

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**SUPPLEMENTAL REQUESTS FOR FY 2009-10,
FY 2010-11, AND FY 2011-12**

CAPITAL CONSTRUCTION

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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**CAPITAL CONSTRUCTION
FY 2009-10, FY 2010-11, AND FY 2011-12 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

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**CAPITAL CONSTRUCTION
 FY 2009-10, FY 2010-11, AND FY 2011-12 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Prioritized Supplementals

**Supplemental Request, Departmental Priority #1
 Reduce Capital Spending from Wildlife Cash Fund**

| | Request | Recommendation |
|----------------------|----------------|----------------|
| Total | (\$16,584,376) | (\$16,584,376) |
| FTE | <u>0.0</u> | <u>0.0</u> |
| General Fund | 0 | 0 |
| Cash Funds | (14,348,652) | (14,348,652) |
| Reappropriated Funds | 0 | 0 |
| Federal Funds | (2,235,724) | (2,235,724) |

| | |
|---|------------|
| Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.] | YES |
| JBC staff and the Department agree that this supplemental is the result of <i>data that was not available when the original appropriation was made.</i> | |

Department Request: The Department of Natural Resources, Division of Parks and Wildlife, requests a negative supplemental totaling \$16,584,376, including \$14,348,652 cash funds and \$2,235,724 federal funds. This supplemental request impacts a total of 14 projects and 18 line item appropriations within the Capital Construction section of the annual Long Bill for FY 2009-10, FY 2010-11, and FY 2011-12. Specifically, the request:

- Eliminates funding for one project, the Colorado Outdoor Recreation Center, and reduces cash and federal funds spending authority for 10 projects for FY 2009-10;
- Reduces cash and federal funds spending authority for three projects for FY 2010-11, including one continuation project also funded in FY 2009-10; and
- Eliminates funding for three projects, including the Gunnison Regional/Area Office and Hunter Education Facility and two continuation projects also funded in FY 2010-11, and reduces cash and federal funds spending authority for one project for FY 2011-12.

Staff Recommendation: Staff recommends that the Committee approve the supplemental request for a reduction of \$16,584,376, including \$14,348,652 cash funds and \$2,235,724 federal funds.

CAPITAL CONSTRUCTION
FY 2009-10, FY 2010-11, AND FY 2011-12 SUPPLEMENTAL RECOMMENDATIONS
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Staff Analysis: The Wildlife Cash Fund is the primary cash fund used to fund operating and capital expenses for wildlife programs in the Division of Parks and Wildlife. Revenues accrue to the Wildlife Cash Fund from the sale of hunting and fishing licenses. The Parks and Wildlife Board has a policy to maintain a reserve in the Wildlife Cash Fund equal to 10 percent of annual license revenue.

The Division is requesting this negative supplemental to redirect \$14.4 million cash funds from select capital construction projects in order to rebuild the reserve in the Wildlife Cash Fund. The reserve is currently \$15.8 million below the level required by the policy set by the Parks and Wildlife Board due to calculation errors in FY 2008-09 and FY 2009-10. Specifically, the Division reports that some capital expenditures and vendor commissions and fees were not included in the calculations used to determine the required reserve amount. Furthermore, the amount of unspent appropriated capital construction spending authority was not deducted from the reserve total in some calculations. The request states that these reporting omissions and errors were undetected due to a failure to conduct timely reserve calculations, employee turnover and vacancies, and inadequate employee training. The Division first reported on this issue to the Capital Development Committee in August, 2011, and JBC staff brought the issue to the Committee's attention during this year's briefing process.

| Project Name | Project Description | Original Appropriation* | Requested Change | Recommended Change | New Total with Recommendation |
|--------------|---------------------|-------------------------|------------------|--------------------|-------------------------------|
|--------------|---------------------|-------------------------|------------------|--------------------|-------------------------------|

CAPITAL CONSTRUCTION

Supplemental #1 - Reduce Capital Spending from Wildlife Cash Fund

| Fiscal Year 2009-10 | | | | | |
|--|---|-----------|-------------|-------------|---------|
| Colorado Outdoor Educational Recreation Center | The project provides funding for the design and construction of an outdoor Educational and Recreation Center near the Denver metropolitan area. The projected cost to construct the center was greater than estimated and the project has been abandoned. | 3,000,000 | (3,000,000) | (3,000,000) | 0 |
| Cooperative Habitat Development | The project provides funding to increase the quality and quantity of habitat on private property, thereby improving small game hunting opportunities and enhancing populations of sensitive species in Colorado. | 425,000 | (75,000) | (75,000) | 350,000 |
| Dam Maintenance, Repair, and Improvement | The project provides funding for the ongoing maintenance, repair, and improvements to dams located on property owned or leased by the Division. This appropriation funds a spillway study and alternative analysis at Beaver Park Reservoir in Monte Vista and other miscellaneous repairs. | 262,500 | (1,645) | (1,645) | 260,855 |

| Project Name | Project Description | Original Appropriation* | Requested Change | Recommended Change | New Total with Recommendation |
|---|---|------------------------------------|-----------------------------|-------------------------------|--|
| Employee Housing Repairs | The project funds the annual repair, maintenance, and modernization of employee housing located on properties owned and managed by the Division. This appropriation funds five projects. | 670,845 | (77,298) | (77,298) | 593,547 |
| Fish Unit Maintenance and Improvement | The project provides funding for emergency repairs and improvements at a number of the 18 fish production facilities owned and operated by the State. This appropriation funds two projects. | 2,373,000 | (2,269,734) | (2,269,734) | 103,266 |
| Grants for Improvements, Repairs, and Development on Wetlands and Shooting Ranges | The project provides funding to develop, improve, or repair wetlands, and improve or repair existing shooting ranges in order to preserve and restore habitat for water-dependent species, and enhance shooting recreation opportunities. | 1,200,000 | (612,446) | (612,446) | 587,554 |
| Major Repairs and Minor Improvements | The project funds controlled maintenance and repairs on the fixed assets owned by the Division. This appropriation funds 26 projects. | 631,806 | (363,385) | (363,385) | 268,421 |
| Motorboat Access on Lakes and Streams | The project provides funding to improve motorboat access on lakes and streams in Colorado. This appropriation funds three projects. | <u>417,900</u> | <u>(79,406)</u> | <u>(79,406)</u> | <u>338,494</u> |
| | Cash Funds | 104,475 | (19,852) | (19,852) | 84,623 |
| | Federal Funds | 313,425 | (59,554) | (59,554) | 253,871 |
| Property Maintenance, Improvements, and Development | The project funds facility and habitat improvements on land owned or leased by the Division. This appropriation funds 12 projects. | 1,750,455 | (546,722) | (546,722) | 1,203,733 |

| Project Name | Project Description | Original Appropriation* | Requested Change | Recommended Change | New Total with Recommendation |
|--|---|------------------------------------|-----------------------------|-------------------------------|--|
| Small Maintenance and Improvement Projects | The project funds small maintenance and improvement projects at facilities owned or leased by the Division. This appropriation funds 19 projects. | 594,720 | (140,036) | (140,036) | 454,684 |
| Stream and Lake Improvements | The project funds enhancements of degraded streams and lakes for the benefit of fisheries and anglers. This appropriation funds five projects. | 534,450 | (58,945) | (58,945) | 475,505 |
| Total for FY 2009-10 | | <u>\$11,860,676</u> | <u>(\$7,224,617)</u> | <u>(\$7,224,617)</u> | <u>\$4,636,059</u> |
| Cash Funds | | 11,547,251 | (7,165,063) | (7,165,063) | 4,382,188 |
| Federal Funds | | 313,425 | (59,554) | (59,554) | 253,871 |
| Fiscal Year 2010-11 | | | | | |
| Asset Development or Improvements | The project provides funding to address the construction of new facilities, erect or repair fencing, build or repair public access roads and parking lots, develop water resources, post signs, and/or manipulate habitat and vegetation. This appropriation funds 31 projects. | 2,471,600 | (692,457) | (692,457) | 1,779,143 |
| Infrastructure and Real Property Maintenance | The project provides funding to maintain and improve division properties. The funding included in this appropriation is intended to address maintenance on an as-needed basis. This appropriation funds 12 projects. | 681,030 | (122,484) | (122,484) | 558,546 |

| Project Name | Project Description | Original Appropriation* | Requested Change | Recommended Change | New Total with Recommendation |
|--|---|------------------------------------|-----------------------------|-------------------------------|--|
| Motorboat Access on Lakes and Streams | The project makes improvements to motorboat access on lakes and streams in Colorado and promotes fishing recreation in the state. This appropriation funds 10 projects. | <u>512,180</u> | <u>(134,517)</u> | <u>(134,517)</u> | <u>377,663</u> |
| | Cash Funds | 128,045 | (33,629) | (33,629) | 94,416 |
| | Federal Funds | 384,135 | (100,888) | (100,888) | 283,247 |
| Total for FY 2010-11 | | <u>\$3,664,810</u> | <u>(\$949,458)</u> | <u>(\$949,458)</u> | <u>\$2,715,352</u> |
| Cash Funds | | <u>3,280,675</u> | <u>(848,570)</u> | <u>(848,570)</u> | <u>2,432,105</u> |
| Federal Funds | | <u>384,135</u> | <u>(100,888)</u> | <u>(100,888)</u> | <u>283,247</u> |
| Fiscal Year 2011-12 | | | | | |
| Asset Development or Improvements | The project provides funding to improve or create division assets. This appropriation funds fish barrier construction at Rifle Gap Reservoir, a spring collection system for Rifle Falls fish hatchery, and a waterline project to replace a leaking pipe at the Division's fish research hatchery. | 1,363,221 | (1,363,221) | (1,363,221) | 0 |
| Gunnison Regional/Area Office and Hunter Education Facility | The project provides funding to build a new Southwest Regional Office and Gunnison Area Office with a hunter education facility. The new facility would allow the Division to save time and travel expenses, and improve customer service. | <u>5,155,058</u> | <u>(5,155,058)</u> | <u>(5,155,058)</u> | <u>0</u> |
| | Cash Funds | 3,372,726 | (3,372,726) | (3,372,726) | 0 |
| | Federal Funds | 1,782,332 | (1,782,332) | (1,782,332) | 0 |

| Project Name | Project Description | Original Appropriation* | Requested Change | Recommended Change | New Total with Recommendation |
|--|--|------------------------------------|------------------------------|-------------------------------|--|
| Infrastructure and Real Property Maintenance | The project funds the maintenance and improvement of the Division's properties statewide. This appropriation funds 30 projects. | 2,129,911 | (1,501,422) | (1,501,422) | 628,489 |
| Motorboat Access on Lakes and Streams | The project provides funding to construct motorboat access facilities such as boat ramps, docks, roads, parking lots, and restrooms. This appropriation funds improved motorboat access on Tarryall Reservoir. | <u>390,600</u> | <u>(390,600)</u> | <u>(390,600)</u> | <u>0</u> |
| | Cash Funds | 97,650 | (97,650) | (97,650) | 0 |
| | Federal Funds | 292,950 | (292,950) | (292,950) | 0 |
| Total for FY 2011-12 | | <u>\$9,038,790</u> | <u>(\$8,410,301)</u> | <u>(\$8,410,301)</u> | <u>\$628,489</u> |
| Cash Funds | | 6,963,508 | (6,335,019) | (6,335,019) | 628,489 |
| Federal Funds | | 2,075,282 | (2,075,282) | (2,075,282) | 0 |
| Total for Supplemental #1 | | <u>\$24,564,276</u> | <u>(\$16,584,376)</u> | <u>(\$16,584,376)</u> | <u>\$7,979,900</u> |
| Cash Funds | | 21,791,434 | (14,348,652) | (14,348,652) | 7,442,782 |
| Federal Funds | | 2,772,842 | (2,235,724) | (2,235,724) | 537,118 |

* All funds are cash funds unless otherwise indicated