

JOINT BUDGET COMMITTEE



GENERAL FUND OVERVIEW BASED ON JBC ACTION ON FY 2023-24 SUPPLEMENTAL REQUESTS AND AMENDED BUDGET REQUESTS FOR FY 2024-25

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OVERVIEW OF FY 2023-24 SUPPLEMENTAL REQUESTS

APPROVED MID-YEAR CHANGES AND AMENDED REQUEST

The existing FY 2023-24 budget that supports state government operations includes General Fund appropriations totaling \$15.1 billion. Table 1 lists the mid-year General Fund appropriation changes that have been approved to date by the Joint Budget Committee (JBC). **The JBC-approved appropriation adjustments included in the “supplemental package” (including supplemental and “orbital” bills) increase General Fund appropriations for FY 2023-24 by \$84.1 million (0.6 percent). In addition, the Committee has approved transfers from the General Fund totaling an additional \$27.5 million for the current year.**

SUPPLEMENTAL APPROPRIATION BILLS

Supplemental appropriation bills carry appropriation changes that do not require statutory change. For FY 2023-24, the JBC-approved supplemental bills provide a net increase of \$86.3 million General Fund across all agencies (see Table 1 below). The largest change by far is in the Department of Human Services with an increase of \$60.9 million General Fund.

TABLE 1
GENERAL FUND OPERATING APPROPRIATIONS FOR FY 2023-24 AND
RECOMMENDED MID-YEAR CHANGES

DEPARTMENT	CURRENT APPROPRIATION	CHANGES IN SUPPLEMENTAL APPROPRIATION BILLS	ADJUSTED APPROPRIATION	PERCENTAGE CHANGE
Agriculture	\$18,030,328	\$73,425	\$18,103,753	0.4%
Corrections	989,200,125	15,862,789	1,005,062,914	1.7%
Early Childhood	306,119,129	(116,871)	306,002,258	(0.0%)
Education	4,670,389,088	1,037,013	4,671,426,101	0.0%
Governor	49,780,173	326,742	50,106,915	0.7%
Health Care Policy and Financing	4,525,518,658	(12,898,284)	4,512,620,374	(0.3%)
Higher Education	1,555,800,543	1,846,427	1,557,646,970	0.1%
Human Services	1,014,436,841	60,880,388	1,075,317,229	6.0%
Judicial	757,088,755	3,400,772	760,489,527	0.4%
Labor and Employment	35,089,687	(96,908)	34,992,779	(0.3%)
Law	24,270,302	191,544	24,461,846	0.8%
Legislature	73,508,585	197,201	73,705,786	0.3%
Local Affairs	54,875,577	32,948	54,908,525	0.1%
Military and Veterans Affairs	15,196,589	90,096	15,286,685	0.6%
Natural Resources	42,367,799	225,431	42,593,230	0.5%
Personnel	43,874,455	474,250	44,348,705	1.1%
Public Health and Environment	138,311,581	1,773,331	140,084,912	1.3%
Public Safety	286,830,694	15,398,676	302,229,370	5.4%
Regulatory Agencies	13,551,646	27,571	13,579,217	0.2%
Revenue	155,838,838	(2,403,569)	153,435,269	(1.5%)
State	12,835,578	0	12,835,578	0.0%
Transportation	500,000	0	500,000	n/a
Treasury	313,780,829	18,630	313,799,459	0.0%
TOTAL	\$15,097,195,800	\$86,341,602	\$15,183,537,402	0.6%

OTHER SUPPLEMENTAL PACKAGE LEGISLATION

The JBC-approved supplemental package includes ten additional “orbital” bills (that include statutory change), six of which have General Fund impacts for FY 2023-24 (see Table 2). In total, those bills

decrease General Fund *appropriations* by \$2.2 million but increase *transfers* from the General Fund by \$27.5 million. As the Committee is aware, the distinction between appropriations and transfers is important because the 15.0 percent statutory reserve requirement applies to General Fund appropriations but not transfers.

DEPARTMENT	BILL TOPIC	FY 2023-24 GENERAL FUND APPROPRIATION CHANGES	FY 2023-24 TRANSFERS FROM GENERAL FUND
Education	Health School Meals	17,052	0
Health Care Policy and Financing	Autism Treatment Fund	\$1,799,760	\$0
Human Services	Senior Services	0	2,000,000
Judicial	Judicial Collection Enhancement Fund	0	2,500,000
Public Health and Environment	Community Crime Victim Services	(4,000,000)	4,000,000
Capital Construction (and IT Capital)	Transfers for Capital	0	18,971,100
TOTAL		\$0	(\$2,182,488)

FY 2024-25 AMENDED REQUEST

For FY 2024-25, departments have submitted budget amendments that *decrease* the total requested General Fund appropriations by \$14.0 million (0.1 percent) compared to the November 1, 2023 budget submission. As shown in Table 3, significant increases in several Departments (particularly Corrections, Judicial, and Higher Education) are more than offset by a \$51.1 million decrease to the November 1, 2023, General Fund request for the Department of Education.

DEPARTMENT	NOVEMBER 1, 2023 REQUEST	JANUARY 2 AND 16 BUDGET AMENDMENTS	REVISED REQUEST	PERCENTAGE CHANGE
Agriculture	\$22,778,034	\$715,614	\$23,493,648	3.1%
Corrections	1,084,158,869	10,195,614	1,094,354,483	0.9%
Early Childhood	295,264,502	(344,720)	294,919,782	(0.1%)
Education	4,679,444,166	(51,137,240)	4,628,306,926	(1.1%)
Governor	56,544,962	172,384	56,717,346	0.3%
Health Care Policy and Financing	4,966,004,584	4,651,507	4,970,656,091	0.1%
Higher Education	1,548,968,083	8,069,147	1,557,037,230	0.5%
Human Services	1,294,649,549	842,733	1,295,492,282	0.1%
Judicial	868,218,053	9,600,058	877,818,111	1.1%
Labor and Employment	34,706,176	(31,351)	34,674,825	(0.1%)
Law	27,660,074	167,464	27,827,538	0.6%
Legislature	77,099,730	0	77,099,730	0.0%
Local Affairs	61,829,086	(14,123)	61,814,963	(0.0%)
Military and Veterans Affairs	18,269,062	(14,742)	18,254,320	(0.1%)
Natural Resources	45,941,210	(254,453)	45,686,757	(0.6%)
Personnel	16,861,242	(922,210)	15,939,032	(5.5%)
Public Health and Environment	147,727,825	(63,994)	147,663,831	(0.0%)
Public Safety	284,880,003	4,566,082	289,446,085	1.6%
Regulatory Agencies	13,453,719	(5,851)	13,447,868	(0.0%)
Revenue	158,093,105	(162,364)	157,930,741	(0.1%)
State	6,637,063	(7,462)	6,629,601	(0.1%)
Transportation	0	0	0	n/a
Treasury	465,054,069	0	465,054,069	0.0%
TOTAL	\$16,174,243,166	(\$13,977,907)	\$16,160,265,259	(0.1%)

JBC ACTIONS FOR FY 2023-24 AND BUDGET REQUESTS FOR FY 2024-25 IN THE CONTEXT OF THE DECEMBER 2023 REVENUE FORECASTS

Tables 4 and 5 are intended to provide a framework for the JBC as it begins crafting its budget proposal for FY 2024-25. These tables are based on the most recent economic and revenue forecasts that were presented to the JBC on December 20, 2023. Table 4 is based on the Legislative Council Staff (LCS) forecast, and Table 5 is based on the Office of State Planning and Budgeting (OSPB) forecast. In both tables:

- Bright green shading identifies decisions that the Committee has already made for FY 2023-24 (through the supplemental package) and FY 2024-25 (common policy provider rate); and
- Yellow shading identifies specific request items/balancing proposals that the Committee has not yet acted on. For FY 2023-24, this includes the proposed transfer of \$31.5 million from the State Employee Reserve Fund to the General Fund. For FY 2024-25, these amounts include the balancing proposals that have been reflected in each of the General Fund Overviews provided since November 1, 2023.

Assumptions that have changed since the January 11 Overview document include the following:

- **Staff has replaced all requested modifications to appropriation or transfers for FY 2023-24 with JBC actions as reflected in the supplemental package.**
- **Staff has updated the requested appropriations for FY 2024-25 to include budget amendments that were submitted on January 16, 2024.**
- Staff has updated the projected appropriations for FY 2025-26 based on estimated outyear impacts of:
 - budget amendments that were submitted January 16; and
 - JBC action concerning community provider rates for FY 2024-25.

Staff continues to seek feedback and guidance from the JBC about these projections to ensure that it serves as a useful tool for planning and decision making.

Table 4: General Fund Overview as of February 1, 2024
Based on the LCS DECEMBER 2023 Forecast, Including Special Session
(\$ millions)

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	
General Fund Available					
1	Beginning Reserve	\$3,203.2	\$2,427.6	\$2,154.3	\$2,080.8
2	Gross General Fund Revenue	18,002.2	17,523.6	18,579.0	19,601.7
3	Transfers In (existing law reflected in forecast)	53.5	75.1	81.1	77.2
4	Total General Fund Available	\$21,258.9	\$20,026.4	\$20,814.4	\$21,759.8
LESS: General Fund Obligations					
5	Appropriations (Actual, requested November 1, and projected)	\$13,524.2	\$15,097.2	\$16,174.2	\$16,976.7
6	2023B Special Session appropriations annualizations for outyears	0.0	0.0	2.2	2.1
7	JBC Supplemental bills for FY 2023-24; budget amendments submitted to date for FY 2024-25	13.3	86.3	(14.0)	0.0
8	JBC Supplemental package bills (appropriations)	0.0	(2.2)	0.0	0.0
9	Common policy provider rate decision (increment above request)	0.0	0.0	48.6	0.0
10	Requested expenditure balancing proposals subject to reserve ^a	0.0	0.0	95.6	n/a
11	Requested revenue proposals subject to reserve ^a	0.0	0.0	(244.2)	n/a
12	LESS: Appropriations for rebates and expenditures	(229.4)	(226.1)	(243.1)	(250.6)
13	LESS: Appropriations from Healthy School Meals Account	n/a	(145.3)	(104.3)	(107.4)
14	Subtotal: Appropriations subject to statutory reserve requirement	13,308.1	14,810.0	15,715.0	16,620.9
15	<i>Annual Percent Change</i>	10.5%	11.3%	6.1%	5.8%
16	Rebates and Expenditures (reflected in forecast)	168.7	245.3	186.9	184.6
17	Appropriations from Healthy School Meals Account	n/a	145.3	104.3	107.4
18	TABOR Refund [Article X, Section 20 (7)(d)]				
19	Current year revenue above referendum C cap (refunded in following fiscal year)	3,683.1	1,777.0	1,792.6	2,013.2
20	Requested Housing Development Grant Fund tax credit conversion	0.0	0.0	(35.0)	0.0
21	Requested Employment Support Fund Change	0.0	(53.5)	(23.5)	(23.5)
22	Requested gaming and cigarette revenue reclassifications	0.0	0.0	(31.5)	(32.1)
23	Requested Recycling Resources Program Fee change	0.0	0.0	(3.3)	(3.3)
24	<i>Transfers Out and Other Diversions</i>				
25	2023B Special Session Transfer to State Education Fund	n/a	0.0	146.0	n/a
26	SB23B-001 Warrant for Local Government Reimbursement	n/a	50.7	0.0	0.0
27	Transportation (existing law reflected in forecast)	88.0	5.0	117.5	117.5
28	Capital/IT projects (existing law/reflected in forecast)	488.3	332.4	20.0	20.0
29	JBC Supplemental package bills	0.0	19.0	n/a	n/a
30	Additional Capital transfers reflected in Governor's budget proposal as of Jan. 31, 2024	0.0	0.0	243.0	18.6
31	JBC Supplemental package bills	0.0	8.5	0.0	0.0
32	Requested emergency reserve transfer	0.0	0.0	32.0	0.0
33	Requested General Fund transfer holds ^a	0.0	0.0	138.1	42.1
34	Requested revenue proposals not subject to reserve ^a	0.0	0.0	(98.3)	(23.5)
35	Other Transfers and Diversions (existing law reflected in forecast)	1,295.7	532.6	429.7	439.7
36	Subtotal: Other Obligations	5,723.8	3,062.1	3,018.5	2,860.7
37	Total General Fund Obligations	\$19,031.9	\$17,872.1	\$18,733.6	\$19,481.6
38	PLUS: Reversions and Accounting Adjustments (including under-refunds of TABOR surpluses from prior years)	\$200.7	n/a	n/a	n/a
39	Reserve				
40	Fiscal Year-end General Fund Reserve	\$2,427.6	\$2,154.3	\$2,080.8	\$2,278.2
41	Statutorily Required Reserve Percent	15.0%	15.0%	15.0%	15.0%
42	Required Reserve Amount	\$1,996.2	\$2,221.5	\$2,357.3	\$2,493.1
43	Year-end Reserve Above/(Below) Requirement	\$431.4	(\$67.2)	(\$276.4)	(\$215.0)

^a See summary tables following the General Fund overview based on the OSPB forecast for the components making up these items.

General Fund Overview as of January 31, 2024
Based on the OSPB DECEMBER 2023 Forecast, Including Special Session
(\$ millions)

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	
General Fund Available					
1	Beginning Reserve	\$3,203.2	\$2,427.7	\$2,304.8	\$2,430.7
2	Gross General Fund Revenue	18,002.2	17,557.1	18,231.1	19,070.4
3	Transfers In (existing law reflected in forecast)	53.5	59.0	61.3	61.2
4	Total General Fund Available	\$21,258.9	\$20,043.8	\$20,597.1	\$21,562.3
LESS: General Fund Obligations					
5	Appropriations (Actual, requested November 1, and projected)	\$13,524.2	\$15,097.2	\$16,174.2	\$16,976.7
6	2023B Special Session appropriations annualizations for outyears	\$0.0	\$0.0	\$2.2	\$2.1
7	JBC Supplemental bills for FY 2023-24; budget amendments submitted to date for FY 2024-25	\$13.3	\$86.3	(\$14.0)	Included above
8	JBC Supplemental package bills (appropriations)	\$0.0	(\$2.2)	\$0.0	\$0.0
9	Common policy provider rate decision (increment above request)	\$0.0	\$0.0	\$48.6	
10	Requested expenditure balancing proposals subject to reserve ^a	n/a	n/a	\$95.6	n/a
11	Requested revenue proposals subject to reserve ^a	n/a	n/a	(\$244.2)	n/a
12	LESS: Appropriations for rebates and expenditures	(229.4)	(226.1)	(237.3)	(243.8)
13	LESS: Appropriations from Healthy School Meals Account	n/a	(145.3)	(115.3)	(129.4)
14	Subtotal: Appropriations subject to statutory reserve requirement	13,308.1	14,810.0	15,709.8	16,605.7
15	<i>Annual Percent Change</i>	10.5%	11.3%	6.1%	5.7%
16	Rebates and Expenditures (reflected in forecast)	168.6	175.2	164.4	160.7
17	Appropriations from Healthy School Meals Account	n/a	145.3	115.3	78.5
18	TABOR Refund [Article X, Section 20 (7)(d)]				
19	Current year revenue above Referendum C Cap (refunded in following fiscal year)	3,683.1	1,651.3	1,280.4	1,413.0
20	Requested Housing Development Grant Fund tax credit conversion				
21	Requested Employment Support Fund Change				
22	Requested gaming and cigarette revenue reclassifications				(All of these items are assumed in the OSPB Forecast)
23	Requested Recycling Resources Program Fee change				
24	<i>Transfers Out and Other Diversions</i>				
25	2023B Special Session Transfer to State Education Fund	0.0	0.0	Included above	0.0
26	SB23B-001 Warrant for Local Government Reimbursement	0.0	50.7	0.0	0.0
27	Transportation (existing law reflected in forecast)	88.0	5.0	117.5	117.5
28	Capital/IT projects	488.3	332.4	20.0	38.6
29	JBC Supplemental package bills	0.0	19.0	0.0	0.0
30	Additional Capital transfers reflected in Governor's budget proposal as of Jan. 31, 2024	0.0	0.0	243.0	Included above
31	JBC Supplemental package bills	0.0	8.5	0.0	0.0
32	Requested emergency reserve transfer	0.0	0.0	32.0	0.0
33	Requested General Fund transfer holds ^a	0.0	0.0	138.1	42.1
34	Requested revenue proposals not subject to reserve ^a	0.0	0.0	(98.3)	(23.5)
35	Other Transfers and Diversions (existing law reflected in forecast) ^{b,c}	1,295.7	541.7	444.1	452.1
36	Subtotal: Other Obligations	5,723.7	2,929.0	2,456.6	2,279.1
37	Total General Fund Obligations	\$19,031.8	\$17,739.0	\$18,166.4	\$18,884.8
38	PLUS: Reversions and Accounting Adjustments (including under-refunds of TABOR surpluses from prior years)	\$200.7	n/a	n/a	n/a
39	Reserve				
40	Fiscal Year-end General Fund Reserve	\$2,427.7	\$2,304.8	\$2,430.7	\$2,677.6
41	Statutorily Required Reserve Percent	15.0%	15.0%	15.0%	15.0%
42	Required Reserve Amount	\$1,996.2	\$2,221.5	\$2,356.5	\$2,490.8
43	Year-end Reserve Above/(Below) Requirement	\$431.5	\$83.3	\$74.2	\$186.7

^a See summary tables following the General Fund overview based on the OSPB forecast for the components making up these items.

FY 2024-25 Governor Requested Budget Balancing Proposals for General Fund Overview - January 2, 2024 Request	
Category/Description	FY 2024-25 GF Impact
Governor Requested Expenditure Balancing Proposal Subject to Limit	
Legislative Placeholder (Executive Branch Priorities)	\$72,694,132
Legislative Placeholder (Legislative Branch Priorities)	15,000,000
Behavioral/Mental Health Expenses (formerly Revenue Loss Recovery Cash Fund	7,333,967
Expanding Prosecution for Federal Gun Crimes	599,368
Subtotal: Expenditure Proposals Subject to Limit	\$95,627,467
Governor Requested Revenue Proposals Subject to Limit	
Revenue Loss Recovery Fund Behavioral Health Refinance Balance	(\$153,019,658)
State Employee Reserve Fund Transfer (Jan. 2 proposal)	(\$31,500,000)
ARPA Funds Recapture (reversions and underspent funds)	(22,388,364)
Severance Tax Cash Fund Repurpose (not transferred)	(19,300,000)
General Fund Transfers in Lieu of Appropriations (Reserve Requirement)	(12,300,000)
Non-General Fund for High Acuity Legislation	(5,700,000)
Subtotal: Requested Revenue Proposals Subject to Limit	(\$244,208,022)
Governor Requested General Fund Transfer Holds	
Transit Oriented Development	
Corrections R6: Workforce Housing	16,000,000
Corrections R5: Broadband	11,407,019
Public Safety: Investment in Local Crime Prevention	7,500,000
Governor OEDIT: Opportunity Now 2.0	5,250,000
Governor OEDIT: Creative Districts Modifications and Funding	500,000
Labor: Retail EV Charging Stations	263,065
DORA: Placeholder for Natural Medicine	100,000
Subtotal: Requested Transfer Holds	\$41,020,084
Governor Requested Revenue Proposals Not Subject to Limit	
Severance Tax Cash Fund Transfer to Capital Construction Fund	(50,000,000)
Hard (non-cash) Assets in Emergency Reserve	(29,000,000)
Infrastructure Investment and Jobs Act (IIJA) Swap	(19,300,000)
Subtotal: Revenue Proposals Not Subject to the Limit	(\$98,300,000)