The Colorado Economy

Colorado’s economic growth was strong in the first half of 2018. Employment growth has been robust and widespread across all industries and regions, while wage growth has outpaced inflation in recent years. Over the past five years, employment has grown by 4.1%, while wages have grown by 5.0% annually. This growth in employment and wages is a sign of a healthy economy. However, there are some areas that are struggling, and these indicators will continue to monitor these regions.

Colorado’s New Business Filings

Colorado’s strong economy is driving an increase in business filings. These indicators are especially important in the later years of the forecast. New business filings with the Colorado Secretary of State’s office grew by 9.0% in FY 2020-21 after increasing by 8.1% in FY 2019-20.

Employment, and business formation is strong. However, slower labor force growth and tight housing market conditions are expected to limit growth in the later years of the forecast.

New Business Filings with the Colorado Secretary of State’s office grew 9.0% in FY 2020-21 compared to 8.1% in FY 2019-20.

<table>
<thead>
<tr>
<th>Department</th>
<th>General Fund Money, Obligations, and Reserves</th>
<th>General Fund Budget</th>
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The General Fund reserve is projected to be $271.4 billion after it is received. The General Fund reserve forecast is lower by $27.6 billion in FY 2019-20 compared to the 2018-19 forecast of $54.0 billion. The refund of $16.2 million in FY 2018-19 is expected to exceed the cap by $260.5 million in FY 2019-20.

Distribution of TABOR Refunds

TABOR refunds are distributed to the General Fund in 2018-19 after it is received. The largest refunds are for the veterans property tax exemption, which is expected to exceed the cap by $260.5 million in FY 2019-20.

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The Colorado Outlook Economic and Fiscal Review, September 2018