTMENTS:				
Increase/(Decrease) for Unrealized Gains/Losses	23,075	(17,647)	(19,903)	(6,370)
Increase for Budgeted Non-GAAP Expenditures	-	-	-	-
Increase/(Decrease) for GAAP Expenditures Not Budgeted	934,553	3,477,955	711,631	1,383,335
Increase/(Decrease) for GAAP Revenue Adjustments	(1,495,817)	37,528	(714,385)	(1,623,074)
Increase/(Decrease) for Non-Budgeted Funds	-	-	-	-
Excess of Revenues and Transfers-In Over (Under) Expenditures and Transfers-Out - GAAP Basis	2,144,070	(9,977)	(225,911)	1,286,021
GAAP BASIS FUND BALANCES/NET POSITION:				
FUND BALANCE/NET POSITION, FISCAL YEAR BEGINNING	2,401,594	21,350	978,353	6,090,424
Prior Period Adjustments (See Note 15A)	-	-	-	39,720
Accounting Changes (See Note 15B)	-	-	-	19,862
NET POSITION - FISCAL YEAR BEGINNING (RESTATED)	2,401,594	21,350	978,353	6,150,006
FUND BALANCE/NET POSITION, FISCAL YEAR END	$ 4,545,664	$ 11,373	$ 752,442	$ 7,436,027

The notes to the required supplementary information are an integral part of this schedule.

PROPRIETARY FUND TYPES							
HIGHER EDUCATION INSTITUTIONS	TRANSPORTATION ENTERPRISE	UNEMPLOYMENT INSURANCE	HEALTHCARE AFFORDABILITY	OTHER ENTERPRISE FUNDS	INTERNAL SERVICE	**TOTAL PRIMARY GOVERNMENT**	**FIDUCIARY FUND TYPES**
$ -	$ -	$ -	$ -	$ -	$ -	$ 12,369,273	$ -
2,623,943	-	11,029	1,126,820	376,381	420,429	8,339,149	2,246
-	-	-	2,948,793	(130)	-	7,253,095	-
2,623,943	-	11,029	4,075,613	376,251	420,429	27,961,517	2,246
-	-	-	-	-	-	1,956,640	-
575,832	54,642	594,668	21,949	1,119,597	79,253	14,120,781	6,334,304
413,314	16,420	6,994,675	94,763	320,538	-	15,118,784	-
989,146	71,062	7,589,343	116,712	1,440,135	79,253	31,196,205	6,334,304
3,613,089	71,062	7,600,372	4,192,325	1,816,386	499,682	59,157,722	6,336,550
-	-	-	-	-	-	10,780,387	-
2,547,946	-	3,705	1,114,635	307,328	396,695	7,540,089	2,112
-	-	-	2,948,780	-	-	7,237,698	-
2,547,946	-	3,705	4,063,415	307,328	396,695	25,558,174	2,112
-	-	-	-	-	-	1,768,843	-
623,287	34,990	3,064,261	21,979	924,756	86,997	15,067,907	4,181,508
431,071	-	6,495,332	94,778	337,036	-	17,900,136	-
1,054,358	34,990	9,559,593	116,757	1,261,792	86,997	34,736,886	4,181,508
3,602,304	34,990	9,563,298	4,180,172	1,569,120	483,692	60,295,060	4,183,620
75,997	-	7,324	12,198	68,923	23,734	2,403,343	134
(65,212)	36,072	(1,970,250)	(45)	178,343	(7,744)	(3,540,681)	2,152,796
-	(8,809)	(14)	601	(12,689)	(1,498)	(43,254)	(60,802)
-	-	-	-	-	-	-	-
18,749	(24,421)	137,503	(35,144)	144,812	88,415	6,837,388	(322,931)
9,505	-	(39,714)	1,681	(42,697)	(1,113)	(3,868,086)	312,305
2,063,308	-	-	-	-	-	2,063,308	-
2,102,347	2,842	(1,865,151)	(20,709)	336,692	101,794	3,852,018	2,081,502
3,104,807	1,360,633	(1,531)	74,947	574,844	(400,273)	14,205,148	9,680,772
168,003	-	-	13,671	15	-	221,409	(15)
274	-	-	-	331	-	20,467	817,589
3,273,084	1,360,633	(1,531)	88,618	575,190	(400,273)	14,447,024	10,498,346
$ 5,375,431	$ 1,363,475	$ (1,866,682)	$ 67,909	$ 911,882	$ (298,479)	18,299,042	$ 12,579,848

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE RSI-1 – BUDGETARY INFORMATION

A. BUDGETARY BASIS

Budget schedules are presented as appropriated and nonappropriated for each category. The appropriated schedules are part of the Required Supplementary Information (RSI) section while the nonappropriated schedules are part of the Supplementary Information (SI) section.

The three budget-to-actual schedules in the RSI show revenues and expenditures that are legislatively appropriated, excluding informational only appropriations that do not require action of the legislature but are included in the appropriations bills for informational purposes only. These schedules are presented in the budgetary fund structure discussed below.

Budgetary fund types differ from fund types proscribed by generally accepted accounting principles. The budgetary fund types are general, cash, and federal funds. For budgetary purposes, cash funds include financial resources designated to support specific expenditures. Federal funds primarily include revenues received from the federal government. All other financial resources received are general-purpose revenues, and are not designated for specific expenditures until appropriated.

Eliminations of transfers and intrafund transactions are not made in the budgetary funds if those transactions are under budgetary control. Thus, revenues and expenditures in these funds are shown at their gross amounts. This results in significant duplicate recording of revenues and expenditures. An expenditure of one budgetary fund may be shown as a transfer-in or revenue in another budgetary fund and then be shown again as an expenditure in the second fund.

For budget purposes, depending on the accounting fund type involved, expenditures/expenses are determined using the modified accrual or accrual basis of accounting with the following exceptions:

- Payments to employees paid on a monthly basis for time worked in June of each fiscal year are made on the first working day of the following month; for general-funded appropriations those payments are reported as expenditures in the following fiscal year.

- Certain payments by state agencies to the Office of Information Technology for information technology services purchased in June using general-funded appropriations are reported as expenditures in the following fiscal year.

- Medicaid services claims are reported as expenditures only when the Department of Health Care Policy and Financing requests payment by the State Controller for medical services premiums under the Colorado Medical Services Act or for medical service provided by the Department of Human Services under the Colorado Medical Services Act. Similar treatment is afforded to non-administrative expenditures that qualify for federal participation under Title XIX of the federal Social Security Act except for medically indigent program expenditures. In most years, this results in the Department of Health Care Policy and Financing excluding expenditures accrued for services provided but not yet billed.

- Expenditures of the fiscal year in the following three categories that have not been paid at June 30 are reported in the following year: Old Age Pension Health and Medical Care program costs; state contributions required by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003; and financial administration costs of any non-administrative expenditure under the Children's Basic Health Plan.

- Unrealized gains and losses on investments are not recognized as changes in revenue on the budgetary basis.

- Pension expense related to unfunded pension liabilities are not recognized on a budgetary basis.

B. BUDGETARY PROCESS

The financial operations of the legislative, judicial, and executive branches of the State government, with the exception of custodial funds and federal moneys not requiring matching state funds, are controlled by annual appropriations made by the General Assembly. The Department of Transportation's portion of the Highway Fund is appropriated to the State Transportation Commission. Within the legislative appropriation, the Commission may appropriate the specific projects and other operations of the department. In addition, the Commission may appropriate available fund balance from its portion of the Highway Fund.

The total legislative appropriation is constitutionally limited to the unrestricted funds held at the beginning of the year plus revenues estimated to be received during the year as determined by the budgetary basis of accounting. The original appropriation by the General Assembly in the Long Appropriations Act segregates the budget of the State into its operating and capital components. The majority of the capital budgets are accounted for in the Capital Projects Fund, with the primary exception being budgeted capital funds used for infrastructure and institution of higher education capital projects.

The Governor has line item veto authority over the Long Appropriations Act, but the General Assembly may override each individual line item veto by a two-thirds majority vote in each house.

Most general and cash funded appropriations, with the exception of capital projects, lapse at year-end unless specifically required by the General Assembly or executive action is taken to rollforward all or part of the remaining unspent budget authority. Appropriations that meet the strict criteria for rollforward are reported in Note 19. Since capital projects appropriations are generally available for three years after appropriation, significant amounts of the capital budgets remain unexpended at fiscal year-end. Cash funded highway construction, maintenance and operations in the Department of Transportation are appropriated as operating budgets, but remain available in future years through action of the Transportation Commission.

The appropriation controls the combined expenditures and encumbrances of the State, in the majority of the cases, to the level of line item within the State agency. Line items are individual lines in the official budget document and vary from specific payments for specific programs to single appropriations at the agency level. Statutes allow the Judicial and Executive Branches, at year-end, to transfer legislative appropriations within departments for expenditures. The appropriation may be retroactively adjusted in the following session of the General Assembly by a supplemental appropriation.

On the three budget-to-actual schedules, the column titled Original Appropriation consists of the Long Appropriations Act and special bills, excluding informational only appropriations. The column titled Final Spending Authority includes the original appropriation and supplemental appropriations of the Legislature.

Spending occurs outside of the legislative appropriations process primarily for custodial purposes, federally-funded activity for which there is no general-purpose revenue matching requirement, statutory transfers, and other miscellaneous budgetary items. Additional budget-to-actual schedules related to nonappropriated activity are included in the Supplementary Section of the Annual Comprehensive Financial Report.

C. OVEREXPENDITURES

Depending on the accounting fund type involved, expenditures/expenses are determined using the modified accrual or accrual basis of accounting even if the accrual will result in an overexpenditure. The modified and full accrual basis of accounting is converted to the budgetary basis of accounting as noted above. In the General Purpose Revenue Fund and Capital Projects Fund, if earned cash revenues plus available fund balance and earned federal revenues are less than cash and federal expenditures, then those excess expenditures are considered general-funded expenditures. If general-funded expenditures exceed the general-funded appropriation then an overexpenditure occurs even if the expenditures did not exceed the total legislative line item appropriation. Individual overexpenditures are listed in Note 2. Some transactions considered revenues for budgetary purposes, such as intrafund sales, are not considered GAAP revenues. Some events, such as the recognition of unrealized gains/losses on investments, affect revenues on a GAAP basis but not on the budgetary basis. Federal Medicaid revenues related to deferred Medicaid expenditures result in revenues on the GAAP statements but not on the budgetary schedules. These events and transactions are shown in the reconciliation as "Unrealized Gains/Losses" and/or "GAAP Revenue Adjustments."

D. BUDGET TO GAAP RECONCILIATION

The *Reconciling Schedule – All Budget Fund Types to All GAAP Fund Types* shows how revenues, expenditures/expenses, and transfers under the budgetary basis in the budgetary fund structure and how nonappropriated revenues, expenditures/expenses, and transfers under the budgetary basis in the budgetary fund structure relate to the change in fund balances/net position for the funds presented in the fund-level financial statements.

Certain expenditures on a generally accepted accounting principle (GAAP) basis, such as bad debt expense related to loan activity and depreciation, are not budgeted by the General Assembly. In addition, certain General Purpose Revenue Fund payroll disbursements for employee time worked in June by employees paid on a monthly basis, June general-funded purchases of service from the Office of Information Technology, and Medicaid and certain other assistance program payments (see Section A above) accrued but not paid by June 30 are excluded from the expenditures are not shown on the budget-to-actual schedules but are included in the budget-to-actual reconciliation schedule as "GAAP Expenditures Not Budgeted." Additionally, this line item includes some transactions considered expenditures for budgetary purposes, such as loan disbursements and capital purchases in proprietary fund types, are not expenditures on a GAAP basis.

Some transactions considered revenues for budgetary purposes, such as intrafund sales, are not considered GAAP revenues. Some events, such as the recognition of unrealized gains/losses on investments, affect revenues on a GAAP basis but not on the budgetary basis. Federal Medicaid revenues related to deferred Medicaid expenditures result in revenues on the GAAP statements but not on the budgetary schedules. These events and transactions are shown in the reconciliation as "Unrealized Gains/Losses" and/or "GAAP Revenue Adjustments."

The inclusion of these revenues and expenditures and the change in nonbudgeted funds along with the balances from the budget-to-actual schedules is necessary to reconcile to the GAAP fund balance.

E. OUTSTANDING ENCUMBRANCES

The State uses encumbrance accounting as an extension of formal budget implementation in most funds except certain fiduciary funds, and certain Higher Education Institutions Funds. Under this procedure, purchase orders and contracts for expenditures of money are recorded to reserve an equivalent amount of the related appropriation. Encumbrances do not constitute expenditures or liabilities. They lapse at year-end unless specifically brought forward to the subsequent year.

NOTE RSI-2 – THE STATE'S DEFINED BENEFIT PENSION PLAN

A. PROPORTIONATE SHARE OF PENSION LIBILITY AND CONTRIBUTIONS

Proportionate Share:

The State, Judicial, Denver Public Schools, and Schools Divisions Trust Funds – which are defined benefit cost-sharing multiple-employer pension plans – are administered by the Public Employees' Retirement Association (PERA). The schedule below presents the State's (primary government) proportionate share of the net pension liability for its retirement Trusts. The amounts presented for each Division were determined as of the measurement date, which is the calendar year-end that occurred within the State's fiscal year. Information is not available prior to Calendar Year 2013 for the State and Judicial Divisions, and Calendar Year 2018 for the Denver Public Schools, Schools, and State and Judicial NCE Divisions.

State Division

(Amounts In Thousands)

	CY 2020	CY 2019	CY 2018	CY 2017	CY 2016	CY 2015	CY 2014	CY 2013
State's proportion of the net pension liability	95.60%	95.49%	95.40%	95.37%	95.49%	95.71%	95.85%	95.86%
State's proportionate share of Net Pension liability	$ 9,066,999	$ 9,265,778	$ 10,855,754	$ 19,091,149	$ 17,539,728	$ 10,079,252	$ 9,016,144	$ 8,539,181
State's covered payroll	$ 3,132,159	$ 3,376,294	$ 3,262,962	$ 2,796,014	$ 2,751,094	$ 2,687,152	$ 2,586,800	$ 2,570,286
State's proportionate share of the net pension liability as a percentage of its covered payroll	289.48%	274.44%	332.70%	682.80%	637.55%	375.09%	348.54%	332.23%
Plan fiduciary net position as a percentage of the total pension liability	65.34%	62.24%	55.11%	43.20%	42.59%	56.11%	59.84%	61.00%

Judicial Division

(Amounts In Thousands)

	CY 2020	CY 2019	CY 2018	CY 2017	CY 2016	CY 2015	CY 2014	CY 2013
State's proportion of the net pension liability	93.49%	94.28%	94.06%	93.99%	94.17%	93.98%	93.60%	93.44%
State's proportionate share of Net Pension liability	$ 57,929	$ 85,727	$ 132,873	$ 218,136	$ 239,423	$ 172,824	$ 129,499	$ 102,756
State's covered payroll	$ 52,027	$ 55,934	$ 55,706	$ 46,764	$ 46,320	$ 44,159	$ 40,114	$ 37,203
State's proportionate share of the net pension liability as a percentage of its covered payroll	111.34%	153.27%	238.52%	466.46%	516.89%	391.37%	322.83%	276.20%
Plan fiduciary net position as a percentage of the total pension liability	87.06%	80.02%	68.48%	58.70%	53.19%	60.13%	66.89%	77.41%

Denver Public Schools Division

(Amounts In Thousands)

	CY 2020*	CY 2019	CY 2018
State's proportion of the net pension liability	0.00%	30.71%	34.13%
State's proportionate share of Net Pension liability	$ -	$ 202,321	$ 349,095
Plan fiduciary net position as a percentage of the total pension liability	90.48%	84.73%	75.69%

Schools Division

(Amounts In Thousands)

	CY 2020*	CY 2019	CY 2018
State's proportion of the net pension liability	0.00%	11.26%	12.03%
State's proportionate share of Net Pension liability	$ -	$ 1,681,628	$ 2,129,952
Plan fiduciary net position as a percentage of the total pension liability	66.99%	64.52%	57.01%

State Division as a Non-Employer Contributing Entity

(Amounts In Thousands)

	CY 2020*	CY 2019	CY 2018
State's proportion of the net pension liability	0.00%	0.51%	0.55%
State's proportionate share of Net Pension liability	$ -	$ 49,203	$ 62,292

Judicial Division as a Non-Employer Contributing Entity

(Amounts In Thousands)

	CY 2020*	CY 2019	CY 2018
State's proportion of the net pension liability	0.00%	0.64%	0.85%
State's proportionate share of Net Pension liability	$ -	$ 582	$ 1,199

*The General Assembly passed House Bill 20-1379 which suspended contributions for Fiscal Year 2021 due to the COVID-19 pandemic; therefore, no liability was recognized. See Note 6 for additional information.

Contributions:

The following schedule presents a ten-year history of the State's (primary government's) contribution to PERA for the State and Judicial Divisions for each fiscal year ending June 30. For the Fiscal Years 2020 and 2019 State and Judicial Trust Divisions, figures reported for the contributions as a percentage of covered payroll differs from the actual employer contribution rate specified in statute due to additional contractually required contributions directly distributed to PERA in accordance with Senate Bill 18-200. In addition, the State made statutorily required non-employer contributions for its Fiscal Years 2019 and 2020 to the State and Judicial Trust Divisions that are not reflected in the tables below (see Note 6 for additional information).

State Division

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
Contractually required contributions	625,966	673,795	639,485	541,295	516,932	484,588	$ 446,528	$ 413,694	$ 362,791	$ 272,068
Contributions in relation to the contractually required contributions	(625,966)	(673,795)	(639,485)	(541,295)	(516,932)	(484,588)	(446,528)	(413,694)	(362,791)	(272,068)
Contribution deficiency(excess)	-	-	-	-	-	-	-	-	-	-
State's covered payroll	3,144,787	3,455,535	3,320,884	2,829,559	2,767,479	2,725,417	2,645,149	2,590,401	2,479,774	2,422,689
Contributions as a percentage of covered payroll	19.90%	19.50%	19.26%	19.13%	18.68%	17.78%	16.88%	15.97%	14.63%	11.23%

Judicial Division

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
Contractually required contributions	$ 8,488	$ 11,601	$ 10,031	$ 7,754	$ 7,546	$ 7,571	$ 6,878	$ 6,218	$ 5,677	$ 4,258
Contributions in relation to the contractually required contributions	(8,488)	(11,601)	(10,031)	(7,754)	(7,546)	(7,571)	(6,878)	(6,218)	(5,677)	(4,258)
Contribution deficiency(excess)	-	-	-	-	-	-	-	-	-	-
State's covered payroll	51,796	57,548	56,296	47,454	46,181	46,332	42,088	38,057	41,019	30,766
Contributions as a percentage of covered payroll	16.39%	20.16%	17.82%	16.34%	16.34%	16.34%	16.34%	16.34%	13.84%	13.84%

The schedule on the following page presents a three-year history of the State's (primary government's) Senate Bill 18-200 contractually required contributions to PERA for the Denver Public Schools and Schools Divisions, and the State and Judicial Divisions for which the State is a non-employer contributing entity for each fiscal year ending June 30.

Denver Public Schools Division

	FY 2021*	FY 2020	FY 2019
Contractually required contributions	-	$ 19,201	$ 18,622
Contributions in relation to the contractually required contributions	-	(19,201)	(18,622)
Contribution deficiency(excess)		-	-

Schools Division

	FY 2021*	FY 2020	FY 2019
Contractually required contributions	-	$ 127,367	$ 126,505
Contributions in relation to the contractually required contributions	-	(127,367)	(126,505)
Contribution deficiency(excess)		-	-

State Division as a Non-Employer Contributing Entity

	FY 2021*	FY 2020	FY 2019
Contractually required contributions	-	$ 3,480	$ 3,607
Contributions in relation to the contractually required contributions	-	(3,480)	(3,607)
Contribution deficiency(excess)		-	-

Judicial Division as a Non-Employer Contributing Entity

	FY 2021*	FY 2020	FY 2019
Contractually required contributions	-	$ 77	$ 82
Contributions in relation to the contractually required contributions	-	(77)	(82)
Contribution deficiency(excess)		-	-

*The General Assembly passed House Bill 20-1379 which suspended contributions for Fiscal Year 2021 due to the COVID-19 pandemic; therefore, no liability was recognized. See Note 6 for additional information.

University of Colorado Schedule of Changes in Alternate Medicare Payments Total Pension Liability and Related Ratios

	Fiscal Year Ending				
Alternate Medicare Payment	**June 30, 2021**	**June 30, 2020**	**June 30, 2019**	**June 30, 2018**	**June 30, 2017**
Service cost	$ 4,854	4,360	3,985	4,262	3,194
Interest on total AMP pension liability	3,295	3,339	2,751	2,231	2,391
Differences between expected and actual experience	(124)	(3,865)	(109)	(3,377)	(101)
Changes of assumptions	23,408	4,845	4,940	(3,180)	10,999
Benefit payments	(1,828)	(1,692)	(1,566)	(1,448)	(1,349)
Net change in total pension liability	29,605	6,987	10,001	(1,512)	15,134
Total pension liability (beginning)	90,199	83,212	73,211	74,723	59,589
Total pension liability (ending)	$ 119,804	90,199	83,212	73,211	74,723
Covered-employee payroll	$ 1,692,641	1,436,909	1,369,276	1,187,065	943,644
Total pension liability as a percentage of payroll	7.08%	6.28%	6.08%	6.17%	7.92%

B. SIGNFICANT CHANGES IN ASSUMPATIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION

PERA State and Judicial Trust Funds

2020 Changes in Assumptions or Other Inputs Since 2019

- The price inflation assumption was lowered from 2.40 percent to 2.30 percent.
- The wage inflation assumption was lowered from 3.50 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses from 4.85 percent per year, net of investment expenses.
- Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State Division (members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for State Troopers was changes to the PubS-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the State Division (Members other than State Troopers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:
    - Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
    - Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the Judicial Division was changed to the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019. The post-retirement non-disability beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:

    - Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.

    - Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.

- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

- The disability mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

<u>2019 Changes in Assumptions or Other Inputs Since 2018</u>

- The assumption used to value the AI cap benefit provision was changed from 1.50 percent to 1.25 percent.

<u>2018 Changes in Assumptions or Other Inputs Since 2017</u>

- The single equivalent interest rate (SEIR) for the State Division was increased from 4.72 percent to 7.25 percent to reflect the changes to the projection's valuation basis which no longer resulted in a projected year of depletion of the fiduciary net position (FNP), thereby eliminating the need to apply the municipal bond index rate.

- The SEIR for the School Division was increased from 4.78 percent to 7.25 percent to reflect the changes to the projection's valuation basis which no longer resulted in a projected year of depletion of the FNP, thereby eliminating the need to apply the municipal bond index rate.

- The SEIR for the Judicial Division was increased from 5.41 percent to 7.25 percent to reflect the changes to the projection's valuation basis which no longer resulted in a projected year of depletion of the FNP, thereby eliminating the need to apply the municipal bond index rate.

<u>2017 Changes in Assumptions or Other Inputs Since 2016</u>

- The SEIR for the State Division was lowered from 5.26 percent to 4.72 percent to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate.

- The SEIR for the Judicial Division was increased from 5.18 percent to 5.41 percent to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate.

- The municipal bond index rate used in the determination of the SEIR for the State and Judicial Divisions changed from 3.86 percent on the prior measurement date to 3.43 percent on the measurement date.

<u>2016 Changes in Assumptions or Other Inputs Since 2015</u>

- The investment return assumption was lowered from 7.50 percent to 7.25 percent.

- The price inflation assumption was lowered from 2.80 percent to 2.40 percent.

- The wage inflation assumption was lowered from 3.90 percent to 3.50 percent.

- The post-retirement mortality assumption for healthy lives for the State Division was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of a 73 percent factor applied to ages below 80 and a 108 percent factor applied to age 80 and above, projected to 2018, for males, and a 78 percent factor applied to ages below 80 and a 109 percent factor applied to age 80 and above, projected to 2020, for females.

- The post-retirement mortality assumption for healthy lives for the Judicial Division was changed to the RP-2014 White Collar Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of a 93 percent factor applied to ages below 80 and a 113 percent factor applied to age 80 and above, projected to 2018, for males, and a 68 percent factor applied to ages below 80 and a 106 percent factor applied to age 80 and above, projected to 2020, for females.

- For disabled retirees, the mortality assumption was changed to reflect 90 percent of RP-2014 Disabled Retiree Mortality Table.

- The mortality assumption for active members was changed to RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

- The rates of retirement, withdrawal, and disability were revised to reflect more closely actual experience.

- The estimated administrative expense as a percentage of covered payroll was increased from 0.35 percent to 0.40 percent.

- The SEIR for the State Division was lowered from 7.50 percent to 5.26 percent to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate of 3.86 percent on the measurement date.

- The SEIR for the Judicial Division was lowered from 5.73 percent to 5.18 percent to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate from 3.57 percent on the prior measurement date to 3.86 percent on the measurement date.

<u>2015 Changes in Assumptions or Other Inputs Since 2014</u>

- The SEIR for the Judicial Division was lowered from 6.14 percent to 5.73 percent to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate from 3.70 percent on the prior measurement date to 3.57 percent on the measurement date.

- The following programming changes were made:

  - Valuation of the full survivor benefit without any reduction for possible remarriage.
  - Reflection of the employer match on separation benefits for all eligible years.
  - Reflection of one year of service eligibility for survivor annuity benefit.
  - Refinement of the 18-month AI timing.
  - Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.

- The following methodology changes were made:

  - Recognition of merit salary increases in the firs projection year.
  - Elimination of the assumption that 35 percent of future disabled members elect to receive a refund.
  - Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
  - Adjustments to the timing of the normal cost and UAAL payment calculations to reflect contributions throughout the year.

<u>2014 Changes in Assumptions or Other Inputs Since 2013</u>

- The SEIR for the Judicial Division was lowered from 6.66 percent to 6.14 percent to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate from 4.73 percent on the prior measurement date to 3.70 percent on the measurement date.

2013 Changes in Assumptions or Other Inputs Since 2012

- The investment return assumption was lowered from 8.00 percent to 7.50 percent.
- The price inflation assumption was lowered from 3.50 percent to 2.80 percent.
- The wage inflation assumption was lowered from 4.25 percent to 3.90 percent.

University of Colorado Alternate Medicare Payments Plan

Funded Status – no assets are held in trust to pay for plan benefits.

2020 Changes in Assumptions or Other Inputs Since 2019

- Discount rate changed from 3.50 percent to 2.20 percent.
- Mortality table was updated from the PUB-2010 "Teachers" table with generational projection using Scale MP-2019 to the PUB-2010 "Teachers" table with generational projection using Scale MP-2020.

2019 Changes in Assumptions or Other Inputs Since 2018

- Discount rate changed from 3.85 percent to 3.50 percent.
- Mortality table was updated from the PUB-2010 "Teachers" table with generational projection using Scale MP-2018 to the PUB-2010 "Teachers" table with generational projection using Scale MP-2019.

2018 Changes in Assumptions or Other Inputs Since 2017

- Discount rate changed from 3.60 percent to 3.85 percent.
- Mortality table was updated to reflect the Public Retirement Plans Mortality Tables Report issued by the Society of Actuaries in January 2019. The specific assumption used the PUB- 2010 Teachers Classification Table with generational projection using Scale MP-2018. The impact of this change was an increase in Total Pension Liability of about 10 percent.

2017 Changes in Assumptions or Other Inputs Since 2016

- Discount rate changed from 2.85 percent to 3.60 percent.
- Spouse age differential changed from zero years for males and females to spouses two years younger for males and one year older for females.
- Spouse coverage assumption changed from 54 percent for males and 22 percent for females to 60 percent for males and 40 percent for females.
- The following assumptions were updated based on the December 31, 2015 Colorado PERA assumption study:
    - Mortality rates
    - Withdrawal rates

2016 Changes in Assumptions or Other Inputs

- A decrease in the discount rate from 3.85 percent to 2.85 percent.

NOTE RSI-3 – OTHER POSTEMPLOYMENT BENEFIT (OPEB) INFORMATION

A. PROPORTIONATE SHARE OF PERA HEALTH CARE TRUST FUNDS OPEB LIBILITY AND CONTRIBUTIONS

Proportionate Share:

The State's Health Care Trust Fund (HFTC) – a defined benefit cost-sharing multiple-employer other post-employment benefit plan – is administered by the Public Employees' Retirement Association (PERA). The schedule below presents the State's (primary government's) proportionate share of the net OPEB liability for its OPEB plan. The amounts presented were determined as of the measurement date, which is the calendar year-end that occurred within the State's fiscal year. Information is not available prior to Calendar Year 2016.

(Amounts In Thousands)	CY 2020	CY 2019	CY 2018	CY 2017	CY 2016
State's proportion (percentage) of the collective net OPEB liability	32.96%	32.75%	33.40%	33.71%	33.83%
State's proportionate share of the collective net OPEB liability	$ 313,213	$ 368,098	$ 454,363	$ 438,113	$ 438,677
State's covered payroll	$ 3,102,215	$ 3,023,000	$ 2,923,641	$ 2,842,778	$ 2,797,414
State's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	10.10%	12.18%	15.54%	15.41%	15.68%
Fiduciary net position as a percentage of the total OPEB liability	32.78%	24.49%	17.03%	17.53%	16.72%

Contributions:

The following schedule presents a ten-year history of the State's (primary government's) contribution to PERA for the HCTF as of each fiscal year ending June 30:

(Amounts In Thousands)	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
Contractually required contributions	$ 31,408	$ 31,659	$ 30,171	$ 29,346	$ 28,699	$ 28,272	$ 27,410	$ 26,810	$ 25,712	$ 25,025
Contributions in relation to the contractually required contributions	(31,408)	(31,659)	(30,171)	(29,346)	(28,699)	(28,272)	(27,410)	(26,810)	(25,712)	(25,025)
Contribution deficiency(excess)	-	-	-	-	-	-	-	-	-	-
State's covered payroll	3,079,159	3,103,809	2,957,937	2,877,013	2,813,660	2,771,749	2,687,237	2,628,458	2,520,793	2,453,455
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

B. CHANGES IN THE TOTAL UNIVERSITY OPEB LIABILITY AND RELATED RATIOS – UNIVERSITY OF COLORADO SYSTEM

CHANGES IN TOTAL UNIVERSITY OPEB LIABILITY AND RELATED RATIOS

	Fiscal Year Ending June 30:			
University OPEB Plan (Amounts in Thousands)	**2021**	**2020**	**2019**	**2018**
Service cost	$ 49,138	53,400	49,754	53,099
Interest cost	26,392	34,254	28,404	24,648
Changes in benefit terms		-	-	-
Differences between expected and actual experience	287	(206,938)	(1,728)	(87,654)
Changes of assumptions	168,948	3,678	35,919	(46,406)
Benefit payments	(16,062)	(15,461)	(15,163)	(17,211)
Net change in total OPEB liability	228,703	(131,067)	97,186	(73,524)
Total OPEB liability (beginning)	712,892	843,959	746,773	820,297
Total OPEB liability (ending)	941,595	712,892	843,959	746,773
Covered-employee payroll	$ 2,053,724	1,719,840	1,663,010	1,475,177
Total OPEB liability as a % of payroll	45.85%	41.45%	50.75%	50.62%

C. SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION

PERA Health Care Trust Fund

2020 Changes in Assumptions or Other Inputs Since 2019

- The price inflation assumption was lowered from 2.40 percent to 2.30 percent.
- The wage inflation assumption was lowered from 3.50 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses from 4.85 percent per year, net of investment expenses.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State Division (members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for State Troopers was changes to the PubS-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the State Division (Members other than State Troopers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:
  - Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
  - Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the Judicial Division was changed to the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019. The post-retirement non-disability beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
  - Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
  - Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.
- The disability mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

There were no significant changes in assumptions or other inputs effective for the December 31, 2019, December 31, 2018, or December 31, 2017 measurement periods for the PERA HCTF.

University of Colorado OPEB

2020 Changes in Assumptions or Other Inputs Since 2019

- Discount rate changed from 3.50 percent to 2.20 percent.

- Mortality table was updated from the PUB-2010 “Teachers” table with generational projection using Scale MP-2019 to the PUB-2010 “Teachers” table with generational projection using Scale MP-2020.

2019 Changes in Assumptions or Other Inputs Since 2018

- Discount rate changed from 3.85 percent to 3.50 percent.

- Mortality table was updated from the PUB-2010 “Teachers” table with generational projection using Scale MP-2018 to the PUB-2010 “Teachers” table with generational projection using Scale MP-2019.

- Health care trend rates were updated.

- Health care claim costs and retiree contributions were updated based upon recent expenditures.

2018 Changes in Assumptions or Other Inputs Since 2017

- Discount rate changed from 3.60 percent to 3.85 percent.

- Mortality table was updated to reflect the Public Retirement Plans Mortality Tables Report issued by the Society of Actuaries in January 2019. The specific assumption used the PUB-2010 Teachers Classification Table with generational projection using Scale MP-2018. The impact of this change was an increase in Total OPEB Liability of about 8 percent.

2017 Changes in Assumptions or Other Inputs Since 2016

- Discount rate changed from 2.85 percent to 3.60 percent.

- Health care trend rates were updated.

- Spouse age differential changed from zero years for males and females to spouses two years younger for males and one year older for females.

- Spouse coverage assumption changed from 54 percent for males and 22 percent for females to 60 percent for males and 40 percent for females for PERA participants.

- The following assumptions were updated based on the December 31, 2015 Colorado PERA assumption study:

    - Mortality Rates

    - Withdrawal Rates

    - Retirement rates (apply to PERA participants only)

NOTE RSI-4

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND – GENERAL PURPOSE REVENUE COMPONENT

The State of Colorado reports components of the General Fund segregated by revenues being either general purpose or special purpose. Special purpose revenues are fund component revenues which are not of a sufficient original source to qualify for reporting as a special revenue fund. The special purpose components of the General Fund are: State Public Schools, Risk Management, and Other Special Purpose. General purpose revenues are not designated for a specific purpose and are reported in the General Purpose Revenue component of the General Fund. The General Purpose Revenue component of the General Fund is the primary operating fund of the state and is used to account for all financial resources and activity not required to be accounted for in another fund. Refer to the Supplementary Information section for additional information on the General Fund components and combining statements for the General Fund.

This schedule is presented primarily to report the change in budgetary fund balance from the prior fiscal year. The change in budgetary fund balance, as reconciled to the state's financial statements, supports the state's budgetary process. Ending budgetary fund balance on this schedule combined with relevant revenue forecasts are used to determine the total amount to be appropriated for the following fiscal year.

Beginning budgetary fund balances, resources (inflows), and amounts available for appropriation for the original budget and final budget are based on quarterly economic forecasts prepared by the Governor's Office of State Planning and Budgeting. Beginning budgetary fund balance and resources (inflows) in the actual amounts column reconcile to the state's accounting system. The March 2020 forecast is used for the original budget and the December 2020 forecast is used for the final budget. Charges to appropriations (outflows) for original and final budget are derived from budgeted expenditures recorded in the state's accounting system and agree to appropriations made by the General Assembly.

The original and final budget does not include budgeted amounts for federal grants and contracts, fees and other funding sources/uses, and revenues/expenditures not budgeted because they are currently not forecasted by the Office of State Planning and Budget. Amounts are included in the actual column because the activity is accounted for in this component of the General Fund.

Certain state laws result in budget-to-GAAP differences. Section 24-75-201(2)(a)(II), C.R.S. excludes Medicaid revenues from inflows of budgetary resources but they are revenues for financial reporting. Section 24-75-201(2)(a)(III), C.R.S. excludes Medicaid expenditures from outflows of budgetary resources but they are expenditures for financial reporting. Section 24-75-201(2)(a)(IV), C.R.S. excludes some payroll-related expenditures from outflows of budgetary resources but they are expenditures for financial reporting. Section 24-75-201(2)(a)(IV), C.R.S. excludes specific information technology expenditures from outflows of budgetary resources but they are expenditures for financial reporting purposes. Refer to the Budget-to-GAAP Reconciliation for amounts related to these statutorily-based budget-to-GAAP differences as well as for information on other budget-to-GAAP differences.

State law (Section 24-75-201.1, C.R.S.) restricts state appropriations from this component of the General Fund so that budgetary resources will be available for use in a state fiscal emergency. A state fiscal emergency may be declared by the passage of a joint resolution which is approved by a two-thirds majority vote of the members of both houses of the General Assembly and approved by the Governor. The statutory reserve for the fiscal year ended June 30, 2021 is $314.0 million. The reserve is included in this schedule and therefore beginning and ending budgetary fund balance are net of the required reserve. A positive ending budgetary fund balance in the actual column indicates a reserve maintained in compliance with state law.

Senate Bill (SB) 21-277 established the State Emergency Reserve Cash Fund effective with the State's fiscal year ended June 30, 2021. The State Emergency Reserve Cash Fund is reported as the Emergency Reserve component of the State's general fund. The Emergency Reserve is a stabilization arrangement in addition to the general fund statutory reserve required by Section 24-75-201.1, C.R.S. Refer to the Stabilization Arrangements section of Note 15 for additional information on the Emergency Reserve.

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - GENERAL PURPOSE REVENUE COMPONENT
FOR THE YEAR ENDED JUNE 30, 2021
(DOLLARS IN THOUSANDS)

	Forecasted / Budgeted Amounts		Actual Amounts	
	Original	Final	Budgetary Basis	Variance
Budgetary fund balance, June 30, 2020	$ 1,461,379	$ 1,461,379	$ 1,461,379	
Prior period adjustment	(199,004)	(199,004)	(199,004)	
Budgetary fund balance, July 1, 2020	$ 1,262,375	$ 1,262,375	$ 1,262,375	
Resources (Inflows):				
Sales and use tax	3,918,100	3,905,000	3,920,489	$ 15,489
Other excise taxes	106,900	208,500	112,551	(95,949)
Individual income tax, net	7,963,150	7,372,010	8,305,502	933,492
Corporate income tax, net	750,550	619,490	1,117,777	498,287
Insurance tax	339,900	319,300	336,301	17,001
Pari-mutuel, courts, and other	29,300	30,000	45,332	15,332
Investment income	28,300	29,800	50,038	20,238
Transfers-in from other funds	17,400	325,100	332,883	7,783
Amounts available for appropriation	14,415,975	14,071,575	15,483,248	1,411,673
Charges to appropriations (outflows):				
Agriculture	11,344	14,796	14,795	1
Corrections	844,440	844,950	827,847	17,103
Education	3,939,029	4,019,313	4,015,590	3,723
Governor	36,354	86,064	84,167	1,897
Health Care Policy and Financing	3,453,134	3,211,347	3,100,791	110,556
Higher Education	607,815	608,308	607,950	358
Human Services	960,929	1,010,424	1,004,179	6,245
Judicial Branch	581,370	578,549	559,184	19,365
Labor and Employment	18,494	18,792	18,222	570
Law	14,285	14,284	13,765	519
Legislative Branch	54,558	53,660	53,626	34
Local Affairs	102,565	130,907	114,324	16,583
Military and Veterans Affairs	10,344	10,350	9,932	418
Natural Resources	40,496	40,496	33,236	7,260
Personnel and Administration	16,721	30,894	30,805	89
Public Health and Environment	61,111	64,391	63,908	483
Public Safety	152,051	148,122	138,450	9,672
Regulatory Agencies	1,941	1,941	1,906	35
Revenue	200,232	444,987	440,026	4,961
Transportation	1,000	1,000	949	51
Treasury	902,955	1,272,621	1,286,711	(14,090)
Nondepartmental:				
Transfers-out to capital projects fund	23,989	23,989	23,989	-
Total charges to appropriations	12,035,157	12,630,185	12,444,352	185,833
Budgetary reserves and amounts not forecasted or budgeted:				
Decrease in Contingency reserve - C.R.S. 24-75-201.1	47,300	47,300	47,300	
Release of prior year State Controller approved rollforwards	-	-	35,241	
State Controller approved rollforwards	-	-	(123,036)	
Net of revenues not forecasted and expenditures not budgeted	-	-	(130,865)	
Total budgetary reserves and amounts not forecasted or budgeted	47,300	47,300	(171,360)	
Budgetary fund balance, June 30, 2021	$ 2,428,118	$ 1,488,690	$ 2,867,536	

The notes to the required supplementary information are an integral part of this schedule.

Budgetary Comparison Schedule
General Fund- General Purpose Revenue Component
Budget-to-GAAP Reconciliation
For the Year Ended June 30, 2021
(Dollars in Thousands)

Explanation of differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources:		
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	$	15,483,248
Differences - budget to GAAP:		
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.		(1,262,375)
Federal revenues not forecasted		9,245,417
Fee revenues and other funding sources not forecasted		752,951
Other revenues not forecasted		64,848
Deferred Medicaid revenues are excluded from inflows of budgetary resources but are revenues for financial reporting purposes - C.R.S. 24-75-201 (2) (a) (II).		(15,550)
Fair value of investments in excess of cost is excluded from inflows of budgetary resources but is revenue for financial reporting purposes.		39,428
Eliminations of transfers and intrafund transactions are not made in the budgetary funds if those transactions are under budgetary control		(1,042,494)
Transfers are inflows of budgetary resources but are other financing sources for financial reporting purposes.		(528,219)
Face Amount of Bond/COP Issuance Bond/COP Premium/Discount		-
Capital asset related proceeds are inflows of budgetary resources but are not revenues for financial reporting purposes.		(1,337)
Insurance recoveries are not revenues for financial reporting purposes.		(19)
Total revenues as reported on the combining statement of revenues, expenditures, and changes in fund balances - general fund components	$	22,735,898
Uses/outflows of resources and reserves:		
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.		12,444,352
Differences - budget to GAAP:		
Expenditures of federal grants and contracts not budgeted		9,252,323
Fee revenue and other funding uses not budgeted		730,308
Other expenditures not budgeted		211,450
Transfers to other funds are outflows of budgetary resources but are other financing uses for financial reporting purposes. (Adjusted for SC22 entries)		(6,088,688)
Deferred Medicaid expenditures are excluded from outflows of budgetary resources but are expenditures for financial reporting purposes - C.R.S. 24-75-201 (2) (a) (II).		27,181
Deferred payroll expenditures are excluded from outflows of budgetary resources but are expenditures for financial reporting purposes - C.R.S. 24-75-201 (2) (a) (III).		2,694
Deferred information technology expenditures are excluded from outflows of budgetary resources but are expenditures for financial reporting purposes - C.R.S. 24-75-201 (2) (a) (IV).		68
Eliminations of transfers and intrafund transactions are not made in the budgetary funds if those transactions are under budgetary control.		(1,042,494)
Total expenditures as reported on the combining statement of revenues, expenditures, and changes in fund balances—general fund components	$	15,537,194

SUPPLEMENTARY INFORMATION

GENERAL FUND COMPONENTS

GENERAL PURPOSE REVENUE

This fund is the general operating fund for state operations and is used unless another fund has been established for a particular activity. The fund consists of general purpose revenues from various tax collections the largest being income and sales taxes.

SPECIAL PURPOSE FUNDS

The State Public School fund is a statutory fund that distributes substantially all of its resources to school districts each year; most of the resources of the fund are transfers from the General Purpose Revenue component of the General Fund.

The Risk Management fund accounts for the State's liability, property, and worker's compensation insurance activities; its revenues are primarily from charges to State agencies.

The Other Special Purpose Fund comprises all other funds without sufficient original source revenues to qualify as Special Revenue Funds. Included in this category is the Building Excellent Schools Tomorrow (BEST) program that provides grants and funds for public school construction, Lottery proceeds held by the Division of Parks and Wildlife for parks and outdoor recreation projects, the Charter School Institute, as well as over thirty smaller funds.

EMERGENCY RESERVE

The Emergency Reserve is part of the State's budgetary stabilization arrangements. The Emergency Reserve shall not be expended or appropriated for any purpose other than for an emergency declared by the Governor pursuant to Section 24-33.5-704(4). Refer to the Stabilization Arrangements section in Note 15 for additional information.

COMBINING BALANCE SHEET
GENERAL FUND COMPONENTS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	GENERAL PURPOSE REVENUE	SPECIAL PURPOSE FUNDS STATE PUBLIC SCHOOL	RISK MANAGEMENT	OTHER SPECIAL PURPOSE	EMERGENCY RESERVE	TOTAL	INTRA-FUND RECEIVABLE ELIMINATIONS	TOTAL
ASSETS:								
Cash and Pooled Cash	$ 2,317,652	$ 1,028	$ 28,773	$ 167,704	$ 201,000	$ 2,716,157	$ -	$ 2,716,157
Taxes Receivable, net	1,835,824	-	-	-	-	1,835,824	-	1,835,824
Other Receivables, net	452,165	12,463	692	13,372	-	478,692	-	478,692
Due From Other Governments	1,557,920	2,695	-	302	-	1,560,917	-	1,560,917
Due From Other Funds	76,520	-	-	31,780	-	108,300	(8,335)	99,965
Inventories	70,664	-	-	-	-	70,664	-	70,664
Prepaids, Advances and Deposits	50,799	-	-	15	-	50,814	-	50,814
Restricted Cash and Pooled Cash	4	191,181	-	1,023,755	-	1,214,940	-	1,214,940
Restricted Receivables	-	-	-	437	-	437	-	437
Investments	12,909	-	-	-	-	12,909	-	12,909
Other Long-Term Assets	1,546	-	-	23,950	-	25,496	-	25,496
TOTAL ASSETS	$ 6,376,003	$ 207,367	$ 29,465	$ 1,261,315	$ 201,000	$ 8,075,150	$ (8,335)	$ 8,066,815
DEFERRED OUTFLOW OF RESOURCES:	-	-	-	-	-	-	-	-
LIABILITIES:								
Tax Refunds Payable	$ 1,144,749	$ -	$ -	$ -	$ -	$ 1,144,749	$ -	$ 1,144,749
Accounts Payable and Accrued Liabilities	1,097,005	37,007	1,605	49,439	-	1,185,056	-	1,185,056
TABOR Refund Liability (Note 2B)	547,872	-	-	-	-	547,872	-	547,872
Due To Other Governments	266,475	-	-	24,195	-	290,670	-	290,670
Due To Other Funds	50,344	-	-	-	-	50,344	(8,335)	42,009
Unearned Revenue	142,194	-	-	1,255	-	143,449	-	143,449
Claims and Judgments Payable	728	-	-	-	-	728	-	728
Other Current Liabilities	9,819	-	-	31	-	9,850	-	9,850
Deposits Held In Custody For Others	39	-	-	348	-	387	-	387
TOTAL LIABILITIES	3,259,225	37,007	1,605	75,268	-	3,373,105	(8,335)	3,364,770
DEFERRED INFLOW OF RESOURCES:	154,570	1,811	-	-	-	156,381	-	156,381
FUND BALANCES:								
Nonspendable:								
Inventories	70,664	-	-	-	-	70,664	-	70,664
Prepaids	50,687	-	-	15	-	50,702	-	50,702
Restricted	-	-	-	609,779	-	609,779	-	609,779
Committed	314,000	168,549	27,860	576,253	201,000	1,287,662	-	1,287,662
Assigned	123,036	-	-	-	-	123,036	-	123,036
Unassigned	2,403,821	-	-	-	-	2,403,821	-	2,403,821
TOTAL FUND BALANCES	2,962,208	168,549	27,860	1,186,047	201,000	4,545,664	-	4,545,664
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 6,376,003	$ 207,367	$ 29,465	$ 1,261,315	$ 201,000	$ 8,075,150	$ (8,335)	$ 8,066,815

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GENERAL FUND COMPONENTS FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	GENERAL PURPOSE REVENUE	SPECIAL PURPOSE FUNDS: STATE PUBLIC SCHOOLS	SPECIAL PURPOSE FUNDS: RISK MANAGEMENT	SPECIAL PURPOSE FUNDS: OTHER SPECIAL PURPOSE	EMERGENCY RESERVE	TOTAL	INTRA-FUND TRANSFER ELIMINATIONS	TOTAL
REVENUES:								
Taxes:								
Individual and Fiduciary Income	$ 8,305,502	$ -	$ -	$ -	$ -	$ 8,305,502	$ -	$ 8,305,502
Corporate Income	1,117,777	-	-	-	-	1,117,777	-	1,117,777
Sales and Use	3,920,489	-	-	-	-	3,920,489	-	3,920,489
Excise	112,551	-	-	-	-	112,551	-	112,551
Other Taxes	336,628	-	-	-	-	336,628	-	336,628
Licenses, Permits, and Fines	12,705	-	-	23,468	-	36,173	-	36,173
Charges for Goods and Services	21,061	-	48,682	326	-	70,069	-	70,069
Rents	2	-	-	-	-	2	-	2
Investment Income (Loss)	93,441	(4)	(356)	(5,234)	-	87,847	-	87,847
Federal Grants and Contracts	8,668,108	-	-	34,844	-	8,702,952	-	8,702,952
Other	147,634	1,301	261	33,961	-	183,157	-	183,157
TOTAL REVENUES	22,735,898	1,297	48,587	87,365	-	22,873,147	-	22,873,147
EXPENDITURES:								
Current:								
General Government	214,763	-	56,708	7,375	-	278,846	-	278,846
Business, Community, and Consumer Affairs	216,228	-	-	104,129	-	320,357	-	320,357
Education	464,023	5,329	-	6,615	-	475,967	-	475,967
Health and Rehabilitation	1,363,445	-	-	431	-	1,363,876	-	1,363,876
Justice	1,660,046	-	-	139	-	1,660,185	-	1,660,185
Natural Resources	41,023	-	-	26	-	41,049	-	41,049
Social Assistance	8,818,827	-	-	14,144	-	8,832,971	-	8,832,971
Capital Outlay	27,123	-	-	180,443	-	207,566	-	207,566
Cities	53,556	-	-	47,041	-	100,597	-	100,597
Counties	1,682,717	-	-	16,330	-	1,699,047	-	1,699,047
School Districts	873,848	3,812,411	-	274,047	-	4,960,306	-	4,960,306
Special Districts	51,981	-	-	23,813	-	75,794	-	75,794
Other	61,574	-	-	1,077	-	62,651	-	62,651
Debt Service	8,040	-	-	76,684	-	84,724	-	84,724
TOTAL EXPENDITURES	15,537,194	3,817,740	56,708	752,294	-	20,163,936	-	20,163,936
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	7,198,704	(3,816,443)	(8,121)	(664,929)	-	2,709,211	-	2,709,211
OTHER FINANCING SOURCES (USES):								
Transfers-In	528,219	4,111,182	-	1,031,645	201,000	5,872,046	(4,971,414)	900,632
Transfers-Out	(6,088,688)	(146,781)	(1,729)	(323,518)	-	(6,560,716)	4,971,414	(1,589,302)
Face Amount of Bond/COP Issuance	-	-	-	98,030	-	98,030	-	98,030
Bond/COP Premium/Discount	-	-	-	19,932	-	19,932	-	19,932
Issuance of Capital Leases	502	-	-	-	-	502	-	502
Sale of Capital Assets	836	-	-	-	-	836	-	836
Insurance Recoveries	19	-	4,210	-	-	4,229	-	4,229
TOTAL OTHER FINANCING SOURCES (USES)	(5,559,112)	3,964,401	2,481	826,089	201,000	(565,141)	-	(565,141)
NET CHANGE IN FUND BALANCES	1,639,592	147,958	(5,640)	161,160	201,000	2,144,070	-	2,144,070
FUND BALANCE, FISCAL YEAR BEGINNING	1,322,616	20,591	33,500	1,024,887	-	2,401,594	-	2,401,594
FUND BALANCE, FISCAL YEAR END	$ 2,962,208	$ 168,549	$ 27,860	$ 1,186,047	$ 201,000	$ 4,545,664	$ -	$ 4,545,664

OTHER GOVERNMENTAL FUNDS

The following statements present the combining balance sheet for Other Governmental Funds comprising Special Revenue, Debt Service, Capital Projects and Permanent funds.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources that are intended for specific purposes other than special assessments or major capital projects.

Debt Service Funds - This fund accounts for the accumulation of resources, primarily transfers from other funds, for the payment of long-term debt principal and interest. It also accounts for the issuance of debt solely to refund debt of other funds. The primary debt serviced by this fund consists of Certificates of Participation issued by various departments and Transportation Revenue Anticipation Notes issued by the Department of Transportation to fund infrastructure.

Capital Project Funds - These funds are used to account for acquisition, construction, or improvement of State-owned facilities and certain equipment.

Permanent Funds - These funds report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support State programs.

COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT	TOTALS
ASSETS:					
Cash and Pooled Cash	$ 3,005,634	$ -	$ 1,578,674	$ -	$ 4,584,308
Taxes Receivable, net	61,821	-	-	-	61,821
Other Receivables, net	151,065	16	1,797	11,870	164,748
Due From Other Governments	59,494	341	4,818	-	64,653
Due From Other Funds	56,730	-	-	-	56,730
Inventories	179,646	-	-	-	179,646
Prepaids, Advances and Deposits	46,237	-	-	5	46,242
Restricted Cash and Pooled Cash	744,947	151,894	2	100,245	997,088
Restricted Investments	882	-	-	1,323,593	1,324,475
Investments	143,684	-	1,894	-	145,578
Other Long-Term Assets	523,399	-	-	22,426	545,825
TOTAL ASSETS	$ 4,973,539	$ 152,251	$ 1,587,185	$ 1,458,139	$ 8,171,114
DEFERRED OUTFLOW OF RESOURCES:	-	-	-	4,847	4,847
LIABILITIES:					
Tax Refunds Payable	$ 9,693	$ -	$ -	$ -	$ 9,693
Accounts Payable and Accrued Liabilities	191,835	3,925	15,499	4,922	216,181
Due To Other Governments	45,509	-	-	5	45,514
Due To Other Funds	50,688	-	28,189	203	79,080
Unearned Revenue	377,229	-	34	-	377,263
Claims and Judgments Payable	89	-	-	-	89
Other Current Liabilities	10,370	-	-	-	10,370
Deposits Held In Custody For Others	218	-	-	-	218
TOTAL LIABILITIES	685,631	3,925	43,722	5,130	738,408
DEFERRED INFLOW OF RESOURCES:	1,526	-	-	-	1,526
FUND BALANCES:					
Nonspendable:					
Inventories	179,646	-	-	-	179,646
Permanent Fund Principal	-	-	-	1,438,292	1,438,292
Prepaids	46,237	-	-	5	46,242
Restricted	837,757	148,326	5	-	986,088
Committed	3,222,742	-	1,543,458	19,559	4,785,759
TOTAL FUND BALANCES	4,286,382	148,326	1,543,463	1,457,856	7,436,027
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 4,973,539	$ 152,251	$ 1,587,185	$ 1,462,986	$ 8,175,961

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OTHER GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT	TOTALS
REVENUES:					
Taxes:					
Individual and Fiduciary Income	$ 808,701	$ -	$ -	$ -	$ 808,701
Corporate Income	65,899	-	-	-	65,899
Sales and Use	30,226	-	-	-	30,226
Excise	320,456	-	-	-	320,456
Other Taxes	225,497	-	-	-	225,497
Licenses, Permits, and Fines	440,745	-	-	-	440,745
Charges for Goods and Services	173,814	-	-	-	173,814
Rents	5,559	-	-	123,175	128,734
Investment Income (Loss)	(12,776)	1,377	16,184	92,848	97,633
Federal Grants and Contracts	585,035	-	19,133	-	604,168
Additions to Permanent Funds	139,560	-	-	1,568	141,128
Unclaimed Property Receipts	143,231	-	-	-	143,231
Other	54,611	490	27	14	55,142
TOTAL REVENUES	2,980,558	1,867	35,344	217,605	3,235,374
EXPENDITURES:					
Current:					
General Government	67,576	-	10,461	979	79,016
Business, Community, and Consumer Affairs	520,225	-	-	-	520,225
Education	220,572	-	636	-	221,208
Health and Rehabilitation	187,627	-	487	-	188,114
Justice	270,761	-	10,761	-	281,522
Natural Resources	66,083	-	84	13,270	79,437
Social Assistance	226,967	-	3,286	-	230,253
Transportation	5,600	-	-	-	5,600
Capital Outlay	19,296	-	81,856	23,208	124,360
Intergovernmental:					
Cities	95,436	-	-	-	95,436
Counties	137,994	-	11	49	138,054
School Districts	662,697	-	-	-	662,697
Special Districts	26,485	-	-	-	26,485
Federal	2,281	-	-	-	2,281
Other	67,112	404	-	1	67,517
Debt Service	2,387	142,024	1	-	144,412
TOTAL EXPENDITURES	2,579,099	142,428	107,583	37,507	2,866,617
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	401,459	(140,561)	(72,239)	180,098	368,757
OTHER FINANCING SOURCES (USES):					
Transfers-In	1,284,026	147,720	49,763	2	1,481,511
Transfers-Out	(740,527)	-	(523,035)	(147,161)	(1,410,723)
Face Amount of Bond/COP Issuance	-	13,907	662,931	-	676,838
Bond/COP Premium/Discount	-	-	158,117	-	158,117
Issuance of Capital Leases	4,206	-	-	-	4,206
Sale of Capital Assets	488	-	-	5,287	5,775
Insurance Recoveries	158	-	1,382	-	1,540
TOTAL OTHER FINANCING SOURCES (USES)	548,351	161,627	349,158	(141,872)	917,264
NET CHANGE IN FUND BALANCES	949,810	21,066	276,919	38,226	1,286,021
FUND BALANCE, FISCAL YEAR BEGINNING	3,360,516	115,664	1,194,614	1,419,630	6,090,424
Prior Period Adjustment (See Note 15A)	(28,728)	(3,482)	71,930	-	39,720
Accounting Changes (See Note 15B)	4,784	15,078	-	-	19,862
FUND BALANCE, FISCAL YEAR BEGINNING (RESTATED)	3,336,572	127,260	1,266,544	1,419,630	6,150,006
FUND BALANCE, FISCAL YEAR END	$ 4,286,382	$ 148,326	$ 1,543,463	$ 1,457,856	$ 7,436,027

CAPITAL PROJECTS FUND COMPONENTS

Transactions related to resources obtained and used for acquisition, construction, or improvement of State owned facilities and certain equipment are accounted for in the Capital Pro ects Fund, unless the activity occurs in a proprietary fund or in certain instances when the activity is incidental to a cash fund. For legal compliance purposes, the Capital Projects Fund is is segregated into the following components:

REGULAR CAPITAL PROJECTS	This fund accounts for projects that are either fully or partially funded with general-purpose revenue that is transferred from the General Purpose Revenue Fund. It also includes cash-funded or mixed funded projects.
SPECIAL CAPITAL PROJECTS	This fund accounts for certain projects that are not funded with any general-purpose revenue. This includes projects funded with the proceeds of certificates of participation such as the Colorado History Center and the Ralph L. Carr Justice Center, federal projects in the Department of Military Affairs, Lottery-funded projects in the Department of Natural Resources, and several smaller projects.

COMBINING BALANCE SHEET
CAPITAL PROJECTS FUND COMPONENTS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	REGULAR CAPITAL PROJECTS	SPECIAL CAPITAL PROJECTS	TOTAL
ASSETS:			
Cash and Pooled Cash	$ 1,557,912	$ 20,762	$ 1,578,674
Other Receivables, net	1,789	8	1,797
Due From Other Governments	3,106	1,712	4,818
Restricted Cash and Pooled Cash	-	2	2
Investments	-	1,894	1,894
TOTAL ASSETS	$ 1,562,807	$ 24,378	$ 1,587,185
LIABILITIES:			
Accounts Payable and Accrued Liabilities	$ 14,671	$ 828	$ 15,499
Due To Other Funds	28,189	-	28,189
Unearned Revenue	34	-	34
TOTAL LIABILITIES	42,894	828	43,722
FUND BALANCES:			
Restricted	-	5	5
Committed	1,519,913	23,545	1,543,458
TOTAL FUND BALANCES	1,519,913	23,550	1,543,463
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,562,807	$ 24,378	$ 1,587,185

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES CAPITAL PROJECTS FUND COMPONENTS FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	REGULAR CAPITAL PROJECTS	SPECIAL CAPITAL PROJECTS	TOTAL
REVENUES:			
Investment Income (Loss)	$ 15,755	$ 429	$ 16,184
Federal Grants and Contracts	8,914	10,219	19,133
Other	25	2	27
TOTAL REVENUES	24,694	10,650	35,344
EXPENDITURES:			
Current:			
General Government	6,829	3,632	10,461
Education	636	-	636
Health and Rehabilitation	487	-	487
Justice	9,810	951	10,761
Natural Resources	84	-	84
Social Assistance	3,203	83	3,286
Capital Outlay	74,924	6,932	81,856
Intergovernmental:			
Counties	11	-	11
Debt Service	1	-	1
TOTAL EXPENDITURES	95,985	11,598	107,583
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(71,291)	(948)	(72,239)
OTHER FINANCING SOURCES (USES):			
Transfers-In	38,474	11,289	49,763
Transfers-Out	(516,534)	(6,501)	(523,035)
Face Amount of Bond/COP Issuance	662,931	-	662,931
Bond/COP Premium/Discount	158,117	-	158,117
Insurance Recoveries	131	1,251	1,382
TOTAL OTHER FINANCING SOURCES (USES)	343,119	6,039	349,158
NET CHANGE IN FUND BALANCES	271,828	5,091	276,919
FUND BALANCE, FISCAL YEAR BEGINNING	1,176,155	18,459	1,194,614
Prior Period Adjustment (See Note 15A)	71,930	-	71,930
FUND BALANCE, FISCAL YEAR BEGINNING (RESTATED)	1,248,085	18,459	1,266,544
FUND BALANCE, FISCAL YEAR END	$ 1,519,913	$ 23,550	$ 1,543,463

SPECIAL REVENUE FUNDS

LABOR	This fund accounts for injured workers' medical benefits provided by statutes when the injury is not covered by workers' compensation benefits.
RESOURCE EXTRACTION	This fund accounts for receipts from severance taxes, mineral leasing, and fees associated with the regulation of mining activities. Expenditures include distributions to local governments, regulatory costs, and loans to special districts and local governments for water projects.
STATE EDUCATION	The State Education Fund was created in the State Constitution by a vote of the people in November 2000. The fund's primary revenue source is a tax of one third of one percent on federal taxable income. The revenues are restricted for the purpose of improving Colorado students' primary education by funding specific programs and by guaranteeing appropriation growth of at least one percent greater than annual inflation through Fiscal Year 2010-11, and by inflation thereafter.
GAMING	This fund accounts for operations of the Colorado Gaming Commission and its oversight of gaming operations in the State. It also accounts for the preservation activities of the Colorado Historical Society related to the revenues it receives from gaming.
TOBACCO IMPACT MITIGATION	This fund accounts for receipts directly from the tobacco litigation settlement, earnings on those funds, and the expenditures of programs funded by the tobacco master settlement agreement. In addition, it accounts for tax revenues received from an additional State tax on cigarettes and tobacco products approved by State voters in the 2004 general election and the expenditure of those tax revenues.

RESOURCE MANAGEMENT	This fund accounts for receipts from licenses, rents, and fees related to managing the water, oil and gas resources of the State. Most of the related programs are managed by the Colorado Department of Natural Resources.
ENVIRONMENT AND HEALTH PROTECTION	This fund accounts for a large number of individual programs managed primarily by the Department of Public Health and Environment. The programs are primarily designed to regulate air, water, and other forms of pollution, control the spread of diseases, and regulate activities that impact the health of the citizens of Colorado.
UNCLAIMED PROPERTY	This fund reports the escheats funds managed by the State Treasurer that are not held in trust for claimants. The receipts of the fund are from bank accounts, investment accounts, and insurance proceeds that are placed with the State when the owners of the assets cannot be located. Per statute, the owner's legal rights to the asset are protected in perpetuity; however, historically not all of the assets are claimed. The assets ultimately expected to be claimed and paid are reported as Net Position Held In Trust in the Unclaimed Property Trust Fund, a nonmajor Fiduciary Fund.
OTHER SPECIAL REVENUE	This fund category represents a collection of active funds created in statute that have a wide variety of purposes. Funds in this category also have a broad diversity of revenue types.

COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)

	LABOR	RESOURCE EXTRACTION	STATE EDUCATION	GAMING
ASSETS:				
Cash and Pooled Cash	$ 192,271	$ 697,992	$ -	$ 184,374
Taxes Receivable, net	17,816	465	-	18,673
Other Receivables, net	3,223	39,716	-	458
Due From Other Governments	1,337	2,774	-	14
Due From Other Funds	34,408	21,211	-	-
Inventories	102,391	76,558	-	-
Prepaids, Advances and Deposits	1,143	8,409	-	1,094
Restricted Cash and Pooled Cash	137,118	33,714	565,328	8,371
Restricted Investments	882	-	-	-
Investments	443	-	-	-
Other Long-Term Assets	-	498,879	-	-
TOTAL ASSETS	$ 491,032	$ 1,379,718	$ 565,328	$ 212,984
DEFERRED OUTFLOW OF RESOURCES:	-	-	-	-
LIABILITIES:				
Tax Refunds Payable	$ -	$ -	$ -	$ -
Accounts Payable and Accrued Liabilities	55,919	22,307	7,745	2,693
Due To Other Governments	-	23,757	-	19,664
Due To Other Funds	787	349	-	44,690
Unearned Revenue	74,876	1,460	-	1,181
Claims and Judgments Payable	77	-	-	-
Other Current Liabilities	591	-	-	-
Deposits Held In Custody For Others	-	-	-	5
TOTAL LIABILITIES	132,250	47,873	7,745	68,233
DEFERRED INFLOW OF RESOURCES:	-	465	-	-
FUND BALANCES:				
Nonspendable:				
Inventories	102,391	76,558	-	-
Prepaids	1,143	8,409	-	1,094
Restricted	138,000	46,799	557,583	49,098
Committed	117,248	1,199,614	-	94,559
TOTAL FUND BALANCES	358,782	1,331,380	557,583	144,751
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 491,032	$ 1,379,718	$ 565,328	$ 212,984

TOBACCO IMPACT MITIGATION	RESOURCE MANAGEMENT	ENVIRONMENT AND HEALTH PROTECTION	UNCLAIMED PROPERTY	OTHER SPECIAL REVENUE	TOTALS
$ 100,046	$ 35,801	$ 169,368	$ 327,270	$ 1,298,512	$ 3,005,634
16	-	-	-	24,851	61,821
58,634	30	7,807	1,132	40,065	151,065
1,441	-	34,716	-	19,212	59,494
-	750	-	-	361	56,730
-	-	697	-	-	179,646
10	-	36	3	35,542	46,237
-	-	-	-	416	744,947
-	-	-	-	-	882
-	-	-	143,199	42	143,684
-	-	-	-	24,520	523,399
$ 160,147	$ 36,581	$ 212,624	$ 471,604	$ 1,443,521	$ 4,973,539
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ 9,693	$ 9,693
24,017	825	13,927	820	63,582	191,835
164	492	151	-	1,281	45,509
3,141	-	48	3	1,670	50,688
-	5	5,188	-	294,519	377,229
-	-	-	-	12	89
-	25	2,858	-	6,896	10,370
-	-	-	-	213	218
27,322	1,347	22,172	823	377,866	685,631
16	-	-	-	1,045	1,526
-	-	697	-	-	179,646
10	-	36	3	35,542	46,237
34,670	6,666	4,941	-	-	837,757
98,129	28,568	184,778	470,778	1,029,068	3,222,742
132,809	35,234	190,452	470,781	1,064,610	4,286,382
$ 160,147	$ 36,581	$ 212,624	$ 471,604	$ 1,443,521	$ 4,973,539

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)

	LABOR	RESOURCE EXTRACTION	STATE EDUCATION	GAMING
REVENUES:				
Taxes:				
Individual and Fiduciary Income	$ -	$ -	$ 808,701	$ -
Corporate Income	-	-	65,899	-
Sales and Use	-	-	-	-
Excise	-	-	-	-
Other Taxes	59,422	4,702	-	128,627
Licenses, Permits, and Fines	798	4,751	-	2,905
Charges for Goods and Services	88	16,588	-	235
Rents	-	44	-	-
Investment Income (Loss)	(1,759)	1,745	979	(714)
Federal Grants and Contracts	194,166	97,446	37,000	129
Additions to Permanent Funds	-	-	-	-
Unclaimed Property Receipts	-	-	-	-
Other	4,050	2,273	21	2,436
TOTAL REVENUES	256,765	127,549	912,600	133,618
EXPENDITURES:				
Current:				
General Government	31,228	-	-	-
Business, Community, and Consumer Affairs	221,860	17,821	-	23,601
Education	-	-	37,262	13,626
Health and Rehabilitation	52,254	470	-	-
Justice	42,258	-	-	-
Natural Resources	-	64,754	-	-
Social Assistance	2,824	-	-	-
Transportation	-	-	-	-
Capital Outlay	5,244	3,092	-	34
Intergovernmental:				
Cities	1,043	36,349	-	14,478
Counties	18,031	23,905	-	14,388
School Districts	13	1,924	584,663	143
Special Districts	86	19,768	-	214
Federal	25	1,170	-	-
Other	11,747	4,579	-	1,534
Debt Service	-	3	-	-
TOTAL EXPENDITURES	386,613	173,835	621,925	68,018
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(129,848)	(46,286)	290,675	65,600
OTHER FINANCING SOURCES (USES):				
Transfers-In	288,789	62,206	146,740	60,896
Transfers-Out	(265)	(90,832)	(54,590)	(61,332)
Issuance of Capital Leases	-	-	-	-
Sale of Capital Assets	-	488	-	-
Insurance Recoveries	-	-	-	52
TOTAL OTHER FINANCING SOURCES (USES)	288,524	(28,138)	92,150	(384)
NET CHANGE IN FUND BALANCES	158,676	(74,424)	382,825	65,216
FUND BALANCE, FISCAL YEAR BEGINNING	228,834	1,405,804	174,758	79,535
Prior Period Adjustment (See Note 15A)	(28,728)	-	-	-
Accounting Changes (See Note 15B)	-	-	-	-
FUND BALANCE, FISCAL YEAR BEGINNING (RESTATED)	200,106	1,405,804	174,758	79,535
FUND BALANCE, FISCAL YEAR END	$ 358,782	$ 1,331,380	$ 557,583	$ 144,751

TOBACCO IMPACT MITIGATION	RESOURCE MANAGEMENT	ENVIRONMENT AND HEALTH PROTECTION	UNCLAIMED PROPERTY	OTHER SPECIAL REVENUE	TOTALS
$ -	$ -	$ -	$ -	$ -	$ 808,701
-	-	-	-	-	65,899
-	-	-	-	30,226	30,226
128,530	-	-	-	191,926	320,456
-	-	-	-	32,746	225,497
84,766	95	52,985	-	294,445	440,745
13	1,865	84,549	-	70,476	173,814
-	-	-	-	5,515	5,559
(2,148)	(21)	(963)	(3,073)	(6,822)	(12,776)
2,375	-	82,981	-	170,938	585,035
-	-	-	-	139,560	139,560
-	-	-	143,231	-	143,231
1,593	1,431	19,052	14	23,741	54,611
215,129	3,370	238,604	140,172	952,751	2,980,558
139	-	82	3,235	32,892	67,576
-	153	2,379	1,325	253,086	520,225
3,276	-	-	-	166,408	220,572
25,224	-	71,417	-	38,262	187,627
288	-	72,941	-	155,274	270,761
-	1,243	-	-	86	66,083
127,744	-	61,610	-	34,789	226,967
-	-	279	-	5,321	5,600
21	68	981	218	9,638	19,296
984	700	2,902	-	38,980	95,436
23,975	522	2,592	-	54,581	137,994
26,858	-	11	-	49,085	662,697
2,066	-	1,289	100	2,962	26,485
-	-	877	80	129	2,281
8,675	-	11,690	28	28,859	67,112
-	-	-	118	2,266	2,387
219,250	2,686	229,050	5,104	872,618	2,579,099
(4,121)	684	9,554	135,068	80,133	401,459
39,681	25,361	54,298	-	606,055	1,284,026
(68,532)	(45)	(13,233)	(65,363)	(386,335)	(740,527)
-	-	-	-	4,206	4,206
-	-	-	-	-	488
-	6	-	-	100	158
(28,851)	25,322	41,065	(65,363)	224,026	548,351
(32,972)	26,006	50,619	69,705	304,159	949,810
165,781	9,228	139,786	401,076	755,714	3,360,516
-	-	-	-	-	(28,728)
-	-	47	-	4,737	4,784
165,781	9,228	139,833	401,076	760,451	3,336,572
$ 132,809	$ 35,234	$ 190,452	$ 470,781	$ 1,064,610	$ 4,286,382

PERMANENT FUNDS

STATE LANDS	This fund consists of the assets, liabilities, and operations related to lands granted to the State by the federal government for educational purposes. This fund also includes unclaimed assets from estates or trusts with unknown beneficiaries. Per statute, these assets become property of the State after 21 years.
OTHER PERMANENT TRUST	This fund category represents several minor permanent funds including Wildlife for Future Generations Fund and the Veterans Monument Preservation Fund.

COMBINING BALANCE SHEET
PERMANENT FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	STATE LANDS	OTHER	TOTALS
ASSETS:			
Other Receivables, net	$ 11,870	$ -	$ 11,870
Prepaids, Advances and Deposits	5	-	5
Restricted Assets:			
Restricted Cash and Pooled Cash	80,686	19,559	100,245
Restricted Investments	1,323,593	-	1,323,593
Other Long-Term Assets	22,426	-	22,426
TOTAL ASSETS	$ 1,438,580	$ 19,559	$ 1,458,139
DEFERRED OUTFLOW OF RESOURCES:	4,847	-	4,847
LIABILITIES:			
Accounts Payable and Accrued Liabilities	$ 4,922	$ -	$ 4,922
Due To Other Governments	5	-	5
Due To Other Funds	203	-	203
TOTAL LIABILITIES	5,130	-	5,130
FUND BALANCES:			
Nonspendable:			
Permanent Fund Principal	1,438,292	-	1,438,292
Prepaids	5	-	5
Committed	-	19,559	19,559
TOTAL FUND BALANCES	1,438,297	19,559	1,457,856
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,443,427	$ 19,559	$ 1,462,986

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	STATE LANDS	OTHER	TOTALS
REVENUES:			
Rents	$ 122,192	$ 983	$ 123,175
Investment Income (Loss)	93,155	(307)	92,848
Additions to Permanent Funds	1,568	-	1,568
Other	14	-	14
TOTAL REVENUES	216,929	676	217,605
EXPENDITURES:			
Current:			
General Government	979	-	979
Natural Resources	13,270	-	13,270
Capital Outlay	23,208	-	23,208
Intergovernmental:			
Counties	49	-	49
Other	1	-	1
TOTAL EXPENDITURES	37,507	-	37,507
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	179,422	676	180,098
OTHER FINANCING SOURCES (USES):			
Transfers-In	2	-	2
Transfers-Out	(144,661)	(2,500)	(147,161)
Sale of Capital Assets	5,287	-	5,287
TOTAL OTHER FINANCING SOURCES (USES)	(139,372)	(2,500)	(141,872)
NET CHANGE IN FUND BALANCES	40,050	(1,824)	38,226
FUND BALANCE, FISCAL YEAR BEGINNING	1,398,247	21,383	1,419,630
FUND BALANCE, FISCAL YEAR END	$ 1,438,297	$ 19,559	$ 1,457,856

OTHER ENTERPRISE FUNDS

These funds account for operations of State agencies that provide a majority of their services to the public on a user charge basis; most of them have been designated by statute as enterprises. The major activities in these funds are:

PARKS AND WILDLIFE	Expenses of this fund are to preserve the State's parks, wildlife and promote outdoor recreational activities, while revenues are from hunting and fishing license fees as well as various fines.
COLLEGE ASSIST	This fund records the activities of College Assist, which guarantees Colorado and certain nationwide loans made by private lending institutions in compliance with operating agreements with the U.S. Department of Education to students attending postsecondary schools. It also includes loan programs for Colorado residents that are not reinsured by the federal government.
LOTTERY	The State Lottery encompasses the various lottery and lotto games run under Colorado Revised Statutes. The primary revenue source is lottery ticket sales, and the net proceeds are primarily distributed to the Great Outdoors Colorado Program (a related organization), the Conservation Trust Fund, and when receipts are adequate, the General Purpose Revenue Fund. The funds are used primarily for open space purchases and recreational facilities throughout the State.
STATE FAIR AUTHORITY	The State Fair Authority operates the Colorado State Fair, and other events, at the State fairgrounds in Pueblo.
CORRECTIONAL INDUSTRIES	This activity reports the production and sale of manufactured goods and farm products that are produced by convicted criminals who are incarcerated in the State prison system.
STATE NURSING HOMES	This activity is for nursing home and retirement care provided to the elderly at the State facilities at Fitzsimons, Homelake, Walsenburg, Florence, and Rifle.
PRISON CANTEENS	This activity accounts for the various canteen operations in the State's prison system.
PETROLEUM STORAGE TANK	This activity accounts for grants, registration fees, environmental response surcharges, and penalties associated with the regulation and abatement of fire and safety issues related to above and underground petroleum storage tanks.

OTHER ENTERPRISE ACTIVITIES

The other enterprise activities includes the State and CollegeInvest. The State includes the Business Enterprise Program, which is staffed by the visually impaired and manages food vending operations in State buildings; the Enterprise Services Fund of the Colorado Historical Society, which sells goods at State museums; and various smaller enterprise operations.

COMBINING STATEMENT OF NET POSITION
OTHER ENTERPRISE FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	PARKS AND WILDLIFE	COLLEGE ASSIST	STATE LOTTERY	STATE FAIR AUTHORITY
ASSETS:				
Current Assets:				
Cash and Pooled Cash	$ 296,008	$ 169,089	$ 63,697	$ 9,475
Premiums/Taxes Receivable, net	-	-	-	-
Student and Other Receivables, net	18,846	-	34,594	35
Due From Other Governments	15,265	735	-	-
Due From Other Funds	8,548	-	-	-
Inventories	1,544	-	2,592	-
Prepaids, Advances and Deposits	2,971	108	5,387	152
Total Current Assets	343,182	169,932	106,270	9,662
Noncurrent Assets:				
Restricted Cash and Pooled Cash	150	40,069	-	-
Restricted Receivables	-	20,808	-	-
Other Long-Term Assets	275	-	-	-
Depreciable Capital Assets and Infrastructure, net	252,149	831	271	10,322
Land and Nondepreciable Capital Assets	435,506	-	-	3,272
Total Noncurrent Assets	688,080	61,708	271	13,594
TOTAL ASSETS	1,031,262	231,640	106,541	23,256
DEFERRED OUTFLOW OF RESOURCES:	34,803	719	2,397	592
LIABILITIES:				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	23,805	101	5,808	1,430
Due To Other Governments	-	19,167	70	-
Due To Other Funds	1,223	-	39,443	-
Unearned Revenue	54,691	-	-	588
Compensated Absences Payable	1,182	-	13	2
Leases Payable	-	-	-	-
Notes, Bonds, and COPs Payable	-	-	-	-
Other Current Liabilities	313	7,167	57,088	3
Total Current Liabilities	81,214	26,435	102,422	2,023
Noncurrent Liabilities:				
Due to Other Funds	15,544	-	-	-
Deposits Held In Custody For Others	25	-	-	-
Accrued Compensated Absences	8,900	221	777	126
Capital Lease Payable	-	-	-	-
Notes, Bonds, and COPs Payable	-	-	-	-
Net Pension Liability	200,968	2,920	18,450	3,817
Other Postemployment Benefits	6,765	80	650	129
Other Long-Term Liabilities	-	-	14	-
Total Noncurrent Liabilities	232,202	3,221	19,891	4,072
TOTAL LIABILITIES	313,416	29,656	122,313	6,095
DEFERRED INFLOW OF RESOURCES:	55,513	635	6,068	2,498
NET POSITION:				
Net investment in Capital Assets:	687,655	-	-	-
Restricted for:				
Other Purposes	31,961	-	2,533	-
Unrestricted	(22,480)	202,068	(21,976)	15,255
TOTAL NET POSITION	$ 697,136	$ 202,068	$ (19,443)	$ 15,255

CORRECTIONAL INDUSTRIES	STATE NURSING HOMES	PRISON CANTEENS	PETROLEUM STORAGE TANK	OTHER ENTERPRISE ACTIVITIES	TOTAL
$ -	$ 24,483	$ 7,192	$ 3,685	$ 178,112	$ 751,741
-	-	-	26	235	261
1,510	1,840	-	3,466	518	60,809
447	2,434	-	-	169,819	188,700
706	-	-	-	7	9,261
7,392	54	999	-	171	12,752
-	89	-	-	168	8,875
10,055	28,900	8,191	7,177	349,030	1,032,399
-	-	-	-	102	40,321
-	-	-	-	-	20,808
622	-	-	-	-	897
3,316	25,883	1,969	18	10,479	305,238
977	3,867	-	-	4,281	447,903
4,915	29,750	1,969	18	14,862	815,167
14,970	58,650	10,160	7,195	363,892	1,847,566
3,152	22,242	1,593	1,200	4,982	71,680
3,521	4,870	3,336	2,387	229,973	275,231
-	371	-	-	-	19,608
2,740	-	-	-	15,451	58,857
-	663	-	-	3,293	59,235
67	208	-	1	31	1,504
-	328	-	-	-	328
-	-	-	-	600	600
-	90	-	14	-	64,675
6,328	6,530	3,336	2,402	249,348	480,038
-	-	-	-	-	15,544
-	-	-	-	-	25
963	2,615	317	724	1,243	15,886
-	1,104	-	-	-	1,104
-	-	-	-	56	56
25,281	89,908	5,853	6,819	23,950	377,966
886	3,143	204	234	691	12,782
-	-	-	-	-	14
27,130	96,770	6,374	7,777	25,940	423,377
33,458	103,300	9,710	10,179	275,288	903,415
8,798	19,904	1,268	2,082	7,183	103,949
4,293	-	1,969	18	12,000	705,935
-	-	-	-	-	34,494
(28,427)	(42,312)	(1,194)	(3,884)	74,403	171,453
$ (24,134)	$ (42,312)	$ 775	$ (3,866)	$ 86,403	$ 911,882

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION OTHER ENTERPRISE FUNDS FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	PARKS AND WILDLIFE	COLLEGE ASSIST	STATE LOTTERY	STATE FAIR AUTHORITY
OPERATING REVENUES:				
License and Permits	$ 166,960	$ -	$ 60	$ -
Tuition and Fees	7	-	-	-
Sales of Goods and Services	10,482	-	794,932	580
Investment Income (Loss)	-	(5,094)	-	-
Rental Income	-	-	-	872
Federal Grants and Contracts	38,689	75,285	-	-
Intergovernmental Revenue	38,630	-	-	-
Other	1,035	-	853	-
TOTAL OPERATING REVENUES	255,803	70,191	795,845	1,452
OPERATING EXPENSES:				
Salaries and Fringe Benefits	46,765	17,401	2,709	415
Operating and Travel	95,972	57,965	81,351	2,554
Cost of Goods Sold	1,006	-	18,875	-
Depreciation and Amortization	18,104	158	92	876
Intergovernmental Distributions	9,560	-	-	-
Debt Service	-	2,867	-	-
Prizes and Awards	2	1,143	516,932	321
TOTAL OPERATING EXPENSES	171,409	79,534	619,959	4,166
OPERATING INCOME (LOSS)	84,394	(9,343)	175,886	(2,714)
NONOPERATING REVENUES AND (EXPENSES):				
Taxes	-	-	-	-
Fines and Settlements	532	-	-	-
Investment Income (Loss)	(1,487)	4,447	(135)	(63)
Rental Income	20,010	-	-	-
Gifts and Donations	11,781	-	-	393
Intergovernmental Distributions	-	-	(71,719)	-
Gain/(Loss) on Sale or Impairment of Capital Assets	(776)	-	-	10
Insurance Recoveries from Prior Year Impairments	(108)	-	-	-
Debt Service	(4)	-	-	-
Other Expenses	-	-	-	-
Other Revenues	11	-	-	1,671
TOTAL NONOPERATING REVENUES (EXPENSES)	29,959	4,447	(71,854)	2,011
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	114,353	(4,896)	104,032	(703)
CONTRIBUTIONS, TRANSFERS, AND OTHER ITEMS:				
Capital Contributions	84,137	-	-	2,041
Additions to Permanent Endowments	-	-	-	-
Transfers-In	43,243	-	-	6,025
Transfers-Out	(4,141)	(105)	(98,270)	(54)
TOTAL CONTRIBUTIONS AND TRANSFERS	123,239	(105)	(98,270)	8,012
CHANGE IN NET POSITION	237,592	(5,001)	5,762	7,309
NET POSITION - FISCAL YEAR BEGINNING	459,544	207,069	(25,205)	7,946
Prior Period Adjustments (See Note 15A)	-	-	-	-
Accounting Changes (See Note 15B)	-	-	-	-
NET POSITION - FISCAL YEAR BEGINNING (RESTATED)	459,544	207,069	(25,205)	7,946
NET POSITION - FISCAL YEAR ENDING	$ 697,136	$ 202,068	$ (19,443)	$ 15,255

CORRECTIONAL INDUSTRIES	STATE NURSING HOMES	PRISON CANTEENS	PETROLEUM STORAGE TANK	OTHER ENTERPRISE ACTIVITIES	TOTALS
$ -	$ -	$ -	$ 543	$ 13,815	$ 181,378
-	-	-	-	856	863
34,966	20,857	18,182	-	115,433	995,432
-	-	-	-	(450)	(5,544)
-	-	-	-	1,346	2,218
-	36,893	-	-	169,540	320,407
-	194	-	-	4	38,828
230	219	767	-	69	3,173
35,196	58,163	18,949	543	300,613	1,536,755
1,853	26,299	2,096	10,310	2,546	110,394
8,099	12,344	3,763	24,054	235,177	521,279
17,953	-	13,468	-	77	51,379
425	1,863	231	19	1,640	23,408
1	5,551	-	-	2,562	17,674
-	-	-	-	-	2,867
-	-	22	-	1	518,421
28,331	46,057	19,580	34,383	242,003	1,245,422
6,865	12,106	(631)	(33,840)	58,610	291,333
-	-	-	38,355	9,238	47,593
-	-	-	-	23	555
-	(464)	(63)	(262)	(124)	1,849
26	-	-	-	-	20,036
2	-	-	-	272	12,448
-	-	-	-	-	(71,719)
(33)	(4)	-	-	121	(682)
-	-	-	-	-	(108)
(62)	(50)	-	-	(65)	(181)
-	-	-	-	(14)	(14)
-	-	-	-	-	1,682
(67)	(518)	(63)	38,093	9,451	11,459
6,798	11,588	(694)	4,253	68,061	302,792
-	-	-	-	-	86,178
-	-	-	-	5	5
-	4,089	-	-	1,333	54,690
(39)	(2,658)	(79)	(966)	(661)	(106,973)
(39)	1,431	(79)	(966)	677	33,900
6,759	13,019	(773)	3,287	68,738	336,692
(30,893)	(55,331)	1,548	(7,153)	17,319	574,844
-	-	-	-	15	15
-	-	-	-	331	331
(30,893)	(55,331)	1,548	(7,153)	17,665	575,190
$ (24,134)	$ (42,312)	$ 775	$ (3,866)	$ 86,403	$ 911,882

COMBINING STATEMENT OF CASH FLOWS
OTHER ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	PARKS AND WILDLIFE	COLLEGE ASSIST	STATE LOTTERY	STATE FAIR AUTHORITY
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from:				
Tuition, Fees, and Student Loans	$ -	$ -	$ -	$ -
Fees for Service	176,929	-	-	861
Receipts for Interfund Services	-	-	-	-
Sales of Products	-	-	791,302	16
Gifts, Grants, and Contracts	42,376	78,396	-	-
Income from Property	20,010	-	-	872
Other Sources	41,495	3,994	942	172
Cash Payments to or for:				
Employees	(104,636)	(17,534)	(9,483)	(2,337)
Suppliers	(66,067)	-	(37,312)	(443)
Payments for Interfund Services	(3,779)	(130)	(382)	(54)
Sales Commissions and Lottery Prizes	(9,798)	-	(560,710)	-
Other Governments	(9,560)	-	-	-
Other	(12,735)	(66,632)	(59)	(1,472)
NET CASH PROVIDED BY OPERATING ACTIVITIES	74,235	(1,906)	184,298	(2,385)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers-In	43,243	-	-	8,066
Transfers-Out	(4,141)	(105)	(98,270)	(54)
Receipt of Deposits Held in Custody	1,479	-	-	-
Release of Deposits Held in Custody	(1,556)	-	-	-
Gifts and Grants for Other Than Capital Purposes	11,781	-	-	393
Intergovernmental Distributions	-	-	(70,895)	-
Unclaimed Property Fund Interest	-	-	-	1,671
NonCapital Debt Proceeds	-	-	-	-
NonCapital Debt Service Payments	-	-	-	-
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	50,806	(105)	(169,165)	10,076
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of Capital Assets	(143,659)	(517)	(555)	(4,177)
Proceeds from Sale of Capital Assets	111,036	436	490	2,062
Capital Debt Service Payments	-	-	-	-
Capital Lease Payments	-	-	-	-
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(32,623)	(81)	(65)	(2,115)

CORRECTIONAL INDUSTRIES	STATE NURSING HOMES	PRISON CANTEENS	PETROLEUM STORAGE TANK	OTHER ENTERPRISE ACTIVITIES	TOTALS
$ -	$ -	$ -	$ -	$ 849	$ 849
-	18,115	-	-	114,462	310,367
7,878	3	-	-	3,618	11,499
27,767	2,744	18,182	-	124	840,135
63	36,793	-	-	172	157,800
26	-	-	-	1,235	22,143
230	64	765	39,089	243,330	330,081
(11,690)	(46,526)	(3,205)	(12,389)	(8,673)	(216,473)
(23,177)	(9,483)	(15,894)	(455)	-	(152,831)
(161)	(86)	(55)	(4,122)	-	(8,769)
-	-	-	-	-	(570,508)
(706)	(5,621)	-	-	(2,562)	(18,449)
(82)	(85)	(22)	(23,431)	(227,735)	(332,253)
148	(4,082)	(229)	(1,308)	124,820	373,591
-	4,089	-	-	1,333	56,731
(39)	(2,658)	(79)	(966)	(661)	(106,973)
-	-	-	-	2	1,481
-	-	-	-	(2)	(1,558)
2	-	-	-	272	12,448
-	-	-	-	-	(70,895)
-	-	-	-	-	1,671
-	120	-	-	2	122
-	(120)	-	-	(2)	(122)
(37)	1,431	(79)	(966)	944	(107,095)
(259)	(1,648)	(626)	(31)	(902)	(152,374)
210	1,536	425	-	121	116,316
(62)	(1)	-	-	(654)	(717)
-	(378)	-	-	-	(378)
(111)	(491)	(201)	(31)	(1,435)	(37,153)

(Continued)

STATEMENT OF CASH FLOWS, CONTINUED
OTHER ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	PARKS AND WILDLIFE	COLLEGE ASSIST	STATE LOTTERY	STATE FAIR AUTHORITY
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and Dividends on Investments	2,543	4,447	945	-
Increase(Decrease) from Unrealized Gain(Loss) on Investments	(4,030)	-	(1,080)	(63)
NET CASH FROM INVESTING ACTIVITIES	(1,487)	4,447	(135)	(63)
NET INCREASE (DECREASE) IN CASH AND POOLED CASH	90,931	2,355	14,933	5,513
CASH AND POOLED CASH , FISCAL YEAR BEGINNING	205,227	206,803	48,764	3,962
CASH AND POOLED CASH, FISCAL YEAR END	$ 296,158	$ 209,158	$ 63,697	$ 9,475
RECONCILIATION OF OPERATING INCOME TO NET CASH				
PROVIDED BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ 84,394	$ (9,343)	$ 175,886	$ (2,714)
Adjustments to Reconcile Operating Income (Loss)				
to Net Cash Provided by Operating Activities:				
Depreciation	18,104	158	92	876
Investment/Rental Income and Other Revenue in Operating Income	-	-	-	-
Rents, Fines, Donations, and Grants and Contracts in NonOperating	20,511	-	-	10
(Gain)/Loss on Disposal of Capital and Other Assets	-	1	-	-
Compensated Absences Expense	244	53	47	5
Interest and Other Expense in Operating Income	3,147	-	65	53
Net Changes in Assets, Deferred Outflows, Liabilities, and Deferred				
Inflows Related to Operating Activities:				
(Increase) Decrease in Operating Receivables	(2,782)	1,997	(3,630)	(26)
(Increase) Decrease in Inventories	(131)	-	(860)	-
(Increase) Decrease in Other Operating Assets and Deferred Outflows	279	(44)	471	(134)
(Increase) Decrease in Pension Deferred Outflow	(15,096)	301	(927)	(37)
(Increase) Decrease in OPEB Deferred Outflow	(294)	4	10	1
Increase (Decrease) in Accounts Payable	2,210	4	1,736	998
Increase (Decrease) in Pension Liability	(6,628)	43	(2,140)	(1,963)
Increase (Decrease) in OPEB Liability	(1,299)	(12)	(180)	(96)
Increase (Decrease) in Other Operating Liabilities and Deferred Inflows	6,139	5,462	17,449	479
Increase (Decrease) in Pension Deferred Inflow	(35,552)	(535)	(3,820)	95
Increase (Decrease) in OPEB Deferred Inflow	989	5	99	68
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 74,235	$ (1,906)	$ 184,298	$ (2,385)
SUPPLEMENTARY INFORMATION - NONCASH TRANSACTIONS:				
Capital Assets Funded by the Capital Projects Fund	-	-	-	2,041
Capital Assets Acquired by Grants or Donations and Payable Increases	10,815	-	-	-
Loss on Disposal of Capital and Other Assets	842	-	-	-
Amortization of Debt Valuation Accounts and Interest Payable Accruals	-	-	-	-

CORRECTIONAL INDUSTRIES	STATE NURSING HOMES	PRISON CANTEENS	PETROLEUM STORAGE TANK	OTHER ENTERPRISE ACTIVITIES	TOTALS
-	241	136	65	617	8,994
-	(704)	(198)	(327)	(1,191)	(7,593)
-	(463)	(62)	(262)	(574)	1,401
-	(3,605)	(571)	(2,567)	123,755	230,744
-	28,088	7,763	6,252	54,459	561,318
$ -	$ 24,483	$ 7,192	$ 3,685	$ 178,214	$ 792,062
$ 6,865	$ 12,106	$ (631)	$ (33,840)	$ 58,610	$ 291,333
425	1,863	231	19	1,640	23,408
-	-	-	-	450	450
26	2	-	38,355	9,248	68,152
-	-	-	-	3	4
(357)	95	69	182	24	362
(156)	651	(98)	31	182	3,875
38	1,906	-	190	(167,516)	(169,823)
4,366	127	(327)	-	37	3,212
397	(43)	-	-	440	1,366
(615)	(12,785)	(1,073)	64	(1,978)	(32,146)
22	(421)	(33)	10	(58)	(759)
(1,745)	(308)	1,746	15	227,913	232,569
(2,610)	8,529	710	(807)	(52)	(4,918)
(245)	(114)	(4)	(67)	(93)	(2,110)
(424)	(714)	-	(4,000)	(63)	24,328
(5,968)	(15,353)	(846)	(1,496)	(4,076)	(67,551)
129	377	27	36	109	1,839
$ 148	$ (4,082)	$ (229)	$ (1,308)	$ 124,820	$ 373,591
-	-	-	-	-	2,041
-	-	-	-	-	10,815
33	6	-	-	(124)	757
-	(20)	-	-	(15)	(35)

INTERNAL SERVICE FUNDS

These funds account for operations of State agencies that provide a majority of their services to other State agencies on a user charge basis. The major activities in these funds are:

CENTRAL SERVICES	This fund accounts for the sales of goods and services to other State agencies. The sales items include mail services, printing, quick copy, graphic design, microfilming, fleet, and motor pool.
STATEWIDE FINANCIAL INFORMATION TECHNOLOGY SYSTEMS CASH FUND	This fund accounts for information technology maintenance and upgrades as well as direct and indirect costs of the department in connection with Statewide financial and human resources information technology systems.
INFORMATION TECHNOLOGY	This fund accounts for computer and telecommunications services sold to other State agencies.
CAPITOL COMPLEX	This fund accounts for the cost and income related to maintaining State office space in the complex surrounding the State Capitol. Only certain capitol complex capital assets are reported in this fund, and other capitol complex capital assets are reported on the government-wide financial statements.
HIGHWAYS	This fund is used to account for the operations of the Department of Transportation print shop.
PUBLIC SAFETY	This fund accounts for aircraft rental to State agencies by the Department of Public Safety.
OFFICE OF ADMINISTRATIVE COURTS	This fund accounts for the operations of the Office of Administrative Courts in the Department of Personnel & Administration.
LEGAL SERVICES	This fund accounts for the Attorney General's services to State agencies in the Department of Law.
OTHER INTERNAL SERVICE ACTIVITIES	This fund primarily accounts for the activities of the Central Collections Unit within the Department of Personnel & Administration. The unit collects receivables due to State agencies on a straight commission basis.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)

	CENTRAL SERVICES	FINANCIAL INFORMATION TECHNOLOGY	INFORMATION TECHNOLOGY	CAPITOL COMPLEX
ASSETS:				
Current Assets:				
Cash and Pooled Cash	$ 14,514	$ 2,296	$ 57,983	$ 7,079
Other Receivables, net	1,223	-	104	3
Due From Other Governments	-	-	81	-
Due From Other Funds	168	-	716	-
Inventories	640	-	-	93
Prepaids, Advances and Deposits	17	53	6,795	-
Total Current Assets	16,562	2,349	65,679	7,175
Noncurrent Assets:				
Restricted Cash and Pooled Cash	-	-	-	208
Depreciable Capital Assets and Infrastructure, net	84,099	12,749	11,396	8,483
Land and Nondepreciable Capital Assets	-	-	166	201
Total Noncurrent Assets	84,099	12,749	11,562	8,892
TOTAL ASSETS	100,661	15,098	77,241	16,067
DEFERRED OUTFLOW OF RESOURCES:	2,645	616	32,180	1,135
LIABILITIES:				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	2,325	219	28,377	1,268
Due To Other Funds	124	-	-	-
Unearned Revenue	-	-	1,331	-
Compensated Absences Payable	38	-	942	-
Leases Payable	19,403	3,774	-	1,856
Other Current Liabilities	382	-	-	-
Total Current Liabilities	22,272	3,993	30,650	3,124
Noncurrent Liabilities:				
Accrued Compensated Absences	1,307	285	9,429	426
Capital Lease Payable	61,599	-	-	7,742
Notes, Bonds, and COPs Payable	-	-	-	1
Net Pension Liability	17,880	4,599	224,281	8,684
Other Postemployment Benefits	589	156	7,408	293
Total Noncurrent Liabilities	81,375	5,040	241,118	17,146
TOTAL LIABILITIES	103,647	9,033	271,768	20,270
DEFERRED INFLOW OF RESOURCES:	5,135	1,487	48,871	2,501
NET POSITION:				
Net investment in Capital Assets:	3,097	8,975	11,563	(913)
Unrestricted	(8,573)	(3,781)	(222,781)	(4,656)
TOTAL NET POSITION	$ (5,476)	$ 5,194	$ (211,218)	$ (5,569)

HIGHWAYS	PUBLIC SAFETY	ADMINISTRATIVE COURTS	LEGAL SERVICES	OTHER INTERNAL SERVICE ACTIVITIES	TOTALS
$ -	$ 347	$ 2,390	$ 13,221	$ 278	$ 98,108
1	10	8	4	12	1,365
-	-	-	-	-	81
-	-	-	-	-	884
476	-	-	-	-	1,209
-	-	9	369	-	7,243
477	357	2,407	13,594	290	108,890
-	-	-	-	-	208
85	1,218	40	745	-	118,815
-	-	-	10	-	377
85	1,218	40	755	-	119,400
562	1,575	2,447	14,349	290	228,290
114	3	1,220	12,771	(27)	50,657
15	-	370	3,537	29	36,140
813	-	-	-	-	937
-	-	-	-	7	1,338
-	-	32	284	-	1,296
-	-	-	-	-	25,033
-	-	-	-	-	382
828	-	402	3,821	36	65,126
-	-	501	2,346	74	14,368
-	-	-	-	-	69,341
-	-	-	-	-	1
885	-	9,718	72,424	(423)	338,048
31	-	328	2,340	(15)	11,130
916	-	10,547	77,110	(364)	432,888
1,744	-	10,949	80,931	(328)	498,014
390	-	3,131	15,627	2,270	79,412
85	1,218	40	755	-	24,820
(1,543)	360	(10,453)	(70,193)	(1,679)	(323,299)
$ (1,458)	$ 1,578	$ (10,413)	$ (69,438)	$ (1,679)	$ (298,479)

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)

	CENTRAL SERVICES	FINANCIAL INFORMATION TECHNOLOGY	INFORMATION TECHNOLOGY	CAPITOL COMPLEX
OPERATING REVENUES:				
Sales of Goods and Services	$ 63,252	$ 12,255	$ 345,144	$ 20
Rental Income	-	-	-	15,630
Other	191	-	(100)	1
TOTAL OPERATING REVENUES	63,443	12,255	345,044	15,651
OPERATING EXPENSES:				
Salaries and Fringe Benefits	4,066	754	142,245	1,502
Operating and Travel	36,352	6,976	128,347	6,773
Cost of Goods Sold	1	-	-	-
Depreciation and Amortization	20,502	4,326	3,632	1,836
Prizes and Awards	-	-	1	1
TOTAL OPERATING EXPENSES	60,921	12,056	274,225	10,112
OPERATING INCOME (LOSS)	2,522	199	70,819	5,539
NONOPERATING REVENUES AND (EXPENSES):				
Investment Income (Loss)	-	(45)	(949)	-
Gain/(Loss) on Sale or Impairment of Capital Assets	3,043	(693)	(13)	12
Debt Service	(1,838)	(51)	-	(470)
TOTAL NONOPERATING REVENUES (EXPENSES)	1,205	(789)	(962)	(458)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	3,727	(590)	69,857	5,081
CONTRIBUTIONS, TRANSFERS, AND OTHER ITEMS:				
Capital Contributions	1,215	-	-	-
Transfers-In	401	944	-	-
Transfers-Out	(493)	(298)	(766)	(2,063)
TOTAL CONTRIBUTIONS AND TRANSFERS	1,123	646	(766)	(2,063)
CHANGE IN NET POSITION	4,850	56	69,091	3,018
NET POSITION - FISCAL YEAR BEGINNING	(10,326)	5,138	(280,309)	(8,587)
NET POSITION - FISCAL YEAR ENDING	$ (5,476)	$ 5,194	$ (211,218)	$ (5,569)

HIGHWAYS	PUBLIC SAFETY	ADMINISTRATIVE COURTS	LEGAL SERVICES	OTHER INTERNAL SERVICE ACTIVITIES	TOTALS
$ 1,030	$ 67	$ 6,435	$ 48,615	$ 353	$ 477,171
-	-	-	-	-	15,630
-	-	1	2	4	99
1,030	67	6,436	48,617	357	492,900
(346)	1	1,146	22,615	(2,113)	169,870
648	33	1,255	3,725	153	184,262
-	-	-	-	-	1
15	377	6	271	-	30,965
-	-	-	1	-	3
317	411	2,407	26,612	(1,960)	385,101
713	(344)	4,029	22,005	2,317	107,799
-	-	(20)	(138)	2	(1,150)
-	-	-	-	-	2,349
(7)	-	-	(6)	-	(2,372)
(7)	-	(20)	(144)	2	(1,173)
706	(344)	4,009	21,861	2,319	106,626
-	-	-	-	-	1,215
-	-	-	-	415	1,760
-	-	(270)	(3,917)	-	(7,807)
-	-	(270)	(3,917)	415	(4,832)
706	(344)	3,739	17,944	2,734	101,794
(2,164)	1,922	(14,152)	(87,382)	(4,413)	(400,273)
$ (1,458)	$ 1,578	$ (10,413)	$ (69,438)	$ (1,679)	$ (298,479)

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)

	CENTRAL SERVICES	FINANCIAL INFORMATION TECHNOLOGY	INFORMATION TECHNOLOGY	CAPITOL COMPLEX
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from:				
Fees for Service	$ 3,347	$ -	$ 1,246	$ 38
Receipts for Interfund Services	59,949	12,255	343,830	11
Sales of Products	5	-	-	-
Gifts, Grants, and Contracts	-	-	47	-
Income from Property	-	-	-	15,630
Other Sources	191	-	-	13
Cash Payments to or for:				
Employees	(9,443)	(2,162)	(202,999)	(4,287)
Suppliers	(31,987)	(154)	(73,546)	(5,460)
Payments for Interfund Services	(3,334)	(6,887)	(50,180)	(973)
Other Governments	(1)	-	-	-
Other	(48)	(2)	(6,248)	(3)
NET CASH PROVIDED BY OPERATING ACTIVITIES	18,679	3,050	12,150	4,969
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers-In	804	944	-	-
Transfers-Out	(493)	(298)	(766)	(2,063)
Receipt of Deposits Held in Custody	1,989	-	-	-
Release of Deposits Held in Custody	(2,306)	-	-	-
NonCapital Debt Proceeds	-	46	-	1
NonCapital Debt Service Payments	-	(46)	-	-
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	(6)	646	(766)	(2,062)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of Capital Assets	(26,614)	25	(2,243)	(169)
Proceeds from Sale of Capital Assets	28,631	-	1,147	52
Capital Debt Service Payments	-	(46)	-	-
Capital Lease Payments	(21,721)	(3,826)	-	(2,572)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(19,704)	(3,847)	(1,096)	(2,689)

HIGHWAYS	PUBLIC SAFETY	ADMINISTRATIVE COURTS	LEGAL SERVICES	OTHER INTERNAL SERVICE ACTIVITIES	TOTALS
$ -	$ 11	$ 49	$ 99	$ 9	$ 4,799
326	54	6,393	48,568	341	471,727
1,022	-	-	-	-	1,027
-	-	-	-	-	47
-	-	-	-	-	15,630
-	-	1	2	11	218
(462)	-	(4,423)	(38,933)	(259)	(262,968)
(829)	(25)	(464)	(2,980)	(86)	(115,531)
-	(2)	(769)	(639)	(154)	(62,938)
-	-	-	-	-	(1)
-	-	(1)	(1)	-	(6,303)
57	38	786	6,116	(138)	45,707
-	-	-	-	415	2,163
-	-	(270)	(3,917)	-	(7,807)
-	-	-	-	-	1,989
-	-	-	-	-	(2,306)
-	-	-	-	-	47
-	-	-	-	-	(46)
-	-	(270)	(3,917)	415	(5,960)
(100)	(57)	-	(295)	-	(29,453)
50	50	-	153	-	30,083
(7)	-	-	(6)	-	(59)
-	-	-	-	-	(28,119)
(57)	(7)	-	(148)	-	(27,548)

(Continued)

STATEMENT OF CASH FLOWS, CONTINUED
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)

	CENTRAL SERVICES	FINANCIAL INFORMATION TECHNOLOGY	INFORMATION TECHNOLOGY	CAPITOL COMPLEX
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and Dividends on Investments	-	16	185	-
Increase(Decrease) from Unrealized Gain(Loss) on Investments	-	(61)	(1,134)	-
NET CASH FROM INVESTING ACTIVITIES	-	(45)	(949)	-
NET INCREASE (DECREASE) IN CASH AND POOLED CASH	(1,031)	(196)	9,339	218
CASH AND POOLED CASH , FISCAL YEAR BEGINNING	15,545	2,492	48,644	7,069
CASH AND POOLED CASH, FISCAL YEAR END	$ 14,514	$ 2,296	$ 57,983	$ 7,287
RECONCILIATION OF OPERATING INCOME TO NET CASH				
PROVIDED BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ 2,522	$ 199	$ 70,819	$ 5,539
Adjustments to Reconcile Operating Income (Loss)				
to Net Cash Provided by Operating Activities:				
Depreciation	20,502	4,326	3,632	1,836
Rents, Fines, Donations, and Grants and Contracts in NonOperating	-	-	-	12
Compensated Absences Expense	328	82	1,042	59
Interest and Other Expense in Operating Income	525	-	-	117
Net Changes in Assets, Deferred Outflows, Liabilities, and Deferred				
Inflows Related to Operating Activities:				
(Increase) Decrease in Operating Receivables	48	-	(194)	29
(Increase) Decrease in Inventories	163	-	-	2
(Increase) Decrease in Other Operating Assets and Deferred Outflows	2	21	1,517	-
(Increase) Decrease in Pension Deferred Outflow	(352)	(47)	(15,519)	(397)
(Increase) Decrease in OPEB Deferred Outflow	5	3	(96)	5
Increase (Decrease) in Accounts Payable	167	(109)	(1,358)	199
Increase (Decrease) in Pension Liability	(930)	(457)	(1,726)	(840)
Increase (Decrease) in OPEB Liability	(125)	(39)	(1,200)	(77)
Increase (Decrease) in Other Operating Liabilities and Deferred Inflows	124	-	(1,735)	-
Increase (Decrease) in Pension Deferred Inflow	(4,359)	(949)	(43,798)	(1,561)
Increase (Decrease) in OPEB Deferred Inflow	59	20	766	46
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 18,679	$ 3,050	$ 12,150	$ 4,969
SUPPLEMENTARY INFORMATION - NONCASH TRANSACTIONS:				
Capital Assets Funded by the Capital Projects Fund	812	-	-	-
Loss on Disposal of Capital and Other Assets	(3,043)	693	13	-
Assumption of Capital Lease Obligation or Mortgage	22,609	-	-	-

HIGHWAYS	PUBLIC SAFETY	ADMINISTRATIVE COURTS	LEGAL SERVICES	OTHER INTERNAL SERVICE ACTIVITIES	TOTALS
-	-	23	123	-	347
-	-	(42)	(261)	1	(1,497)
-	-	(19)	(138)	1	(1,150)
-	31	497	1,913	278	11,049
-	316	1,893	11,308	-	87,267
$ -	$ 347	$ 2,390	$ 13,221	$ 278	$ 98,316
$ 713	$ (344)	$ 4,029	$ 22,005	$ 2,317	$ 107,799
15	377	6	271	-	30,965
-	-	-	-	-	12
-	-	176	258	(38)	1,907
-	7	-	-	-	649
(1)	(3)	7	53	(1)	(62)
(90)	-	-	-	-	75
-	-	(2)	89	-	1,627
(46)	-	(483)	(4,676)	57	(21,463)
-	1	7	(82)	4	(153)
(91)	-	8	220	(37)	(1,001)
(115)	-	(1,167)	1,298	(1,912)	(5,849)
(9)	-	(95)	(336)	(81)	(1,962)
318	-	-	(2)	(63)	(1,358)
(633)	-	(1,756)	(13,234)	(431)	(66,721)
(4)	-	56	252	47	1,242
$ 57	$ 38	$ 786	$ 6,116	$ (138)	$ 45,707
-	-	-	-	-	812
-	-	-	-	-	(2,337)
-	-	-	-	-	22,609

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the State in its governmental capacity on behalf of local governments, citizens, and other external parties. Pension and Other Employee Benefits Trust Funds, Private Purpose Trust Funds and Custodial Funds are included in this category. The major components of the fiduciary funds are:

PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

STATE EMPLOYEE BENEFIT PLANS	This fund was established for the purpose of risk financing employee and state-official medical claims. The fund includes several medical plan options ranging from provider of choice to managed care and wellness activity. The State uses a self-funded approach for certain employee and state-official medical claims.
INSTITUTIONS OF HIGHER EDUCATION OTHER POST-EMPLOYMENT BENEFITS TRUST	This fund consists of Colorado State University and University of Colorado. Colorado State University administers four employee defined benefit healthcare plans as part of a single qualifying trust. The plans provide post-employment subsidies for medical premiums, supplemental subscription benefits and income replacement benefits for long-term disability. University of Colorado participates in two types of OPEB plans – a single-employer plan administered by the University and a cost-sharing plan administered by PERA.

PRIVATE-PURPOSE TRUST FUNDS

TREASURER'S	This fund comprises a portion of the escheats funds managed by the State Treasurer. The receipts of the fund are from bank accounts, investment accounts, and insurance proceeds that are placed with the State when the owners of the assets cannot be located. The owner's legal rights to the asset are protected in perpetuity. The fund reports Net Position Held in Trust for the amount ultimately expected to be claimed and paid based on analysis of the history of claims paid versus collections.
COLLEGE SAVINGS PLAN	The College Savings Plan (commonly referred to as the Scholars Choice Fund) authorized in statute is used to record the deposits, withdrawals, and investment returns of participants in the college savings program. The moneys in the fund are neither insured nor guaranteed by the State.
OTHER	This fund primarily accounts for receipts collected from racetracks and simulcast facilities for distribution to horse breeders and associations who participate in state-regulated parimutuel horse racing.

CUSTODIAL FUNDS

These funds are held in custody for others. Major items include sales taxes collected for cities and counties; litigation settlement escrow accounts; contractor's performance escrow accounts; deposits held to ensure land restoration by mining and oil exploration companies; amounts held for the trustee related to Certificates of Participation or revenue Bonds for Higher Education Institutions, Building Excellent Schools Today (BEST), the Bridge Enterprise program; and assets invested for the Colorado Water Resources and Power Development Authority (a discretely presented component unit).

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	STATE EMPLOYMENT BENEFIT PLANS	INSTITUTIONS OF HIGHER EDUCATION OTHER POST-EMPLOYMENT BENEFITS TRUST	TOTAL
ASSETS:			
Cash and Pooled Cash	$ 106,212	$ 1,162	$ 107,374
Other Receivables, net	3,681	7,669	11,350
Due From Other Funds	1,618	-	1,618
Prepaids, Advances and Deposits	771	228	999
Investments:			
Government Securities	-	6,002	6,002
Corporate Bonds	-	13,135	13,135
Asset Backed Securities	-	374	374
Mortgages	-	6,917	6,917
Mutual Funds	-	99,523	99,523
Other Investments	-	29,613	29,613
TOTAL ASSETS	112,282	164,623	276,905
LIABILITIES:			
Accounts Payable and Accrued Liabilities	21,793	4,189	25,982
Claims and Judgments Payable	21,061	-	21,061
Other Current Liabilities	-	31,282	31,282
Accrued Compensated Absences	215	-	215
TOTAL LIABILITIES	43,069	35,471	78,540
NET POSITION:			
Restricted for:			
OPEB	-	129,152	129,152
Held in Trust for:			
Pension/Benefit Plan Participants	69,213	-	69,213
TOTAL NET POSITION	$ 69,213	$ 129,152	$ 198,365

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	STATE EMPLOYMENT BENEFIT PLANS	INSTITUTIONS OF HIGHER EDUCATION OTHER POST-EMPLOYMENT BENEFITS TRUST	TOTAL
ADDITIONS:			
Member Contributions	$ 78,637	$ 1,950	$ 80,587
Employer Contributions	407,706	136	407,842
Investment Income/(Loss)	(1,456)	14,258	12,802
Other Additions	5,133	284,639	289,772
Transfers-In	1,247	-	1,247
TOTAL ADDITIONS	491,267	300,983	792,250
DEDUCTIONS:			
Distributions to Participants	-	3,354	3,354
Health Insurance Premiums Paid	278,343	-	278,343
Health Insurance Claims Paid	162,294	-	162,294
Other Benefits Plan Expense	29,990	-	29,990
Administrative Expense	17,929	-	17,929
Other Deductions	382	311,946	312,328
Transfers-Out	89	-	89
TOTAL DEDUCTIONS	489,027	315,300	804,327
CHANGE IN NET POSITION	2,240	(14,317)	(12,077)
NET POSITION - FISCAL YEAR BEGINNING	66,973	84,527	151,500
Accounting Changes (See Note 15B)	-	58,942	58,942
NET POSITION - FISCAL YEAR BEGINNING (RESTATED)	66,973	143,469	210,442
NET POSITION - FISCAL YEAR ENDING	$ 69,213	$ 129,152	$ 198,365

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	TREASURER'S	COLLEGE SAVINGS PLAN	OTHER	TOTAL
ASSETS:				
Cash and Pooled Cash	$ 226,401	$ 84,870	$ 12,056	$ 323,327
Other Receivables, net	40	26,138	971	27,149
Due From Other Funds	-	15,194	-	15,194
Investments:				
Government Securities	-	-	4,914	4,914
Corporate Bonds	-	-	7,871	7,871
Mortgages	22,983	-	-	22,983
Mutual Funds	-	11,127,906	164	11,128,070
Guaranteed Investment Contracts	-	172,727	-	172,727
Other Investments	-	622	-	622
TOTAL ASSETS	249,424	11,427,457	25,976	11,702,857
LIABILITIES:				
Accounts Payable and Accrued Liabilities	-	24,859	6,934	31,793
Due To Other Funds	-	7	-	7
Unearned Revenue	-	19,289	4,435	23,724
Other Long-Term Liabilities	-	8,274	-	8,274
TOTAL LIABILITIES	-	52,429	11,369	63,798
NET POSITION:				
Held in Trust for:				
Individuals, Organizations, and Other Entities	249,424	11,375,028	14,607	11,639,059
TOTAL NET POSITION	$ 249,424	$ 11,375,028	$ 14,607	$ 11,639,059

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	TREASURER'S	COLLEGE SAVINGS PLAN	OTHER	TOTAL
ADDITIONS:				
Investment Income/(Loss)	$ (4,757)	$ 1,882,858	$ 1,861	$ 1,879,962
Gifts and Bequests	694	-	-	694
Unclaimed Property Receipts	91,631	1,152,698	10,977	1,255,306
Other Additions	-	1,316	1,455	2,771
TOTAL ADDITIONS	87,568	3,036,872	14,293	3,138,733
DEDUCTIONS:				
Distributions to Participants	42,593	933,664	7,086	983,343
Distributions - Intergovernmental Entities	700	-	-	700
Administrative Expense	-	-	279	279
Other Deductions	-	35,677	4,669	40,346
Transfers-Out	-	-	19	19
TOTAL DEDUCTIONS	43,293	969,341	12,053	1,024,687
CHANGE IN NET POSITION	44,275	2,067,531	2,240	2,114,046
NET POSITION - FISCAL YEAR BEGINNING	220,227	9,307,716	1,329	9,529,272
Prior Period Adjustments (Note 15A)	-	(15)		(15)
Accounting Changes (See Note 15B)	(15,078)	(204)	11,038	(4,244)
NET POSITION - FISCAL YEAR BEGINNING (RESTATED)	205,149	9,307,497	12,367	9,525,013
NET POSITION - FISCAL YEAR ENDING	$ 249,424	$ 11,375,028	$ 14,607	$ 11,639,059

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	TAX COLLECTIONS AND DISBURSEMENTS	TREASURY INVESTMENT POOL	OTHER	TOTAL
ASSETS:				
Cash and Pooled Cash	$ 220,058	$ 114,451	$ 170,087	$ 504,596
Taxes Receivable, net	225,566	-	-	225,566
Other Receivables, net	131	-	1,166	1,297
Due From Other Governments	-	-	67	67
Due From Other Funds	-	6,764	-	6,764
Prepaids, Advances and Deposits	-	-	19	19
Other Long-Term Assets	-	-	8,900	8,900
TOTAL ASSETS	445,755	121,215	180,239	747,209
LIABILITIES:				
Tax Refunds Payable	2,132	-	-	2,132
Accounts Payable and Accrued Liabilities	-	-	1,360	1,360
Due To Other Governments	-	-	198	198
Due To Other Funds	120	-	-	120
Unearned Revenue	-	-	226	226
Other Current Liabilities	-	5	205	210
Other Long-Term Liabilities	539	-	-	539
TOTAL LIABILITIES	2,791	5	1,989	4,785
NET POSITION:				
Held in Trust for:				
Individuals, Organizations, and Other Entities	442,964	121,210	178,250	742,424
TOTAL NET POSITION	$ 442,964	$ 121,210	$ 178,250	$ 742,424

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	TAX COLLECTIONS AND DISBURSEMENTS	TREASURY INVESTMENT POOL	OTHER	TOTAL
ADDITIONS:				
Investment Income/(Loss)	$ (1,171)	$ (48,965)	$ (2,390)	$ (52,526)
Court Awards and Restitution Receipts	-	-	115,242	115,242
Collections of Sales Tax for Other Governments	2,244,966	162,257	94,148	2,501,371
Other Additions	-	-	92,983	92,983
TOTAL ADDITIONS	2,243,795	113,292	299,983	2,657,070
DEDUCTIONS:				
Distributions to Participants	-	-	-	-
Payments of Sales Tax to Other Governments	2,203,125	169,670	115,543	2,488,338
Administrative Expense	1,335	-	6,171	7,506
Other Deductions	-	-	181,693	181,693
TOTAL DEDUCTIONS	2,204,460	169,670	303,407	2,677,537
CHANGE IN NET POSITION	39,335	(56,378)	(3,424)	(20,467)
NET POSITION - FISCAL YEAR BEGINNING	-	-	-	-
Accounting Changes (See Note 15B)	403,629	177,588	181,674	762,891
NET POSITION - FISCAL YEAR ENDING	$ 442,964	$ 121,210	$ 178,250	$ 742,424

COMPONENT UNITS

The following statements present the Other Component Units (Nonmajor) aggregated in the combined component unit statements. Descriptions of each of the component units presented can be found in Note 1.

COMBINING STATEMENT OF NET POSITION
OTHER COMPONENT UNITS (NONMAJOR)
JUNE 30, 2021

(DOLLARS IN THOUSANDS)	DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT	STATEWIDE INTERNET PORTAL AUTHORITY	TOTAL
ASSETS:			
Current Assets:			
Cash and Pooled Cash	$ 1,347	$ 5,102	$ 6,449
Restricted Cash and Pooled Cash	1,406	5,000	6,406
Other Receivables, net	3,000	3,784	6,784
Prepaids, Advances and Deposits	-	201	201
Other Current Assets	-	3,917	3,917
Total Current Assets	5,753	18,004	23,757
Noncurrent Assets:			
Other Long-Term Assets	219	-	219
Depreciable Capital Assets and Infrastructure, net	151,754	7	151,761
Land and Nondepreciable Capital Assets	20,747	-	20,747
Total Noncurrent Assets	172,720	7	172,727
TOTAL ASSETS	178,473	18,011	196,484
DEFERRED OUTFLOW OF RESOURCES:	-	341	341
LIABILITIES:			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	179	4,228	4,407
Unearned Revenue	-	4,019	4,019
Other Current Liabilities	6,000	166	6,166
Total Current Liabilities	6,179	8,413	14,592
Noncurrent Liabilities:			
Net Pension Liability	-	458	458
Other Postemployment Benefits	-	58	58
Total Noncurrent Liabilities	-	516	516
TOTAL LIABILITIES	6,179	8,929	15,108
DEFERRED INFLOW OF RESOURCES:	-	743	743
NET POSITION:			
Net investment in Capital Assets:	172,720	7	172,727
Restricted for:			
Other Purposes	1,707	-	1,707
Unrestricted	(2,133)	8,673	6,540
TOTAL NET POSITION	$ 172,294	$ 8,680	$ 180,974

COMBINING STATEMENT OF ACTIVITIES
OTHER COMPONENT UNITS (NONMAJOR)
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT	HLC @ METRO	STATEWIDE INTERNET PORTAL AUTHORITY	TOTAL
EXPENSES	$ 8,348	$ -	$ 40,691	$ 49,039
PROGRAM REVENUES:				
Charges for Services	8,500	-	42,211	50,711
Capital Grants and Contributions	2,266	-	-	2,266
TOTAL PROGRAM REVENUES:	10,766	-	42,211	52,977
NET (EXPENSE) REVENUE	2,418	-	1,520	3,938
GENERAL REVENUES:				
Unrestricted Investment Earnings (Losses)	10	-	9	19
TOTAL GENERAL REVENUES	10	-	9	19
CHANGE IN NET POSITION	2,428	-	1,529	3,957
NET POSITION - FISCAL YEAR BEGINNING	169,866	(467)	7,151	176,550
Accounting Changes (See Note 15B)	-	467	-	467
NET POSITION - FISCAL YEAR BEGINNING (Restated)	169,866	-	7,151	177,017
NET POSITION - FISCAL YEAR ENDING	$ 172,294	$ -	$ 8,680	$ 180,974

NON-APPROPRIATED BUDGET SCHEDULES

The schedules on the following pages provide, by department, nonappropriated budget-to-actual activity. The budgets are based on a variety of sources that are not subject to appropriation by the General Assembly that generally include most federal awards, custodial agreements, and Colorado statutes. In Higher Education Institutions informational only appropriations for tuition and certain fees contained in the State's legislative appropriations act are not controlling. Therefore, expenditures may exceed recorded budgets in these appropriations.

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGETARY BASIS BUDGET AND ACTUAL - NON-APPROPRIATED GENERAL FUNDED FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	ORIGINAL APPROPRIATION	FINAL SPENDING AUTHORITY	ACTUAL	(OVER)/UNDER SPENDING AUTHORITY
REVENUES AND TRANSFERS-IN:				
Sales and Other Excise Taxes			$ 554,558	
Income Taxes			1,295,737	
Other Taxes			46,288	
Sales and Services			205	
Interest Earnings			6,880	
Other Revenues			3,682	
Transfers-In			49,290	
TOTAL REVENUES AND TRANSFERS-IN			1,956,640	
EXPENDITURES AND TRANSFERS-OUT:				
Operating Budgets:				
Departmental:				
Corrections	-	40	40	-
Education	10,000	10,000	10,000	-
Governor	$ -	$ 87	87	$ -
Health Care Policy and Financing	409,630	421,184	420,406	778
Judicial Branch	1,000	1,000	1,000	-
Local Affairs	63,375	63,375	63,339	36
Personnel & Administration	-	1,088	1,088	-
Revenue	278,411	361,243	357,333	3,910
Treasury	897,329	897,329	891,561	5,768
Transfers Not Appropriated by Department	23,989	23,989	23,989	-
SUB-TOTAL OPERATING BUDGETS	1,683,734	1,779,335	1,768,843	10,492
TOTAL EXPENDITURES AND TRANSFERS-OUT	$ 1,683,734	$ 1,779,335	$ 1,768,843	$ 10,492
EXCESS OF REVENUES AND TRANSFERS-IN OVER (UNDER) EXPENDITURES AND TRANSFERS-OUT			$ 187,797	

The notes to the required supplementary information are an integral part of this schedule.

SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES,
AND CHANGES IN FUND BALANCES/NET POSITION - BUDGETARY BASIS
BUDGET AND ACTUAL - NON-APPROPRIATED CASH FUNDED
FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	ORIGINAL APPROPRIATION	FINAL SPENDING AUTHORITY	ACTUAL	(OVER)/UNDER SPENDING AUTHORITY
REVENUES AND TRANSFERS-IN:				
Sales and Other Excise Taxes			$ 928,942	
Other Taxes			847,347	
Tuition and Fees			404,826	
Sales and Services			1,967,158	
Interest Earnings			2,011,001	
Other Revenues			6,574,676	
Transfers-In			7,721,135	
TOTAL REVENUES AND TRANSFERS-IN			20,455,085	
EXPENDITURES/EXPENSES AND TRANSFERS-OUT:				
Operating Budgets:				
Departmental:				
Agriculture	$ 3,576	$ 4,638	$ 2,444	$ 2,194
Corrections	29,783	103,472	93,995	9,477
Education	4,117,162	4,109,562	4,102,993	6,569
Governor	894,614	998,558	333,290	665,268
Health Care Policy and Financing	41,578	45,000	27,346	17,654
Higher Education	1,534,573	1,697,161	1,758,498	(61,337)
Human Services	358,762	229,357	194,970	34,387
Judicial Branch	47,745	166,891	154,556	12,335
Labor and Employment	2,376,400	3,177,939	3,261,142	(83,203)
Law	27,271	27,391	10,273	17,118
Legislative Branch	18,867	18,867	4,618	14,249
Local Affairs	426,590	449,201	263,312	185,889
Military and Veterans Affairs	11,620	11,620	11,038	582
Natural Resources	910,670	974,047	412,060	561,987
Personnel & Administration	607,811	612,123	587,699	24,424
Public Health and Environment	302,832	371,068	113,913	257,155
Public Safety	247,381	261,852	156,014	105,838
Regulatory Agencies	82,298	82,713	62,347	20,366
Revenue	956,753	3,427,920	3,415,841	12,079
State	8,558	8,558	5,146	3,412
Transportation	4,702,240	4,702,515	1,329,980	3,372,535
Treasury	3,078,929	3,468,503	2,764,172	704,331
Budgets/Transfers Not Recorded by Department	7,369	10,553	10,570	(17)
SUB-TOTAL OPERATING BUDGETS	20,793,382	24,959,509	19,076,217	5,883,292
Capital and Multi-Year Budgets:				
Departmental:				
Agriculture	$ -	$ 2,046	$ 1,685	$ 361
Corrections	-	3,068	2,551	517
Education	-	888	793	95
Governor	-	194	-	194
Higher Education	254,713	289,271	145,195	144,076
Human Services	-	22,974	12,636	10,338
Military and Veterans Affairs	-	605	240	365
Natural Resources	(2,232)	4,123	4,150	(27)
Personnel & Administration	-	10,482	5,753	4,729
Public Health and Environment	-	85	-	85
Public Safety	-	221	195	26
SUB-TOTAL CAPITAL AND MULTI-YEAR BUDGETS	252,481	333,957	173,198	160,759
TOTAL EXPENDITURES/EXPENSES AND TRANSFERS-OUT	$ 21,045,863	$ 25,293,466	$ 19,249,415	$ 6,044,051
EXCESS OF REVENUES AND TRANSFERS-IN OVER/(UNDER) EXPENDITURES/EXPENSES AND TRANSFERS-OUT			$ 1,205,670	

The notes to the required supplementary information are an integral part of this schedule.

SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES, AND CHANGES IN FUND BALANCES/NET POSITION - BUDGETARY BASIS BUDGET AND ACTUAL - NON-APPROPRIATED FEDERALLY FUNDED FOR THE YEAR ENDED JUNE 30, 2021

(DOLLARS IN THOUSANDS)	ORIGINAL APPROPRIATION	FINAL SPENDING AUTHORITY	ACTUAL	(OVER)/UNDER SPENDING AUTHORITY
REVENUES AND TRANSFERS-IN:				
Federal Grants and Contracts			$ 15,118,784	
TOTAL REVENUES AND TRANSFERS-IN			15,118,784	
EXPENDITURES/EXPENSES AND TRANSFERS-OUT:				
Capital and Multi-Year Budgets:				
Departmental:				
Agriculture	$ 5,638	$ 12,455	$ 7,253	$ 5,202
Corrections	76,098	73,489	67,584	5,905
Education	732,581	2,521,259	806,079	1,715,180
Governor	7,068,257	7,696,312	4,172,968	3,523,344
Health Care Policy and Financing	304,282	465,308	305,720	159,588
Higher Education	33,978	1,352,805	587,968	764,837
Human Services	329,923	2,504,275	2,090,110	414,165
Judicial Branch	15,400	30,087	17,482	12,605
Labor and Employment	6,289,415	8,723,099	6,685,421	2,037,678
Law	2,370	2,490	2,329	161
Local Affairs	81,957	985,120	525,694	459,426
Military and Veterans Affairs	122,174	46,368	25,470	20,898
Natural Resources	26,592	111,778	53,551	58,227
Personnel & Administration	1,470	2,422	1,415	1,007
Public Health and Environment	307,072	2,079,847	991,348	1,088,499
Public Safety	69,918	1,244,133	715,655	528,478
Regulatory Agencies	1,443	181,480	175,439	6,041
Revenue	1,037	3,220	-	3,220
State	-	20,217	7,231	12,986
Transportation	629,978	1,334,018	569,348	764,670
Treasury	92,071	92,071	92,071	-
SUB-TOTAL CAPITAL AND MULTI-YEAR BUDGETS	16,191,654	29,482,253	17,900,136	11,582,117
TOTAL EXPENDITURES/EXPENSES AND TRANSFERS-OUT	$ 16,191,654	$ 29,482,253	$ 17,900,136	$ 11,582,117
EXCESS OF REVENUES AND TRANSFERS-IN OVER/(UNDER) EXPENDITURES/EXPENSES AND TRANSFERS-OUT			$ (2,781,352)	

The notes to the required supplementary information are an integral part of this schedule.

SCHEDULE OF TABOR REVENUE AND COMPUTATIONS

STATE OF COLORADO
OFFICE OF THE STATE CONTROLLER
COMPARISON OF NONEXEMPT TABOR REVENUES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Fiscal Year 2021	Fiscal Year 2020	Increase (Decrease)	Percent Change
GENERAL REVENUES				
Individual Income Tax, Net	$ 8,552,154,048	$ 8,032,399,506	$ 519,754,542	6.5%
Sales and Use Tax, Net	3,632,266,905	3,406,516,314	225,750,591	6.6%
Corporate Income Tax, Net	1,117,777,059	670,434,333	447,342,726	66.7%
Insurance Taxes	336,301,330	337,417,807	(1,116,477)	-0.3%
Fiduciary Income Tax, Net	117,201,679	24,275,951	92,925,728	382.8%
Tobacco Products Tax, Net	59,176,733	56,910,411	2,266,322	4.0%
Alcoholic Beverages Tax, Net	53,362,690	50,069,739	3,292,951	6.6%
Interest and Investment Income	46,783,615	29,238,671	17,544,944	60.0%
Court and Other Fines	7,578,922	10,172,014	(2,593,092)	-25.5%
Business Licenses and Permits	3,834,353	7,352,054	(3,517,701)	-47.8%
Miscellaneous Revenue	1,595,493	2,014,974	(419,481)	-20.8%
General Government Service Fees	1,420,418	2,371,028	(950,610)	-40.1%
Gaming and Other Taxes	327,147	348,916	(21,769)	-6.2%
Welfare Service Fees	22,599	19,130	3,469	18.1%
Other Charges For Services	10,384	6,349	4,035	63.6%
TOTAL GENERAL-FUNDED REVENUES	13,929,813,375	12,629,547,197	1,300,266,178	10.3%
PROGRAM REVENUES				
Fuel and Transportation Taxes, Net	595,714,024	626,572,328	(30,858,304)	-4.9%
Motor Vehicle Registrations	273,590,137	274,372,225	(782,088)	-0.3%
Business Licenses and Permits	199,840,438	189,101,472	10,738,966	5.7%
Court and Other Fines	168,529,288	161,582,265	6,947,023	4.3%
Other Charges For Services	162,567,299	165,603,803	(3,036,504)	-1.8%
Miscellaneous Revenue	146,565,097	91,856,173	54,708,924	59.6%
Gaming and Other Taxes	101,142,250	68,201,119	32,941,131	48.3%
General Government Service Fees	101,275,075	69,097,425	32,177,650	46.6%
Health Service Fees	83,596,966	87,432,522	(3,835,556)	-4.4%
Rents and Royalties	67,427,964	60,701,670	6,726,294	11.1%
Insurance Taxes	51,506,197	22,336,255	29,169,942	130.6%
Interest and Investment Income	50,839,615	87,609,855	(36,770,240)	-42.0%
Driver's Licenses	44,191,549	40,293,015	3,898,534	9.7%
Employment Taxes	40,153,832	38,075,619	2,078,213	5.5%
Public Safety Service Fees	34,196,635	20,531,842	13,664,793	66.6%
Nonbusiness Licenses and Permits	33,158,813	30,163,475	2,995,338	9.9%
Sales and Use Tax, Net	30,226,241	37,220,152	(6,993,911)	-18.8%
Certifications and Inspections	24,691,511	24,125,659	565,852	2.3%
Local Governments and Authorities	13,027,169	10,489,500	2,537,669	24.2%
Educational Fees	5,833,650	8,572,913	(2,739,263)	-32.0%
Severance Taxes	4,701,881	116,842,809	(112,140,928)	-96.0%
Higher Education Auxiliary Sales and Services	2,997,390	10,508,869	(7,511,479)	-71.5%
Welfare Service Fees	1,914,821	2,434,777	(519,956)	-21.4%
Sales of Products	1,138,495	2,046,193	(907,698)	-44.4%
Alcoholic Beverages Tax, Net	833,360	830,922	2,438	0.3%
Other Excise Taxes, Net	306,011	374,075	(68,064)	-18.2%
Tobacco Products Tax, Net	210	415	(205)	-49.4%
TOTAL PROGRAM REVENUES	2,239,965,918	2,246,977,347	(7,011,429)	-0.3%
Prior Year Errors		(7,152)	7,152	
Disqualification of Enterprises		(2,762,957)	2,762,957	
TOTAL CASH-FUNDED REVENUE	2,239,965,918	2,244,207,238	(4,241,320)	-0.2%
TOTAL NONEXEMPT REVENUE	$ 16,169,779,293	$ 14,873,754,435	$ 1,296,024,858	8.7%

STATE OF COLORADO
SCHEDULE OF COMPUTATIONS REQUIRED
UNDER ARTICLE X, SECTION 20
AS OF JUNE 30, 2021

	FISCAL YEAR 2020	FISCAL YEAR 2021
COMPUTATION OF NONEXEMPT REVENUES		
Total State Expenditures	$ 55,162,985,473	$ 67,186,300,966
Less Exempt Enterprises Expenses:		
Higher Education Enterprises	10,047,487,619	10,829,105,780
Unemployment Compensation Section	4,767,292,851	9,425,795,063
Colorado Healthcare Affordability and Sustainability Enterprise	3,531,659,327	4,235,144,603
CollegeInvest	926,156,300	969,557,285
State Lottery	654,964,236	789,947,824
College Assist	554,338,534	231,396,176
Health Insurance Affordability Enterprise	8,000	227,865,139
Parks and Wildlife	208,898,106	205,850,333
Correctional Industries	56,530,274	48,200,138
State Nursing Homes	46,527,686	47,158,027
Statewide Transportation Enterprise	23,618,477	46,887,142
Petroleum Storage Tank Fund	35,304,621	35,349,070
Statewide Bridge Enterprise	14,731,470	12,523,883
Clean Screen Authority	3,608,601	3,493,861
Brand Board	3,020,702	3,079,539
Electronic Recording Technology Fund	4,349,354	2,618,441
Capitol Parking Authority	1,167,736	1,126,708
Front Range Waste Diversion Enterprise	84,895	940,162
Subtotal Enterprise Expenses	20,879,748,789	27,116,039,174
Total District Expenditures	34,283,236,684	40,070,261,792
Less Exempt District Revenues:		
Federal Funds	7,868,739,443	10,810,509,802
Interfund Transfers	9,290,193,069	10,344,684,227
Amounts Held for Others (Note 11)	-	2,640,927,335
Other Sources and Additions (Note 7)	1,573,852,250	1,909,637,478
Voter Approved Revenue Changes (Note 8)	1,143,007,792	1,682,649,539
Damage Awards	100,284,626	125,329,963
Gifts	77,822,991	106,274,759
Property Sales	185,838,027	101,696,506
Exempt Investment Income	283,817,453	60,934,960
Subtotal Exempt District Revenues	20,523,555,651	27,782,644,569
Nonexempt District Expenditures	13,759,681,033	12,287,617,223
District Reserve/Fund Balance Increase (Decrease)	1,196,691,779	3,356,706,390
Excess TABOR Revenues	(82,618,377)	525,455,680
Total Nonexempt District Revenues	$ 14,873,754,435	$ 16,169,779,293
COMPUTATION OF DISTRICT FUND BALANCE CHANGES		
Beginning District Fund Balance	$ 8,751,906,735	$ 9,860,230,346
Prior Period District Fund Balance Adjustments (Note 11)	(5,749,791)	78,650,105
(Qualification)/Disqualification of Enterprises (Note 14)	-	2,694,417
District Reserve/Fund Balance Increase (Decrease)	1,196,691,779	3,356,706,390
Retention of Revenues in Excess of the Limit C.R.S. 24-77-103.6(1)(a)	(82,618,377)	525,455,680
Ending District Fund Balance	$ 9,860,230,346	$ 13,823,736,938

FISCAL YEAR 2021 COMPUTATION OF SPENDING LIMITATIONS	**FISCAL YEAR SPENDING**	**EXCESS STATE REVENUES CAP**
FY 2020 Limit	$ 12,249,003,600	$ 14,956,372,812
Other Agency Revenues From Disqualified Enterprises (Note 14)	(3,314,564)	(3,314,564)
FY 2020 Adjusted Limit	$ 12,245,689,036	$ 14,953,058,248
Allowable TABOR Growth Rate (Note 12)	3.1%	3.1%
FY 2021 Unadjusted Limit	$ 12,625,305,396	$ 15,416,603,054
Disqualification of Enterprises (Note 14)	2,762,957	2,762,957
C.R.S. 24-77-103.6(6)(b)(I)(F)		224,957,602
FY 2021 Adjusted Limit	$ 12,628,068,353	$ 15,644,323,613
Less Fiscal Year 2020 Nonexempt District Revenues	(16,169,779,293)	(16,169,779,293)
Amount (Over)Under Adjusted Limit FY 2021	$ (3,541,710,940)	$ (525,455,680)

Amounts remaining in excess of the limit to be refunded in future years (by fiscal year of excess revenue)	
FY 2015	$ 282,032
FY 2018	3,146,147
FY 2019	18,988,267
FY 2021	525,455,680
Total amount to be refunded in future years	$ 547,872,126
FY 2021 retention of revenues in excess of the limit (not refundable) C.R.S. 24-77-103.6(1)(b)	$ (3,016,255,260)

NOTES TO THE TABOR SCHEDULE OF REQUIRED COMPUTATIONS

NOTE 1. PURPOSE OF THE SCHEDULE OF REQUIRED COMPUTATIONS

The purpose of the Schedule of Required Computations is to determine and document compliance with Title 24 Article 77 of the Colorado Revised Statutes, which is the implementing statute for Article X Section 20 of the State Constitution (TABOR). The report is required to include at a minimum State fiscal year spending, reserves, revenues, and debt. The schedule also includes a calculation of the limit on fiscal year spending, a calculation of the excess State revenues cap under Referendum C (see Note 9), and the amount required to be refunded or the amount of excess revenue retained by law, as well as all related adjustments.

TABOR has many provisions including a requirement for a vote of the people for new taxes or tax rate increases and a limit on the amount of fiscal year spending. Fiscal year spending is defined as District expenditures and reserve increases except those expended from exempt sources, such as gifts, federal funds, damage awards, property sales, reserves, and other items. This definition, while focused on spending is essentially a limitation on revenue retention because reserve increases are unspent revenues. Therefore, the terms fiscal year spending and nonexempt revenue are used interchangeably throughout these notes.

The limit on revenue retention is based on an allowable growth percentage (see Note 12) applied to the lesser of the prior year's revenues or the prior year's limit. Revenues in excess of the limit are required to be refunded to taxpayers unless voters approve retention of the excess. In the 2005 general election, voters approved Referendum C, which allowed the State to retain revenues in excess of the limit for a five-year period. Beginning in Fiscal Year 2011, under Referendum C provisions, revenues are refunded only when they exceed the excess State revenues cap (see Note 9).

NOTE 2. BASIS OF ACCOUNTING

Pursuant to Article 77 of Title 24, Colorado Revised Statutes, this report is prepared in accordance with generally accepted accounting principles (GAAP) for governmental entities except where an irreconcilable difference exists between GAAP, and State statute or the provisions of Article X Section 20 of the State Constitution (TABOR). The accounting principles used by the State are more fully described in Note 1 to the Financial Statements.

NOTE 3. DEFINITION OF THE DISTRICT

TABOR defines the District as "the State or any local government, excluding enterprises." It further defines an enterprise as "a government-owned business authorized to issue its own revenue bonds and receiving under 10 percent of annual revenue in grants from all Colorado state and local governments combined."

The General Assembly, for the purpose of implementing TABOR, stated in Section 24-77-102(16) C.R.S.:

(a) that "State" means the central civil government of the State of Colorado, which consists of the following:

(I) the legislative, executive, and judicial branches of government established by Article III of the State Constitution;

(II) all organs of the branches of government specified in subparagraph (I) of paragraph (a) of this subsection (16), including the departments of the executive branch; the legislative houses and agencies; and the appellate and trial courts and court personnel; and

(III) State institutions of higher education.

(b) "State" does not include:

(I) any enterprise [including an institution or group of institutions of higher education that has been designated as an enterprise];

(II) any special purpose authority;

(III) any organization declared to be a joint governmental entity.

The General Assembly has designated the following as enterprises excluded from the District:

- State Lottery,
- College Assist,
- CollegeInvest,
- Division of Parks and Wildlife,
- State Nursing Homes,
- Division of Correctional Industries,
- Petroleum Storage Tank Fund,
- State Fair Authority,
- Division of Brand Inspection,
- Clean Screen Authority,
- Capitol Parking Authority,
- Statewide Transportation Enterprise,
- Statewide Bridge Enterprise,
- Unemployment Insurance Enterprise,
- Electronic Recording Technology Fund,
- Colorado Healthcare Affordability and Sustainability Enterprise,
- Front Range Waste Diversion Enterprise,
- Health Insurance Affordability Enterprise,

- Clean Motor Vehicle Fleet Enterprise,
- Clean Transit Enterprise,
- Air Pollution Mitigation Enterprise,
- Air Quality Enterprise,
- Community Access Enterprise,
- Natural Disaster Mitigation Enterprise,
- 988 Crisis Hotline Enterprise.

It further established a statutory mechanism that allows the governing boards of institutions of higher education to designate certain auxiliary operations as enterprises, which are also exempt from TABOR. Senate Bill 04-189 expanded the authority for each governing board of State institutions of higher education to designate the entire institution as a TABOR exempt enterprise. The Board of Regents of the University of Colorado designated the entire University of Colorado as an enterprise during Fiscal Year 2005, and the remaining boards designated their institutions as enterprises in Fiscal Year 2006. The Auraria Higher Education Center Board of Directors did not designate all of its activities as a TABOR enterprise, but it continues to have selected activities designated as a TABOR enterprise.

Although the General Assembly and governing boards have designated certain enterprises as exempt from TABOR, those enterprises must continue to meet the criteria of a government-owned business authorized to issue its own revenue bonds and to receive less than 10 percent of its revenue in grants from all Colorado state and local governments combined. The State Fair Authority remained disqualified as an enterprise for Fiscal Year 2021.

NOTE 4. DEBT

Certificates of Participation, which are used by the State for long-term lease purchases, are not considered debt of the State for purposes of this report as provided by Section 24-30-202(5.5) C.R.S.

In interrogatories submitted by the General Assembly regarding House Bill 99-1325, the Colorado Supreme Court ruled that Transportation Revenue Anticipation Notes (TRANS) issued by the Colorado Department of Transportation do not constitute debt of the State as defined in Article XI Section 3 of the State Constitution. However, the Supreme Court ruled that the TRANS are a multiple-fiscal year obligation as defined by Article X Section 20 of the State Constitution, thus requiring an approving election before issuance.

NOTE 5. EMERGENCY RESERVES

TABOR requires the reservation, for declared emergencies, of three percent or more of fiscal year spending, excluding bonded debt service payments. This requirement for Fiscal Year 2021 totals $485.1 million.

At June 30, 2021, the net assets of the following funds were designated as the reserve, up to the limits set in the Long Appropriations Act (HB 20-1360):

- Major Medical Insurance Fund – $63.0 million.
- Colorado Water Conservation Board Construction Fund – $33.0 million.
- Controlled Maintenance Trust Fund – $73.0 million
- Disaster Emergency Fund - $75.0 million.
- Unclaimed Property Tourism Promotion Trust Fund - $5.0 million.

The 2020 legislative session Long Appropriations Act also designated up to $160.0 million of State properties as the remainder of the emergency reserve.

Based on actual fiscal year nonexempt revenues in Fiscal Year 2021, the required reserve was $485.1 million. Because the actual reserve requirement was more than the amount set in HB 20-1360, the total amount restricted for the reserve was $76.1 million less than the combined maximums allowable in the designated funds detailed above. There is no process by which the General Assembly can adjust the designated reserve after the end of the legislative session when the total TABOR revenues are finally known.

During Fiscal Year 2021, nine executive orders called for a net amount of $65.9 million to be transferred from the funds constituting the TABOR reserve, to the Disaster Emergency Fund (DEF), in response to the costs of dealing with the COVID-19 pandemic. Another $9.8 million was transferred to the DEF through six executive orders for the costs of fighting wildfires across the State.

NOTE 6. STATUS OF REFUNDING

There are three TABOR refund mechanisms in current state law – the property tax exemption reimbursement, the temporary income tax rate reduction and the six-tiered sales tax refund. A summary of each is noted below:

1. <u>Property tax exemption reimbursement</u> – with the enactment of Senate Bill 17-267, excess revenue is first refunded via reimbursements to local governments equal to the amount of property tax revenue they lose as a result of the property tax exemptions for seniors and disabled veterans. The amount refunded via this mechanism is the lesser of actual reimbursements or the total refund obligation in accordance with Section 39-3-209(2) C.R.S. If the amount of excess revenue is less than the amount required to reimburse local governments for property tax exemptions for seniors and disabled veterans, then only the portion of the reimbursement equal to the refund obligation is accounted as a TABOR refund. This portion is paid from General Fund revenue set aside in the year when the TABOR surplus was collected. This is considered an under-distribution and is carried forward until the reimbursement is paid. The remaining portion of the reimbursement is financed from revenue collected in the fiscal year when the reimbursement is paid.

2. Temporary income tax rate reduction – under Section 39-22-627 C.R.S., the temporary income tax rate reduction refunds revenue via a temporary reduction in the state income tax rate from 4.63 percent to 4.50 percent for individual and corporate income taxpayers. The income tax rate reduction is triggered if and only if the refund obligation exceeds the amount of the property tax reimbursement mechanism by at least the amount of the reduction in revenue expected to result from the reduction in the income tax rate. When triggered, the income tax rate is reduced in the tax year following the fiscal year in which excess revenue is collected. If the refund obligation is less than the reduction in revenue expected to result from the reduction in the income tax rate, then the refund in excess of the property tax reimbursement mechanism is refunded via the third mechanism.

3. Six-tier sales tax refund mechanism – under Section 39-22-2001 through 2003 C.R.S., the six-tier sales tax refund refunds any excess amount outstanding after the payment of refunds via the property tax reimbursement mechanism and, if triggered, the temporary income tax rate reduction. Despite being called a sales tax refund, the refund appears on income tax forms as a means of returning sale tax revenue paid by individuals. The mechanism grants taxpayers a refund according to where their adjusted gross income falls among six adjusted gross income tiers. When the amount to be refunded via this mechanism is large enough to support at least $15 per taxpayer, the Department of Revenue is required to distribute the amount among the tiers as it was distributed for the sales tax refund in the tax year 1999. If the amount to be refunded is less than $15 per taxpayer, an equal refund is provided to each taxpayer regardless of income. Because the number of qualifying taxpayers and their adjusted gross incomes are estimates, the use of the second and third refund mechanisms can result in over or under distribution of the required refund throughout the four-year period allowed for amended tax returns.

Regardless of the refund mechanism, Section 24-77-103.8 C.R.S. requires that under-distributions of refunds be carried forward to subsequent years and added to the required refund in a future year when revenue is over the spending limit. Over-distributions of refunds, pursuant to Section 24-77-103.7 C.R.S., are also carried forward to subsequent years and are used to offset any future refund liability. The amount of the over/under carry forward is to be applied in the year following the year in which the refund is required to be made, which results in a two-year lag between the recording of the excess revenue and the adjustment for over or under refunds of those excess revenues.

At the beginning of Fiscal Year 2021, the State had an outstanding TABOR refund liability of $144.0 million. During the year, $22.3 thousand was refunded from the Fiscal Year 2015 liability and $120.7 million from the Fiscal Year 2019 liability (through the property tax reimbursement mechanism). Refund liabilities for Fiscal Years 2018 and 2019 were each decreased by $0.4 million to adjust for prior-year revenue recording errors. Excess revenue over the ESRC in Fiscal Year 2021 added $525.5 million to the total liability. At June 30, 2021, the amount of refunds payable is $547.9 million (See Note 15 for more detail).

NOTE 7. OTHER SOURCES AND ADDITIONS

The $1,909.6 million reported in this line item primarily comprises: $485.2 million of pension and other employee benefit trust fund investment earnings and additions by the State and participants; $975.7 million of proceeds from the issuance of certificates of participation; $247.4 million of revenue to permanent funds and trusts; $58.0 million of local government expenditures recorded by the State as revenues and expenditures to meet grant matching-funds requirements; and $127.1 million of other miscellaneous revenue.

NOTE 8. VOTER APPROVED REVENUE CHANGES

When State voters approve a revenue change, the resulting revenues are exempt from the TABOR limit on fiscal year spending. The following revenue changes were approved by voters:

- In the 1998 general election, voters approved a citizen-initiated law, Section 25-8-501.1 C.R.S. – Regulation of Commercial Hog Facilities – which instituted a permit fee. The State collected $56,439 and $56,881 from this exempt source in Fiscal Year 2021 and Fiscal Year 2020, respectively.

- In the 2000 general election, voters approved a citizen-initiated amendment that added Section 14 to Article XVIII of the State Constitution. This amendment allowed the use of marijuana for medical purposes and authorized the Department of Public Health and Environment to charge a fee for the issuance of a permit for such purpose. The State recorded $2.3 million and $2.1 million including interest and unrealized gains/losses from this revenue source in Fiscal Year 2021 and Fiscal Year 2020, respectively.

- In the 2000 general election, voters approved a citizen-initiated amendment that added Section 17 to Article IX of the State Constitution. This amendment created the State Education Fund and diverted the revenues from a tax of one-third of one percent on taxable income of individuals, corporations, estates, and trusts from the General Fund to the State Education Fund. It also exempted the revenue from TABOR. The amendment was effective January 1, 2001, and resulted in $1,037.3 million and $655.9 million of tax revenues, interest, operating transfers and unrealized gains/losses, as exclusions from fiscal year spending in Fiscal Year 2021 and Fiscal Year 2020, respectively.

- In the 2004 general election, voters approved a citizen-initiated amendment that added Section 21 to Article X of the State Constitution. The amendment authorized additional cigarette and tobacco taxes (3.2 cents per cigarette and 20 percent of manufacturer's list price for other tobacco products) effective January 1, 2005. The amendment specified the use of the tax revenue generated for specific health related programs, and it exempted the revenue from the TABOR limitations. The State recorded $137.9 million and $137.7 million of tax revenues, interest, transfers, and unrealized gains/losses from this exempt source in Fiscal Year 2021 and Fiscal Year 2020, respectively.

- In the 2005 general election, Colorado voters approved Referendum C – a measure referred to the voters by the Legislature. The referendum allowed the State to retain revenues in excess of the TABOR limit for a period of five years, and it stated that the excess revenue retained qualified as a voter approved revenue change. However, in order to determine the amount retained, the Schedule of Required Computations includes the retained amount as nonexempt revenue. Therefore, the retained amount is not reported in this note as a voter approved revenue change (see Note 9).

- In the 2008 general election, voters approved an amendment required to implement locally approved changes to the parameters for Limited Gaming under Section 9(7) of Article XVIII of the Colorado Constitution. This amendment allowed the residents of Central City, Black Hawk, and Cripple Creek to vote to extend casino hours, approve additional games and increase the maximum single bet limit. It required distribution of most of the gaming tax revenue that resulted from the new gaming limits to Colorado community colleges and to gaming cities and counties, and it exempted the new revenue from state and local revenue and spending limits. The State collected $19.8 million and $13.0 million of extended limited gaming revenue in Fiscal Year 2021 and Fiscal Year 2020, respectively.

- In the 2013 general election, Colorado voters approved Proposition AA, a measure referred to the voters by the Legislature. The proposition authorized a 15 percent state excise tax on the average wholesale price of retail marijuana, and, in addition to the existing 2.9 percent state sales tax, an additional 10 percent state sales tax on retail marijuana and retail marijuana products, effective January 1, 2014. The amendment specified the use of the excise tax revenue generated for public school construction (for the first $40.0 million collected) with any additional excise revenue generated to be used for marijuana regulation.

  With the enactment of Senate Bill 267 in the 2017 legislative session, the retail marijuana sales tax rate increased from 10 percent to 15 percent and exempted the 2.9 percent sales tax. The State's share of the retail tax increased from 85 percent to 90 percent. These changes took effect on July 1, 2017. The 15 percent excise tax on the wholesale price of retail marijuana still applies.

  The State recorded $120.8 million of state excise tax and $288.2 million of retail marijuana state sales tax revenues from these exempt sources in Fiscal Year 2021. In the prior fiscal year, the State recorded $88.5 million and $245.5 million respectively, from these two sources.

- In the 2019 statewide election, Colorado voters approved Proposition DD – a measure referred to voters by the Legislature in HB 19-1327. The proposition allowed the State to tax the proceeds of sports betting activity and to use the revenue for implementing the State water plan and for other purposes. The State recorded $8.1 million and $0.3 million from this revenue source in Fiscal Year 2021 and Fiscal Year 2020, respectively.

- In the 2020 statewide election, voters approved Proposition EE – a measure referred to voters by the Legislature in HB 20-1427. The "yes" vote on the proposition allowed the State to impose a tax on nicotine liquids and other vaping products, and to increase existing cigarette and tobacco taxes. The revenue is to provide funding for schools, housing development and rental assistance, health care programs, tobacco education programs and other state and local general spending. In Fiscal Year 2021, the State recorded $68.0 million in Proposition EE revenue.

NOTE 9. REFERENDUM C

Referendum C was placed on the ballot by the General Assembly and was approved by voters in the November 2005 election. It contained the following provisions:

- The State was authorized to retain and spend all revenues in excess of the limit on fiscal year spending after July 1, 2005, and before July 1, 2010 (five fiscal years). The authorization constituted a voter approved revenue change.

- After July 1, 2010, the State is allowed to retain revenues in excess of the limit on fiscal year spending up to a newly defined excess State revenues cap (ESRC). The excess State revenues cap is the highest population and inflation-adjusted nonexempt revenue amount in the period from July 1, 2005, to June 30, 2010, also adjusted for qualification and disqualification of enterprises. This provision effectively disabled the ratchet down provision of TABOR during the five-year period. (The term "ratchet down" is used to describe the TABOR provision that requires each year's base for calculating the limit to be the lesser of the prior year's revenues or the prior year's limit.)

- In the 2017 legislative session, enactment of Senate Bill 17-267 lowered the ESRC base by $200 million. This one-time change took effect in Fiscal Year 2018 and permanently modified future year calculations of the amount over or under the ESRC. The revised ESRC in Fiscal Year 2018 set a new base, which will continue to increase (or decrease) in future years by the combined percentage change in population and inflation.

- In the 2021 legislative session, enactment of Senate Bill 21-260 restored the ESRC base that had been lowered three years earlier by Senate Bill 17-267. The increase to the base was $225.0 million, which includes adjustments for population growth and inflation. The revised base will continue to increase (or decrease) in future years by the combined percentage change in population and inflation.

- A General Fund Exempt Account was created within the General Fund to consist of the retained revenues for each fiscal year of the retention period. The Legislature appropriates money in the account for health care, education (including related capital projects), firefighter and police pension funding (for local governments), and strategic transportation projects.

- The Director of Research of the Legislative Council is required to report the amount of revenues retained with a description of how the retained revenues were expended.

- The State Controller's annual report demonstrating compliance with the statutes implementing TABOR is required to include the amount of revenues that the State is authorized to retain and expend.

With the end of the Referendum C five-year excess revenue retention period, the State was subject to an ESRC starting in Fiscal Year 2011. Calculation of the original TABOR limit continues to apply, but the ESRC replaces the previous TABOR limit for triggering taxpayer refunds.

Since the inception of Referendum C in Fiscal Year 2006, the State has retained $27,457.0 million - $3.6 million during the initial five-year revenue retention period, and an additional $23,863.4 million due to the ESRC exceeding the Fiscal Year Spending limit in Fiscal Year 2011 through Fiscal Year 2021.

NOTE 10. DISTRICT RESERVES

District reserves are the cumulative fund balances of the State reported in the State's Annual Comprehensive Financial Report at the fund level rather than the government-wide level. District reserves therefore exclude capital assets, liabilities that are not recorded in governmental funds at the fund level (primarily long-term liabilities), as well as net assets of the TABOR enterprises. The majority of these funds include balances not available for general appropriation due to legal and contractual restrictions.

NOTE 11. PRIOR PERIOD DISTRICT FUND BALANCE ADJUSTMENTS AND ACCOUNTING CHANGES

In Fiscal Year 2021, the State completed its change in accounting for funds related to fiduciary activities in compliance with GASB Statement No. 84. The GASB standard requires certain funds having a fiduciary purpose, to recognize the receipt of funds held for other entities and parties, as revenue to the State. Before Fiscal Year 2021, these receipts were recorded as liabilities to be settled when the funds were used for their intended purposes. The implementation of GASB 84 was structured this year to create a new classification of exempt revenue called Amounts Held for Others. The implementation in Fiscal Year 2021 had no effect on TABOR, other than to create the new classification.

The University of Colorado – Denver increased the District's net assets by $107.4 million, due to a reclass of the Fitzsimons Trust Fund net assets to the General Full Accrual Accounting Group. The trust fund's net assets were in a deficit position at June 30, 2021. The General Full Accrual Accounting Group is not in the TABOR District.

The Colorado Department of Public Safety decreased the District's net assets by $28.7 million for the final reconciliation of Fiscal Year 2020 inventory receipt and disposition of personal protective equipment, related to COVID-19.

NOTE 12. SOURCES OF TABOR GROWTH LIMIT

The allowable percentage increase in State fiscal year spending equals the sum of inflation and the percentage change in State population in the calendar year ending six months prior to the start of the fiscal year. Inflation is defined in Section C.R.S. 24-77-102(8) C.R.S. as "the percentage change in the consumer price index for the Denver-Boulder Consolidated Metropolitan Statistical Area For All Urban Consumers, All Goods, as published by the U.S. Department of Labor, Bureau of Labor Statistics, or its successor index." The Bureau of Labor Statistics' successor index beginning with the Fiscal Year 2018 Schedule of Computations is the index for the Denver-Aurora-Lakewood area.

The 3.1 percent allowable growth rate comprises a 1.2 percent increase for population growth (census date population for 2019 compared to census date population for 2018) and a 1.9 percent increase for inflation.

NOTE 13. SPENDING LIMIT ADJUSTMENTS FOR PRIOR YEAR ERRORS

With the addition of the excess State revenues cap, spending limit adjustments only impact the calculation of the Fiscal Year Spending Limit. In Fiscal Year 2021 there were no prior year revenue recognition errors that were large enough to impact the prior year base, therefore there were no adjustments to the Fiscal Year 2020 Fiscal Year Spending Limit.

NOTE 14. ENTERPRISE QUALIFICATION AND DISQUALIFICATION

The TABOR amendment to the State Constitution specifies that qualification and disqualification of enterprises shall change the District base. In order to ensure comparability between the base and current year nonexempt revenue, when an activity qualifies as an enterprise the base is reduced by the activity's prior year nonexempt revenue offset by revenue that would have been counted as nonexempt due to the activity's interaction with other State agencies. When a TABOR enterprise becomes disqualified, its current year nonexempt revenue is added to the base after application of the population and inflation growth adjustment and its prior year payments to other State agencies are removed from the base (before application of the allowable growth rate).

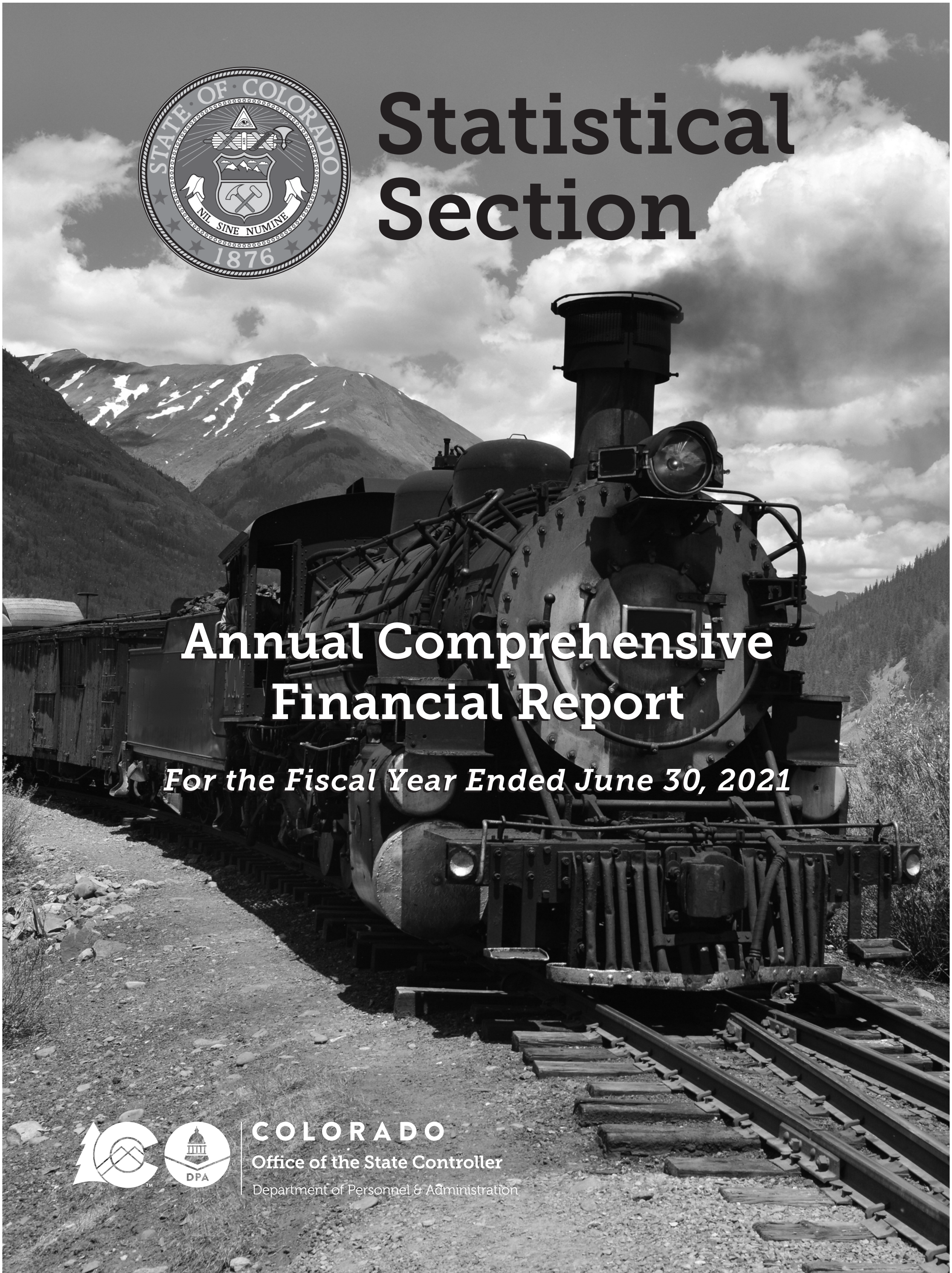
In Fiscal Year 2021, a part of the Auraria Higher Education Center's (AHEC) operations disqualified as a TABOR enterprise because it received an appropriation from the State that was more than ten percent of its total revenue. AHEC received $2.7 million of nonexempt revenue, which increased both the Fiscal Year Spending Limit and the Excess State Revenues Cap by that amount, after application of the 3.1% growth limit. In Fiscal Year 2020, AHEC expended $3.3 million to other non-TABOR enterprises, which lowered the two bases for the prior year, before application of the 3.1% growth limit.

NOTE 15. TREATMENT OF AMOUNTS HELD FOR FUTURE REFUND

Section 24-77-103.5 C.R.S. requires that errors in the amount to be refunded be corrected in the year they are discovered. In Fiscal Year 2021, the Water Conservation Board discovered prior year revenue recognition errors affecting TABOR refunds from Fiscal Years 2018 and 2019. The effect of these errors decreased both the Fiscal Year 2018 and 2019 refunds payable each by $0.4 million. At June 30, 2021, the amounts remaining in excess of the ESRC for Fiscal Years 2018 and 2019 were $3.1 million and $19.0 million respectively.

NOTE 16. FUTURE REFUNDS

Since Fiscal Year 2021 nonexempt District revenues were above the Excess State revenues cap by $525.5 million, this amount is added to the total refund liability making the balance at June 30, 2021 equal to $547.9 million. The refund liability will be paid in Fiscal Year 2022 and future years.



Statistical Section

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

COLORADO
Office of the State Controller
Department of Personnel & Administration

STATISTICAL SECTION

This section of the State of Colorado's Annual Comprehensive Financial Report presents detailed current and historical information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the State's overall financial health.

FINANCIAL TRENDS	These schedules contain trend information to help the reader understand how the State's financial performance and fiscal health have changed over time at both the entity wide and fund-level perspectives.
REVENUE CAPACITY	These schedules contain information to help the reader assess the factors affecting the State's ability to generate and retain major revenue streams including income and sales taxes.
DEBT CAPACITY	These schedules present information to help the reader assess the sustainability of the State's current levels of outstanding debt and the State's ability to issue additional debt in the future.
DEMOGRAPHIC AND ECONOMIC INFORMATION	These schedules offer demographic and economic indicators to help the reader understand the environment within which the State's financial activities take place.
OPERATING INFORMATION	These schedules contain information about the State's operations and resources to help the reader understand how the information in the State's financial report relates to the services the State provides and the activities it performs.

GOVERNMENT-WIDE
SCHEDULE OF NET POSITION
GOVERNMENTAL ACTIVITIES
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
ASSETS:										
Current Assets:										
Cash and Pooled Cash	$ 11,224,875	$ 2,521,649	$ 3,658,234	$ 3,107,217	$ 2,567,219	$ 2,703,416	$ 2,696,950	$ 2,302,356	$ 2,549,620	$ 1,969,331
Restricted Cash and Pooled Cash	122,403	611,626	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	8,460	3,497	1,726
Taxes Receivable, net	1,739,314	2,746,658	1,722,496	1,476,297	1,325,689	1,251,185	1,252,907	1,224,629	1,118,329	1,012,147
Other Receivables, net	663,412	609,665	708,209	654,761	717,660	572,655	450,805	210,062	189,937	156,126
Due From Other Governments	1,638,331	803,219	468,940	754,910	524,240	440,053	787,269	570,721	369,249	318,460
Internal Balances	48,657	179,643	43,557	38,459	26,262	28,967	28,022	19,336	23,801	15,964
Due From Component Units	-	-	19	18	154	347	135	54	119	137
Inventories	269,427	142,367	101,161	52,102	54,152	53,261	54,194	53,125	55,319	17,057
Prepaids, Advances and Deposits	122,230	544,537	90,371	84,277	72,047	67,468	67,917	73,025	57,465	53,961
Total Current Assets	15,828,649	8,159,364	6,792,987	6,168,041	5,287,423	5,117,352	5,338,199	4,461,768	4,367,336	3,544,909
Noncurrent Assets:										
Restricted Assets:										
Restricted Cash and Pooled Cash	2,971,240	1,810,813	1,742,791	1,589,926	1,493,996	1,923,920	2,140,729	2,554,938	1,798,432	1,779,413
Restricted Investments	1,324,475	1,212,311	1,098,543	847,587	867,572	732,662	761,140	657,772	598,209	591,083
Restricted Receivables	323,485	453,551	445,384	633,173	587,580	510,028	363,300	258,107	176,055	181,932
Investments	158,487	1,564,800	1,177,035	449,308	255,069	219,369	280,100	428,321	464,535	416,674
Other Long-Term Assets	763,849	771,885	758,544	613,249	614,932	675,809	636,260	686,349	740,735	712,736
Depreciable Capital Assets and Infrastructure	10,063,683	9,856,574	10,101,317	10,242,384	9,994,890	9,976,023	9,772,651	9,600,423	9,312,959	9,602,516
Land and Nondepreciable Capital Assets	3,005,913	2,739,690	2,121,606	1,914,285	2,041,812	1,851,910	1,968,227	1,931,832	2,170,769	1,903,604
Capital Assets Held as Investments	-	-	-	42,896	42,899	33,055	-	-	-	-
Total Noncurrent Assets	18,611,132	18,409,624	17,445,220	16,332,808	15,898,750	15,922,776	15,922,407	16,117,742	15,261,694	15,187,958
TOTAL ASSETS	34,439,781	26,568,988	24,238,207	22,500,849	21,186,173	21,040,128	21,260,606	20,579,510	19,629,030	18,732,867
DEFERRED OUTFLOW OF RESOURCES:	1,654,895	2,348,666	4,421,051	2,563,034	3,503,643	818,761	350,796	18,289	-	-
LIABILITIES:										
Current Liabilities:										
Tax Refunds Payable	1,154,442	951,302	927,857	918,688	886,992	856,076	669,992	718,211	718,077	661,829
Accounts Payable and Accrued Liabilities	1,756,431	1,428,804	1,318,548	1,369,262	1,165,137	1,166,681	1,367,263	1,043,961	742,225	677,471
TABOR Refund Liability (Note 2B)	547,872	143,993	431,685	39,837	21,807	31,358	173,346	706	706	706
Due To Other Governments	379,075	375,757	283,432	306,883	395,627	232,724	233,087	245,300	198,953	228,229
Due To Component Units	-	-	-	-	-	-	-	15	81	-
Unearned Revenue	4,513,916	1,291,503	150,512	185,677	126,307	123,769	100,467	92,674	95,026	125,174
Accrued Compensated Absences	15,331	15,719	14,097	12,758	11,865	11,522	12,185	10,470	10,955	9,859
Claims and Judgments Payable	45,135	46,660	42,298	42,812	46,369	46,343	47,682	61,623	46,873	44,858
Leases Payable	30,538	27,212	26,162	25,789	28,254	28,261	27,760	26,941	20,004	14,387
Notes, Bonds, and COPs Payable	110,285	70,565	50,865	55,515	46,990	171,835	200,975	187,910	174,340	162,670
Other Postemployment Benefits	-	-	-	-	-	-	-	-	-	-
Other Current Liabilities	24,245	23,647	31,020	22,837	27,678	29,525	19,052	19,979	14,834	16,531
Total Current Liabilities	8,577,270	4,375,162	3,276,476	2,980,058	2,757,026	2,698,094	2,851,809	2,407,790	2,022,074	1,941,714
Noncurrent Liabilities:										
Deposits Held In Custody For Others	1,779	598	584	136	116	90	139	139	17	16
Accrued Compensated Absences	214,870	197,457	166,680	162,645	158,435	154,510	149,817	145,992	138,413	132,394
Claims and Judgments Payable	141,339	151,757	168,190	180,865	260,535	276,010	299,785	301,591	323,451	330,516
Capital Lease Payable	87,460	92,610	97,438	106,084	113,899	122,404	144,569	148,055	131,006	107,042
Notes, Bonds, and COPs Payable	3,881,964	2,837,608	2,108,495	1,379,778	1,266,507	1,174,467	1,331,892	1,541,225	1,611,220	1,614,293
Net Pension Liability	5,874,655	7,804,791	9,377,357	11,933,852	10,919,603	6,295,004	5,565,526	-	-	-
Other Postemployment Benefits	203,724	233,180	284,264	272,038	-	-	-	-	-	-
Other Long-Term Liabilities	228,926	229,134	267,983	457,567	407,912	415,669	423,809	402,954	444,118	427,828
Total Noncurrent Liabilities	10,634,717	11,547,135	12,470,991	14,492,965	13,127,007	8,438,154	7,915,537	2,539,956	2,648,225	2,612,089
TOTAL LIABILITIES	19,211,987	15,922,297	15,747,467	17,473,023	15,884,033	11,136,248	10,767,346	4,947,746	4,670,299	4,553,803
DEFERRED INFLOW OF RESOURCES:	3,531,733	3,704,384	4,997,905	560,903	98,746	133,375	47,262	338	-	-
Net investment in Capital Assets:	9,172,398	9,648,006	10,327,956	10,879,491	14,071,021	11,330,474	10,654,690	10,125,644	10,107,082	10,107,432
Restricted for:										
Construction and Highway Maintenance	671,488	874,840	954,461	885,775	915,033	966,743	936,535	1,080,201	1,145,997	1,176,269
Education	724,957	194,060	203,648	295,468	107,012	309,957	766,688	1,110,180	1,265,476	280,269
Debt Service	148,326	115,664	104,011	91,950	79,966	68,105	56,534	44,752	33,113	21,453
Emergencies	244,000	208,095	191,245	201,166	194,369	217,328	217,328	153,150	161,350	72,850
Permanent Funds and Endowments:										
Expendable	8,886	8,936	10,651	8,267	7,643	5,801	7,301	7,271	6,328	6,024
Nonexpendable	1,457,856	1,419,630	1,291,071	1,087,000	1,020,225	950,976	896,872	800,132	694,564	684,953
Other Purposes	839,781	1,079,316	1,042,422	831,995	671,306	717,185	626,649	358,694	349,811	340,818
Unrestricted	83,264	(4,257,574)	(6,211,579)	(7,251,155)	(8,359,538)	(3,977,303)	(3,365,803)	1,969,691	1,195,010	1,488,996
TOTAL NET POSITION	$ 13,350,956	$ 9,290,973	$ 7,913,886	$ 7,029,957	$ 8,707,037	$ 10,589,266	$ 10,796,794	$ 15,649,715	$ 14,958,731	$ 14,179,064

GOVERNMENT-WIDE
SCHEDULE OF NET POSITION
BUSINESS-TYPE ACTIVITIES
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
ASSETS:										
Current Assets:										
Cash and Pooled Cash	$ 2,662,612	$ 2,023,015	$ 1,841,335	$ 3,093,539	$ 2,846,015	$ 2,525,453	$ 2,454,684	$ 2,246,115	$ 2,169,314	$ 2,011,437
Restricted Cash and Pooled Cash	-	391,766	-	-	-	-	-	-	-	-
Investments	2,261,237	1,926,752	344,755	1,827,559	549,079	392,188	378,115	254,744	281,822	160,099
Restricted Investments	-	123,303	-	-	-	-	-	-	-	-
Taxes Receivable, net	125,713	87,301	115,535	111,099	125,258	123,638	142,241	135,207	137,970	159,303
Other Receivables, net	827,965	783,784	770,415	601,666	490,427	640,664	430,306	408,364	381,351	330,216
Due From Other Governments	2,550,350	970,990	172,251	145,051	136,231	94,860	134,455	150,697	155,190	218,667
Internal Balances	(48,657)	(179,643)	(43,557)	(38,459)	(26,262)	(28,967)	(28,022)	(19,336)	(23,801)	(15,964)
Due From Component Units	24,857	26,385	28,175	16,174	23,041	18,188	11,370	23,716	18,969	18,715
Inventories	50,406	57,124	58,481	54,944	59,196	54,748	57,950	54,015	52,826	53,318
Prepaids, Advances and Deposits	37,461	37,686	41,567	29,020	31,679	28,756	28,186	37,433	24,806	24,160
Total Current Assets	8,491,944	6,248,463	3,328,957	5,840,593	4,234,664	3,849,528	3,609,285	3,290,955	3,198,447	2,959,951
Noncurrent Assets:										
Restricted Assets:										
Restricted Cash and Pooled Cash	353,797	511,559	1,562,065	284,025	241,268	457,926	499,742	429,965	352,234	372,457
Restricted Investments	131,547	172,683	72,895	106,798	95,280	167,540	246,783	303,678	292,283	293,711
Restricted Receivables	20,808	22,651	39,570	35,362	38,605	40,009	31,609	45,477	45,264	80,975
Investments	2,109,357	1,441,901	2,900,742	995,987	2,097,484	1,941,040	1,969,155	1,896,811	1,746,078	1,769,909
Other Long-Term Assets	114,217	123,685	109,831	130,529	129,350	129,425	129,850	99,380	128,105	114,118
Depreciable Capital Assets and Infrastructure	9,042,147	8,471,869	8,341,557	8,028,339	7,502,858	7,050,226	6,190,355	5,876,698	5,463,065	5,250,256
Land and Nondepreciable Capital Assets	2,195,349	2,349,747	1,952,976	1,843,135	1,921,788	1,652,441	1,788,595	1,370,142	1,229,761	1,019,556
Total Noncurrent Assets	13,967,222	13,094,095	14,979,636	11,424,175	12,026,633	11,438,607	10,856,089	10,022,151	9,256,790	8,900,982
TOTAL ASSETS	22,459,166	19,342,558	18,308,593	17,264,768	16,261,297	15,288,135	14,465,374	13,313,106	12,455,237	11,860,933
DEFERRED OUTFLOW OF RESOURCES:	909,377	534,121	931,725	1,750,279	2,332,443	649,853	348,635	118,103	551	5,005
LIABILITIES:										
Current Liabilities:										
Accounts Payable and Accrued Liabilities	955,419	705,641	697,916	592,545	786,944	771,248	751,169	659,085	602,571	623,458
Due To Other Governments	1,693,848	375,140	73,297	64,474	46,765	38,615	22,048	30,805	34,169	53,622
Due To Component Units	240	151	206	44	1,249	645	623	528	343	123
Unearned Revenue	421,714	770,398	351,010	345,734	328,261	306,222	407,108	346,264	305,108	237,530
Accrued Compensated Absences	31,583	28,747	27,340	26,203	25,381	22,761	20,960	18,117	16,609	14,942
Claims and Judgments Payable	819	1,273	1,581	-	-	-	-	-	-	-
Leases Payable	5,984	5,832	5,474	6,529	7,292	9,132	8,618	6,610	6,575	5,853
Notes, Bonds, and COPs Payable	104,291	179,765	196,235	154,053	146,604	267,134	251,947	244,366	233,811	243,601
Other Postemployment Benefits	14,753	16,448	-	-	-	-	-	14,076	17,052	15,721
Other Current Liabilities	2,813,580	813,537	323,850	191,660	134,584	139,765	125,054	127,033	142,868	110,667
Total Current Liabilities	6,042,231	2,896,932	1,676,909	1,381,242	1,477,080	1,555,522	1,587,527	1,446,884	1,359,106	1,305,517
Noncurrent Liabilities:										
Deposits Held In Custody For Others	25	25	25	20	20	20	-	-	-	-
Accrued Compensated Absences	433,340	397,622	350,352	339,007	317,070	293,365	268,600	250,148	236,329	219,026
Claims and Judgments Payable	52,714	45,168	42,390	35,505	37,361	39,657	41,460	40,982	38,993	36,472
Capital Lease Payable	68,240	29,813	31,928	41,623	42,599	47,994	45,663	35,582	35,153	33,185
Derivative Instrument Liability	25,602	46,864	14,193	6,837	9,251	13,222	9,515	8,566	8,333	12,994
Notes, Bonds, and COPs Payable	5,082,716	4,917,042	4,757,334	4,970,288	4,638,363	4,480,091	4,418,327	4,131,227	3,898,265	3,938,320
Due to Component Units	1,458	1,704	1,798	1,692	1,678	1,631	1,661	1,743	1,755	1,758
Net Pension Liability	3,370,077	3,570,647	4,237,019	7,448,575	6,934,505	3,957,073	3,579,748	-	-	-
Other Postemployment Benefits	1,041,543	835,859	1,015,792	938,450	343,570	289,133	241,779	181,511	177,176	139,653
Other Long-Term Liabilities	138,497	102,896	110,482	59,956	15,863	28,569	83,521	44,768	11,972	39,015
Total Noncurrent Liabilities	10,214,212	9,947,640	10,561,313	13,841,953	12,340,280	9,150,755	8,690,274	4,694,527	4,407,976	4,420,423
TOTAL LIABILITIES	16,256,443	12,844,572	12,238,222	15,223,195	13,817,360	10,706,277	10,277,801	6,141,411	5,767,082	5,725,940
DEFERRED INFLOW OF RESOURCES:	1,260,085	1,918,407	2,482,076	620,945	206,047	250,058	38,380	-	-	-
Net investment in Capital Assets:	5,973,861	5,923,907	5,618,074	5,108,898	6,982,288	5,051,345	4,417,947	3,653,265	3,571,408	3,386,411
Restricted for:										
Education	632,230	978,486	870,941	470,363	504,096	462,636	439,535	642,611	-	-
Unemployment Insurance	-	(18,877)	1,258,552	1,070,082	911,183	740,049	620,575	402,770	218,076	64,433
Debt Service	36,346	16,081	80,693	219,248	28,429	85,617	75,666	39,862	8,439	7,464
Emergencies	-	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	10,005
Permanent Funds and Endowments:										
Expendable	232,960	173,493	173,553	173,406	165,637	157,611	150,270	7,901	11,716	6,975
Nonexpendable	89,102	83,909	83,198	84,480	91,878	83,274	87,679	64,712	61,159	38,798
Other Purposes	34,494	34,528	118,895	65,961	65,961	101,209	88,686	56,296	631,921	629,655
Unrestricted	(1,146,978)	(2,111,827)	(3,717,886)	(4,055,531)	(4,213,139)	(1,734,088)	(1,416,530)	2,388,381	2,151,987	1,996,257
TOTAL NET POSITION	$ 5,852,015	$ 5,113,700	$ 4,520,020	$ 3,170,907	$ 4,570,333	$ 4,981,653	$ 4,497,828	$ 7,289,798	$ 6,688,706	$ 6,139,998

GOVERNMENT-WIDE
SCHEDULE OF NET POSITION
TOTAL PRIMARY GOVERNMENT
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
ASSETS:										
Current Assets:										
Cash and Pooled Cash	$ 13,887,487	$ 4,544,664	$ 5,499,569	$ 6,200,756	$ 5,413,234	$ 5,228,869	$ 5,151,634	$ 4,548,471	$ 4,718,934	$ 3,980,768
Restricted Cash and Pooled Cash	122,403	1,003,392	-	-	-	-	-	-	-	-
Investments	2,261,237	1,926,752	344,755	1,827,559	549,079	392,188	378,115	263,204	285,319	161,825
Restricted Investments	-	123,303	-	-	-	-	-	-	-	-
Taxes Receivable, net	1,865,027	2,833,959	1,838,031	1,587,396	1,450,947	1,374,823	1,395,148	1,359,836	1,256,299	1,171,450
Other Receivables, net	1,491,377	1,393,449	1,478,624	1,256,427	1,208,087	1,213,319	881,111	618,426	571,288	486,342
Due From Other Governments	4,188,681	1,774,209	641,191	899,961	660,471	534,913	921,724	721,418	524,439	537,127
Due From Component Units	24,857	26,385	28,194	16,192	23,195	18,535	11,505	23,770	19,088	18,852
Inventories	319,833	199,491	159,642	107,046	113,348	108,009	112,144	107,140	108,145	70,375
Prepaids, Advances and Deposits	159,691	582,223	131,938	113,297	103,726	96,224	96,103	110,458	82,271	78,121
Total Current Assets	24,320,593	14,407,827	10,121,944	12,008,634	9,522,087	8,966,880	8,947,484	7,752,723	7,565,783	6,504,860
Noncurrent Assets:										
Restricted Assets:										
Restricted Cash and Pooled Cash	3,325,037	2,322,372	3,304,856	1,873,951	1,735,264	2,381,846	2,640,471	2,984,903	2,150,666	2,151,870
Restricted Investments	1,456,022	1,384,994	1,171,438	954,385	962,852	900,202	1,007,923	961,450	890,492	884,794
Restricted Receivables	344,293	476,202	484,954	668,535	626,185	550,037	394,909	303,584	221,319	262,907
Investments	2,267,844	3,006,701	4,077,777	1,445,295	2,352,553	2,160,409	2,249,255	2,325,132	2,210,613	2,186,583
Other Long-Term Assets	878,066	895,570	868,375	743,778	744,282	805,234	766,110	785,729	868,840	826,854
Depreciable Capital Assets and Infrastructure	19,105,830	18,328,443	18,442,874	18,270,723	17,497,748	17,026,249	15,963,006	15,477,121	14,776,024	14,852,772
Land and Nondepreciable Capital Assets	5,201,262	5,089,437	4,074,582	3,757,420	3,963,600	3,504,351	3,756,822	3,301,974	3,400,530	2,923,160
Capital Assets Held as Investments	-	-	-	42,896	42,899	33,055	-	-	-	-
Total Noncurrent Assets	32,578,354	31,503,719	32,424,856	27,756,983	27,925,383	27,361,383	26,778,496	26,139,893	24,518,484	24,088,940
TOTAL ASSETS	56,898,947	45,911,546	42,546,800	39,765,617	37,447,470	36,328,263	35,725,980	33,892,616	32,084,267	30,593,800
DEFERRED OUTFLOW OF RESOURCES:	2,564,272	2,882,787	5,352,776	4,313,313	5,836,086	1,468,614	699,431	136,392	551	5,005
LIABILITIES:										
Current Liabilities:										
Tax Refunds Payable	1,154,442	951,302	927,857	918,688	886,992	856,076	669,992	718,211	718,077	661,829
Accounts Payable and Accrued Liabilities	2,711,850	2,134,445	2,016,464	1,961,807	1,952,081	1,937,929	2,118,432	1,703,046	1,344,796	1,300,929
TABOR Refund Liability (Note 2B)	547,872	143,993	431,685	39,837	21,807	31,358	173,346	706	706	706
Due To Other Governments	2,072,923	750,897	356,729	371,357	442,392	271,339	255,135	276,105	233,122	281,851
Due To Component Units	240	151	206	44	1,249	645	623	543	424	123
Unearned Revenue	4,935,630	2,061,901	501,522	531,411	454,568	429,991	507,575	438,938	400,134	362,704
Accrued Compensated Absences	46,914	44,466	41,437	38,961	37,246	34,283	33,145	28,587	27,564	24,801
Claims and Judgments Payable	45,954	47,933	43,879	42,812	46,369	46,343	47,682	61,623	46,873	44,858
Leases Payable	36,522	33,044	31,636	32,318	35,546	37,393	36,378	33,551	26,579	20,240
Notes, Bonds, and COPs Payable	214,576	250,330	247,100	209,568	193,594	438,969	452,922	432,276	408,151	406,271
Other Postemployment Benefits	14,753	16,448	-	-	-	-	-	14,076	17,052	15,721
Other Current Liabilities	2,837,825	837,184	354,870	214,497	162,262	169,290	144,106	147,012	157,702	127,198
Total Current Liabilities	14,619,501	7,272,094	4,953,385	4,361,300	4,234,106	4,253,616	4,439,336	3,854,674	3,381,180	3,247,231
Noncurrent Liabilities:										
Deposits Held In Custody For Others	1,804	623	609	156	136	110	139	139	17	16
Accrued Compensated Absences	648,210	595,079	517,032	501,652	475,505	447,875	418,417	396,140	374,742	351,420
Claims and Judgments Payable	194,053	196,925	210,580	216,370	297,896	315,667	341,245	342,573	362,444	366,988
Capital Lease Payable	155,700	122,423	129,366	147,707	156,498	170,398	190,232	183,637	166,159	140,227
Derivative Instrument Liability	25,602	46,864	14,193	6,837	9,251	13,222	9,515	8,566	8,333	12,994
Notes, Bonds, and COPs Payable	8,964,680	7,754,650	6,865,829	6,350,066	5,904,870	5,654,558	5,750,219	5,672,452	5,509,485	5,552,613
Due to Component Units	1,458	1,704	1,798	1,692	1,678	1,631	1,661	1,743	1,755	1,758
Net Pension Liability	9,244,732	11,375,438	13,614,376	19,382,427	17,854,108	10,252,077	9,145,274	-	-	-
Other Postemployment Benefits	1,245,267	1,069,039	1,300,056	1,210,488	343,570	289,133	241,779	181,511	177,176	139,653
Other Long-Term Liabilities	367,423	332,030	378,465	517,523	423,775	444,238	507,330	447,722	456,090	466,843
Total Noncurrent Liabilities	20,848,929	21,494,775	23,032,304	28,334,918	25,467,287	17,588,909	16,605,811	7,234,483	7,056,201	7,032,512
TOTAL LIABILITIES	35,468,430	28,766,869	27,985,689	32,696,218	29,701,393	21,842,525	21,045,147	11,089,157	10,437,381	10,279,743
DEFERRED INFLOW OF RESOURCES:	4,791,818	5,622,791	7,479,981	1,181,848	304,793	383,433	85,642	338	-	-
Net investment in Capital Assets:	15,146,259	15,571,913	15,946,030	15,988,389	21,053,309	16,381,819	15,072,637	13,778,909	13,678,490	13,493,843
Restricted for:										
Construction and Highway Maintenance	671,488	874,840	954,461	885,775	915,033	966,743	936,535	1,080,201	1,145,997	1,176,269
Education	1,357,187	1,172,546	1,074,589	765,831	611,108	772,593	1,206,223	1,752,791	1,265,476	280,269
Unemployment Insurance	-	(18,877)	1,258,552	1,070,082	911,183	740,049	620,575	402,770	218,076	64,433
Debt Service	184,672	131,745	184,704	311,198	108,395	153,722	132,200	84,614	41,552	28,917
Emergencies	244,000	242,095	225,245	235,166	228,369	251,328	251,328	187,150	195,350	82,855
Permanent Funds and Endowments:										
Expendable	241,846	182,429	184,204	181,673	173,280	163,412	157,571	15,172	18,044	12,999
Nonexpendable	1,546,958	1,503,539	1,374,269	1,171,480	1,112,103	1,034,250	984,551	864,844	755,723	723,751
Other Purposes	874,275	1,113,844	1,161,317	897,956	737,267	818,394	715,335	414,990	981,732	970,473
Unrestricted	(1,063,714)	(6,369,401)	(9,929,465)	(11,306,686)	(12,572,677)	(5,711,391)	(4,782,333)	4,358,072	3,346,997	3,485,253
TOTAL NET POSITION	$ 19,202,971	$ 14,404,673	$ 12,433,906	$ 10,200,864	$ 13,277,370	$ 15,570,919	$ 15,294,622	$ 22,939,513	$ 21,647,437	$ 20,319,062

GOVERNMENT-WIDE
SCHEDULE OF CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITIES
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

Functions/Programs	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
PROGRAM REVENUES:										
Charges for Services:										
Licenses and Permits	$ 598,900	$ 559,579	$ 559,093	$ 564,076	$ 541,936	$ 518,820	$ 501,319	$ 472,215	$ 447,232	$ 442,793
Service Fees	379,086	406,363	390,589	358,109	1,006,976	1,139,226	879,139	901,839	965,614	901,950
Fines and Forfeits	210,963	190,399	225,878	190,733	206,662	195,256	201,021	181,098	248,520	187,344
Rents and Royalties	131,454	156,296	175,085	147,310	132,310	142,752	199,067	182,893	133,901	147,946
Sales of Products	4,964	16,763	10,042	3,218	3,205	3,303	3,390	2,141	2,851	1,626
Unemployment Surcharge	40,154	38,076	34,091	34,245	32,507	30,768	29,381	28,635	25,724	19,307
Other	369,431	187,856	211,706	152,285	138,928	143,251	131,151	144,949	127,083	84,828
Operating Grants and Contributions	10,495,268	7,788,096	6,822,479	6,627,757	8,149,334	8,578,146	7,726,668	6,782,914	5,860,052	5,884,031
Capital Grants and Contributions	544,553	617,224	428,332	745,497	814,739	819,321	817,469	728,544	700,548	600,300
TOTAL PROGRAM REVENUES	12,774,773	9,960,652	8,857,295	8,823,230	11,026,597	11,570,843	10,488,605	9,425,228	8,511,525	8,270,125
EXPENSES:										
General Government	822,391	1,214,677	1,493,871	739,872	653,247	485,611	449,261	447,359	555,507	224,382
Business, Community, and Consumer Affairs	1,368,553	713,827	734,786	912,495	919,676	777,458	711,558	641,182	584,300	600,068
Education	6,656,947	6,875,955	6,469,072	6,086,573	6,045,204	5,859,964	5,687,573	5,472,563	5,187,481	5,205,123
Health and Rehabilitation	1,660,656	836,872	935,044	1,258,445	1,170,889	2,898,841	822,556	720,997	697,795	703,684
Justice	1,691,958	1,734,902	1,970,515	3,254,155	2,974,666	2,209,158	2,075,534	1,840,989	1,655,057	1,555,294
Natural Resources	99,053	90,248	123,036	219,659	169,528	135,491	120,374	92,383	77,934	93,900
Social Assistance	10,157,280	9,430,179	8,589,168	8,810,715	10,489,419	8,825,599	9,627,104	8,089,560	7,174,711	6,746,574
Transportation	1,632,855	1,884,872	1,875,438	2,179,299	2,105,462	1,830,368	1,896,904	1,872,441	1,769,013	1,777,488
Total Governmental Activities										
Interest on Debt	135,332	103,339	109,075	60,778	58,764	62,021	59,078	53,094	16,284	40,935
TOTAL EXPENSES	24,225,025	22,884,871	22,300,005	23,521,991	24,586,855	23,084,511	21,449,942	19,230,568	17,718,082	16,947,448
NET (EXPENSE) REVENUE	(11,450,252)	(12,924,219)	(13,442,710)	(14,698,761)	(13,560,258)	(11,513,668)	(10,961,337)	(9,805,340)	(9,206,557)	(8,677,323)
GENERAL REVENUES AND										
OTHER CHANGES IN NET POSITION:										
Sales and Use Taxes	3,954,846	3,703,217	3,632,282	3,449,844	3,151,679	2,940,839	2,762,222	2,754,977	2,498,006	2,333,644
Excise Taxes	433,686	330,600	301,292	311,625	321,419	290,276	267,858	236,761	240,895	244,624
Individual Income Tax	8,292,319	8,037,272	7,505,245	6,978,833	6,291,376	6,061,679	5,847,141	5,285,634	5,154,624	4,653,105
Corporate Income Tax	1,090,209	638,303	963,380	714,313	432,802	643,761	613,316	600,002	606,883	434,885
Other Taxes	517,762	562,124	705,986	577,961	452,042	410,277	673,275	617,612	453,305	519,870
Restricted Taxes	1,468,337	1,271,553	1,348,050	1,273,482	1,169,457	1,132,687	1,186,515	1,052,692	1,039,105	965,784
Unrestricted Investment Earnings (Losses)	50,931	37,599	30,196	21,798	16,987	15,705	11,992	17,312	16,842	15,015
Other General Revenues	104,683	95,460	95,051	199,934	103,476	107,005	96,613	112,958	97,402	96,213
Internal Capital Contributions	-	-	-	44	-	(1,583)	-	-	-	-
Permanent Fund Additions	141,128	580	1,062	277	766	80	401	397	741	595
TOTAL GENERAL REVENUES AND										
OTHER CHANGES IN NET POSITION:	15,686,939	14,281,611	14,303,413	13,273,787	11,586,357	11,247,993	11,202,595	10,505,903	9,979,268	9,128,328
TOTAL CHANGES IN NET POSITION	4,236,687	1,357,392	860,703	(1,424,974)	(1,973,901)	(265,675)	241,258	700,563	772,711	451,005
NET POSITION - BEGINNING	9,290,973	7,913,886	7,029,957	8,707,037	10,589,266	10,796,794	15,649,715	14,958,731	14,179,064	13,393,108
Prior Period Adjustment	(196,566)	19,695	23,226	8,583	91,672	58,147	(6,626)	1,718	6,956	334,951
Accounting Changes	19,862	-	-	(260,689)	-	-	(5,087,553)	(11,297)	-	0
NET POSITION, FISCAL YEAR BEGINNING (restated)	9,114,269	7,933,581	7,053,183	8,454,931	10,680,938	10,854,941	10,555,536	14,949,152	14,186,020	13,728,059
NET POSITION - ENDING	$ 13,350,956	$ 9,290,973	$ 7,913,886	$ 7,029,957	$ 8,707,037	$ 10,589,266	$ 10,796,794	$ 15,649,715	$ 14,958,731	$ 14,179,064

GOVERNMENT-WIDE
SCHEDULE OF CHANGES IN NET POSITION
BUSINESS-TYPE ACTIVITIES
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

Functions/Programs	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
PROGRAM REVENUES:										
Charges for Services:										
Licenses and Permits	$ 219,820	$ 205,044	$ 179,382	$ 168,045	$ 165,182	$ 159,704	$ 157,971	$ 141,770	$ 133,315	$ 131,496
Service Fees	2,932,454	2,766,551	2,712,042	2,449,817	1,404,677	1,297,576	1,145,897	1,068,966	958,451	865,326
Education - Tuition, Fees, and Sales	3,055,836	3,483,570	3,484,740	3,404,969	3,239,887	3,005,967	2,881,240	2,672,136	2,512,026	2,406,696
Fines and Forfeits	3,336	3,648	3,493	4,630	5,769	4,101	3,968	15,470	12,860	9,561
Rents and Royalties	67,981	69,154	52,866	74,482	45,177	40,077	41,944	39,675	47,881	65,236
Sales of Products	847,369	722,152	747,732	686,196	622,179	661,084	605,101	607,744	636,115	624,407
Unemployment Surcharge	602,104	546,038	546,650	562,095	646,336	603,708	698,609	736,985	725,854	828,530
Other	202,739	243,765	207,087	164,008	188,112	165,237	155,707	154,424	159,162	152,448
Operating Grants and Contributions	14,095,372	8,374,699	5,119,323	5,082,655	2,556,915	2,449,163	2,281,931	2,569,038	2,730,519	3,165,718
Capital Grants and Contributions	183,207	123,273	62,609	89,542	43,873	42,996	78,304	56,899	96,655	132,067
TOTAL PROGRAM REVENUES	22,210,218	16,537,894	13,115,924	12,686,439	8,918,107	8,429,613	8,050,672	8,063,107	8,012,838	8,381,485
EXPENSES:										
Higher Education	6,900,408	6,993,311	7,111,041	8,612,196	7,829,889	6,446,902	6,004,484	5,618,507	5,258,665	5,068,481
Healthcare Affordability	4,198,822	3,515,207	3,414,018	3,294,611	-	-	-	-	-	-
Unemployment Insurance	9,465,001	4,765,139	385,192	444,181	518,891	531,607	530,130	756,484	1,055,148	1,571,321
Lottery	691,944	582,721	580,808	547,805	494,110	517,847	474,578	477,434	501,010	495,847
Parks and Wildlife	170,705	166,782	184,870	294,065	257,959	203,794	191,426	170,898	177,497	160,933
College Assist	79,637	201,200	222,726	247,361	315,478	320,774	338,631	341,684	407,229	403,023
Other Business-Type Activities	523,885	128,606	212,190	301,094	219,844	282,471	217,838	209,871	187,265	196,542
TOTAL EXPENSES	22,030,402	16,352,966	12,110,845	13,741,313	9,636,171	8,303,395	7,757,087	7,574,878	7,586,814	7,896,147
NET (EXPENSE) REVENUE	179,816	184,928	1,005,079	(1,054,874)	(718,064)	126,218	293,585	488,229	426,024	485,338
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:										
Other Taxes	9,238	-	-	-	-	-	7	-	-	-
Special and/or Extraordinary Items	-	-	-	-	(808)	-	-	(22,186)	-	-
(Transfers-Out) / Transfers-In	366,962	395,097	279,131	254,324	353,647	352,733	256,738	172,442	128,535	135,407
Internal Capital Contributions	-	-	57,541	51,439	-	10,183	-	-	-	-
Permanent Fund Additions	5	-	-	-	-	-	-	-	-	-
TOTAL GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:	376,205	395,097	336,672	305,763	352,839	362,916	256,745	150,256	128,535	135,407
TOTAL CHANGES IN NET POSITION	556,021	580,025	1,341,751	(749,111)	(365,225)	489,134	550,330	638,485	554,559	620,745
NET POSITION - BEGINNING	5,113,700	4,520,020	3,170,907	4,570,333	4,981,653	4,497,828	7,289,798	6,688,706	6,139,998	5,264,683
Prior Period Adjustment	181,689	11,209	7,362	-	545	(5,309)	-	(6,922)	(5,851)	254,570
Accounting Changes	605	2,446	-	(650,315)	(46,640)	-	(3,342,300)	(30,471)	-	-
NET POSITION, FISCAL YEAR BEGINNING (restated)	5,295,994	4,533,675	3,178,269	3,920,018	4,935,558	4,492,519	3,947,498	6,651,313	6,134,147	5,519,253
NET POSITION - ENDING	$ 5,852,015	$ 5,113,700	$ 4,520,020	$ 3,170,907	$ 4,570,333	$ 4,981,653	$ 4,497,828	$ 7,289,798	$ 6,688,706	$ 6,139,998

GOVERNMENT-WIDE
SCHEDULE OF CHANGES IN NET POSITION
TOTAL PRIMARY GOVERNMENT
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

Functions/Programs	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
PROGRAM REVENUES:										
Charges for Services:										
Licenses and Permits	$ 818,720	$ 764,623	$ 738,475	$ 732,121	$ 707,118	$ 678,524	$ 659,290	$ 613,985	$ 580,547	$ 574,289
Service Fees	3,311,540	3,172,914	3,102,631	2,807,926	2,411,653	2,436,802	2,025,036	1,970,805	1,924,065	1,767,276
Education - Tuition, Fees, and Sales	3,055,836	3,483,570	3,484,740	3,404,969	3,239,887	3,005,967	2,881,240	2,672,136	2,512,026	2,406,696
Fines and Forfeits	214,299	194,047	229,371	195,363	212,431	199,357	204,989	196,568	261,380	196,905
Rents and Royalties	199,435	225,450	227,951	221,792	177,487	182,829	241,011	222,568	181,782	213,182
Sales of Products	852,333	738,915	757,774	689,414	625,384	664,387	608,491	609,885	638,966	626,033
Unemployment Surcharge	642,258	584,114	580,741	596,340	678,843	634,476	727,990	765,620	751,578	847,837
Other	572,170	431,621	418,793	316,293	327,040	308,488	286,858	299,373	286,245	237,276
Operating Grants and Contributions	24,590,640	16,162,795	11,941,802	11,710,412	10,706,249	11,027,309	10,008,599	9,351,952	8,590,571	9,049,749
Capital Grants and Contributions	727,760	740,497	490,941	835,039	858,612	862,317	895,773	785,443	797,203	732,367
TOTAL PROGRAM REVENUES	34,984,991	26,498,546	21,973,219	21,509,669	19,944,704	20,000,456	18,539,277	17,488,335	16,524,363	16,651,610
EXPENSES:										
General Government	822,391	1,214,677	1,493,871	739,872	653,247	485,611	449,261	447,359	555,507	224,382
Business, Community, and Consumer Affairs	1,368,553	713,827	734,786	912,495	919,676	777,458	711,558	641,182	584,300	600,068
Education	6,656,947	6,875,955	6,469,072	6,086,573	6,045,204	5,859,964	5,687,573	5,472,563	5,187,481	5,205,123
Health and Rehabilitation	1,660,656	836,872	935,044	1,258,445	1,170,889	2,898,841	822,556	720,997	697,795	703,684
Justice	1,691,958	1,734,902	1,970,515	3,254,155	2,974,666	2,209,158	2,075,534	1,840,989	1,655,057	1,555,294
Natural Resources	99,053	90,248	123,036	219,659	169,528	135,491	120,374	92,383	77,934	93,900
Social Assistance	10,157,280	9,430,179	8,589,168	8,810,715	10,489,419	8,825,599	9,627,104	8,089,560	7,174,711	6,746,574
Transportation	1,632,855	1,884,872	1,875,438	2,179,299	2,105,462	1,830,368	1,896,904	1,872,441	1,769,013	1,777,488
Interest on Debt	135,332	103,339	109,075	60,778	58,764	62,021	59,078	53,094	16,284	40,935
Higher Education	6,900,408	6,993,311	7,111,041	8,612,196	7,829,889	6,446,902	6,004,484	5,618,507	5,258,665	5,068,481
Healthcare Affordability	4,198,822	3,515,207	3,414,018	3,294,611	-	-	-	-	-	-
Unemployment Insurance	9,465,001	4,765,139	385,192	444,181	518,891	531,607	530,130	756,484	1,055,148	1,571,321
Lottery	691,944	582,721	580,808	547,805	494,110	517,847	474,578	477,434	501,010	495,847
Parks and Wildlife	170,705	166,782	184,870	294,065	257,959	203,794	191,426	170,898	177,497	160,933
College Assist	79,637	201,200	222,726	247,361	315,478	320,774	338,631	341,684	407,229	403,023
Other Business-Type Activities	523,885	128,606	212,190	301,094	219,844	282,471	217,838	209,871	187,265	196,542
TOTAL EXPENSES	46,255,427	39,237,837	34,410,850	37,263,304	34,223,026	31,387,906	29,207,029	26,805,446	25,304,896	24,843,595
NET (EXPENSE) REVENUE	(11,270,436)	(12,739,291)	(12,437,631)	(15,753,635)	(14,278,322)	(11,387,450)	(10,667,752)	(9,317,111)	(8,780,533)	(8,191,985)
GENERAL REVENUES AND										
OTHER CHANGES IN NET POSITION:										
Sales and Use Taxes	3,954,846	3,703,217	3,632,282	3,449,844	3,151,679	2,940,839	2,762,222	2,754,977	2,498,006	2,333,644
Excise Taxes	433,686	330,600	301,292	311,625	321,419	290,276	267,858	236,761	240,895	244,624
Individual Income Tax	8,292,319	8,037,272	7,505,245	6,978,833	6,291,376	6,061,679	5,847,141	5,285,634	5,154,624	4,653,105
Corporate Income Tax	1,090,209	638,303	963,380	714,313	432,802	643,761	613,316	600,002	606,883	434,885
Other Taxes	527,000	562,124	705,986	577,961	452,042	410,277	673,282	617,612	453,305	519,870
Restricted Taxes	1,468,337	1,271,553	1,348,050	1,273,482	1,169,457	1,132,687	1,186,515	1,052,692	1,039,105	965,784
Unrestricted Investment Earnings (Losses)	50,931	37,599	30,196	21,798	16,987	15,705	11,992	17,312	16,842	15,015
Other General Revenues	104,683	95,460	95,051	199,934	103,476	107,005	96,613	112,958	97,402	96,213
Special and/or Extraordinary Items	-	-	-	-	(808)	-	-	(22,186)	0	0
Internal Capital Contributions	-	-	57,541	51,483	-	8,600	-	-	-	-
Permanent Fund Additions	141,133	580	1,062	277	766	80	401	397	741	595
TOTAL GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:	16,063,144	14,676,708	14,640,085	13,579,550	11,939,196	11,610,909	11,459,340	10,656,159	10,107,803	9,263,735
TOTAL CHANGES IN NET POSITION	4,792,708	1,937,417	2,202,454	(2,174,085)	(2,339,126)	223,459	791,588	1,339,048	1,327,270	1,071,750
NET POSITION - BEGINNING	14,404,673	12,433,906	10,200,864	13,277,370	15,570,919	15,294,622	22,939,513	21,647,437	20,319,062	18,657,791
Prior Period Adjustment	(14,877)	30,904	30,588	8,583	92,217	52,838	(6,626)	(5,204)	1,105	589,521
Accounting Changes	20,467	2,446	-	(911,004)	(46,640)	-	(8,429,853)	(41,768)	-	0
NET POSITION, FISCAL YEAR BEGINNING (restated)	14,410,263	12,467,256	10,231,452	12,374,949	15,616,496	15,347,460	14,503,034	21,600,465	20,320,167	19,247,312
NET POSITION - ENDING	$ 19,202,971	$ 14,404,673	$ 12,433,906	$ 10,200,864	$ 13,277,370	$ 15,570,919	$ 15,294,622	$ 22,939,513	$ 21,647,437	$ 20,319,062

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE ALL GOVERNMENTAL FUND TYPES
Last Ten Fiscal Years

(DOLLARS IN MILLIONS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
REVENUES:										
Taxes	$ 15,837	$ 14,616	$ 14,199	$ 13,389	$ 11,835	$ 11,471	$ 11,205	$ 10,596	$ 10,018	$ 9,182
Less: Excess TABOR Revenues	-	-	-	-	-	-	170	-	-	-
Licenses, Permits, and Fines	895	832	869	940	838	810	801	758	789	724
Charges for Goods and Services	386	426	403	363	1,012	1,144	885	905	970	892
Rents	131	156	175	147	132	143	199	183	134	148
Investment Income	164	397	352	41	46	139	99	115	19	120
Federal Grants and Contracts	10,847	7,837	6,680	7,047	8,685	9,047	8,283	7,183	6,428	6,223
Unclaimed Property Receipts	143	55	47	78	64	65	61	53	37	43
Other	472	354	426	397	338	321	329	365	263	254
TOTAL REVENUES	28,875	24,673	23,151	22,402	22,950	23,140	22,032	20,158	18,658	17,586
EXPENDITURES:										
Current:										
General Government	467	401	377	381	344	324	305	331	325	359
Business, Community and Consumer Affairs	880	526	493	480	453	474	469	395	375	363
Education	698	982	911	832	869	852	785	730	674	661
Health and Rehabilitation	1,623	911	846	778	770	1,784	699	658	641	626
Justice	2,108	2,103	1,971	1,808	1,705	1,741	1,648	1,605	1,422	1,322
Natural Resources	120	131	129	128	113	107	103	107	99	90
Social Assistance	9,072	8,345	7,539	7,572	9,358	8,726	8,627	7,416	6,488	6,065
Transportation	1,485	1,555	1,298	1,348	1,364	1,331	1,282	1,203	1,065	982
Capital Outlay	393	418	265	272	189	191	325	298	299	459
Intergovernmental:										
Cities	587	523	503	471	491	425	421	412	297	287
Counties	2,205	1,751	1,916	1,759	1,740	1,656	1,627	1,573	1,504	1,371
School Districts	6,033	5,961	5,594	5,171	5,122	4,995	4,909	4,475	4,235	4,199
Other	393	451	410	244	255	227	205	202	323	177
Debt Service	229	163	179	128	239	280	270	261	247	236
TOTAL EXPENDITURES	26,293	24,221	22,431	21,372	23,012	23,113	21,675	19,666	17,994	17,197
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,582	452	720	1,030	(62)	27	357	492	664	389
OTHER FINANCING SOURCES (USES)										
Transfers-In	2,737	1,702	1,813	5,447	5,851	4,915	4,535	5,405	5,750	4,622
Transfers-Out:										
Higher Education	(284)	(284)	(376)	(230)	(230)	(181)	(181)	(143)	(135)	(133)
Other	(2,812)	(1,811)	(1,711)	(5,458)	(5,966)	(5,079)	(4,607)	(5,390)	(5,728)	(4,612)
Face Amount of Debt Issued	775	666	740	156	129	11	-	97	196	156
Bond Premium/Discount	178	137	57	21	14	-	-	6	9	13
Capital Lease Debt Issuance	5	1	1	4	1	-	-	25	1	17
Sale of Capital Assets	7	55	24	10	15	7	3	27	31	14
Insurance Recoveries	6	3	2	7	8	5	13	2	1	6
Debt Refunding Issuance	19	-	-	-	-	-	-	112	31	126
Debt Refunding Premium Proceeds	4	-	-	-	-	-	-	-	-	19
Debt Refunding Payments	(23)	-	-	-	-	-	-	-	(31)	(144)
TOTAL OTHER FINANCING SOURCES (USES)	612	469	550	(43)	(178)	(322)	(237)	141	125	84
NET CHANGE IN FUND BALANCE	3,194	921	1,270	987	(240)	(295)	120	633	789	473
FUND BALANCE - BEGINNING	9,492	8,579	7,349	6,364	6,609	6,847	6,734	6,100	5,293	4,842
Prior Period Adjustments	40	(8)	(40)	(2)	(5)	58	(7)	-	18	(22)
Accounting Changes	20	-	-	-	-	-	-	1	-	-
FUND BALANCE, FISCAL YEAR BEGINNING (restated)	9,552	8,571	7,309	6,362	6,604	6,905	6,727	6,101	5,311	4,820
FUND BALANCE - ENDING	$ 12,746	$ 9,492	$ 8,579	$ 7,349	$ 6,364	$ 6,609	$ 6,847	$ 6,734	$ 6,100	$ 5,293

GENERAL PURPOSE REVENUE (AFTER TABOR REFUNDS)
GENERAL FUND
IN DOLLARS AND AS A PERCENT OF TOTAL
Last Ten Fiscal Years

(DOLLARS IN MILLIONS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Income Tax:										
Individual	$ 8,306	$ 8,056	$ 7,328	$ 7,006	$ 6,209	$ 5,993	$ 5,888	$ 5,273	$ 5,149	$ 4,633
Corporate	1,118	670	856	736	467	606	635	665	597	457
(Refunds)										
Net Income Tax	$ 9,424	8,726	8,184	7,742	$ 6,676	6,599	6,523	5,938	5,746	5,090
Sales, Use, and Excise Taxes	4,033	3,759	3,695	3,501	3,188	2,996	2,990	2,763	2,549	2,387
Less: Excess TABOR Revenues	-	-	-	-	-	-	(170)	-	-	-
Net Sales, Use, and Excise Taxes	4,033	3,759	3,695	3,501	3,188	2,996	2,820	2,763	2,549	2,387
Estate Taxes	-	-	-	-	-	-	-	-	-	-
Insurance Tax	336	337	315	304	291	280	257	239	210	197
Gaming and Other Taxes	45	40	53	156	-	16	14	12	12	20
Investment Income	50	31	27	20	15	13	9	15	17	14
Severence Taxes to be Refunded	-	-	-	-	54	-	-	-	-	-
Other	-	-	-	-	40	26	19	25	21	26
TOTAL GENERAL REVENUES	$ 13,888	$ 12,893	$ 12,274	$ 11,723	$ 10,264	$ 9,930	$ 9,642	$ 8,992	$ 8,555	$ 7,734
Percent Change From Previous Year	7.7%	5.0%	4.7%	14.2%	3.4%	3.0%	7.2%	5.1%	10.6%	9.1%
(AS PERCENT OF TOTAL EXCLUDING TABOR REFUND)										
Net Income Tax	67.9%	67.7%	66.7%	66.0%	65.0%	66.5%	66.5%	66.0%	67.2%	65.8%
Sales, Use, and Excise Taxes	29.0	29.2	30.1	29.9	31.2	30.1	30.5	30.7	29.8	30.9
Estate Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Insurance Tax	2.4	2.6	2.6	2.6	2.8	2.8	2.6	2.7	2.5	2.5
Other Taxes	0.3	0.3	0.4	1.3	0.0	0.2	0.1	0.1	0.1	0.3
Interest	0.4	0.2	0.2	0.2	0.1	0.1	0.1	0.2	0.2	0.2
Fiscal Emergency Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Severence Taxes to be Refunded	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.4	0.3	0.2	0.3	0.2	0.3
TOTAL GENERAL REVENUES	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

EXPENDITURES BY DEPARTMENT[1] AND TRANSFERS
FUNDED BY GENERAL PURPOSE REVENUES
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Department:[1]										
Agriculture	$ (17)	$ 12,018	$ 11,346	$ 10,428	$ 10,639	$ 10,050	$ 8,633	$ 7,697	$ 6,975	$ 5,152
Corrections	2,841	876,905	837,497	773,788	748,559	758,545	717,579	675,706	652,394	647,313
Education	14,771	4,412,459	4,114,576	4,070,889	3,764,298	3,477,785	3,357,324	3,153,609	3,014,681	2,833,433
Governor	827,832	45,321	42,375	36,283	39,615	34,609	30,267	22,819	18,555	9,699
Health Care Policy and Financing	4,079,836	3,021,536	2,923,196	2,727,717	2,468,392	2,446,338	2,274,875	2,100,771	1,829,776	1,685,679
Higher Education	84,070	1,110,841	1,001,121	894,450	870,664	856,849	761,306	658,901	628,565	623,963
Human Services	3,179,655	1,088,434	1,055,818	984,291	918,130	936,071	877,162	812,603	753,225	703,676
Judicial Branch	611,554	597,673	561,799	514,874	487,636	481,550	441,700	386,870	354,119	337,039
Labor and Employment	1,003,256	24,341	20,539	21,302	21,579	7,754	660	50	-	-
Law	558,991	17,553	16,396	15,722	14,774	14,525	13,457	12,127	10,355	9,341
Legislative Branch	18,334	54,052	51,082	48,202	44,880	43,410	41,132	38,712	35,957	34,672
Local Affairs	13,694	46,290	37,125	29,184	25,235	25,481	22,244	17,540	10,976	10,448
Military and Veterans Affairs	53,583	10,924	10,983	30,814	8,253	7,907	7,792	7,094	6,576	5,355
Natural Resources	114,198	34,282	32,307	30,882	28,711	27,519	26,216	25,141	23,620	23,400
Personnel & Administration	9,917	16,229	13,971	12,088	12,273	11,034	7,601	31,407	6,588	3,935
Public Health and Environment	33,469	60,841	53,492	46,506	48,448	49,964	59,383	53,588	31,199	27,742
Public Safety	30,679	163,721	185,018	124,204	122,404	113,976	126,747	165,240	85,595	81,993
Regulatory Agencies	63,890	2,334	6,224	5,964	5,742	6,073	6,007	1,730	1,674	1,597
Revenue	39,138	327,633	260,583	250,438	90,957	149,361	97,249	73,626	55,078	55,596
Transportation	-	-	-	-	392	102	-	-	-	-
Treasury	(10,375)	660,126	774,821	190,457	15,908	12,522	5,684	108,870	27,650	4,914
Transfer to Capital Construction Fund	1,286,711	112,692	90,382	92,084	84,484	271,130	248,502	186,715	61,411	49,298
Transfer to Various Cash Funds	361,300	361,300	814,200	674,900	194,735	90,196	67,555	260,272	1,086,051	72,000
Transfer to the Highway Users Tax Fund	-	-	-	-	79,000	199,200	-	-	-	-
Other Transfers and Nonoperating Disbursements	25,125	25,125	278,999	181,151	153,379	143,492	127,795	126,263	262,406	25,479
TOTALS	$ 12,402,452	$ 13,082,630	$ 13,193,850	$ 11,766,618	$ 10,259,087	$ 10,175,443	$ 9,326,870	$ 8,927,351	$ 8,963,426	$ 7,251,724
Percent Change	-5.2%	-0.8%	12.1%	14.7%	0.8%	9.1%	4.5%	-0.4%	23.6%	0.3%
(AS PERCENT OF TOTAL)										
Education	0.1%	33.7%	31.2%	34.6%	36.7%	34.2%	36.0%	35.3%	33.6%	39.1%
Health Care Policy and Financing	32.9	23.1	22.2	23.2	24.1	24.0	24.4	23.5	20.4	23.2
Higher Education	0.7	8.5	7.6	7.6	8.5	8.4	8.2	7.4	7.0	8.6
Human Services	25.6	8.3	8.0	8.4	8.9	9.2	9.4	9.1	8.4	9.7
Corrections	0.0	6.7	6.3	6.6	7.3	7.5	7.7	7.6	7.3	8.9
Transfer to Capital Construction Fund	10.4	0.9	0.7	0.8	0.8	2.7	2.7	2.1	0.7	0.7
Transfer to Various Cash Funds	2.9	2.8	6.2	5.7	1.9	0.9	0.7	2.9	12.1	1.0
Transfers to the Highway Users Tax Fund	0.0	0.0	0.0	0.0	0.8	2.0	0.0	0.0	0.0	0.0
Judicial	4.9	4.6	4.3	4.4	4.8	4.7	4.7	4.3	4.0	4.6
Revenue	0.3	2.5	2.0	2.1	0.9	1.5	1.0	0.8	0.6	0.8
All Others	22.2	8.9	11.5	6.6	5.3	4.9	5.2	7.0	5.9	3.4
TOTALS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

[1] Expenditures in this schedule are reported on the modified accrual basis (GAAP basis) rather than the budgetary basis, which defers certain payroll, Medicaid costs and related revenues, and other statutorily defined expenditures to the following fiscal year. Certain expenditures are shown in the department that makes the external payment rather than being shown in the department that receives the original general-funded appropriation.

FUND BALANCE
GOVERNMENTAL FUND TYPES
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
GENERAL:										
Nonspendable:										
Inventories	70,664	14,343	9,944	7,975	8,503	7,522	8,894	8,721	9,931	6,942
Prepaids	50,702	69,432	38,547	38,173	39,348	37,977	40,971	38,535	22,654	24,175
Restricted	609,779	823,528	814,658	626,068	442,249	497,814	398,948	468,758	487,161	503,449
Committed	1,287,662	616,483	1,114,406	970,235	646,700	513,986	705,844	411,362	279,352	331,419
Assigned	123,036	35,241	33,264	29,641	17,218	19,283	20,731	7,651	7	20
Unassigned	2,403,821	842,567	52,088	334,660	-	-	-	-	-	359,421
TOTAL FUND BALANCE	4,545,664	2,401,594	2,062,907	2,006,752	1,154,018	1,076,582	1,175,388	935,027	799,105	1,225,426
FEDERAL SPECIAL REVENUE:										
Restricted	11,373	21,350	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	11,373	21,350	-	-	-	-	-	-	-	-
HIGHWAY USERS TAX:										
Nonspendable:										
Long-term Portion of Interfund Loans Receivable	-	-	-	-	-	30	-	-	-	-
Inventories	17,908	20,946	18,012	8,281	9,334	8,860	8,377	7,673	8,249	8,406
Prepaids	6,077	5,032	3,717	3,729	679	1,252	1,908	1,481	4,210	64
Restricted	679,412	900,962	961,284	882,113	917,778	975,001	942,510	1,080,201	1,145,997	1,176,269
Committed	49,045	51,413	59,641	58,076	52,929	46,278	35,765	41,017	39,087	38,254
TOTAL FUND BALANCE	752,442	978,353	1,042,654	952,199	980,720	1,031,421	988,560	1,130,372	1,197,543	1,222,993
ALL OTHER GOVERNMENTAL FUNDS:										
Nonspendable:										
Long-term Portion of Interfund Loans Receivable	-	-	13	12	-	19,141	-	-	-	-
Inventories	179,646	105,795	72,311	35,171	35,445	36,166	36,059	36,008	36,013	284
Permanent Fund Principal	1,438,292	1,398,247	1,274,846	1,186,138	1,122,480	1,043,619	971,676	868,383	760,160	737,239
Prepaids	46,242	35,781	39,324	38,387	27,007	24,046	23,941	27,884	28,487	28,601
Restricted	986,088	558,485	503,018	516,128	418,847	607,618	1,000,463	1,466,516	1,637,012	497,221
Committed	4,785,759	3,992,116	3,583,836	2,614,577	2,624,986	2,770,832	2,650,703	2,269,885	1,641,899	1,581,143
TOTAL FUND BALANCE	7,436,027	6,090,424	5,473,348	4,390,413	4,228,765	4,501,422	4,682,842	4,668,676	4,103,571	2,844,488
TOTAL FUND BALANCE	$ 12,745,506	$ 9,491,721	$ 8,578,909	$ 7,349,364	$ 6,363,503	$ 6,609,425	$ 6,846,790	$ 6,734,075	$ 6,100,219	$ 5,292,907

TABOR REVENUES, EXPENDITURES, FISCAL YEAR SPENDING LIMITATIONS, AND REFUNDS
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
DISTRICT REVENUES:										
Exempt District Revenues	$ 27,782,645	$ 20,523,556	$ 18,613,345	$ 17,388,665	$ 17,784,588	$ 18,170,415	$ 16,980,420	$ 17,076,305	$ 16,446,833	$ 15,017,772
Nonexempt District Revenues	16,169,779	14,873,754	14,788,420	13,720,881	12,891,657	12,824,408	12,530,772	11,691,905	11,107,341	10,273,184
TOTAL DISTRICT REVENUES	43,952,424	35,397,310	33,401,765	31,109,546	30,676,245	30,994,823	29,511,192	28,768,210	27,554,174	25,290,956
Percent Change In Nonexempt District Revenues	8.7%	0.6%	7.8%	6.4%	0.5%	2.3%	7.2%	5.3%	8.1%	9.0%
DISTRICT EXPENDITURES:										
Exempt District Expenditures	27,782,645	20,523,556	18,613,345	17,388,666	17,784,588	18,170,415	16,980,420	17,076,305	16,446,833	15,017,772
Nonexempt District Expenditures	12,287,617	13,759,681	13,001,752	12,852,870	13,251,437	13,076,457	12,237,753	11,016,588	10,263,972	9,791,616
TOTAL DISTRICT EXPENDITURES	40,070,262	34,283,237	31,615,097	30,241,536	31,036,025	31,246,872	29,218,173	28,092,893	26,710,805	24,809,388
Percent Change In Nonexempt District Expenditures	-10.7%	5.8%	1.2%	-3.0%	1.3%	6.9%	11.1%	7.3%	4.8%	4.9%
TOTAL DISTRICT RESERVE/FUND BALANCE INCREASE (DECREASE)	$ 3,882,162	$ 1,114,073	$ 1,786,668	$ 868,010	$ (359,780)	$ (252,049)	$ 293,019	$ 675,317	$ 843,369	$ 481,568
FISCAL YEAR SPENDING LIMIT										
Prior Fiscal Year Spending Limitation	$ 12,249,004	$ 11,759,345	$ 11,220,749	$ 10,761,667	$ 10,427,606	$ 9,976,946	$ 9,566,586	$ 9,247,466	$ 8,799,754	$ 8,654,192
Adjustments To Prior Year Limit[1]	(3,315)	-	-	(24,108)	10,480	(45,595)	(962)	(152)	(27,952)	(26,982)
ADJUSTED PRIOR YEAR FISCAL SPENDING LIMITATION	12,245,689	11,759,345	11,220,749	10,737,559	10,438,086	9,931,351	9,565,624	9,247,314	8,771,802	8,627,210
Allowable Growth Rate (Population Plus Inflation)	3.1%	4.1%	4.8%	4.5%	3.1%	4.4%	4.3%	3.3%	5.4%	2.0%
Current Fiscal Year Spending Limitation	12,625,305	12,241,478	11,759,345	11,220,749	10,761,667	10,368,330	9,976,946	9,552,475	9,245,479	8,799,754
Adjustments To Current Year Limit	2,763	7,525	-	-	-	59,276	0	14,111	1,987	-
ADJUSTED CURRENT YEAR FISCAL SPENDING LIMITATION	12,628,068	12,249,003	11,759,345	11,220,749	10,761,667	10,427,606	9,976,946	9,566,586	9,247,466	8,799,754
EXCESS STATE REVENUE CAP (ESRC)[2]	15,644,324	14,956,372	14,360,084	13,702,371	13,327,811	12,946,499	12,361,032	11,852,383	11,460,242	10,871,425
NONEXEMPT DISTRICT REVENUES	16,169,779	14,873,754	14,788,420	13,720,881	12,891,657	12,824,408	12,530,772	11,691,905	11,107,341	10,273,184
Amount Over(Under) Adjusted Fiscal Year Spending Limitation	3,541,711	2,624,751	3,029,075	2,500,132	2,129,990	2,396,802	2,553,826	2,125,319	1,859,875	1,473,430
Amount Over(Under) Excess State Revenue Cap	525,455	(82,618)	428,336	18,510	(436,154)	(122,091)	169,740	(160,478)	(352,901)	(598,242)
Correction Of Prior Years' Refunds	-	575	3,207	-	(346)	(13,899)	-	-	-	-
Voter Approved or Statutory Retention of Excess Revenue			-	-	-	-	-	-	-	-
FISCAL YEAR REFUND	$ 525,455	$ -	$ 431,685	$ 18,510	$ -	$ -	$ 173,346	$ -	$ -	$ -

[1] - Large adjustments to the prior year limit are primarily related to activities qualifying as TABOR enterprises, after which the activity's revenues and expenditures are no longer shown in the district amounts.

[2] - Beginning in Fiscal Year 2011, with the expiration of the Referendum C retention period, Fiscal Year Refunds are based on the Excess State Revenue Cap rather than the Fiscal Year Spending Limit.

DEBT SERVICE EXPENDITURES
ALL GOVERNMENTAL FUND TYPES
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
DEBT SERVICE EXPENDITURES:										
Principal	$ 98,582	$ 61,201	$ 85,722	$ 62,203	$ 177,925	$ 210,390	$ 194,818	$ 184,106	$ 163,939	$ 150,690
Interest	130,554	102,291	94,654	65,566	60,781	69,729	74,689	77,005	82,660	85,586
TOTAL DEBT SERVICE EXPENDITURES	$ 229,136	$ 163,492	$ 180,376	$ 127,769	$ 238,706	$ 280,119	$ 269,507	$ 261,111	$ 246,599	$ 236,276
Percent Change Over Previous Year	40.2%	-9.4%	41.2%	-46.5%	-14.8%	3.9%	3.2%	5.9%	4.4%	13.7%
TOTAL NONCAPITAL EXPENDITURES	24,893,602	22,859,536	21,394,396	20,293,035	21,788,949	22,034,812	20,480,883	19,001,514	17,329,054	16,470,142
TOTAL CAPITAL EXPENDITURES	1,399,666	1,361,585	1,036,687	1,079,152	1,222,662	1,078,383	1,194,596	664,762	653,157	726,501
TOTAL GOVERNMENTAL EXPENDITURES	26,293,268	24,221,121	22,431,083	21,372,187	23,011,611	23,113,195	21,675,479	19,666,276	17,982,211	17,196,643
DEBT SERVICE EXPENDITURES AS PERCENT OF TOTAL NONCAPITAL EXPENDITURES:										
Principal	0.4%	0.3%	0.4%	0.3%	0.8%	1.0%	1.0%	1.0%	0.9%	0.9%
Interest	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%	0.4%	0.4%	0.5%	0.5%
Total Debt Service Expenditures	0.9%	0.7%	0.8%	0.6%	1.1%	1.3%	1.3%	1.4%	1.4%	1.4%

TOTAL OUTSTANDING DEBT[1,2,3]
PRIMARY GOVERNMENT
Last Ten Fiscal Years

(DOLLARS IN THOUSANDS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities:										
Revenue Backed Debt	$ -	$ -	$ -	$ -	$ -	$ 127,925	$ 289,789	$ 443,881	$ 574,147	$ 739,138
Certificates of Participation	3,989,933	2,903,588	2,152,555	1,426,314	1,302,382	1,205,172	1,227,828	1,267,869	1,192,193	1,018,456
Capital Leases	117,998	119,822	123,600	131,873	142,153	150,665	172,329	174,996	151,010	121,429
Notes and Mortgages	2,315	4,585	6,805	8,979	11,115	13,205	15,250	17,385	19,220	19,369
TOTAL GOVERNMENTAL OUTSTANDING DEBT	4,110,246	3,027,995	2,282,960	1,567,166	1,455,650	1,496,967	1,705,196	1,904,131	1,936,570	1,898,392
Business-Type Activities:										
Revenue Backed Debt	4,938,280	4,637,188	4,452,563	4,602,833	4,391,057	4,320,596	4,242,726	3,967,023	3,724,951	3,753,617
Certificates of Participation	132,403	393,248	433,021	461,461	346,769	372,661	399,231	403,761	403,603	420,951
Capital Leases	74,224	35,645	37,402	48,152	49,891	57,126	54,281	42,192	41,728	39,038
Notes and Mortgages	116,325	66,371	67,985	60,047	61,396	53,968	28,317	4,810	3,522	7,353
TOTAL BUSINESS-TYPE OUTSTANDING DEBT	5,261,232	5,132,452	4,990,971	5,172,493	4,849,113	4,804,351	4,724,555	4,417,786	4,173,804	4,220,959
Total Primary Government:										
Revenue Backed Debt	4,938,280	4,637,188	4,452,563	4,602,833	4,391,057	4,448,521	4,532,515	4,410,904	4,299,098	4,492,755
Certificates of Participation	4,122,336	3,296,836	2,585,576	1,887,775	1,649,151	1,577,833	1,627,059	1,671,630	1,595,796	1,439,407
Capital Leases	192,222	155,467	161,002	180,025	192,044	207,791	226,610	217,188	192,738	160,467
Notes and Mortgages	118,640	70,956	74,790	69,026	72,511	67,173	43,567	22,195	22,742	26,722
TOTAL OUTSTANDING DEBT[1]	$ 9,371,478	$ 8,160,447	$ 7,273,931	$ 6,739,659	$ 6,304,763	$ 6,301,318	$ 6,429,751	$ 6,321,917	$ 6,110,374	$ 6,119,351
Percent Change Over Previous Year	14.8%	12.2%	7.9%	6.9%	0.1%	-2.0%	1.7%	3.5%	-0.1%	19.5%
Colorado Population (In Thousands) Restated for Census	5,736	5,759	5,772	5,672	5,594	5,524	5,438	5,350	5,271	5,186
Per Capita Debt (Dollars Per Person) Restated for Census	$1,634	$1,417	$1,260	$1,188	$1,127	$1,141	$1,182	$1,182	$1,159	$1,180
Per Capita Income (Thousands Per Person)	$61.4	$61.3	$59.0	$59.1	$55.8	$52.6	$52.4	$50.7	$47.2	$45.6
Per Capita Debt as a Percent of Per Capita Income	2.7%	2.3%	2.1%	2.0%	2.0%	2.2%	2.3%	2.3%	2.5%	2.6%

1 - General Obligation Debt is prohibited by the State Constitution except to fund buildings for state use, to defend the state or the U.S. (in time of war), or to provide for unforseen revenue deficiencies.

2 - Colorado State Constitution requires multi-years obligations to be approved by voters therefore there is no specific legal debt limitation.

3 - Beginning in Fiscal Year 2014 debt liabilities are not offset by unamortized refunding gains or losses. With GASB Statement No. 65, these balances became deferred inflows and or outflows.

REVENUE BOND COVERAGE[1]
Last Ten Fiscal Years
(DOLLARS IN THOUSANDS)

Fiscal Year	Gross Revenue	Direct Operating Expense	Net Revenue Available For Debt Service	Debt Service Requirements: Principal	Debt Service Requirements: Interest	Debt Service Requirements: Total	Coverage
Governmental Funds: Transportation Revenue Anticipation Notes (TRANs)							
2021	$ -	$ -	$ -	$ -	$ -	$ -	0.00
2020	-	-	-	-	-	-	0.00
2019	-	-	-	-	-	-	0.00
2018	-	-	-	-	-	-	0.00
2017	-	-	-	-	-	-	0.00
2016	1,566,285	1,437,505	128,780	126,100	2,680	128,780	1.00
2015	1,358,950	1,191,461	167,489	157,220	10,269	167,489	1.00
2014	1,240,588	1,073,259	167,329	147,225	20,104	167,329	1.00
2013	1,204,153	1,037,025	167,128	132,105	35,023	167,128	1.00
2012	1,105,452	938,787	166,665	125,265	41,400	166,665	1.00
Enterprise Funds (Excluding Higher Education): State Fair, CollegeInvest, Statewide Bridge Enterprise, and Unemployment Insurance [2]							
2021	$ 114,451	$ -	$ 114,451	$ -	$ 25,271	$ 25,271	4.53
2020	112,362	-	112,362	-	17,699	17,699	6.35
2019	111,674	-	111,674	-	18,234	18,234	6.12
2018	106,022	-	106,022	-	18,234	18,234	5.81
2017	109,927	-	109,927	-	18,234	18,234	6.03
2016	231,775	-	231,775	124,965	20,546	145,511	1.59
2015	363,612	-	363,612	249,925	24,857	274,782	1.32
2014	486,250	-	486,250	374,885	30,620	405,505	1.20
2013	608,493	-	608,493	499,845	40,965	540,810	1.13
2012	240,822	-	240,822	-	18,234	18,234	13.21
Higher Education Institutions							
2021	$ 2,210,602	$ 586,621	$ 1,623,981	$ 84,250	$ 80,160	$ 164,410	9.88
2020	2,425,323	673,165	1,752,158	186,477	155,530	342,007	5.12
2019	2,419,403	685,793	1,733,610	132,929	159,090	292,019	5.94
2018	2,290,836	643,503	1,647,333	127,378	161,525	288,903	5.70
2017	2,170,616	618,649	1,551,967	117,118	160,835	277,953	5.58
2016	1,984,082	455,553	1,528,529	103,957	157,999	261,956	5.84
2015	1,250,735	579,200	671,535	107,878	152,923	260,801	2.57
2014	1,170,939	557,627	613,312	94,581	138,121	232,702	2.64
2013	1,122,003	537,630	584,373	80,330	131,356	211,686	2.76
2012	1,093,528	507,761	585,767	69,992	114,914	184,906	3.17

COLORADO DEMOGRAPHIC DATA
Last Ten Fiscal Years

Year	Population (000)	Percentage Share of U.S. Population	Total Personal Income (Billions)	Per Capita Personal Income (Dollars)	% of U.S. Per Capita Income	Employment (000)	Unemployment %
2021 est	5,828	1.76%	$ 392.7	$ 67,390	107.0%	3,024	5.4%
2020 Revised	5,782	1.75	369.5	63,904	107.27	2,895	7.3
2019 Revised	5,736	1.75	352.2	61,400	109.42	3,062	2.7
2018 Revised	5,672	1.74	335.2	59,097	109.1	2,983	3.0
2017 Revised	5,594	1.72	312.0	55,783	107.6	2,903	2.6
2016 Revised	5,524	1.71	290.7	52,624	105.6	2,797	3.1
2015 Revised	5,438	1.70	284.8	52,372	107.1	2,715	3.8
2014	5,350	1.68	271.3	50,711	107.7	2,662	5.0
2013	5,271	1.67	249.0	47,236	105.3	2,578	6.9
2012	5,186	1.65	236.7	45,637	102.3	2,540	7.9

Source: U.S. Department of Commerce, Bureau of Economic Analysis, U.S. Census Bureau, and Colorado Department of Labor and Employment

COLORADO EMPLOYMENT[1,2]
BY INDUSTRY
Last Ten Fiscal Years
(AMOUNTS IN THOUSANDS)

Industry	2021 est	Revised 2020	Revised 2019	Revised 2018	Revised 2017	Revised 2016	Revised 2015	Revised 2014	Revised 2013	Revised 2012
Natural Resources and Mining	22.4	22.0	28.9	28.6	25.8	23.7	30.7	34.1	30.6	30.3
Construction	175.0	175.0	178.8	173.2	163.7	155.3	148.8	142.2	127.5	115.8
Manufacturing	151.6	149.3	150.1	147.5	144.3	142.7	141.0	136.6	132.8	130.9
Transportation, Trade, and Utilities	481.5	466.8	477.4	470.4	461.3	454.0	445.7	432.7	420.2	409.5
Information	73.4	74.5	76.0	75.2	71.9	71.9	70.7	70.3	69.9	69.8
Financial Activities	173.0	170.5	173.9	171.6	168.1	163.9	159.0	153.9	151.0	146.7
Professional and Business Services	436.0	431.6	440.0	423.9	412.8	405.7	398.4	386.6	372.6	356.9
Educational and Health Services	338.8	334.3	347.6	340.7	334.1	325.8	313.3	298.0	285.9	281.8
Leisure and Hospitality	292.6	273.4	344.6	339.7	333.2	323.6	312.8	300.4	289.4	279.7
Other Services	106.5	106.0	113.1	110.9	108.6	107.3	104.2	100.9	97.7	96.0
Government	426.6	433.6	455.3	445.6	436.7	428.1	416.5	407.9	403.2	394.3
Total	2,677.4	2,637.0	2,785.7	2,727.3	2,660.5	2,602.0	2,541.1	2,463.6	2,380.8	2,311.7

Source: Colorado Department of Labor and Employment and the Colorado Business Economic Outlook Committee.

[1] Provided in lieu of information regarding Colorado's principal employers because employer data could not be obtained.
[2] Excludes nonagricultural self-employed, unpaid family, and domestic workers.

VALUE OF TOTAL CONSTRUCTION
IN COLORADO BY TYPE
Last Ten Years
(AMOUNTS IN MILLIONS)

Year	Residential	Non-Residential	Non-Building	Total
2021 est	$ 9,317	$ 4,000	$ 2,200	$ 15,517
2020	9,872	4,800	2,100	16,772
Revised 2019	10,643	5,038	2,861	18,542
Revised 2018	11,797	8,140	4,515	24,452
Revised 2017	10,362	6,160	2,975	19,496
Revised 2016	10,179	5,989	2,706	18,873
Revised 2015	8,659	4,991	3,036	16,686
Revised 2014	7,566	4,351	2,439	14,355
2013	7,089	3,610	3,680	14,379
2012	5,368	3,675	3,329	12,372

Source: Department of Census, F.W. Dodge Company, Division of McGraw-Hill, the Colorado Contractors Assoc., and Colorado Business Economic Outlook Committee.

COLORADO SALES AND
GROSS FARMING REVENUES
Last Ten Years

(AMOUNTS IN BILLIONS)

Year	Retail Sales	Gross Farm Revenues
2021 est	$ 116.30	$ 8.61
2020 Revised	110.80	8.53
2019 Revised	99.80	8.71
2018 Revised	96.70	8.30
2017 Revised	91.70	8.25
2016 Revised	87.20	7.62
2015 Revised	83.40	8.92
2014 Revised	79.50	9.18
2013	74.10	8.61
2012	70.70	8.35

Includes only those sales reported on sales tax reports.

Source: Colorado Business Economic Outlook Agricultural Committee

DEMAND DRIVERS OF THE PRIMARY GOVERNMENT[1]
BY FUNCTIONS/PROGRAMS
Last Ten Years[2]

	2021	2020	2019	2018	2017
GOVERNMENTAL ACTIVITIES:					
General Government:					
Funds	1,020	901	883	874	848
Employees (calculated Average Employment)	78,990	79,974	78,213	76,578	74,252
Balance in Treasury Pool (in millions)	$9,358.1	$9,358.1	$9,055.2	$7,763.2	$6,852.0
Business, Community, and Consumer Affairs:					
Professional Licenses at Regulatory Agencies	972,910	949,632	865,914	853,163	829,350
Unemployment Rate (percent) [4]	5.4	6.7	2.8	3.3	2.7
Employment Level [4]	3,024,476	2,880,890	3,101,412	2,994,752	2,911,079
Education:					
Public Schools	1,875	1,864	1,861	1,889	1,833
Primary School Students		883,199	913,223	911,536	910,280
Health and Rehabilitation:					
Average Daily Population of Mental Health Institutes [3]	Not Available	709	595	581	543
Average Daily Population of Regional Centers [3]	Not Available	235	246	261	260
Justice:					
District Court Cases Filed [3]	Not Available	233,682	216,437	218,413	225,438
County Court Cases Filed [3]	Not Available	413,894	Not available	412,714	425,947
Inmate Admissions	Not Available	Not Available	9,691	9,972	8,851
Inmate Releases	Not Available	Not Available	9,897	9,947	9,844
Average Daily Inmate Population	Not Available	Not Available	20,223	20,003	20,000
Citations Issued by the State Patrol	113,777	128,806	136,086	138,772	141,949
Crashes Covered by the State Patrol	24,947	26,300	29,767	28,964	30,264
Natural Resources:					
Active Oil and Gas Wells [3]	Not Available	52,500	55,000	54,400	54,600
Oil and Gas Drilling Permits [3]	Not Available	7,000	6,200	4,460	4,620
Annual State Park Visitors [3]	Not Available	16,100,000	14,300,000	14,400,000	14,800,000
Water Loans		328	326	318	328
Social Assistance:					
Medicaid Recipients [3]	Not Available	1,292,797	1,350,445	1,420,267	1,385,945
Monthly Cases for Cash Assistance & Subsidy Payments [3]	Not available	Not available	Not available	Not available	Not available
Transportation:					
Lane Miles	Not Available	23,111,433	23,054,349	23,026,130	23,053,073
Bridges	3,466	3,467	3,462	3,451	3,455
BUSINESS-TYPE ACTIVITIES:					
Higher-Education:					
Resident Students [3]	Not Available	143,856	147,705	146,138	142,180
Nonresident Students [3]	Not Available	38,218	37,952	32,884	32,884
Unemployment Insurance:					
Individuals Served - Employment and Training [3]	202,869	493,731	366,130	360,911	425,253
Initial Unemployment Claims [3]	Not Available	504,839	101,599	107,471	129,887
Lottery:					
Scratch Tickets Sold	94,634,346	89,295,642	85,738,142	83,746,578	84,041,528
Lotto Tickets Sold	19,159,180	16,791,434	28,034,842	28,462,945	30,609,106
Powerball Tickets Sold	26,960,528	20,647,247	35,073,981	36,013,750	29,860,519
Other Lottery Tickets Sold	61,337,174	50,733,691	67,466,124	56,312,662	54,533,766
Wildlife:					
Hunting & Fishing Licenses Sold [3]	1,800,000	1,800,000	1,700,000	1,700,000	1,700,000

*Data not available.
[1]All amounts are counts except where dollars or percentages are indicated.
[2]Data presented by either fiscal year or calendar year based on availability of information.
[3]Data represents estimates from budgetary documents and is not adjusted to actuals.
[4]Data represents annual averages of monthly estimates from Department of Labor and Employment statistical information and is not adjusted to actuals
Source: JBC Budget in Brief and Various State Agencies' Self-Reported Statistical Information.

2016	2015	2014	2013	2012
815	719	638	634	626
72,483	72,369	70,823	68,898	67,871
$7,413.7	$7,683.2	$7,047.8	$7,106.9	$6,546.6
813,639	789,643	750,306	729,328	705,205
3.2	3.9	5.0	6.9	7.9
2,803,436	2,719,500	2,662,404	2,577,556	2,539,941
1,853	1,836	1,824	1,823	1,806
905,018	899,112	889,006	876,999	863,561
545	545	486	489	501
266	272	288	305	302
216,970	231,188	289,965	247,696	238,766
430,398	446,255	493,341	505,234	541,439
9,912	9,912	9,620	9,597	9,116
10,269	10,269	10,506	10,506	10,657
20,179	20,678	20,478	20,551	22,009
145,181	140,943	138,661	124,654	137,546
30,542	29,572	28,292	26,600	22,324
52,600	52,300	50,350	47,916	45,300
3,725	4,333	4,300	5,100	4,800
12,300,000	11,699,543	11,556,388	12,461,261	12,651,919
312	294	289	277	281
1,289,795	1,003,612	809,452	687,473	613,148
Not available	63,646	65,208	65,208	66,472
22,984,731	23,018,184	23,018,184	23,021,500	23,023,800
3,427	3,439	3,443	3,438	3,447
145,769	150,073	155,748	159,206	160,944
30,869	29,305	28,580	27,536	26,934
469,274	553,258	552,303	636,977	585,724
152,658	157,161	199,007	228,634	302,418
87,433,955	89,637,387	89,961,317	94,109,256	99,988,581
27,422,320	29,837,628	33,809,181	32,561,865	33,276,914
47,427,269	29,581,783	35,134,907	67,690,312	64,285,665
29,682,863	50,521,072	56,956,625	47,690,502	65,916,303
1,600,000	2,300,000	2,300,000	2,315,000	2,333,000

.

AVERAGE COUNT OF STATE EMPLOYEES BY FUNCTION
AND AVERAGE MONTHLY EMPLOYEE SALARY
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government	3,486	3,437	3,340	3,320	3,238	3,102	3,005	3,092	2,958	3,042
Business, Community, and Consumer Affairs	2,859	2,696	2,723	2,741	2,756	2,451	2,441	2,482	2,420	2,404
Education	47,046	48,469	47,297	45,884	43,762	42,494	42,767	41,501	40,218	39,097
Health and Rehabilitation	4,376	4,232	4,117	4,147	4,122	4,023	4,007	3,990	3,931	3,953
Justice	14,576	14,601	14,380	14,192	14,076	13,974	13,760	13,416	13,123	13,149
Natural Resources	1,650	1,678	1,626	1,611	1,619	1,623	1,599	1,579	1,586	1,597
Social Assistance	1,871	1,794	1,711	1,672	1,661	1,810	1,766	1,731	1,633	1,605
Transportation	3,126	3,067	3,019	3,011	3,018	3,006	3,024	3,032	3,029	3,024
TOTAL AVERAGE EMPLOYMENT	78,990	79,974	78,213	76,578	74,252	72,483	72,369	70,823	68,898	67,871
TOTAL CLASSIFIED	30,586	30,777	30,999	31,133	31,159	31,102	31,246	31,284	31,504	32,449
AVERAGE MONTHLY SALARY	$ 5,056	$ 5,049	$ 4,826	$ 4,650	$ 4,554	$ 4,539	$ 4,502	$ 4,391	$ 4,283	$ 4,314
TOTAL NON-CLASSIFIED	48,404	49,197	47,214	45,445	43,093	41,381	41,123	39,539	37,394	35,422
AVERAGE MONTHLY SALARY	$ 7,466	$ 7,384	$ 7,181	$ 6,980	$ 6,872	$ 6,691	$ 6,306	$ 6,140	$ 5,953	$ 5,840

- Classified employees are those holding positions within the State Personnel System. Non-classified employees are excluded from the State Personnel System and are not subject to the rule-making authority of the State Personnel Director. Non-classified positions are found primarily in the Judicial Branch, the Legislative Branch, the Governor’s cabinet and office staff, the Department of Law, the Department of Education, and as administrators and faculty in the Department of Higher Education.

- For each State agency, the average salary for full-time employees was divided into the part-time employee payroll amount to determine the average employee count. Average salary was computed as total classified or nonclassified salary divided by related average employee count.

COLORADO STATE HIGHWAY SYSTEM
CENTERLINE AND LANE MILES
LAST TEN FISCAL YEARS

Mileage Type	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
CenterLine Miles[1]										
Urban	1,500	1,500	1,502	1,510	1,510	1,523	1,523	1,385	1,385	1,385
Rural	7,574	7,575	7,575	7,578	7,578	7,580	7,580	7,718	7,720	7,720
TOTAL CENTERLINE MILES	9,074	9,075	9,077	9,088	9,088	9,103	9,103	9,103	9,105	9,105
Percent Change	0.0%	0.0%	-0.1%	0.0%	-0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Lane Miles[2]										
Urban	5,860	5,803	5,789	5,808	5,742	5,771	5,771	5,326	5,330	5,330
Rural	17,250	17,251	17,237	17,245	17,242	17,247	17,247	17,688	17,694	17,693
TOTAL LANE MILES	23,110	23,054	23,026	23,053	22,984	23,018	23,018	23,014	23,024	23,023
Percent Change	0.2%	0.1%	-0.1%	0.3%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.2%
Roadways[3]										
Percent Rated Good/Fair			80	79	79	79	79	79	47	48
Percent Rated Poor			20	21	21	21	21	21	53	52
TOTAL PERCENTAGE	0	0	100	100	100	100	100	100	100	100

[1]Centerline miles measure roadway miles without accounting for the number of lanes.
[2]Lane miles measure the total distance of all roadway lanes, and are therfore a better indicator of actual maintentance requirements.
[3]In 2013 CDOT changed the overall metric by which pavement condition is measured. The new measure is based on Driveability Life, which identifies how long a pavement will last until the user experience becomes unacceptable.
Source: Department of Transportation

COLORADO STATE-OWNED BRIDGES
BY FUNCTIONAL CLASSIFICATION
LAST TEN FISCAL YEARS

Functional Classification	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Principal Arterial[1]	1,404	1,408	1,404	1,387	1,390	1,372	1,377	1,114	1,294	1,303
Other Principal Arterial	926	927	925	932	931	930	930	1,199	793	791
Minor Arterial	673	669	668	670	670	666	667	667	747	749
Collector	375	375	377	383	387	383	390	391	443	442
Local	88	88	88	79	77	76	75	72	161	162
TOTAL BRIDGES	3,466	3,467	3,462	3,451	3,455	3,427	3,439	3,443	3,438	3,447
Percent Change	0.0%	0.1%	0.3%	-0.1%	0.8%	-0.3%	-0.1%	0.1%	-0.3%	0.0%
Percent Rated Poor[2]	6.27	6.27	6.32	4.42	4.90	5.60	5.60	5.70	5.90	3.60

[1]Includes Interstate, Expressways, and Freeways.
[2]In 2013 CDOT changed the overall metric for assessing bridges due to Public Law 112-141. The focus is now on Structurally Deficient bridges.

Source: Department of Transportation

BUILDING SQUARE FOOTAGE
OWNED BY THE PRIMARY GOVERNMENT
BY FUNCTIONS/PROGRAMS

Last Ten Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
GOVERNMENTAL ACTIVITIES:										
General Government	4,184,192	4,221,513	3,732,465	3,975,641	4,110,351	4,091,577	3,630,949	3,898,443	3,449,893	3,197,325
Business, Community, and Consumer Affairs[1]	1,264,162	1,277,114	1,278,223	1,253,288	1,253,288	1,117,563	1,260,223	1,462,694	1,091,423	980,198
Education	322,302	322,484	322,484	322,484	322,484	322,484	322,484	327,394	327,394	327,394
Health and Rehabilitation	1,472,328	1,453,385	1,463,209	1,463,209	1,463,129	1,443,140	1,439,483	1,371,986	1,407,882	1,522,278
Justice	8,871,568	8,815,718	8,880,526	8,852,530	8,763,302	8,743,419	8,633,069	8,797,346	8,170,861	8,428,687
Natural Resources	812,177	865,529	915,362	788,919	775,567	754,116	677,422	454,150	457,366	321,373
Social Assistance	1,802,173	1,799,516	1,833,377	1,834,497	1,834,815	1,828,335	1,821,873	1,794,333	1,791,521	1,787,266
Transportation	3,699,793	3,681,410	4,445,286	4,057,721	3,450,675	3,652,382	3,589,835	3,373,967	3,362,781	3,278,758
BUSINESS-TYPE ACTIVITIES:										
Higher Education	57,627,649	56,459,587	56,142,470	55,616,419	55,858,696	54,075,080	52,070,593	50,215,173	49,016,072	48,013,242
Parks and Wildlife	1,932,631	1,998,305	1,926,202	2,887,423	2,811,609	2,811,609	2,811,609	2,811,609	2,811,609	2,811,609
TOTAL	81,988,974	80,894,561	80,939,604	81,052,131	80,643,916	78,839,705	76,257,540	74,507,095	71,886,802	70,668,130

Source: Colorado Office of the State Architect
[1] - Building information for Unemployment Insurance (a business-type activity) cannot be segregated from the Colorado Department of Labor and Employment which is included in Business, Community, and Consumer Affairs.

BUILDING SQUARE FOOTAGE
LEASED BY THE PRIMARY GOVERNMENT
BY FUNCTIONS/PROGRAMS

Last Ten Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
GOVERNMENTAL ACTIVITIES:										
General Government	125,391	164,104	162,801	175,427	153,470	153,470	161,533	169,970	200,900	226,201
Business, Community, and Consumer Affairs[1]	612,312	612,459	632,311	635,899	640,803	623,742	597,583	604,185	597,182	575,591
Education	54,037	54,037	56,831	54,765	58,819	53,827	51,749	47,926	47,645	39,804
Health and Rehabilitation	500,208	508,207	478,241	470,748	477,717	473,440	498,721	475,010	473,230	465,649
Justice	670,604	617,670	567,155	473,032	525,493	453,320	343,665	412,286	310,551	321,920
Natural Resources	83,037	80,107	77,831	79,055	78,909	74,016	75,134	91,162	78,937	73,375
Social Assistance	103,706	103,706	103,706	96,465	99,256	99,256	110,867	74,451	61,001	51,404
BUSINESS-TYPE ACTIVITIES:										
Higher Education	1,560,761	1,506,511	1,506,925	1,436,583	1,404,972	1,309,490	1,303,315	1,613,516	1,530,285	1,536,160
CollegeInvest	9,126	9,126	9,126	9,126	9,164	9,597	9,642	11,397	11,397	7,517
Lottery	67,560	67,327	67,327	67,327	67,327	67,327	71,104	71,104	71,104	74,104
Parks and Wildlife	19,415	22,969	23,635	70,058	83,036	76,448	76,448	76,448	76,448	79,112
College Assist	9,126	9,126	9,126	9,126	9,396	10,164	10,246	8,825	8,825	8,825
TOTAL	3,815,283	3,755,349	3,695,015	3,577,611	3,608,362	3,404,097	3,310,007	3,656,280	3,467,505	3,459,662

Source: Colorado Office of the State Architect
[1] - Building information for Unemployment Insurance (a business-type activity) cannot be segregated from the Colorado Department of Labor and Employment which is included in Business, Community, and Consumer Affairs.

OTHER COLORADO FACTS

Important Dates

1803 The United States purchases land, including what is now most of eastern Colorado, from France in the Louisiana Purchase.

1806 Lt. Zebulon M. Pike and a small party of U.S. soldiers sent to explore the southwestern boundary of the Louisiana Purchase discover the peak that bears his name but fail in their effort to climb it. However, they do reach the headwaters of the Arkansas River near Leadville.

1848 By the Treaty of Guadalupe Hidalgo, Mexico cedes to the United States most of that part of Colorado not acquired by the Louisiana Purchase.

1858 Gold is discovered along Cherry Creek near present day Denver.

1861 Congress establishes the Colorado Territory with the boundaries of the present State and chooses its name from the Spanish word for "colored red." President Lincoln appoints William Gilpin as the first territorial governor. The State Supreme Court is organized. The first assembly meets and creates 17 counties, authorizes the University of Colorado, and selects Colorado City as the territorial capital.

1867 Denver is established as the permanent seat of the territorial government by the legislature meeting in Golden.

1870 The Denver Pacific Railroad is completed to Denver.

1876 Colorado is admitted to the Union as the 38th state. John L. Routt is elected the first governor.

1877 The University of Colorado opens classes at Boulder with two teachers and forty-four students.

1894 The State Capitol Building, designed by Elijah E. Meyers, is completed at a cost of $2.5 million. Colorado becomes the second state, after Wyoming, to extend suffrage to women.

1906 The U.S. Mint at Denver issues its first coins.

1958 The U.S. Air Force Academy's permanent campus opens near Colorado Springs.

1992 TABOR amendment is added to the State Constitution.

Geography

Area: 103,718 square miles.

Highest Elevation: Mt Elbert – 14,433 feet above sea level.

Lowest Elevation: Along the Arikaree River in Yuma County – 3,315 feet above sea level.

Colorado has the highest average elevation of all fifty states – 6,800 feet above sea level.

State Symbols and Emblems

State Motto – Nil Sine Numine –
Nothing Without the Deity

State Nickname – Centennial State

State Animal – Rocky Mountain Bighorn Sheep

State Bird – Lark Bunting

State Fish – Greenback Cutthroat Trout

State Flower – White and Lavender Columbine

State Folk Dance – Square Dance

State Fossil – Stegosaurus

State Pet – Shelter and Rescue Dog and Cat

State Songs – "Where the Columbines Grow" and
"Rocky Mountain High"

State Gemstone – Aquamarine

State Grass – Blue Grama Grass

State Insect – Colorado Hairstreak Butterfly

State Mineral – Rhodochrosite

State Reptile – Western Painted Turtle

State Amphibian – Western Tiger Salamander

State Rock – Yule Marble

State Tree – Colorado Blue Spruce

State Cactus – Claret Cup

COLORADO

Office of the State Controller

Department of Personnel & Administration