State Budget Summary

Governor Hickenlooper’s
FY 2013-14 Budget Request
November 15, 2012
State General Fund Revenues

Billions

- 00-01: $6.5
- 01-02: $6.0
- 02-03: $5.5
- 03-04: $5.0
- 04-05: $6.0
- 05-06: $7.0
- 06-07: $7.5
- 07-08: $7.7
- 08-09: $7.2
- 09-10: $6.5
- 10-11: $7.0
- 11-12: $7.5
- 12-13*: $8.1
- 13-14*: $8.5
State Operating Budget

- General Fund: $7,882,638,020
- Cash Funds: $6,537,325,749
- Reappropriated Funds: $1,600,793,399
- Federal Funds: $5,607,578,103
Allocation of the State’s General Fund
FY 2003-04 vs. FY 2013-14

FY 2003-04 State General Fund
- K-12 Education: 44%
- Health: 22%
- Higher Education: 11%
- Human Services: 11%
- Corrections: 8%
- Other: 4%

FY 2013-14 State General Fund
- K-12 Education: 38%
- Health: 26%
- Higher Education: 9%
- Human Services: 9%
- Corrections: 8%
- Other: 10%
State General Fund Changes
FY 2012-13 to FY 2013-14

Health: 9.3%
Human Services: 5.9%
K-12 Education: 0%
Higher Education: 6.1%
Corrections: 0.7%
Governor’s FY 2013-14
Higher Education Request

- $30 million funding increase for higher education operating budgets
  - CU receives just over $9 million according to the proposed plan
- $5.3 million for need-based state financial aid for all institutions
- $25.4 million for statewide higher education controlled maintenance, of which CU could receive up to $8 million
Other Budget Highlights

- $213 million for K-12 including $185 increase per K-12 student
- $175 million General Fund increase for Health Care
- $75 million to increase 4% reserve to 5% in current year
- $6.6 million for economic development initiatives
- $23 million for Controlled Maintenance Trust Fund
- $17 million for treatment of the mentally ill
- Three percent in compensation adjustments
- Prison population declining, now 10% below FY 2007-08 levels
Budget Risks on the Horizon

- General Fund buying power $1.2 billion less than FY 2007-08
- Requested increases do not restore cuts
- K-12 costs will continue to grow
- K-12 cuts cannot exceed $1.5 billion
- Medicaid costs will continue to grow
- Senate Bill 09-228 will divert over $250 million a year for five years beginning in FY 2015-16
- State revenues cannot keep up with growing costs
- Lobato lawsuit
State General Fund Changes
FY 2008-09 to FY 2013-14

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in Millions</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Health</td>
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<td>Human Services</td>
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<td>K-12 Education</td>
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<td>Corrections</td>
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<td>Other</td>
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Higher Ed Cut Deeply per Resident Student
FY 2001-02 through FY 2012-13

Change in State Support

-60%  -40%  -20%  0%  20%  40%  60%  80%

Western  Ft. Lewis  Adams  UNC  Mesa  Metro  CU-Boulder  CCCS  CSU  Mines  UCCS  CU Anschutz  CU Denver

57%  17%  0%  -23%  -30%  -33%  -35%  -36%  -36%  -42%  -45%  -47%  -49%
K-12 Education Cuts are Over 15% of K-12 Budget

Millions

FY 2009-10: ($130)
FY 2010-11: ($381)
FY 2011-12: ($774)
FY 2012-13: ($1,012)
FY 2013-14 Projected: ($1,012)
Projected K-12 and SB 228 General Fund Requirements

Millions

<table>
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<tr>
<th>Year</th>
<th>Projected K-12</th>
<th>SB 228</th>
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<td>2022-23</td>
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Office of the Vice President for Budget and Finance

University of Colorado
Boulder | Colorado Springs | Denver | Anschutz Medical Campus
Next Steps

- Joint Budget Committee now meeting
- Higher Education JBC meetings in December
- December revenue forecast
- JBC sets budget
- March revenue forecast
- Long Bill introduction in late March