

# MEMORANDUM



## JOINT BUDGET COMMITTEE

TO Joint Budget Committee  
 FROM Craig Harper, JBC Staff Director (303-866-3481)  
 DATE March 21, 2024  
 SUBJECT REVISED Designation of State Emergency Reserve Assets for FY 2024-25

**This memorandum includes updates recommendations for the State Emergency Reserve for FY 2024-25.** On March 20, 2024, the Committee approved an option to include \$41.0 million worth of capital assets in the emergency reserve, including \$29.0 million associated with the State Services building and \$12.0 million from the Merrick Garage.

- However, staff has since learned that the Governor’s Office intended to include the Capitol Annex rather than State Services.
- In addition, the Governor’s Office revised the replacement value of the Capitol Annex to include \$28.0 million associated with that building. Based on consultation with the Governor’s Office, staff’s revised recommendation (shown below) increases the designated amount in the Disaster Emergency Fund by \$1.0 million and substitutes the \$28.0 million from the Capitol Annex for the previous recommendation for \$29.0 million from State Services.

The following table reflects staff’s revised recommendation for a scenario that includes capital assets in the emergency reserve. **Staff recommends approving the revised list, which still totals \$574.0 million as required for FY 2024-25.**

DESIGNATED STATE EMERGENCY RESERVE – UPDATED		
	FY 2023-24 DESIGNATION	FY 2024-25 DESIGNATION
<b>Cash Assets:</b>		
Disaster Emergency Fund	\$44,000,000	\$134,000,000
State Emergency Reserve Cash Fund	266,600,000	202,000,000
Marijuana Tax Cash Fund	100,000,000	100,000,000
Controlled Maintenance Trust Fund	69,400,000	0
Unclaimed Property Tourism Promotion Trust Fund	5,000,000	5,000,000
Major Medical Insurance Fund	25,000,000	25,000,000
Colorado Water Conservation Board Perpetual Base Fund	0	35,000,000
Colorado Water Conservation Board Construction Fund	33,000,000	33,000,000
<b>Total</b>	<b>\$543,000,000</b>	<b>\$534,000,000</b>
<b>Capital Assets: State Properties up to:</b>		
	<b>\$0</b>	<b>\$0</b>
<i>Value of State Properties Listed in Headnote:</i>		
<i>State Parking Garage (1350 Lincoln Street, Denver)</i>	<i>\$0</i>	<i>\$12,000,000</i>
<i>Capitol Annex Building (1375 Sherman Street, Denver)</i>	<i>0</i>	<i>28,000,000</i>
<i>State Services Building (1525 Sherman Street, Denver)</i>	<i>0</i>	<i>0</i>
<b>Subtotal</b>	<b>\$0</b>	<b>\$40,000,000</b>
<b>TOTAL</b>	<b>\$543,000,000</b>	<b>\$574,000,000</b>