



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Memorandum

December 13, 2023

TO: Capital Development Committee
FROM: Capital Development Committee Staff
SUBJECT: FY 2024-25 Capital Budget Requests and Projected Available Revenue

Summary

This memorandum summarizes the capital construction requests for FY 2024-25. It also discusses projected revenue available for FY 2024-25 capital construction and controlled maintenance projects.

FY 2024-25 Requests

State-funded capital construction and controlled maintenance requests. For FY 2024-25, 62 state-funded capital construction projects have been submitted for funding consideration, including 13 requests recommended for funding by the Governor's Office of State Planning and Budgeting (OSPB), and 49 requests that are not recommended for funding by OSPB. The lease payments associated with the issuance of certificates of participation (COPs) to finance construction at three higher education institutions are included in the recommended projects total.

OSPB's FY 2024-25 prioritized submission includes funding for controlled maintenance. OSPB included three levels of controlled maintenance in its submission, recommending funding for Level I controlled maintenance as priorities 1, and not recommending Levels II or III for funding. Table 1 below lists the number of state-funded projects by category and the associated total request amounts.



Table 1
FY 2024-25 State-Funded Capital Construction and Controlled Maintenance Requests

Category	Number of Projects	Cost
<i>Recommended for Funding</i>		
Continuation Projects	5	\$93,983,663
New Requests	4	\$21,054,681
Previously Requested	2	\$16,299,619
Lease-Purchase Payment	1	\$4,753,000
Controlled Maintenance	1	\$86,812,643 (cash)
<i>Subtotal, Recommended for Funding</i>	13	\$136,090,963
<i>Not Recommended for Funding</i>		
New Requests	22	\$355,977,215
Previously Requested	24	\$441,755,849
Continuation Projects	1	\$14,253,042
Controlled Maintenance	2	\$85,127,365
<i>Subtotal, Not Recommended for Funding</i>	49	\$897,113,471
Strategic Transportation	1	\$500,000
GRAND TOTAL, ALL STATE-FUNDED PROJECTS		\$1,033,704,434

Source: Legislative Council Staff

Cash match for state-funded requests. Many of the state-funded projects requested by higher education institutions for funding in FY 2024-25 include a cash match. The total cash match for all state-funded projects submitted for FY 2024-25 funding consideration is \$377.9 million, including \$183.1 million in cash funds spending authority requested on behalf of projects recommended for funding by OSPB and \$194.9 million requested on behalf of projects not recommended for funding by OSPB.

Cash-funded capital construction requests. In addition to the projects requesting state funding for FY 2024-25, History Colorado, the Department of Human Services, the Department of Personnel and Administration, and the Department of Natural Resources requested cash funds spending authority for five projects totaling \$78.5 million.

Ongoing Strategic Transportation Expenditures Under TABOR. Since 2011, the Joint Budget Committee (JBC) has included in the capital construction portion of the Long Bill \$500,000 in General Fund Exempt moneys for highway projects, and the General Assembly has subsequently approved the appropriations. The CDC may recommend to the JBC this funding for 2024. General Fund Exempt money resulted from the passage of Referendum C in 2005, which authorizes the state to retain and expend revenues in excess of the TABOR spending limit, but



less than the excess revenues cap. The money may only be used for certain purposes including transportation projects.

Projected Available Revenue

Projected available revenue for FY 2024-25 capital construction projects is unknown at this time. The committee has not yet received information on reversions to and unobligated interest in the Capital Construction Fund. Table 2 shows the projected interest earnings for FY 2023-24, and the General Fund transfer to the CCF required to fund OSPB's capital construction prioritized recommendation when projected interest is factored. An update will be provided to the committee when the additional figures are received.

Table 2
Projected FY 2024-25 Capital Construction Fund Revenue

Category	Amount
Reversions to fund	TBD
Unobligated interest earnings in FY 2022-23	TBD
Beginning fund balance	TBD
Projected interest earnings in FY 2023-24	\$11,364,734
OSPB capital budget funding recommendation	\$154,074,229
Projected fund balance available for FY 2024-25 projects	\$165,438,963

Source: Legislative Council Staff