



Colorado Economic and Fiscal Outlook

Mark Ferrandino – Director

Bryce Cooke – Deputy Director

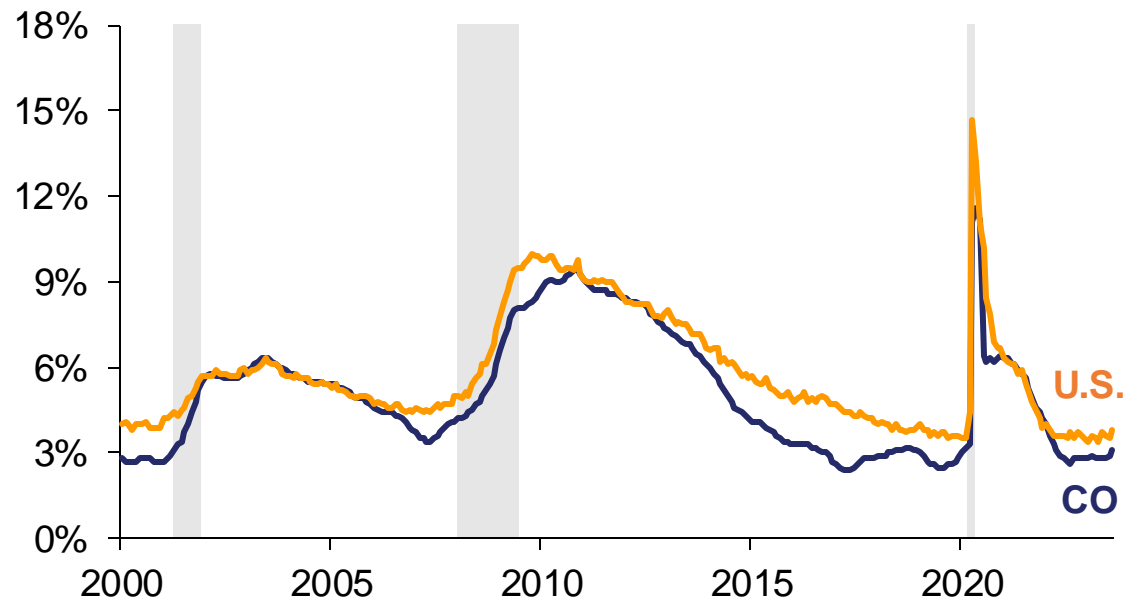
Alex Carlson – Long Range Financial Planning Manager

September 20, 2023

Consumer demand continues to outpace expectations, providing boost to economic growth and supporting labor market strength

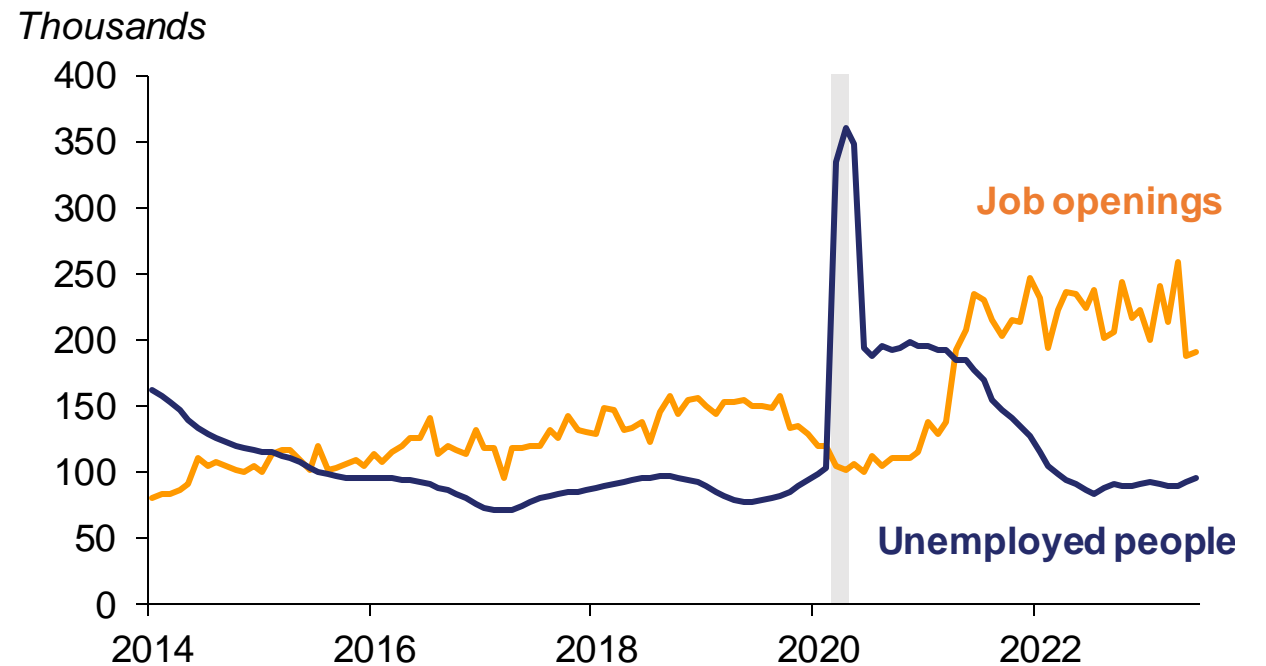
Unemployment remains low while labor demand outpaces labor supply

Colorado Unemployment Consistently Lower than U.S.



Note: Shaded areas denote recession.
Source: Bureau of Labor Statistics

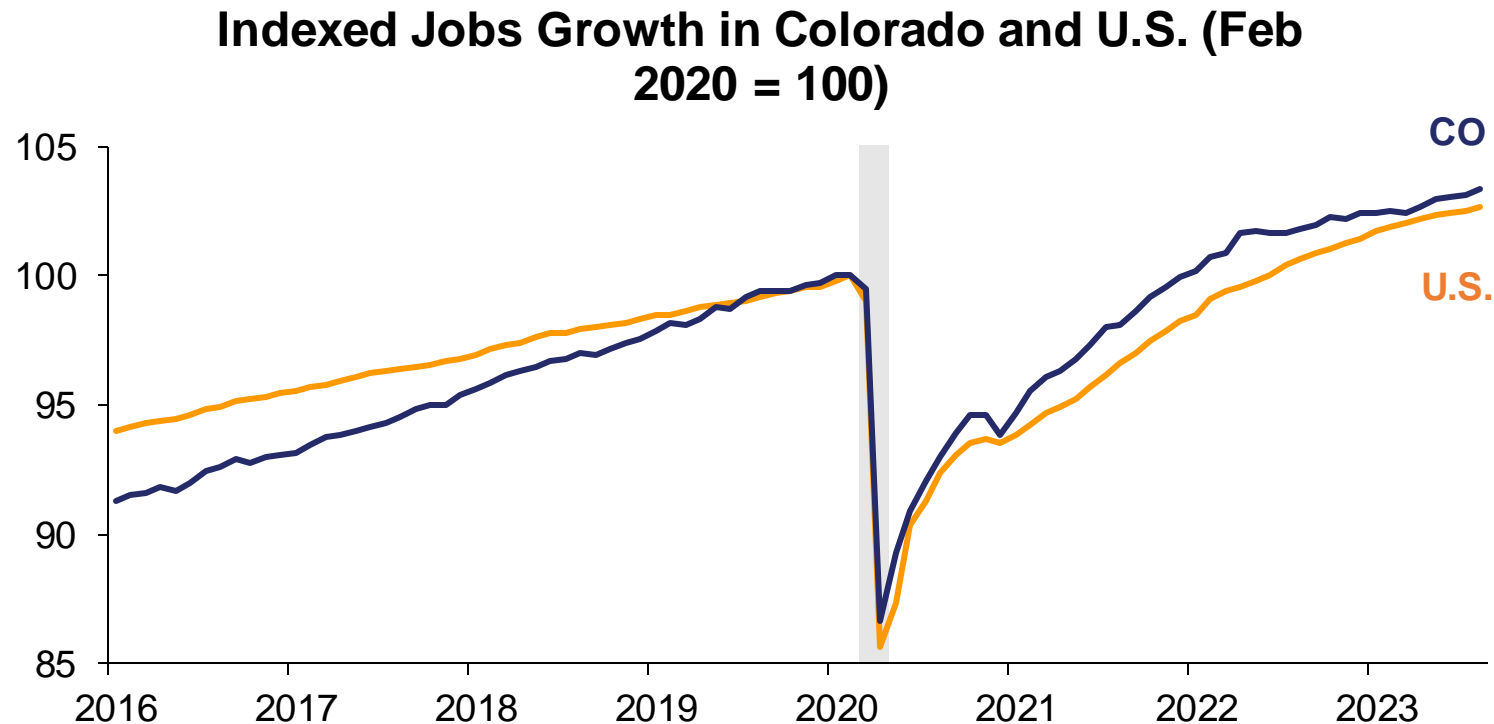
Colorado Has More Jobs than Job Seekers



Note: Shaded areas denote recession.
Source: Bureau of Labor Statistics, JOLTS



Jobs growth in Colorado slower than the U.S., due to earlier local labor market recovery and lack of new labor supply

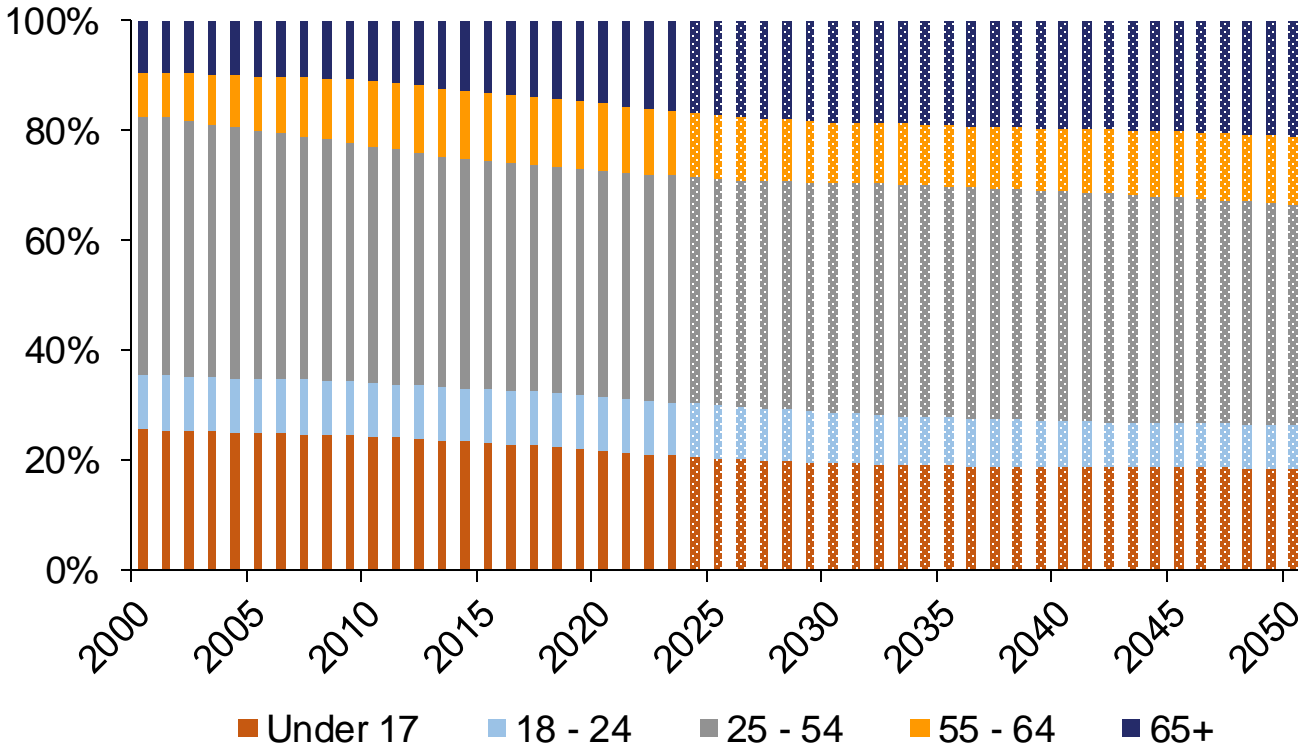


Note: Shaded areas denote recession.
Source: Bureau of Labor Statistics

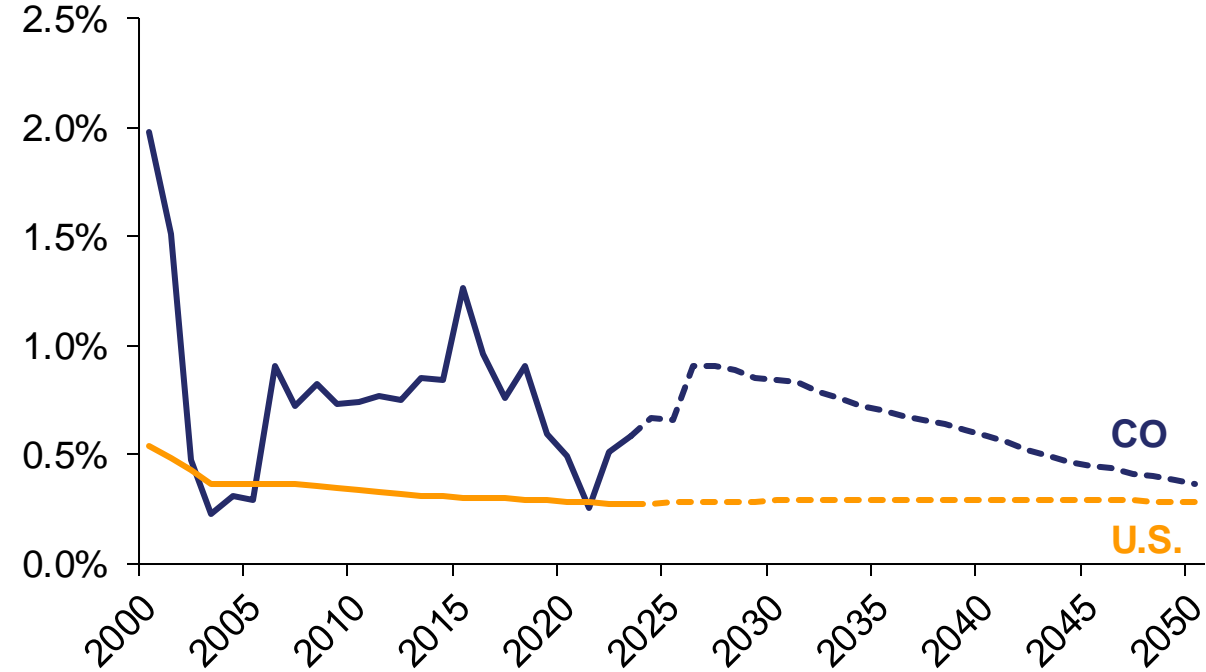


Pace of migration slows, alongside an aging population

Age Groups as a Percentage of Total State Population



Colorado Net Migration Rate



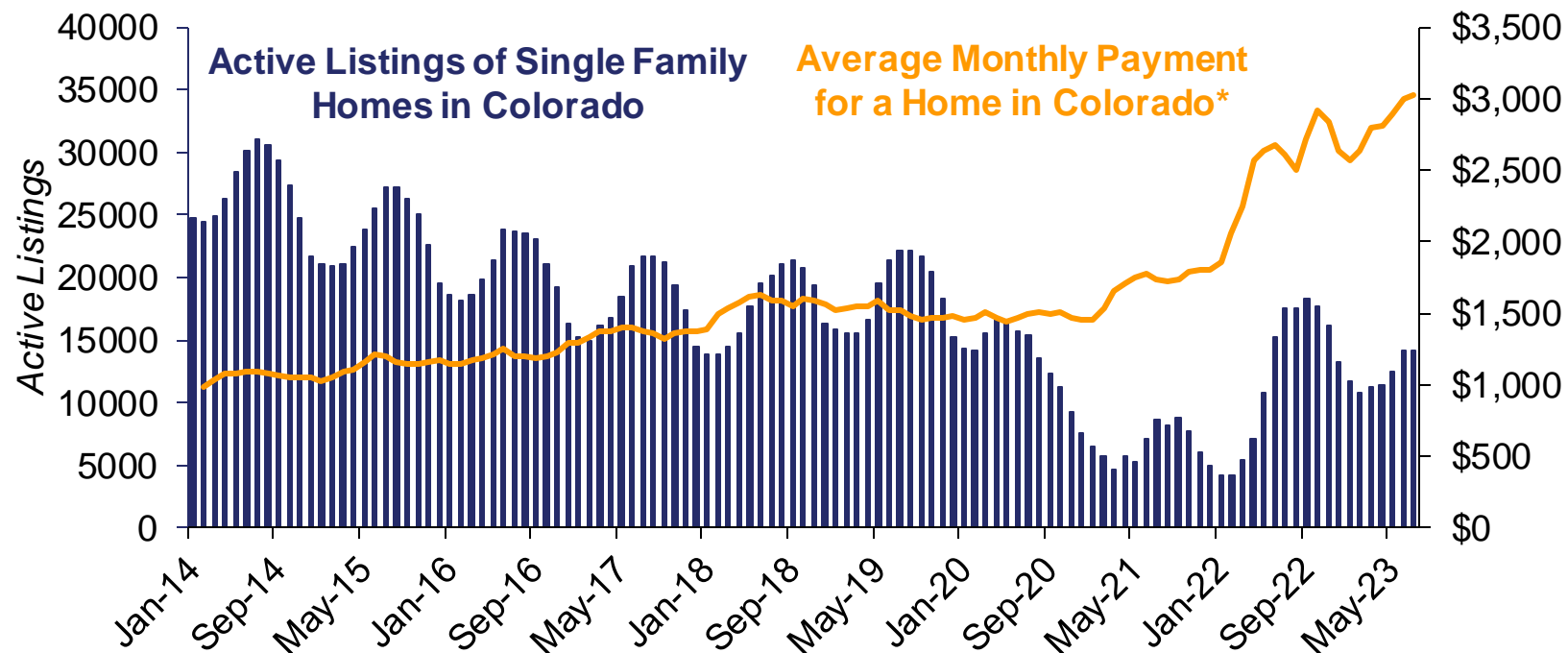
Source: Colorado Department of Local Affairs (DOLA); United Nations World Population Prospects.
Note: Dotted line indicates forecast.



Source: Colorado Department of Local Affairs, State Demographer's Office.
Note: Shading indicates forecast.

Lack of affordable housing limits new additions to the workforce

Average Monthly Payment vs. CO Single Family Homes Active Listings



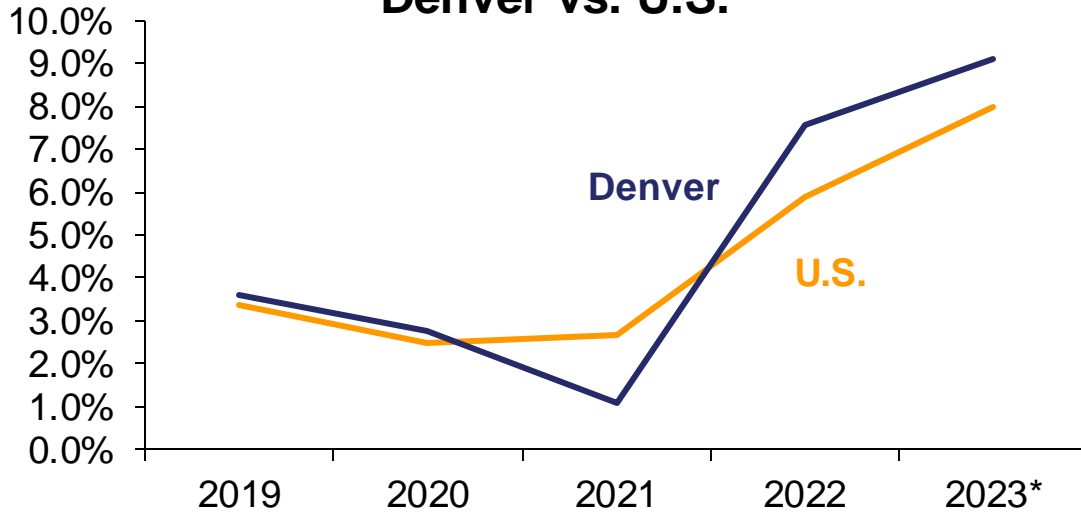
Source: US Census Bureau and Author's Calculations

*Assuming 20% Down Payment and 30-Year Fixed Rate Mortgage



Local inflation driven by shelter, services price growth

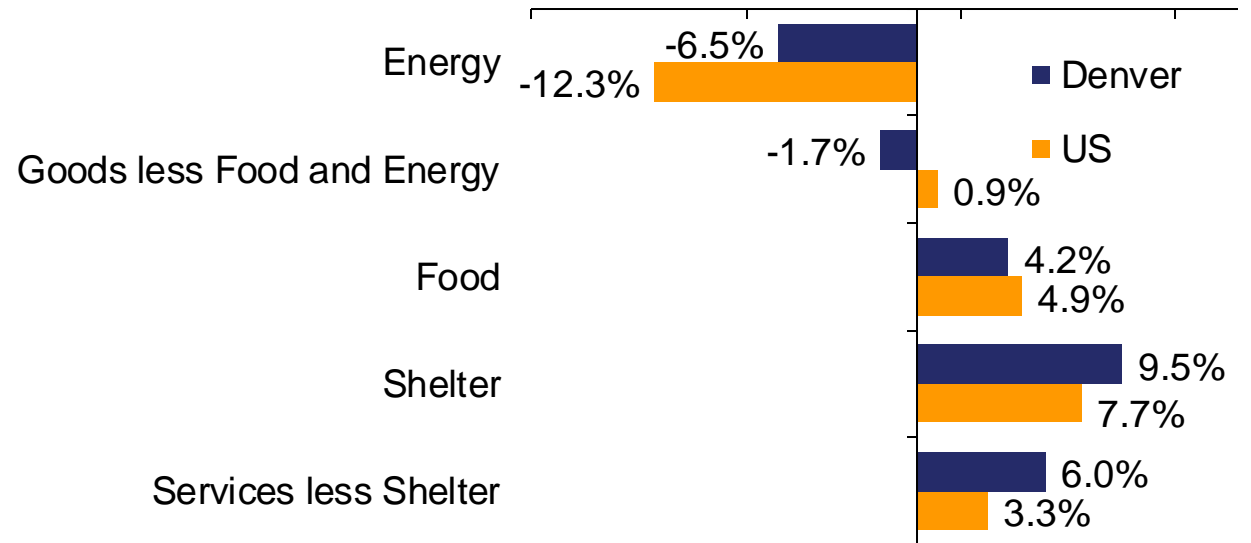
**Yearly Shelter Inflation
Denver vs. U.S.**



Source: Bureau of Labor Statistics.

*Includes data through July for 2023 as compared to data through July for 2022

**YoY Inflation by Major Component
July 2023, Denver vs. U.S.**

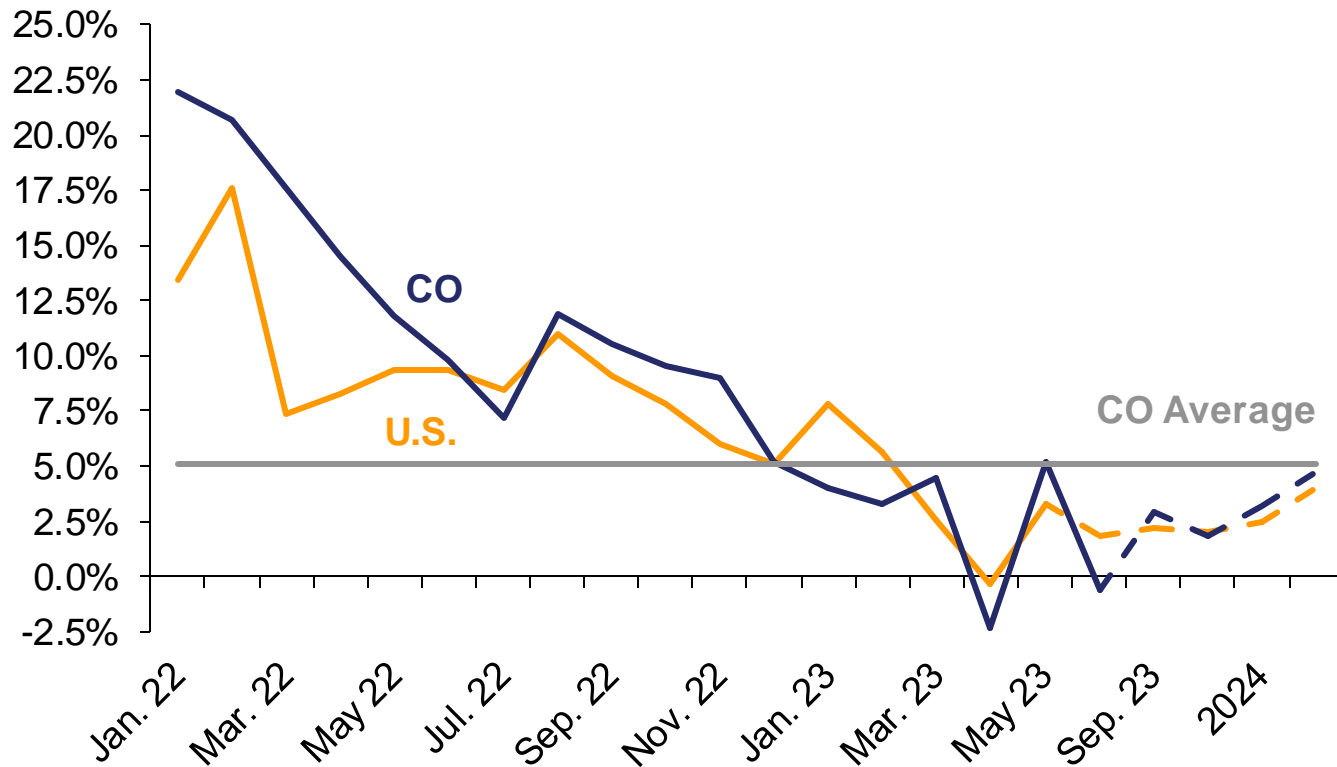


Source: Bureau of Labor Statistics; Author's Calculations



Retail sales at both national and state level continue to slow, maintain pockets of strength

U.S. and Colorado Retail Sales Growth



- Retail sales at both national and state level continue to slow from recent elevated growth rates
- Year-to-date U.S. retail sales (through August) at 3.0% annual growth. Colorado YTD growth at 2.3% (through June).
- Decreased deposits and high credit card default rates could indicate that consumers are borrowing to maintain spending levels, resulting in continued consumer resilience.

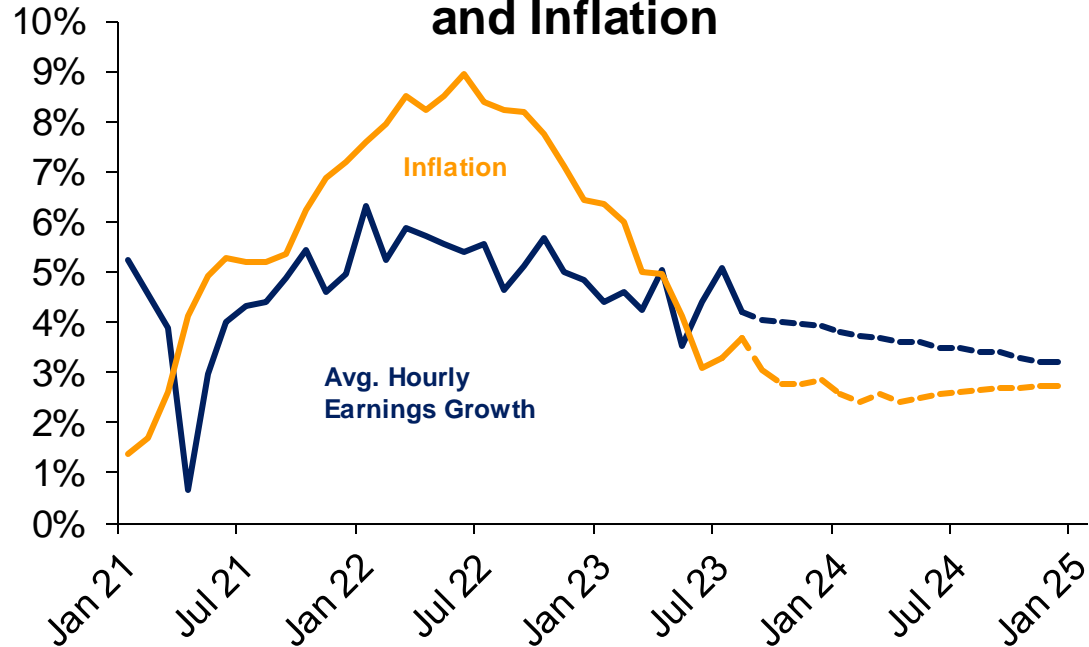
Note: Chart depicts non-seasonally adjusted year-over-year growth on a monthly basis. Dotted line indicates forecast.

Source: U.S. Census Bureau, Colorado Department of Revenue, OSPB
September 2023 Forecast



Consumer spending driven by real wage growth, high earners, and low savings rate

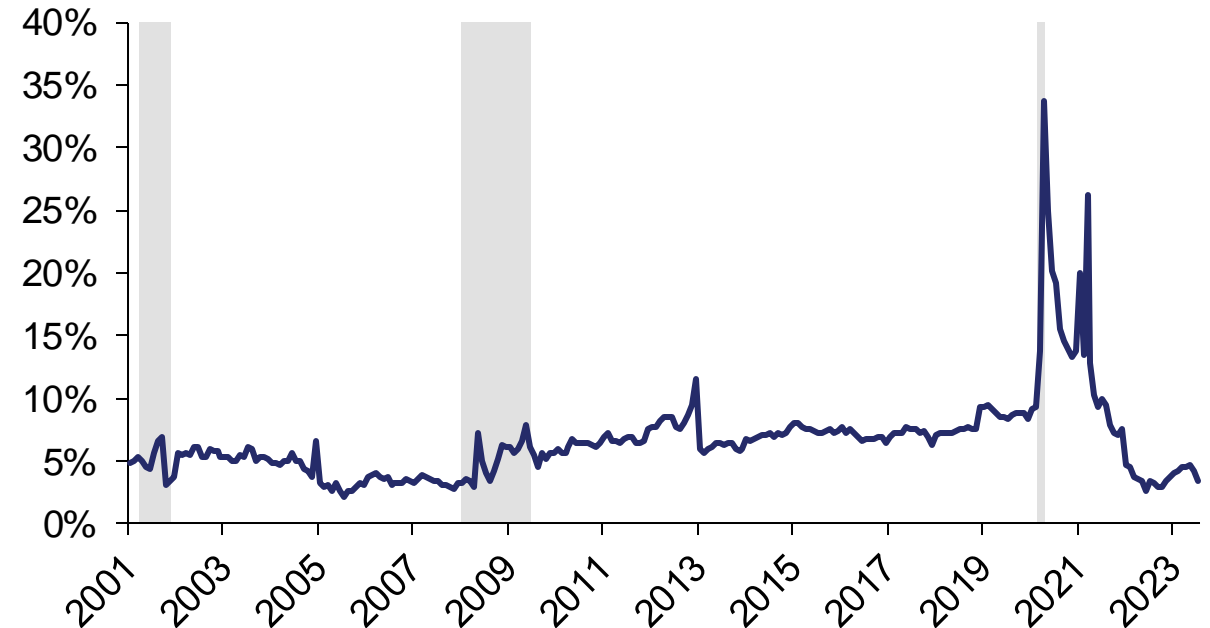
U.S. Average Hourly Earnings Growth and Inflation



Note: Dotted line indicates forecast.

Source: Bureau of Labor Statistics, Bureau of Economic Analysis

U.S. Savings Rate



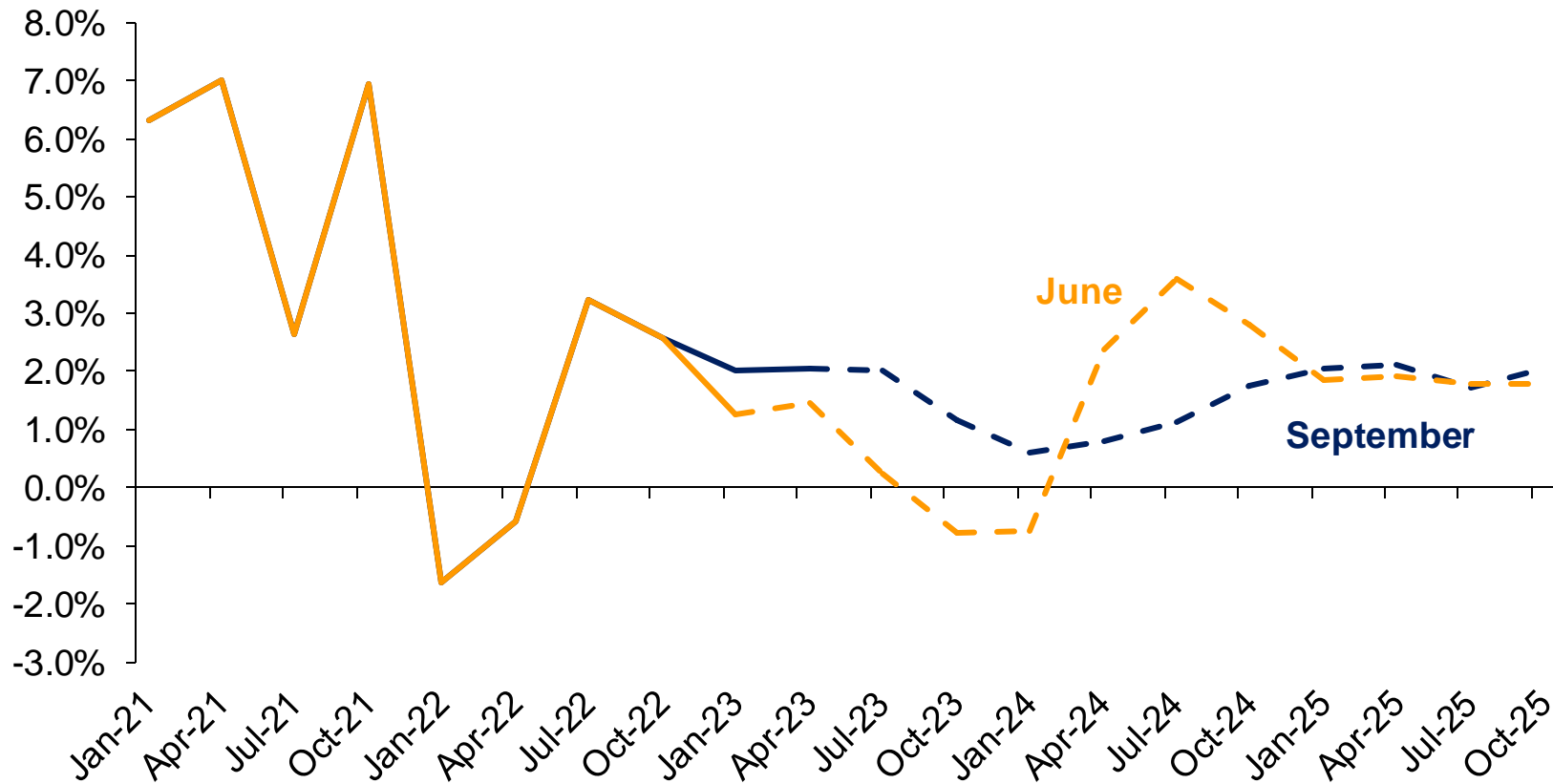
Note: Shaded areas denote recession

Source: Bureau of Economic Analysis



U.S. GDP revised up on the strength of the consumer, stabilization of investments

September GDP Projections Compared to the June Forecast



	Current Forecast	Previous Forecast	Change
2023	2.1%	1.4%	0.7%
2024	1.1%	0.8%	0.3%

External Forecaster Range*:

2023: 1.9% to 2.2%

2024: 0.5% to 1.3%

**includes the Philadelphia Fed, Moody's, Wells Fargo, and the Conference Board*



Recession risk lowered from 45% to 33%

Upside risks:

- Services inflation slows despite continued stronger than historical wage growth, while shelter rent inflation resettles more quickly than anticipated
- Labor demand remains stronger than expected in the face of slowing consumer spending
- Delinquency rates remain low

Downside risks:

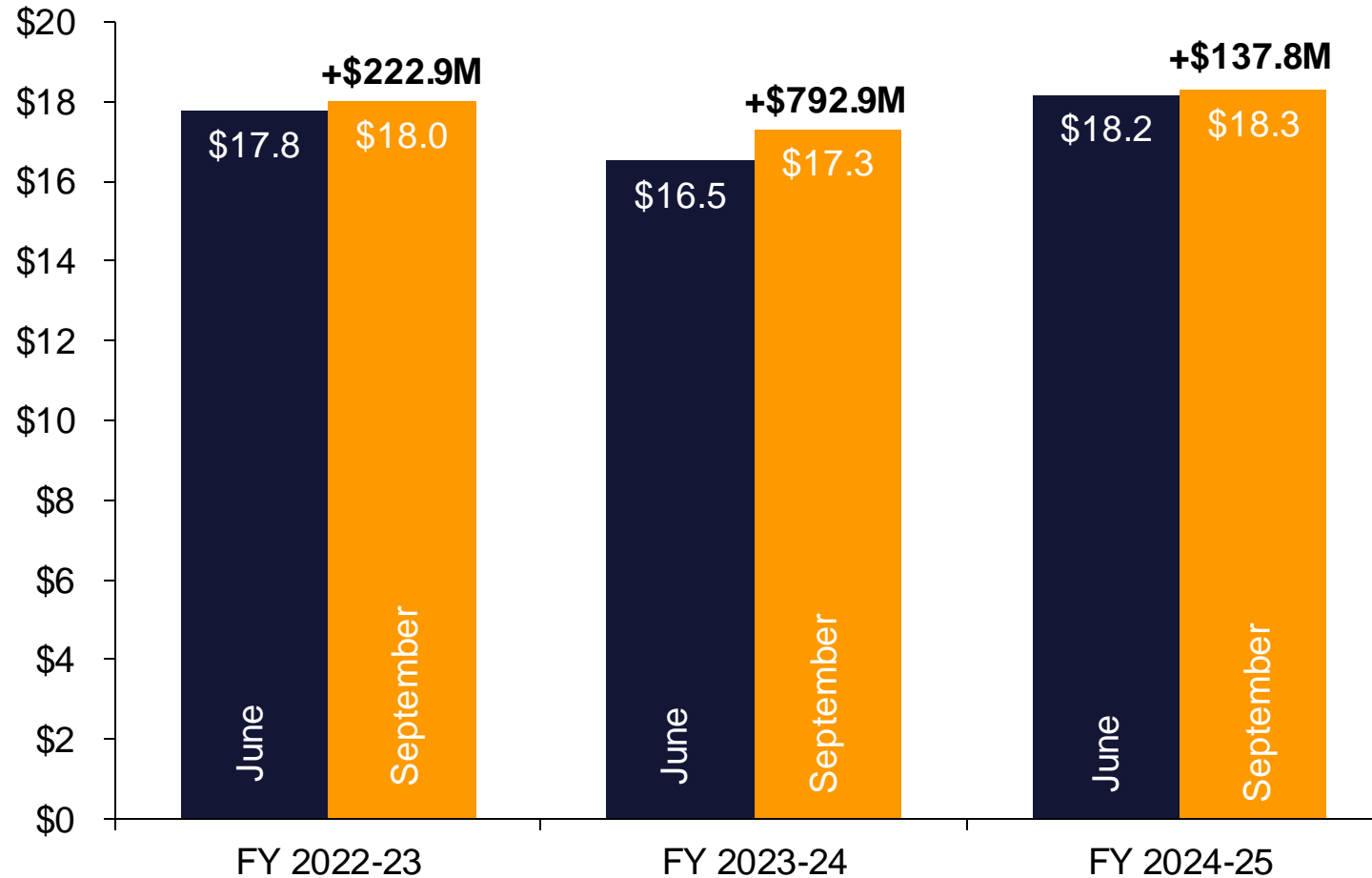
- Unexpected acceleration in the tightening of lending conditions
- Debt to disposable income ratios may limit future consumption more than expected
- Geopolitical risks
- Federal government shutdown



General funds, cash funds, and TABOR refunds are all revised up on better economic conditions than expected, particularly as increased consumption benefits corporate profits, which in turn supports increased jobs and wage growth

General Fund revenue revised up across the forecast period

Changes in General Fund Revenue Forecast

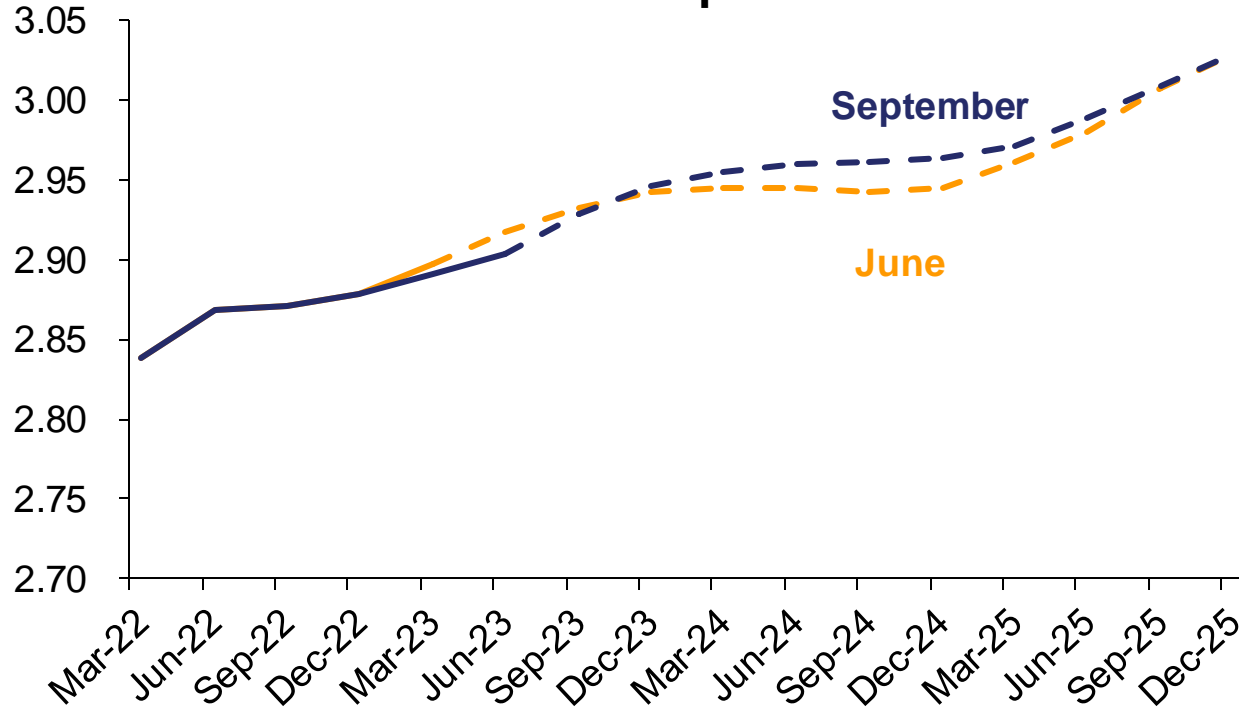


Source: OSPB Forecast



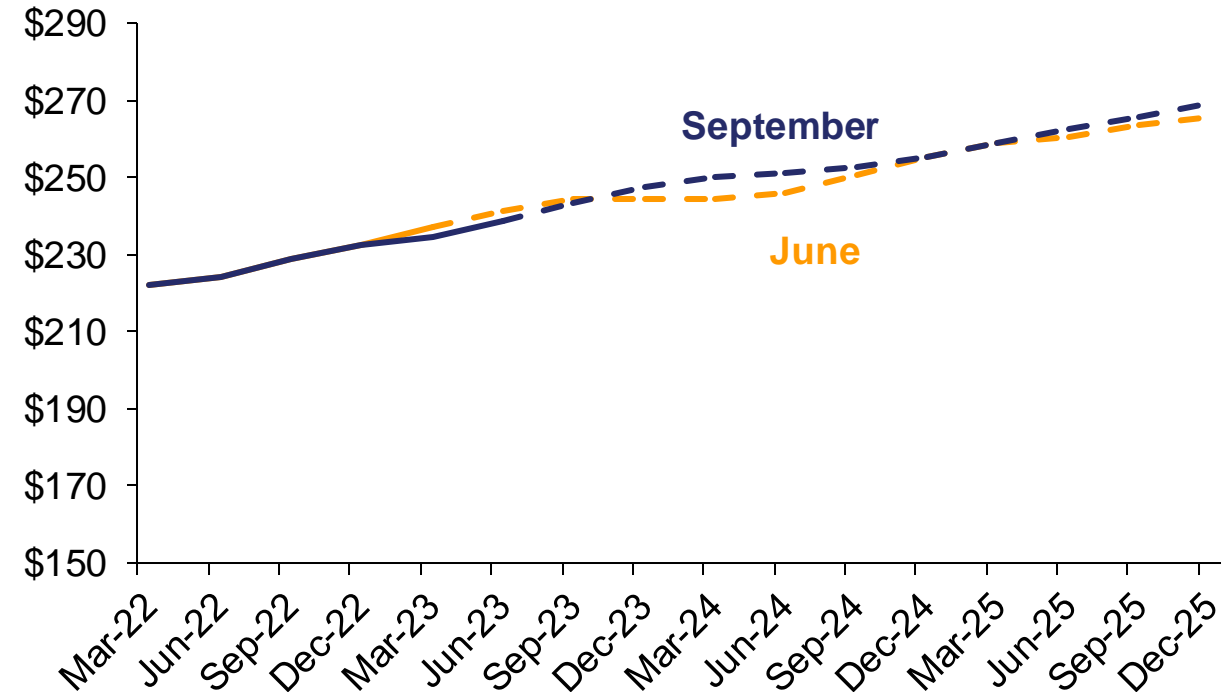
Colorado expected jobs growth in 2024 pushes aggregate wages higher

CO Jobs Comparison



Source: Bureau of Labor Statistics, OSPB Forecast

CO Wages Comparison

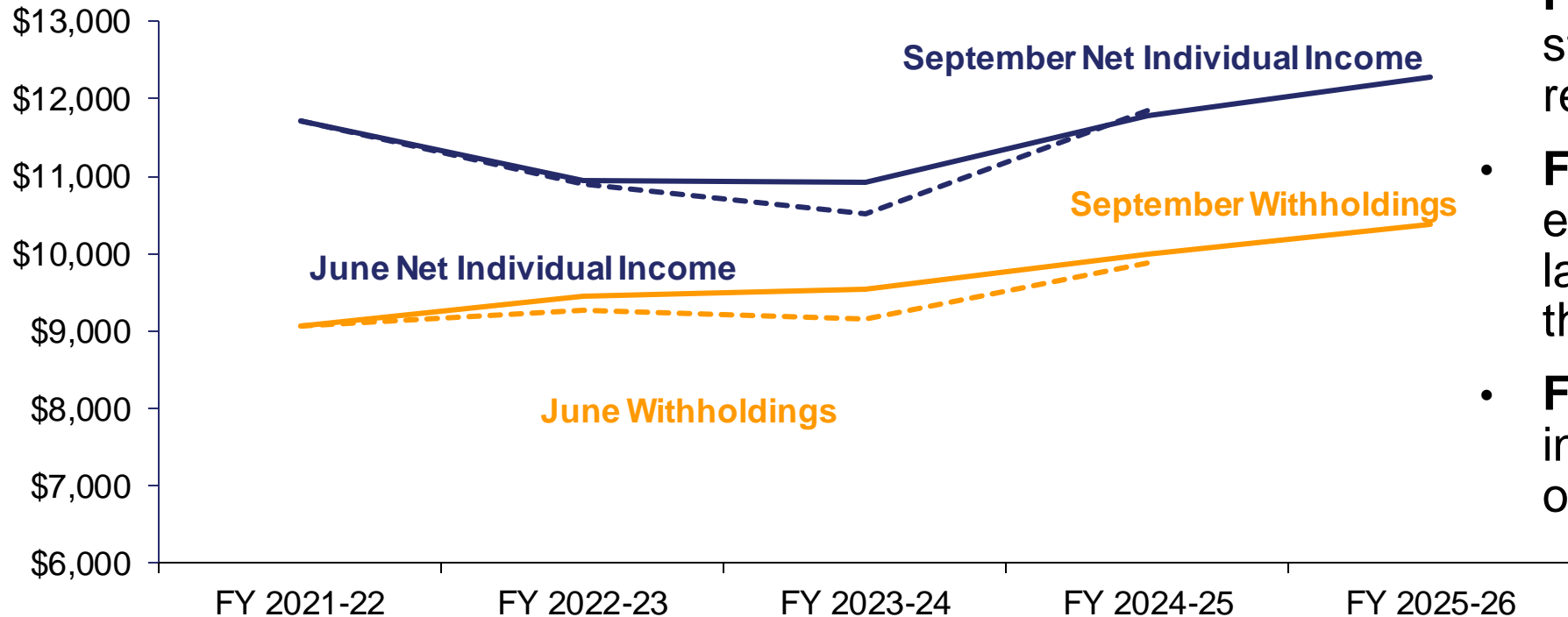


Source: Bureau of Economic Analysis, OSPB Forecast



Individual income forecast revised up, largely on withholdings growth

Withholdings revised up, driving up overall individual income revenue



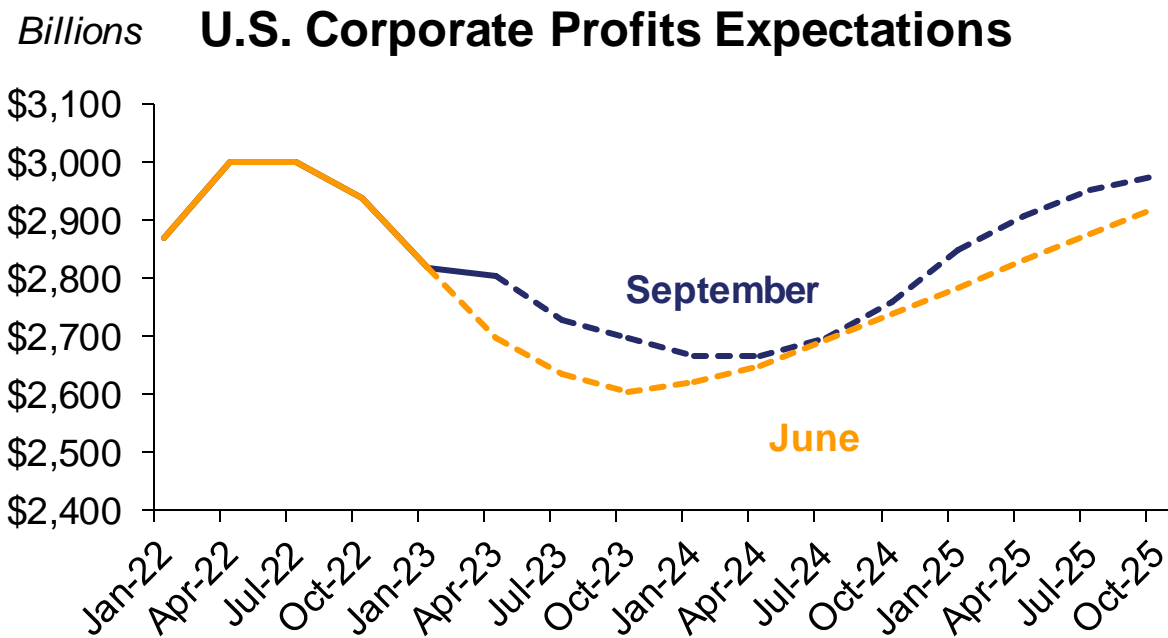
Source: Colorado Department of Revenue, OSPB Forecast

Change from June:

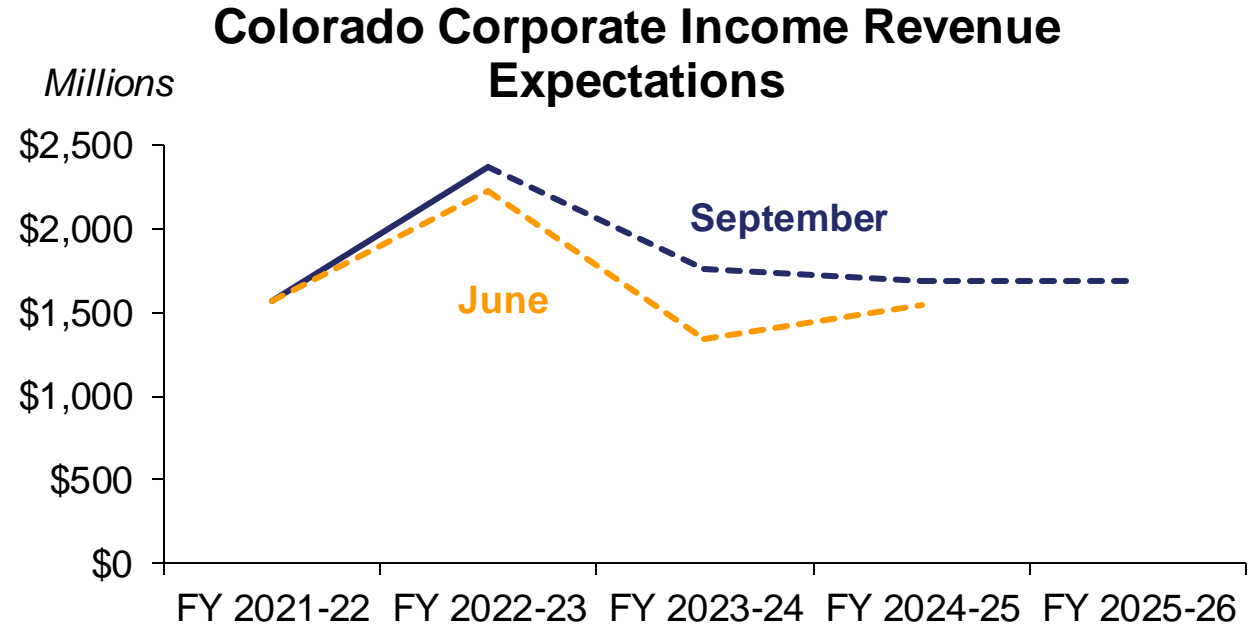
- **FY23: +\$58.2M** on stronger withholdings revenue collected
- **FY24: +\$411.6M** due to expected strength in the labor market relative to the previous forecast
- **FY25: -\$69.5** due to increased collections offset by larger refunds



Corporate Profits slowdown is shallower, leading to more stable revenue from C-corps



Source: Bureau of Economic Analysis, OSPB Forecast



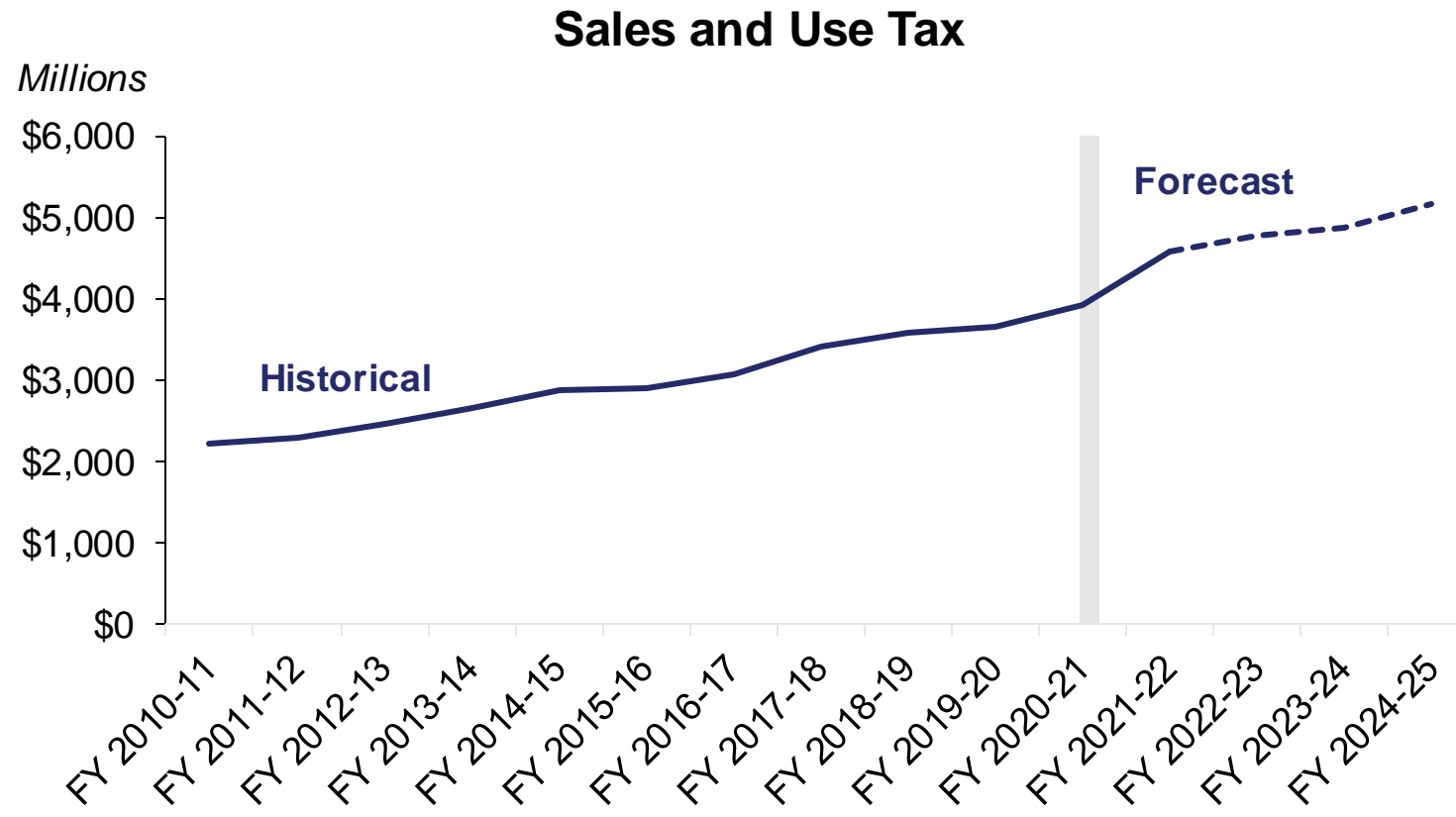
Source: Colorado Department of Revenue, OSPB Forecast

Change from June:

- **FY23: +144.9M** on better profits than previously expected
- **FY24: +\$410.7M** due to expected solid consumption, softer landing
- **FY25: +\$151.3M** due to a slightly less pronounced growth off a higher base



Sales revenue revised up slightly as goods consumption appears to be on more solid ground



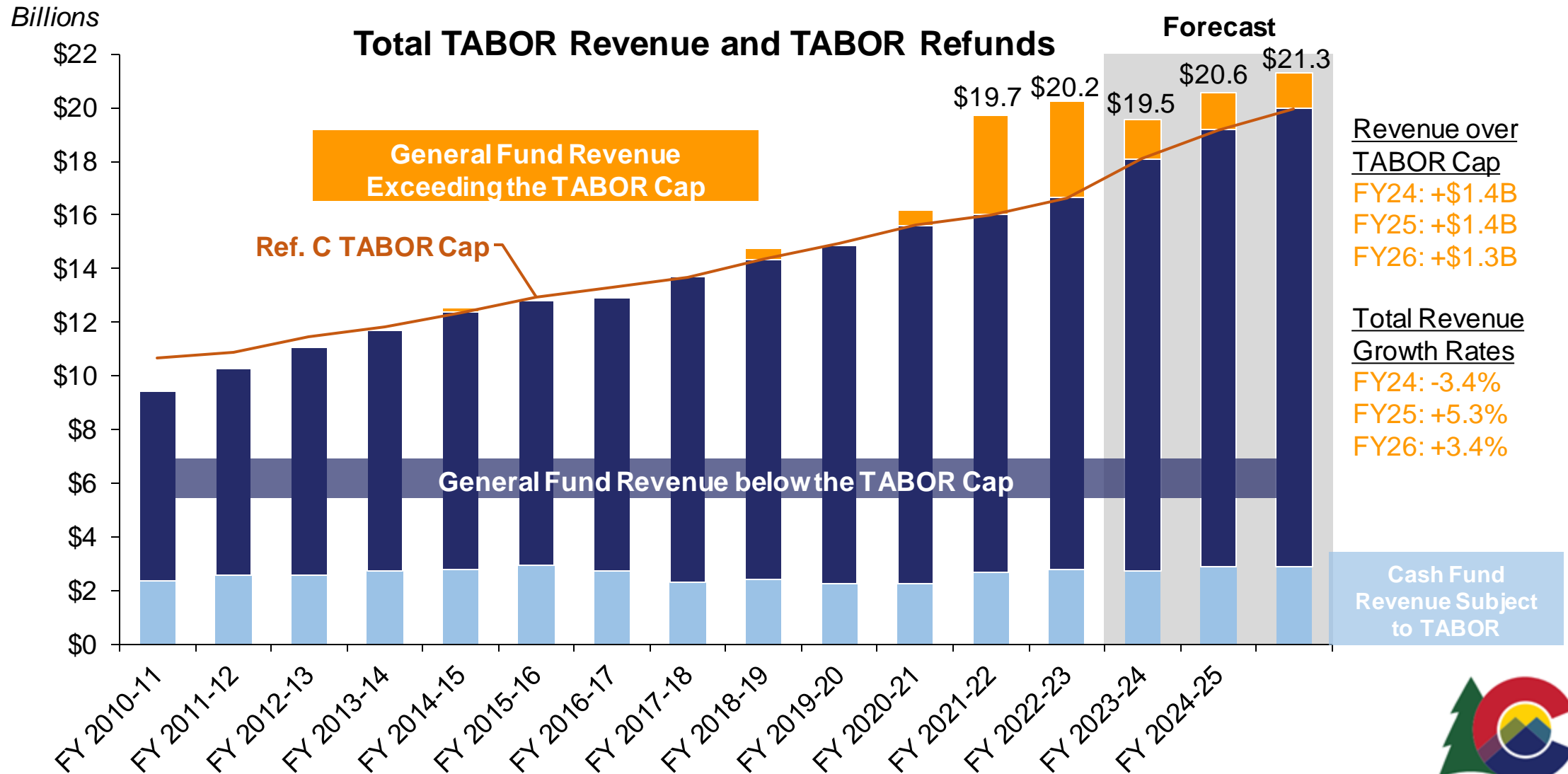
Change from June:

- **FY23: -\$11.5M** on soft actual revenue
- **FY24: +\$13.1M** due to expected solid consumption; uptick by end of FY
- **FY25: +\$6.6M** due to a slightly less pronounced growth off a higher base

Source: Colorado Department of Revenue, OSPB Forecast



TABOR surpluses still expected in all years

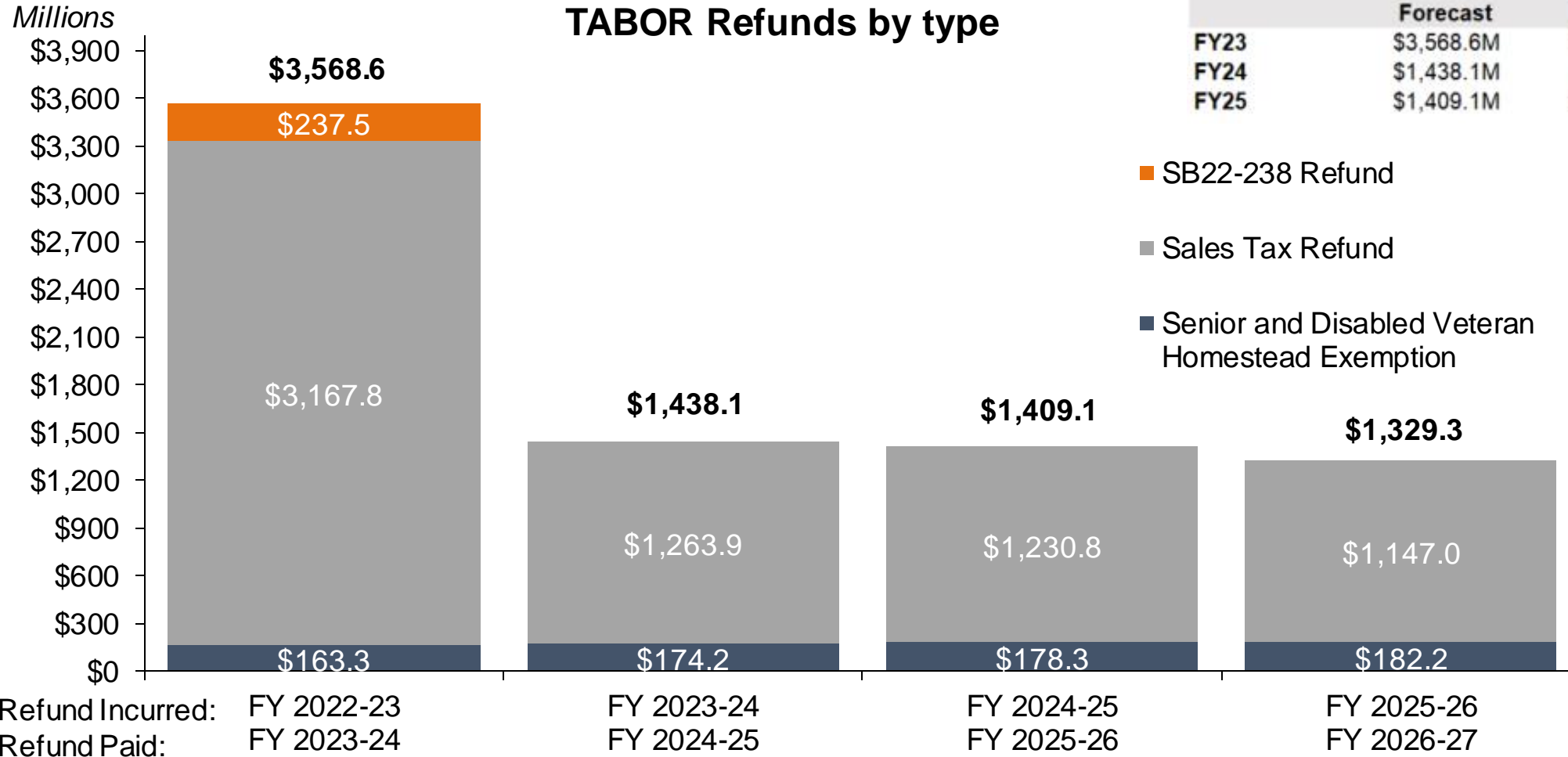


Source: Office of the State Controller, OSPB Forecast



TABOR refunds up over forecast period largely due to income revenue

TABOR Refunds by type



	Current Forecast	Previous Forecast	Change
FY23	\$3,568.6M	\$3,527.0M	\$42.6M
FY24	\$1,438.1M	\$535.9M	\$902.2M
FY25	\$1,409.1M	\$1,300.9M	\$108.2M

- SB22-238 Refund
- Sales Tax Refund
- Senior and Disabled Veteran Homestead Exemption



Source: Office of the State Controller, OSPB Forecast

Long-term planning required for tax expenditures as well as spending growth

Great strides have been made since 2018 in tax expenditure legislation

- There have been at least 64 bills since the 2018 legislative session with enacted tax expenditures totaling an estimated \$580.7 million
- Based on these successes, long lengths of sunsets, and recession risk, it is important to not overextend in future sessions

Bill #	Bill Title	FY 2023-24 revenue impact (in \$M)	Years to sunset
HB21-1312	Insurance Premium Property Sales Saverance Tax	\$145.0	Vary
HB23-1112	Earned Income and Child Tax Credits	\$74.8	2
HB21-1311	Income Tax	\$54.0	Vary
HB23-1272	Tax Policy that Advances Decarbonization	\$52.8	10
HB18-1004	Continue Child Care Contribution Tax Credit	\$33.7	5
HB22-1026	Alternative Transportation Options Tax Credit	\$23.5	10
HB23-1208	Income Tax Credit for Eligible Teachers	\$35.6	4
HB19-1159	Modify Innovative Motor Vehicle Income Tax Credits	\$14.0	5
HB22-1010	Early Childhood Educator Income Tax Credit	\$13.7	5
HB22-1055	Sales Tax Exemption Essential Hygiene Products	\$13.0	Permanent
SB23-011	Minor Driver's Education Requirements	\$11.7	8
2018-2023	All other tax credit bills	\$108.9	Vary
Total		\$580.7	



Changes to balancing from appropriations, transfers, cash funds

Budget Impacts of Forecast Changes (Millions)

June Forecast FY 2023-24 Balance Above Reserve	\$212.8
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Net Changes in September Forecast due to:

(1) Increased cash fund revenue

(2) Changes to appropriations and reserve amount (\$29.1)

(3) Changes to transfers in/out and other expenditures outside the limit

September Forecast FY 2023-24 Balance Above Reserve	\$183.7
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We're back to a normal Colorado budget

- The economy is expected to rebalance and return to normal growth, bringing a return to normal revenue growth
- There is no longer the opportunity to use an influx of Federal funds, as the ARPA rolloff planning stages are underway
- Slowing inflation means slowing TABOR cap growth, constraining the FY25 and future budgets more than FY24
- To ensure long term economic growth, the state must tackle downward pressures on the economy including housing costs, maintaining a competitive workforce, and demographic changes





Questions?

Appendix



FORECAST TABLES & MISC.

Table 1: Colorado Economic Variables – History and Forecast

		Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Actual 2022	Forecast 2023	Forecast 2024	Forecast 2025
Income											
1	Personal Income (Billions) /A	\$289.7	\$309.4	\$331.9	\$356.3	\$378.1	\$410.9	\$433.5	\$457.8	\$477.5	\$502.8
2	Change	1.7%	6.8%	7.3%	7.4%	6.1%	8.7%	5.5%	5.6%	4.3%	5.3%
3	Wage and Salary Income (Billions)	\$151.2	\$160.9	\$170.8	\$183.0	\$187.6	\$205.3	\$227.2	\$241.5	\$252.1	\$264.5
4	Change	3.1%	6.5%	6.1%	7.1%	2.5%	9.4%	10.7%	6.3%	4.4%	4.9%
5	Per-Capita Income (\$/person) /A	\$52,386.0	\$55,253.0	\$58,455.0	\$62,134.0	\$65,362.0	\$70,670.0	\$74,001.0	\$77,419.0	\$79,923.0	\$83,308.0
6	Change	0.2%	5.5%	5.8%	6.3%	5.2%	8.1%	4.7%	4.6%	3.2%	4.2%
Population & Employment											
7	Population (Thousands)	5,529.6	5,600.0	5,677.0	5,735.0	5,784.0	5,815.0	5,858.0	5,913.0	5,974.0	6,035.0
8	Change	1.5%	1.3%	1.4%	1.0%	0.9%	0.5%	0.7%	0.9%	1.0%	1.0%
9	Net Migration (Thousands)	53.3	42.4	51.8	34.2	28.6	11.0	14.9	35.0	40.0	40.0
10	Unemployment Rate	3.1%	2.6%	3.0%	2.7%	6.8%	5.5%	3.0%	3.0%	3.4%	3.5%
11	Total Nonagricultural Employment (Thousands)	2,601.7	2,660.3	2,727.3	2,790.1	2,652.7	2,750.9	2,869.6	2,929.9	2,967.9	3,009.5
12	Change	2.4%	2.3%	2.5%	2.3%	-4.9%	3.7%	4.3%	2.1%	1.3%	1.4%
Construction Variables											
13	Total Housing Permits Issued (Thousands)	39.0	40.7	42.6	38.6	40.5	56.5	48.8	41.4	42.4	45.2
14	Change	22.3%	4.4%	4.8%	-9.4%	4.8%	39.7%	-13.6%	-15.2%	2.4%	6.6%
15	Nonresidential Construction Value (Millions) /B	\$5,987.8	\$6,150.7	\$8,151.0	\$5,157.4	\$5,585.6	\$5,729.3	\$6,605.2	\$5,858.8	\$5,608.0	\$5,824.5
16	Change	20.0%	2.7%	32.5%	-36.7%	8.3%	2.6%	15.3%	-11.3%	-4.3%	3.9%
Price Variables											
17	Retail Trade (Billions) /C	\$184.7	\$194.6	\$206.1	\$224.6	\$228.8	\$268.3	\$299.9	\$306.8	\$316.6	\$331.4
18	Change	1.0%	5.4%	5.9%	9.0%	1.9%	17.3%	11.8%	2.3%	3.2%	4.7%
19	Denver-Aurora-Lakewood Consumer Price Index (1982-84=100)	246.6	255.0	262.0	267.0	272.2	281.8	304.4	319.6	329.6	339.1
20	Change	2.8%	3.4%	2.7%	1.9%	2.0%	3.5%	8.0%	5.0%	3.1%	2.9%

/A Personal Income as reported by the federal Bureau of Economic Analysis includes: wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory and capital consumption adjustments, rental income of persons with capital consumption adjustments, personal dividend income, personal interest income, and personal current transfer receipts, less contributions from government social insurance. 2016 data is not final and represents OSPB's estimates.

/B Nonresidential Construction Value is reported by Dodge Analytics (McGraw-Hill Construction) and includes new construction, additions, and major remodeling projects predominately at commercial and manufacturing facilities, educational institutions, medical and government buildings. Nonresidential does not include non-building projects (such as streets, highways, bridges and utilities).

/C Retail Trade includes motor vehicles and automobile parts, furniture and home furnishings, electronics and appliances, building materials, sales at food and beverage stores, health and personal care, sales at convenience stores and service stations, clothing, sporting goods/books/music, and general merchandise found at warehouse stores and internet purchases. In addition, the above dollar amounts include sales from food and drink vendors (bars and restaurants). 2016 data is not final and represents OSPB's estimates.

Table 2: National Economic Variables - History and Forecast

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Actual 2022	Forecast 2023	Forecast 2024	Forecast 2025	
Inflation-Adjusted & Current Dollar Income Accounts											
1	Inflation-Adjusted Gross Domestic Product (Billions) /A	\$17,680.3	\$18,076.7	\$18,609.1	\$19,036.1	\$18,509.1	\$19,609.8	\$20,014.1	\$20,434.4	\$20,659.2	\$21,031.1
2	Change	1.7%	2.2%	2.9%	2.3%	-2.8%	5.9%	2.1%	2.1%	1.1%	1.8%
3	Personal Income (Billions) /B	\$16,096.9	\$16,839.8	\$17,683.8	\$18,587.0	\$19,832.3	\$21,294.8	\$21,777.2	\$22,757.2	\$23,462.7	\$24,471.6
4	Change	2.6%	4.6%	5.0%	5.1%	6.7%	7.4%	2.3%	4.5%	3.1%	4.3%
5	Per-Capita Income (\$/person) /B	\$49,880	\$51,829	\$54,061	\$56,443	\$59,826	\$64,135	\$65,341	\$68,009	\$69,838	\$72,551
6	Change	1.9%	3.9%	4.3%	4.4%	6.0%	7.2%	1.9%	4.1%	2.7%	3.9%
7	Wage and Salary Income (Billions)	\$8,091.2	\$8,474.4	\$8,900.0	\$9,324.6	\$9,457.4	\$10,290.1	\$11,189.6	\$11,782.7	\$12,183.3	\$12,670.6
8	Change	2.9%	4.7%	5.0%	4.8%	1.4%	8.8%	8.7%	5.3%	3.4%	4.0%
Population & Employment											
9	Population (Millions)	322.7	324.9	327.1	329.3	331.5	332.0	333.3	334.6	336.0	337.3
10	Change	0.7%	0.7%	0.7%	0.7%	0.7%	0.1%	0.4%	0.4%	0.4%	0.4%
11	Unemployment Rate	4.9%	4.4%	3.9%	3.7%	8.1%	5.4%	3.7%	3.7%	4.0%	4.1%
12	Total Nonagricultural Employment (Millions)	144.3	146.6	148.9	150.9	142.2	146.3	152.6	156.2	157.7	159.2
13	Change	1.8%	1.6%	1.6%	1.3%	-5.8%	2.9%	4.3%	2.4%	0.9%	0.9%
Other Key Indicators											
14	Consumer Price Index (1982-84=100)	240.0	245.1	251.1	255.7	258.8	271.0	292.7	304.7	312.9	320.7
15	Change	1.3%	2.1%	2.4%	1.8%	1.2%	4.7%	8.0%	4.1%	2.7%	2.5%
16	Corporate Profits (Billions)	\$2,037.7	\$2,128.6	\$2,311.9	\$2,402.2	\$2,260.1	\$2,771.1	\$2,952.6	\$2,757.7	\$2,702.6	\$2,921.5
17	Change	-1.1%	4.5%	8.6%	3.9%	-5.9%	22.6%	6.6%	-6.6%	-2.0%	8.1%
18	Housing Permits (Millions)	1.21	1.28	1.33	1.39	1.47	1.74	1.67	1.42	1.48	1.54
19	Change	2.0%	6.3%	3.6%	4.3%	6.1%	18.1%	-4.1%	-14.8%	4.1%	4.1%
20	Retail Trade (Billions)	\$5,506.0	\$5,732.8	\$5,983.1	\$6,175.0	\$6,223.3	\$7,366.2	\$8,070.9	\$8,288.9	\$8,496.1	\$8,835.9
21	Change	2.9%	4.1%	4.4%	3.2%	0.8%	18.4%	9.6%	2.7%	2.5%	4.0%

/A U.S. Bureau of Economic Analysis, National Income and Product Accounts

/B Personal Income as reported by the U.S. Bureau of Economic Analysis includes: wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory and capital consumption adjustments, rental income of persons with capital consumption adjustments, personal dividend income, personal interest income, and personal current transfer receipts, less contributions from government social insurance.

Table 3: General Fund Revenue Estimates by Tax Category /A

	Category	Actual FY 2021-22	Percent Change	Preliminary FY 2022-23	Percent Change	Estimate FY 2023-24	Percent Change	Estimate FY 2024-25	Percent Change	Estimate FY 2025-26	Percent Change
Excise Taxes											
1	Sales	\$4,089.0	19.6%	\$4,301.6	5.2%	\$4,377.7	1.8%	\$4,632.1	5.8%	\$4,848.9	4.7%
2	Use	\$232.6	8.6%	\$251.2	8.0%	\$244.9	-2.5%	\$266.9	8.9%	\$273.2	2.4%
<i>Retail Marijuana Sales -Special</i>											
3	Sales Tax	\$258.7	-10.2%	\$219.9	-15.0%	\$242.6	10.3%	\$264.8	9.2%	\$270.1	2.0%
4	Cigarette	\$26.0	-13.8%	\$23.9	-7.9%	\$22.7	-5.3%	\$21.4	-5.6%	\$20.5	-4.2%
5	Tobacco Products	\$26.6	-8.3%	\$23.7	-11.0%	\$23.3	-1.5%	\$25.9	11.1%	\$26.6	2.3%
6	Liquor	\$56.3	5.6%	\$56.3	-0.1%	\$58.1	3.3%	\$59.8	2.9%	\$61.4	2.7%
7	Total Proposition EE	\$208.0	324.3%	\$235.0	13.0%	\$194.2	-17.3%	\$215.2	10.8%	\$210.5	-2.2%
8	Total Excise	\$4,897.2	20.0%	\$5,111.7	4.4%	\$5,163.6	1.0%	\$5,486.1	6.2%	\$5,711.2	4.1%
Income Taxes											
9	Net Individual Income	\$11,717.8	23.6%	\$10,952.7	-6.5%	\$10,930.4	-0.2%	\$11,791.5	7.9%	\$12,277.3	4.1%
10	Net Corporate Income	\$1,568.6	32.5%	\$2,366.7	50.9%	\$1,756.8	-25.8%	\$1,691.4	-3.7%	\$1,692.9	0.1%
11	Total Income	\$13,286.4	24.6%	\$13,319.5	0.2%	\$12,687.1	-4.7%	\$13,482.8	6.3%	\$13,970.2	3.6%
<i>Less: State Education Fund</i>											
12	<i>Diversion</i>	\$993.5	13.6%	\$1,066.4	7.3%	\$984.0	-7.7%	\$1,045.7	6.3%	\$1,083.5	3.6%
13	<i>Less: Proposition 123 Diversion</i>	\$0.0	NA	\$160.0	NA	\$304.5	90.3%	\$323.6	6.3%	\$335.3	3.6%
14	Total Income to General Fund	\$12,292.9	25.6%	\$12,093.1	-1.6%	\$11,398.7	-5.7%	\$12,113.6	6.3%	\$12,551.4	3.6%
Other Revenue											
15	Insurance	\$390.2	16.0%	\$516.7	32.4%	\$527.9	2.2%	\$547.8	3.8%	\$560.9	2.4%
16	Interest Income	\$69.2	38.3%	\$192.8	178.5%	\$174.3	-9.6%	\$114.9	-34.0%	\$99.8	-13.1%
17	Pari-Mutuel	\$0.4	34.8%	\$0.3	-20.4%	\$0.4	30.7%	\$0.4	-14.0%	\$0.4	4.3%
18	Court Receipts	\$2.4	-31.4%	\$3.1	30.6%	\$3.5	10.8%	\$3.1	-10.0%	\$3.0	-3.0%
19	Other Income	\$45.6	-10.1%	\$84.5	85.3%	\$41.4	-51.0%	\$43.3	4.5%	\$53.1	22.6%
20	Total Other	\$507.8	15.2%	\$797.4	57.0%	\$747.5	-6.3%	\$709.6	-5.1%	\$717.2	1.1%
21	GROSS GENERAL FUND	\$17,697.9	23.7%	\$18,002.2	1.7%	\$17,309.8	-3.8%	\$18,309.2	5.8%	\$18,979.8	3.7%

Table 4: General Fund Overview /A

		Actual FY 2021-22	Preliminary FY 2022-23	Estimate FY 2023-24	Estimate FY 2024-25	Estimate FY 2025-26
Revenue						
1	Beginning Reserve	\$3,181.5	\$3,203.2	\$2,341.5	\$2,396.5	\$2,413.1
2	Gross General Fund Revenue	\$17,697.9	\$18,002.2	\$17,309.8	\$18,309.2	\$18,979.8
3	<i>Transfers to the General Fund</i>	\$71.3	\$53.6	\$45.4	\$53.4	\$56.7
4	TOTAL GENERAL FUND AVAILABLE	\$20,950.8	\$21,259.0	\$19,696.7	\$20,759.1	\$21,449.6
Expenditures						
5	Appropriation Subject to Limit	\$12,041.2	\$13,308.1	\$14,867.6	\$16,188.8	\$16,962.2
6	<i>Dollar Change (from prior year)</i>	\$1,062.1	\$1,266.9	\$1,559.5	\$1,321.2	\$773.4
7	<i>Percent Change (from prior year)</i>	9.7%	10.5%	11.7%	21.6%	4.8%
8	Spending Outside Limit	\$5,797.5	\$5,723.8	\$2,432.6	\$2,157.2	\$1,958.3
9	<i>TABOR Refund under Art. X, Section 20, (7) (d)</i>	\$3,848.1	\$3,683.1	\$1,438.1	\$1,409.06	\$1,329.28
10	<i>Homestead Exemption (Net of TABOR Refund)</i>	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0
11	<i>Other Rebates and Expenditures</i>	\$149.6	\$168.6	\$154.6	\$155.4	\$154.6
12	<i>Transfers for Capital Construction</i>	\$354.0	\$493.2	\$314.2	\$50.0	\$50.0
13	<i>Transfers for Transportation</i>	\$512.9	\$88.0	\$0.0	\$117.5	\$0.0
14	<i>Transfers to State Education Fund</i>	\$123.0	\$290.0	\$0.0	\$0.0	\$0.0
15	<i>Transfers to Other Funds</i>	\$809.9	\$1,000.8	\$525.8	\$425.3	\$424.4
16	TOTAL GENERAL FUND OBLIGATIONS	\$17,838.7	\$19,031.9	\$17,300.2	\$18,346.0	\$18,920.5
17	<i>Percent Change (from prior year)</i>	33.8%	6.7%	-9.1%	6.0%	3.1%
18	<i>Reversions and Accounting Adjustments</i>	-\$91.1	-\$114.4	\$0.0	\$0.0	\$0.0
Reserves						
19	Year-End General Fund Balance	\$3,203.2	\$2,341.5	\$2,396.5	\$2,413.1	\$2,529.1
20	<i>Year-End General Fund as a % of Appropriations</i>	26.6%	17.6%	16.1%	14.9%	14.9%
21	<i>General Fund Statutory Reserve</i>	\$1,613.5	\$1,996.2	\$2,212.8	\$2,413.1	\$2,529.1
22	<i>Statutory Reserve %</i>	13.4%	15.0%	15.0%	15.0%	15.0%
23	Above/Below Statutory Reserve	\$1,589.7	\$345.3	\$183.7	\$0.0	\$0.0

/A. FY 2022-23 and FY 2023-24 expenditures reflect all legislation that has passed through both the Colorado House and Senate as of June 20, 2023. Proposition HH is not accounted for in balancing above, but is discussed in the full report's Budget section. FY 2024-25 appropriations will be adopted in future budget legislation. Therefore, FY 2024-25 expenditures and fund balance projections shown are illustrative only. Dollars in millions.

Table 5: General Fund and State Education Fund Overview /A

	Actual FY 2021-22	Preliminary FY 2022-23	Estimate FY 2023-24	Estimate FY 2024-25	Estimate FY 2025-26	
Revenue						
1	Beginning Reserves	\$3,735.2	\$4,159.1	\$3,753.5	\$3,743.9	\$4,689.6
2	<i>State Education Fund</i>	\$553.7	\$955.9	\$1,412.0	\$1,347.4	\$867.5
3	<i>General Fund</i>	\$3,181.5	\$3,203.2	\$2,341.5	\$2,396.5	\$3,822.2
4	Gross State Education Fund Revenue	\$1,268.4	\$1,221.2	\$1,003.7	\$1,061.4	\$1,094.3
5	Transfer to State Education Fund	\$0.0	\$290.0	\$0.0	\$0.0	\$0.0
6	Gross General Fund Revenue /B	\$17,769.3	\$18,055.8	\$17,355.2	\$18,362.6	\$19,036.5
7	TOTAL FUNDS AVAILABLE FOR EXPENDITURE	\$22,772.9	\$23,436.1	\$22,112.4	\$23,167.9	\$24,820.5
Expenditures						
8	General Fund Expenditures /C	\$17,838.7	\$19,031.9	\$17,300.2	\$16,937.0	\$17,591.2
9	State Education Fund Expenditures	\$888.0	\$1,055.1	\$1,068.3	\$1,541.3	\$1,528.7
10	TOTAL OBLIGATIONS	\$18,726.7	\$20,087.0	\$18,368.5	\$18,478.3	\$19,119.9
11	<i>Percent Change (from prior year)</i>	33.9%	7.3%	-8.6%	0.6%	3.5%
12	<i>Reversions and Accounting Adjustments</i>	-\$112.9	-\$114.4	\$0.0	\$0.0	\$0.0
Reserves						
13	Year-End Balance	\$4,159.1	\$3,753.5	\$3,743.9	\$4,689.6	\$5,700.6
14	State Education Fund	\$955.9	\$1,412.0	\$1,347.4	\$867.5	\$433.1
15	General Fund	\$3,203.2	\$2,341.5	\$2,396.5	\$3,822.2	\$5,267.5
16	<i>General Fund Above/Below Statutory Reserve</i>	\$3,179.4	\$690.6	\$367.4	\$2,818.1	\$5,476.7

/A See the Budget and General Fund sections discussing the State Education Fund for more detail on projections and how Proposition HH would interact, if adopted.

/B This amount includes transfers to the General Fund shown in line 3 in Table 4.

/C General Fund expenditures include appropriations subject to the limit of 5.0% of Colorado personal income shown in line 5 in Table 4 as well as all spending outside the limit shown in line 8 in Table 4.

Table 6: Cash Fund Revenue Subject to TABOR /A

	Category	Final FY 2021-22	Preliminary FY 2022-23	Estimate FY 2023-24	Estimate FY 2024-25	Estimate FY 2025-26
1	Transportation-Related /A	\$1,239.5	\$1,266.8	\$1,392.9	\$1,465.2	\$1,494.1
2	Change	7.2%	2.2%	9.9%	5.2%	2.0%
3	Limited Gaming Fund /B	\$115.4	\$121.3	\$123.7	\$127.4	\$131.2
4	Change	13.3%	5.2%	2.0%	3.0%	3.0%
7	Regulatory Agencies	\$92.3	\$89.4	\$84.1	\$95.7	\$98.6
8	Change	3.6%	-3.1%	-5.9%	13.7%	3.1%
9	Insurance-Related	\$24.3	\$26.5	\$22.5	\$22.9	\$23.2
10	Change	15.4%	9.3%	-15.2%	1.8%	1.3%
11	Severance Tax	\$325.0	\$374.6	\$204.8	\$242.2	\$238.0
12	Change	2113.0%	15.3%	-45.3%	18.3%	-1.7%
13	Other Miscellaneous Cash Funds	\$869.4	\$879.3	\$886.4	\$904.1	\$916.7
14	Change	1.4%	1.1%	0.8%	2.0%	1.4%
15	TOTAL CASH FUND REVENUE	\$2,665.9	\$2,758.0	\$2,714.3	\$2,857.5	\$2,901.8
16	Change	19.0%	3.5%	-1.6%	5.3%	1.5%

Table 7: TABOR and the Referendum C Revenue Limit/A

	Actual FY 2021-22	Preliminary FY 2022-23	Estimate FY 2023-24	Estimate FY 2024-25	Estimate FY 2025-26	
TABOR Revenues						
1	General Fund /A	\$17,075.4	\$17,468.0	\$16,830.2	\$17,726.3	\$18,388.4
2	Cash Funds /A	\$2,665.9	\$2,758.0	\$2,714.3	\$2,857.5	\$2,901.8
3	Total TABOR Revenues	\$19,741.3	\$20,225.9	\$19,544.6	\$20,583.8	\$21,290.2
Revenue Limit Calculation						
4	Previous calendar year population growth	0.3%	0.7%	0.7%	0.9%	1.0%
5	Previous calendar year inflation	2.0%	3.5%	8.0%	5.0%	3.1%
6	Allowable TABOR Growth Rate	2.2%	4.2%	8.7%	5.9%	4.1%
7	TABOR Limit /B	\$12,929.8	\$13,445.2	\$14,614.9	\$15,477.2	\$16,111.8
8	General Fund Exempt Revenue Under Ref. C /C	\$3,083.1	\$3,212.1	\$3,491.5	\$3,697.5	\$3,849.1
9	Revenue Cap Under Ref. C /B /D	\$16,012.9	\$16,657.3	\$18,106.5	\$19,174.8	\$19,960.9
10	Amount Above/Below Cap	\$3,728.4	\$3,568.6	\$1,438.1	\$1,409.1	\$1,329.3
11	Revenue to be Refunded including Adjustments from Prior Years /E	\$3,848.1	\$3,683.1	\$1,438.1	\$1,409.1	\$1,329.3
12	TABOR State Emergency Reserve Requirement	\$480.4	\$499.7	\$543.2	\$575.2	\$598.8

/A Amounts differ from the General Fund and Cash Fund revenues reported in Table 3 and Table 6 due to accounting adjustments and because some General Fund revenue is exempt from TABOR.

/B The TABOR limit and Referendum C Cap is adjusted to account for changes in the enterprise status of various State entities .

/C Under Referendum C, a "General Fund Exempt Account" is created in the General Fund. The account consists of money collected in excess of the TABOR limit in accordance with voter-approval of Referendum C.

/D The revenue limit is calculated by applying the "Allowable TABOR Growth Rate" to either "Total TABOR Revenues" or the "Revenue Cap Under Ref. C," whichever is smaller. Beginning in FY 2010-11, the revenue limit is based on the highest revenue total from FY 2005-06 to 2009-10 plus the "Allowable TABOR Growth Rate." FY 2007-08 was the highest revenue year during the Referendum C timeout period.

/E These adjustments are the result of: (a) changes that were made to State accounting records for years in which TABOR refunds occurred that resulted in changes in required refunds to taxpayers, and (b) the refund to taxpayers in previous years was different than the actual amount required. Such adjustments are held by the State until a future year in which a TABOR refund occurs when the total refund amount distributed to taxpayers is adjusted.