



Colorado Economic and Fiscal Outlook

October 11, 2019

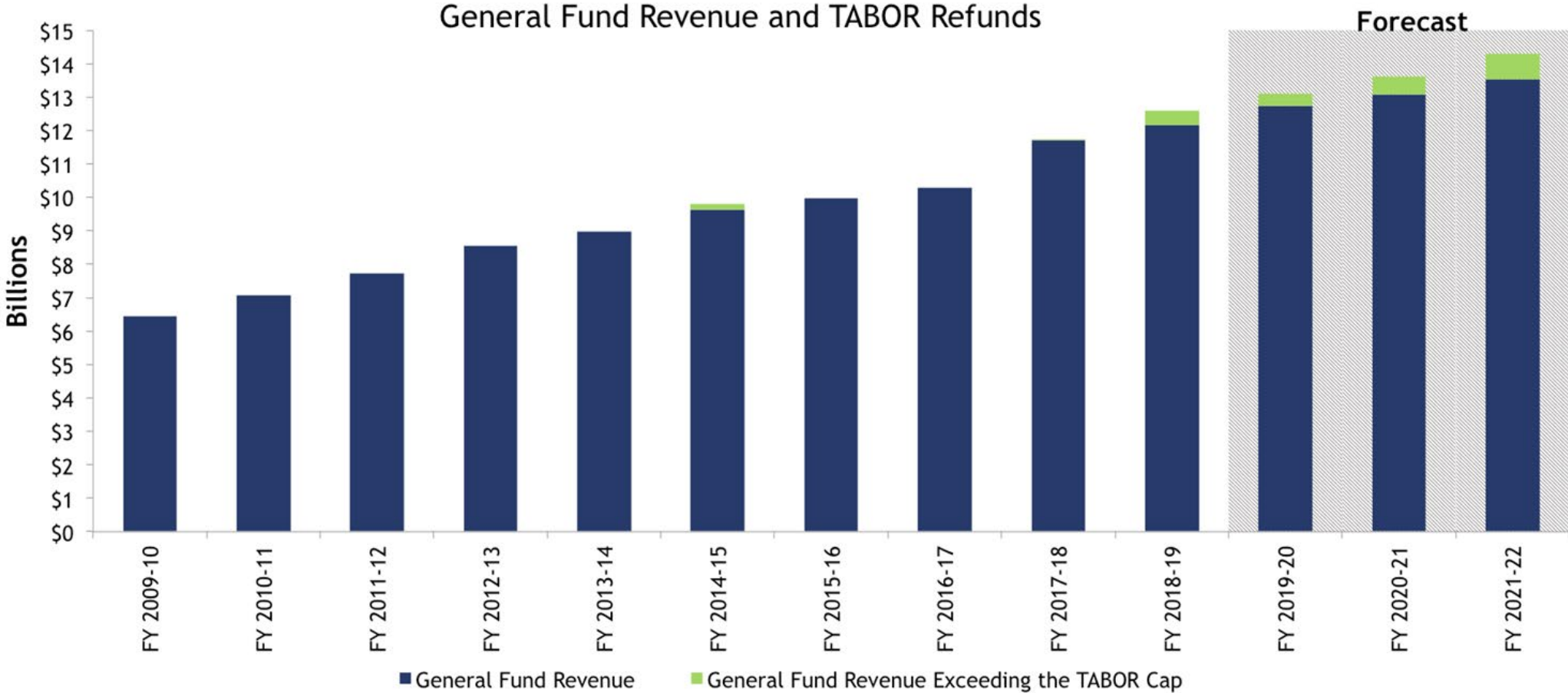
Lauren Larson - Director



COLORADO
Office of State Planning
& Budgeting

**The forecast was revised slightly
downward from June**

General Fund Revenue Forecast

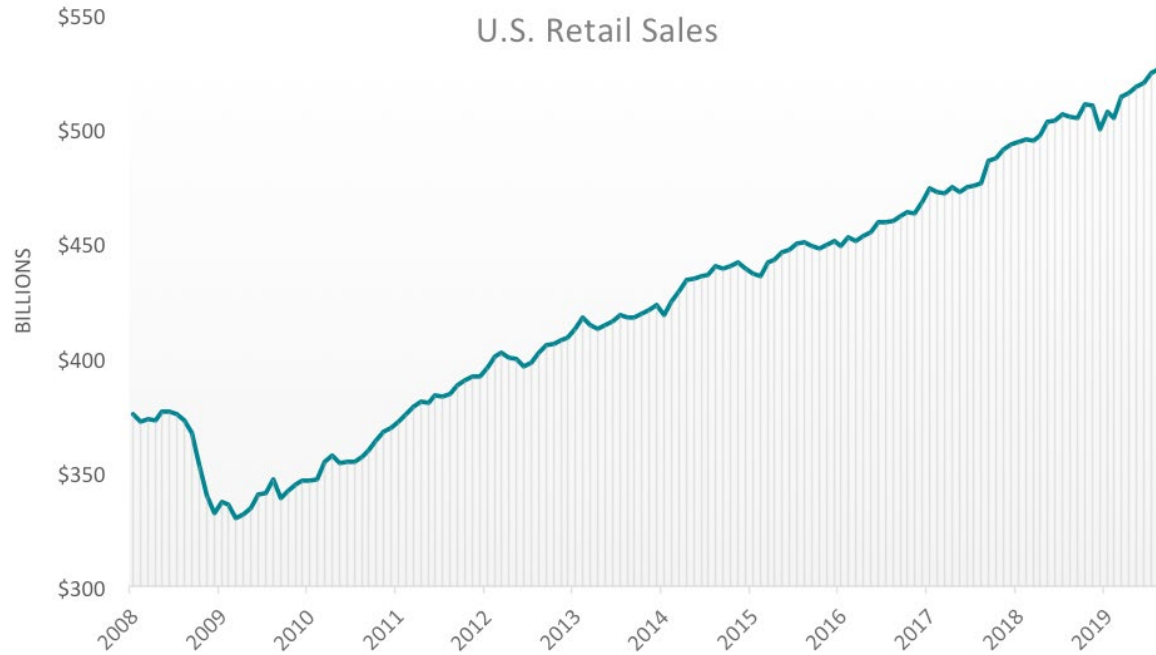


Forecast Revisions

- Corporate income tax -- small downward revision to last year's collections
- Slightly lower cash fund revenue this summer
- Economic risks increased this quarter -- not in revisions but watching closely

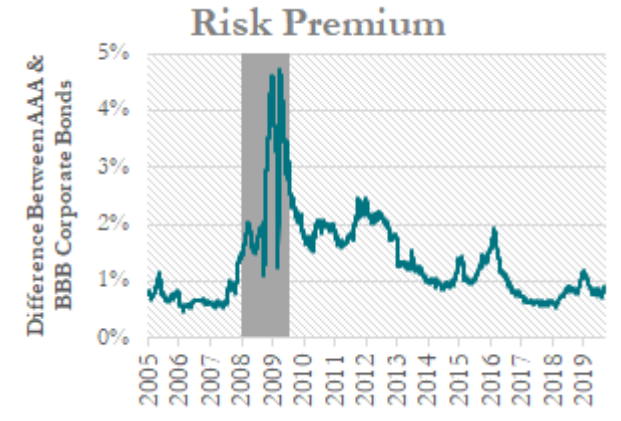
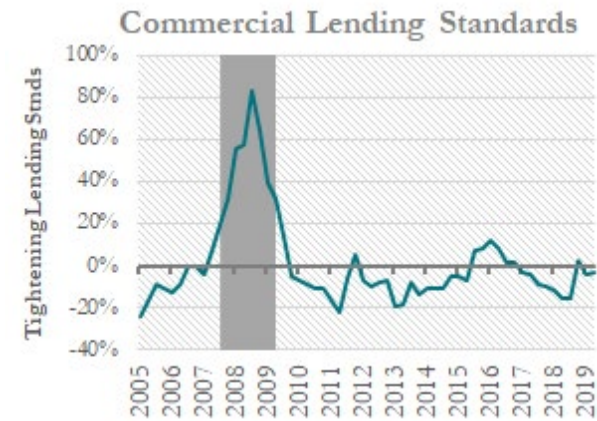
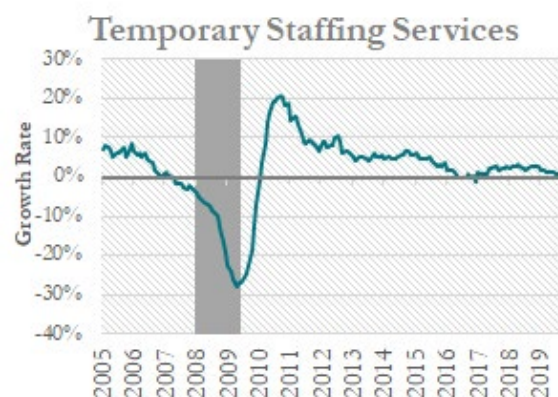
**Consumer spending is supporting
continued economic expansion**

Production vs. Consumption Indicators



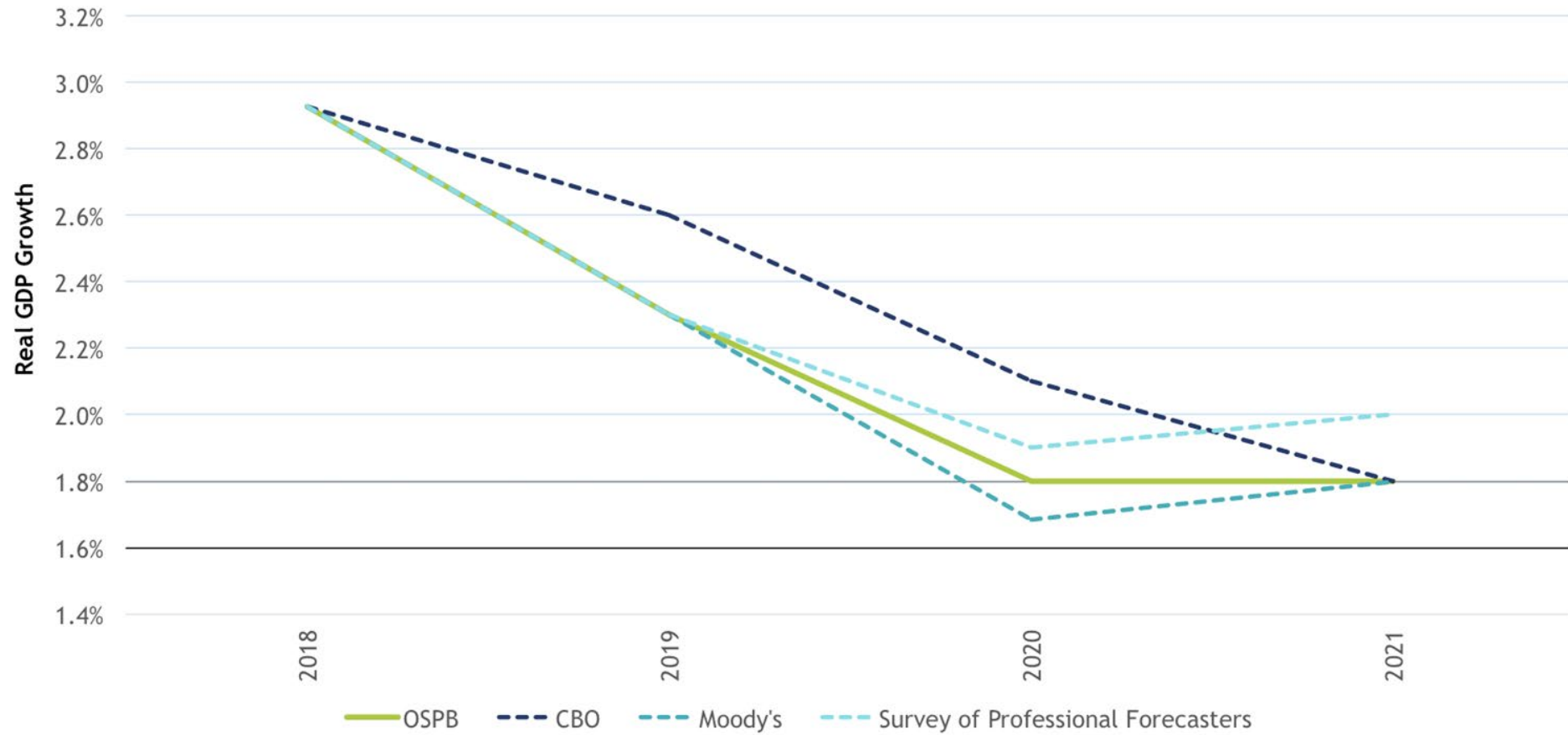
**Leading economic indicators
suggest continued expansion, but at
a slower rate**

Leading Economic Indicators



**This forecast is conservative and
comparable to independent
benchmarks**

Benchmarks



**Budget capacity is limited by the
TABOR cap**

FY21 Budget Implications

- Revenue is above the TABOR cap, limiting budget growth.
- This means less available in new funds for next year's budget (FY 2020-21) compared with prior two years.
- Although last year's topline growth also was limited by TABOR, the net new money available was much higher due in part to the local share for school finance being stronger.
 - This took an expenditure off our books and freed up more than \$350 million in the FY 2019-20 budget.

Questions?



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