

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**FY 2012-13 STAFF BUDGET BRIEFING**

**DEPARTMENT OF NATURAL RESOURCES**

**(Executive Director's Office, Division of Parks and Wildlife, Colorado Water Conservation Board, Water Resources Division)**

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

**Prepared By:  
Viktor Bojilov, JBC Staff  
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For Further Information Contact:

Joint Budget Committee Staff  
200 E. 14th Avenue, 3rd Floor  
Denver, Colorado 80203  
Telephone: (303) 866-2061  
TDD: (303) 866-3472

**FY 2012-13 BUDGET BRIEFING  
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE**

**DEPARTMENT OF NATURAL RESOURCES  
(Executive Director's Office, Division of Parks and Wildlife, Colorado Water Conservation  
Board, Water Resources Division)**

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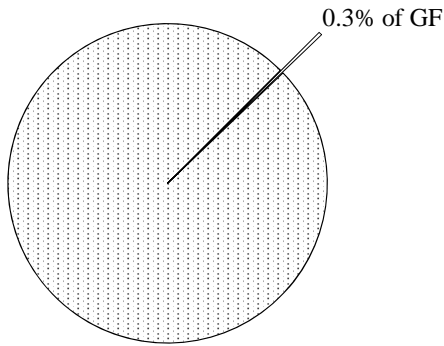
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*\*\* The State Auditor's Office has not identified any outstanding recommendations for this department.*

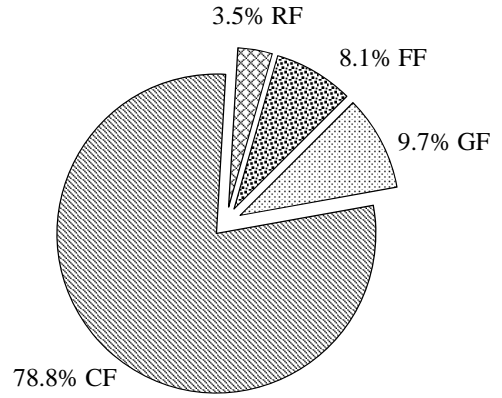
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**GRAPHIC OVERVIEW**

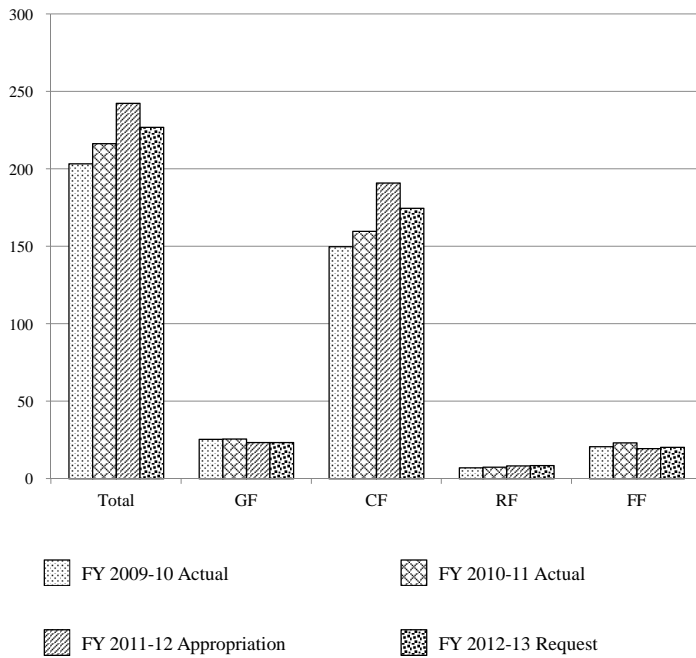
**Department's Share of Statewide General Fund**



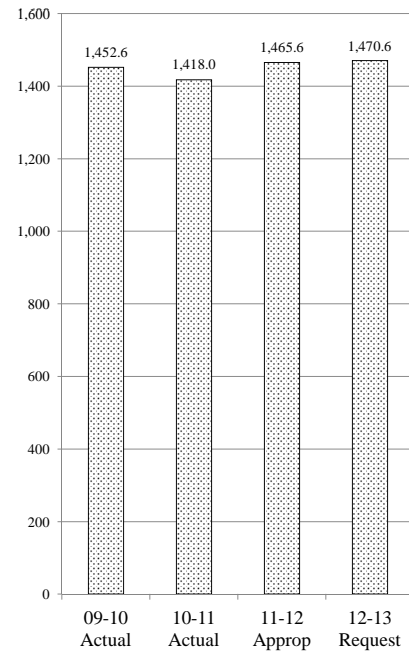
**Department Funding Sources**



**Budget History  
(Millions of Dollars)**

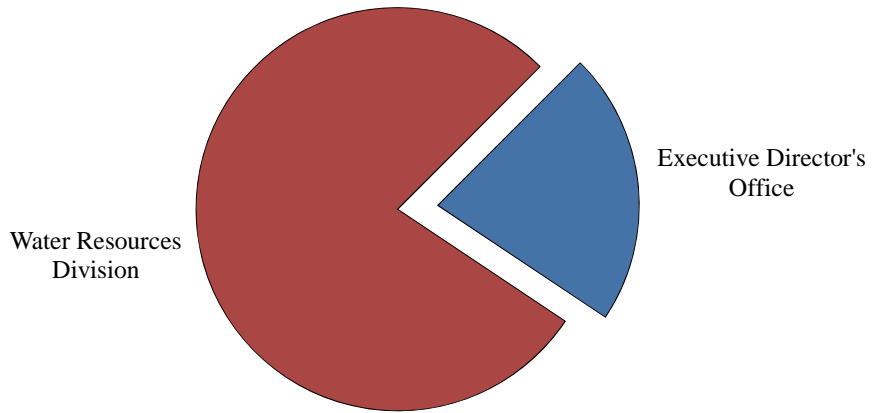


**FTE History**

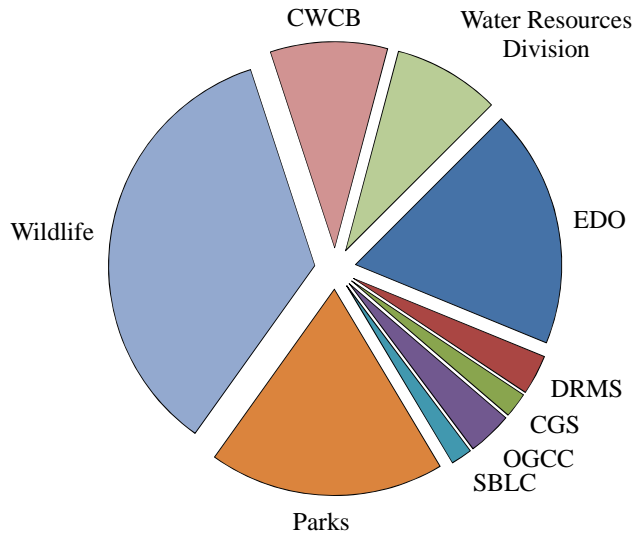


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing**  
**Department of Natural Resources**  
**(Executive Director's Office, Division of Parks and Wildlife, Colorado Water Conservation Board, Water Resources Division)**

**DEPARTMENT OVERVIEW**

**Key Responsibilities**

- The **Division of Reclamation, Mining, and Safety** regulates the development and reclamation of mining sites (this division will be discussed in a separate briefing).
- The **Colorado Geological Survey** seeks to enhance the economic vitality of the state, protect citizens from adverse conditions and to provide information using geological tools (this division will be discussed in a separate briefing).
- The **Oil and Gas Conservation Commission** promotes responsible development of oil and gas (this division will be discussed in a separate briefing).
- The **State Board of Land Commissioners** manages state-owned lands for agriculture, minerals development, and commercial purposes, to benefit public schools and other trust beneficiaries (this division will be discussed in a separate briefing).
- The Division of **Parks and Wildlife** consists of two sub-divisions, **State Parks** manages recreational opportunities in 42 state parks and **Wildlife** manages the state's 960 game and non-game wildlife species through the issuance of hunting and fishing licenses, the enforcement of wildlife regulations, and the administration of more than 295 state wildlife areas.
- The **Colorado Water Conservation Board** promotes conservation of the state's water resources to ensure maximum use and flood prevention.
- The **Water Resources Division** ("State Engineer's Office") administers and enforces water rights throughout the state.

**Factors Driving the Budget**

Funding for the entire department consists of 9.6 percent General Fund, 78.8 percent cash funds, 3.5 percent reappropriated funds, and 8.1 percent federal funds.

Funding for the divisions covered in this packet (Executive Director's Office, Parks and Wildlife, the Colorado Water Conservation Board, and the Water Resources Division) consists of 10.7 percent General Fund, 78.8 percent cash funds, 3.4 percent reappropriated funds, and 7.1 percent federal funds.

**Division of Parks and Wildlife**

Senate Bill 11-208 merged the Division of Parks and Outdoor Recreation and the Division of Wildlife into a new division titled Division of Parks and Wildlife, effective July 1, 2011. The bill

did not merge the appropriations of the two former divisions for FY 2011-12, but allowed the new Division of Parks and Wildlife to expend appropriations to the former Division of Wildlife and the former Division of Parks and Outdoor Recreation contained in the 2011 general appropriations act (Senate Bill 11-209).

**State Parks**

The State Parks sub-division manages 44 parks and associated parks projects, of which 42 are currently open to the public. State Parks also manages several special purpose programs including statewide recreation programs, such as the snowmobile program, the off-highway vehicle program, and river outfitters regulation. Other special programs include federal grants, aquatic nuisance species control and prevention, and the distribution of trails grants.

The level of services at existing state parks as well as the acquisition and development of new properties is driven by available funding sources. Workload, and to some extent revenue, is driven by visitation. State Parks are estimated to have approximately 12.4 million visitors in FY 2011-12. Over the past several years, General Fund support for State Parks has declined and has been completely eliminated starting with FY 2011-12.

Other than General Fund moneys, revenues for State Parks include fees, lottery funds, other state and federal funds. For FY 2010-11, the last year actual data is available, State Parks is estimated to receive \$70.3 million in total revenues. Of this amount, a total of \$30.1 million is estimated to come from park passes and entry fees, permits and user fees, and various other fees and income; \$22.6 million in Lottery and Great Outdoors Colorado (GOCO) funds; \$7.8 million in severance tax funding; \$6.1 million in federal funds; \$2.3 million in General Fund, and \$1.4 million in interest income and other revenues.

<b>State Parks Revenues</b>		
	<b>FY 2009-10 Actual</b>	<b>FY 2010-11 Actual</b>
Lottery 10 % Distribution	\$11,294,157	\$11,336,100
GOCO Parks Grants	7,752,646	11,272,557
Parks Passes and Entry Fees	9,304,125	11,421,860
Permits and User Fees	7,364,829	8,330,543
State Funds (Severance Tax and Species Conservation Trust Fund)	7,464,583	7,795,775
Federal Funds	4,010,696	6,127,566
Registration Fees - Other	5,148,523	5,058,151
Registration Fees - Boats	3,425,120	3,400,940
General Fund	2,373,023	2,286,833

<b>State Parks Revenues</b>		
	<b>FY 2009-10 Actual</b>	<b>FY 2010-11 Actual</b>
Other*	<u>3,311,397</u>	<u>3,284,526</u>
<b>Total State Parks Revenues</b>	<b>\$61,449,099</b>	<b>\$70,314,851</b>

\* Includes concession / lease income, interest, sale of goods and services, and other various sources.

Starting with FY 2011-12, the General Assembly eliminated General Fund support to State Parks through the general appropriations act (S.B. 11-209). In order to provide an alternative source of funding to State Parks, the General Assembly approved an increase to several park fees by approximately \$1.4 million.

<b>General Fund Support to State Parks</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Appropriation</b>	<b>FY 2010-11 Appropriation</b>	<b>FY 2011-12 Appropriation</b>	<b>FY 2012-13 Estimate</b>
General Fund - State Parks <sup>1</sup>	\$6,989,032	\$2,601,945	\$2,590,409	\$0	\$0
<i>Percent Change</i>	<i>n/a</i>	<i>-62.8%</i>	<i>(0.4)%</i>	<i>(100.0)%</i>	<i>n/a</i>
State Parks Visitation <sup>2</sup>	11,955,691	12,295,354	12,338,520	12,387,874	12,600,000
<i>Percent Change</i>	<i>n/a</i>	<i>2.8%</i>	<i>0.4%</i>	<i>0.4%</i>	<i>1.7%</i>

<sup>1</sup> Includes centrally appropriated items funded in the Executive Director's Office.

<sup>2</sup> For State Parks Visitation, the FY 2008-09 through FY 2010-11 numbers are actuals and the FY 2011-12 and FY 2012-13 numbers are estimates.

### ***Great Outdoors Colorado (GOCO) Board Grants***

This section provides information on grants awarded by GOCO to the Division of Parks and Wildlife. GOCO also makes grants to local governments and for open space that are not reflected in the state budget. Pursuant to Article XXVII of the Colorado Constitution, GOCO grants are not subject to legislative appropriation authority and thus are reflected for information only. The GOCO grants to State Parks are used for developing new parks (capital) as well as enhancing and maintaining existing parks (operating). The GOCO grants to Wildlife are used for species protection, habitat development, watchable wildlife, and wildlife education.

<b>Great Outdoors Colorado Board Grants</b>	<b>FY 2006-07 Award</b>	<b>FY 2007-08 Award</b>	<b>FY 2008-09 Award</b>	<b>FY 2009-10 Award</b>	<b>FY 2010-11 Award</b>
Parks Capital Budget	\$7,249,650	\$4,849,239	\$2,200,000	\$21,881,500	\$4,399,360
Parks Operating Budget	<u>4,025,000</u>	<u>0</u>	<u>8,139,000</u>	<u>4,375,000</u>	<u>4,998,382</u>
Total GOCO Grants to State Parks	\$11,274,650	\$4,849,239	\$10,339,000	\$26,256,500	\$9,397,742
Wildlife Base Capital Budget	\$4,935,968	\$2,416,065	\$2,361,651	\$2,442,183	\$2,494,966

<b>Great Outdoors Colorado Board Grants</b>	<b>FY 2006-07 Award</b>	<b>FY 2007-08 Award</b>	<b>FY 2008-09 Award</b>	<b>FY 2009-10 Award</b>	<b>FY 2010-11 Award</b>
Wildlife Legacy Capital Budget	0	10,384,885	0	4,000,000	10,000,000
Wildlife Operating Budget	<u>6,546,000</u>	<u>6,200,000</u>	<u>6,200,000</u>	<u>6,300,000</u>	<u>6,300,000</u>
<b>Total Grants to Wildlife</b>	<b>\$11,481,968</b>	<b>\$19,000,950</b>	<b>\$8,561,651</b>	<b>\$12,742,183</b>	<b>\$18,794,966</b>

Source: Great Outdoors Colorado

### **Wildlife**

The Wildlife sub-division manages the state's 960 game and non-game wildlife species by issuing fishing and hunting licenses, enforcing wildlife regulations, protecting habitat and native wildlife populations, and managing over 230 state wildlife areas totaling more than 600,000 acres. Funding for the Wildlife sub-division is a mixture of cash funds from license fees, federal funds, Great Outdoors Colorado funds, and various other sources. Hunting and fishing license sales provide more than half of the funding for wildlife. Approximately 67.5 percent or \$50.6 million of total license sales are from big game species (mainly elk and deer) and about 55.3 percent or \$41.5 million of all revenues from license sales come from the sale of non-resident big game species licenses. The table below shows Wildlife revenues by category.

<b>Wildlife Revenues</b>		
	<b>FY 2009-10 Actual</b>	<b>FY 2010-11 Actual</b>
Big Game Hunting	50,107,619	50,618,763
Small Game Hunting	2,117,836	2,040,327
Fishing	13,646,074	13,369,982
Habitat Stamp	3,564,254	5,704,325
Other Licenses	<u>5,192,651</u>	<u>3,297,240</u>
Subtotal: License Sales	74,628,434	75,030,637
Federal Funds	24,204,131	24,236,684
Great Outdoors Colorado Grants	11,155,219	22,053,229
State Funds (Severance Tax and Species Conservation Trust Fund)	3,039,946	3,562,358
Other*	<u>4,629,696</u>	<u>4,153,744</u>
<b>Total Wildlife Revenues</b>	<b>\$117,657,426</b>	<b>\$129,036,652</b>

\* Includes goods sold, rent, fines, interest, donations, and other grants.



## **Division of Water Resources (State Engineer's Office)**

The Division of Water Resources (DWR) is responsible for the supervision and control of water resources in the state of Colorado (Section 37-80-102 (1) (h), C.R.S.), which includes administration and operation of over 150,000 surface and ground water rights. This includes daily oversight of water allocation to farmers, industries, municipalities, and all other water users within the state. This allocation system is performed in accordance with the Doctrine of Prior Appropriation (i.e., those that put the water to use first are entitled to get their water first during periods of water shortage), Colorado Supreme Court decisions, water court decrees, and rules and regulations issued by the State Engineer. The DWR has contractual water delivery obligations for each of its nine compacts, two United States Supreme Court decrees, and interstate water allocation agreements.

The DWR also safeguards the public health of the people of Colorado and protects the ground water in Colorado by setting and enforcing minimum standards through permit applications and inspections for the construction and repair of wells. The DWR oversees approximately 250,000 permitted and decreed wells. Additionally, the dam safety program protects public safety through the regulation of approximately 2,000 dams, including 600 dam inspections annually. The DWR staff also maintains 518 streamflow, ditch and reservoir gages used for administration of water rights and reservoir operations. In order to accomplish these and other work duties, the DWR staff drives approximately 2.1 million miles annually.

## **Colorado Water Conservation Board Construction Fund**

The Colorado Water Conservation Board (CWCB) Construction Fund, created in Section 37-60-121 (1) (a), C.R.S., provides loans and grants for projects that will increase the beneficial consumptive use of Colorado's undeveloped compact entitled waters. Section 37-60-121 (1) (b) (IV), C.R.S., instructs the Colorado Water Conservation Board (CWCB) to participate in only those projects that can repay the CWCB's investment, unless specifically authorized by the legislature through a bill. Section 37-60-122 (1) (b), C.R.S., authorizes the CWCB to make loans without General Assembly approval in amounts not to exceed ten million dollars and the unappropriated balance of moneys in the CWCB Construction Fund and the Severance Tax Trust Fund Perpetual Base Account are continuously appropriated for this purpose. For FY 2011-12, H.B. 11-1274 appropriated \$13.9 million from the CWCB Construction Fund for various water related projects including \$12.0 million for the purchase of all or a portion of Colorado's allotment of water from the Animas-La Plata Project.

The CWCB Construction Fund receives revenues from the return of principal and interest on outstanding loans, interest earned on the cash balance of the Fund through investments by the State Treasurer, transfers from the Perpetual Base Account, and federal mineral lease (FML) fund distributions. The CWCB Construction Fund receives a distribution of 10.0 percent of non-bonus FML revenue, up to a statutory cap that grows by four percent annually (\$15.7 million for FY 2011-12).

The CWCB Construction Fund also pays for the administrative expenses of the CWCB. For FY 2012-13 the CWCB estimates that it will need \$7.2 million for salaries, operating costs, and other related expenditures. In addition the CWCB Construction Fund provides funding for non-

reimbursable projects and special account replenishment, an estimated \$10.0 million in FY 2012-13. The CWCB anticipates providing loans for new water projects totaling \$9.1 million in FY 2012-13.

<b>Colorado Water Conservation Board Construction Fund</b> <b>(Based on September 2011 Legislative Council Staff Revenue Estimate)</b>				
	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
Beginning Balance	\$36,697,945	\$84,336,896	\$107,444,626	\$92,557,086
Adjustments to Beginning Balance <sup>1</sup>	(23,901,592)	(79,809,899)	(85,572,290)	(82,238,923)
Accounts Receivable (Principal/Interest)	17,108,628	15,670,922	15,511,576	16,187,377
FML Revenues	11,724,295	14,722,345	15,672,410	16,378,020
Animas-La Plata Project Transfer	<u>0</u>	<u>12,000,000</u>	<u>12,000,000</u>	<u>12,000,000</u>
<b>Total Available</b>	<b>41,629,276</b>	<b>46,920,264</b>	<b>65,056,322</b>	<b>54,883,560</b>
CWCB, DWR, EDO, and AG Operations	5,881,385	5,989,346	7,138,343	7,219,123
Non-Reimbursable Investments & Cash Replenishment	9,671,214	10,108,764	10,000,000	10,000,000
Animas-La Plata Expenditure	0	0	0	0
Actual Loan Issuances	16,311,590	15,422,953	15,748,496	0
Anticipated Loan Issuances (pre-qualified)	0	0	9,101,525	9,101,525
Maximum Amount Available for Loans <sup>2</sup>	<u>0</u>	<u>0</u>	<u>22,500,000</u>	<u>28,500,000</u>
<b>Total Expenditures</b>	<b>31,864,189</b>	<b>31,521,063</b>	<b>64,488,364</b>	<b>54,820,648</b>
Ending Balance	\$9,765,087	\$15,399,201	\$567,958	\$62,912

<sup>1</sup> The "Adjustments to Beginning Balance" category is part of a new cash funds reporting methodology used by the Department starting on November 1, 2011. It includes an adjustment for prior year approved loans/grants that have not been spent, as well as other adjustments.

<sup>2</sup> The "Maximum Amount Available for Loans" is the Department's estimate of unobligated fund balance.

### **Perpetual Base Account of the Severance Tax Trust Fund**

The Severance Tax Trust Fund Perpetual Base Account, authorized in Section 39-29-109 (2) (a), C.R.S., is used for similar purposes as the CWCB Construction Fund. Specifically, this account is used to fund directly or provide loans for construction, rehabilitation, enlargement, or improvement of water projects. The Perpetual Base Account receives half of receipts to the Severance Tax Trust Fund (one fourth of all severance tax income). This fund is a revolving loan account, and as such no permanent programs depend on this fund.

<b>Perpetual Base Account of the Severance Tax Trust Fund (Based on September 2011 Legislative Council Staff Revenue Estimate)</b>				
	<b>FY 2009-10 Actual</b>	<b>FY 2010-11 Actual</b>	<b>FY 2011-12 Estimate</b>	<b>FY 2012-13 Estimate</b>
Beginning Balance	\$40,454,321	\$4,865,510	\$22,130,017	\$872,130
Receivables/Interest Earnings	7,062,895	6,538,389	7,448,802	6,753,962
Severance Tax	17,856,646	35,005,279	39,955,000	47,715,000
Principal Repayment	<u>4,151,218</u>	<u>4,094,531</u>	<u>4,438,311</u>	<u>4,919,809</u>
<b>Total Available</b>	<b>69,525,080</b>	<b>50,503,709</b>	<b>73,972,130</b>	<b>60,260,901</b>
Agriculture Emergency Drought Grants	0	0	0	1,000,000
Loan Issuances	659,570	373,692	0	0
Animas La-Plata Water Purchase (H.B. 10-1250; Sect. 7 and 8)	<u>0</u>	<u>12,000,000</u>	<u>12,000,000</u>	<u>12,000,000</u>
<b>Total Expenditures</b>	<b>\$659,570</b>	<b>\$12,373,692</b>	<b>\$12,000,000</b>	<b>\$13,000,000</b>
Ending FY Balance without transfers	\$68,865,510	\$38,130,017	\$61,972,130	\$47,260,901
Transfers to the General Fund in S.B. 09-279 (Sect. 22)	(62,000,000)	0	0	0
Transfer to the General Fund in H.B. 10-1327 (Sect. 8)	(2,000,000)	0	0	0
Transfer to the General Fund in H.B. 10-1388 (Sect. 2)	0	(11,000,000)	0	0
Transfer to the General Fund in S.B. 11-164 (Sect. 9)	0	(5,000,000)	0	0
Transfer to the General Fund in S.B. 11-226 (Sect. 6)	0	0	(48,100,000)	0
Reserve per direction from Governor's Office	0	0	(13,000,000)	(7,000,000)
Refinance Dept. of Revenue Severance Tax Collection and Administration (R-7)	0	0	0	(401,181)
November 1, 2011 Request to transfer \$33.85 million to the General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>(33,850,000)</u>
<b>Ending Balance</b>	<b>\$4,865,510</b>	<b>\$22,130,017</b>	<b>\$872,130</b>	<b>\$6,009,720</b>

**FY 2012-13 Joint Budget Committee Staff Budget Briefing**  
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**(Executive Director's Office, Division of Parks and Wildlife, Colorado Water Conservation Board, Water Resources Division)**

**CHANGE REQUEST PRIORITY LIST**

Note: This table includes all Department of Natural Resources change requests. However, the full change request text is shown only for those change requests that affect the sections of the budget covered in this presentation. In some cases, only a portion of the total change request amount shown will apply to the budget sections addressed in this packet.

<b>Change Request</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
R-1 Field and Technical Support Staff	\$0	\$430,472	\$0	\$0	\$430,472	5.0
R-2 Asset Management System Upgrade	0	750,000	0	0	750,000	0.0
R-3 <b>DWR Line Item Consolidation</b> <b>Water Resources Division.</b> The Division is currently funded through 12 line items. The Division proposes consolidating to a total of 8 line items to allow the Division to manage its budget in a more efficient and flexible manner. <i>Statutory authority: Section 2-3-203 (2), C.R.S.</i>	0	0	0	0	0	0.0
R-4 Interagency Water Expertise	0	120,000	0	0	120,000	0.0
R-5 <b>Integrated Resource Services</b> <b>Executive Director's Office.</b> The Department is requesting \$250,000 reappropriated funds to create a new line item titled "Integrated Resource Services". This line item is intended to be used to pay for services between Department agencies for subject matter experts dealing with a diverse range of natural resource management issues. <i>Statutory authority: 24-33-101, C.R.S.</i>	0	0	250,000	0	250,000	0.0
R-6 <b>Consolidation of GOCO Line Items</b> <b>Division of Parks and Wildlife, Parks and Outdoor Recreation.</b> The Department is requesting the merger of the Great Outdoors Colorado Board Grants sub-section totaling \$4,335,000 cash funds (GOCO) and 22.5 FTE into the appropriation for the Parks and Outdoor Recreation, State Park Operations line item. <i>Statutory authority: Section 2-3-203 (2), C.R.S.</i>	0	0	0	0	0	0.0

Change Request	GF	CF	RF	FF	Total	FTE
R-7	0	0	0	0	0	0.0
<b>Consolidation of Parks' IT Line Items</b> <b>Division of Parks and Wildlife, Parks and Outdoor Recreation.</b> The Department is requesting the merger of three separate line items in Parks and Outdoor Recreation totaling \$1,301,500 cash funds (lottery proceeds) into one new line item titled "Information Technology". The three line items are System Operations and Support, Connectivity at State Parks, and Asset Management. <i>Statutory authority: Section 2-3-203 (2), C.R.S.</i>						
R-8	(5,484)	(17,106)	0	2,332	(20,258)	0.0
<b>Adjustment to Leased Space</b> <b>Executive Director's Office.</b> The Department is requesting the adjustment of its leased space line item in order to align it with the most recent calculation of leased space needs. <i>Statutory authority: Section 24-75-112 (1)(g), C.R.S.</i>						
BRI-1	0	0	0	0	0	0.0
<b>Severance Tax Perpetual Base Account Transfer (\$33.85 million)</b> <b>Colorado Water Conservation Board.</b> The Department proposes a transfer of \$33.85 million from the Perpetual Base Account of the Severance Tax Trust Fund to the General Fund in FY 2012-13. This request requires legislation. <i>Statutory authority: Section 39-29-109 (2)(a)(II), C.R.S.</i>						
NP-1	38,778	169,380	0	(727)	207,431	0.0
<b>Vehicle Replacements</b> <b>Executive Director's Office.</b> This non-prioritized request reflects adjustments in costs for leased vehicles. Leases are managed on a centralized basis by the Department of Personnel (DPA). Adjustments are addressed by the Committee as part of common policy figure setting. For FY 2012-13, the Department of Personnel is proposing the replacement of 600 vehicles statewide, including 73 in the Department of Natural Resources. <i>Statutory authority: Sections 24-30-1104 (2) (a), 24-30-1117, and 24-75-112 (1) (r), C.R.S.</i>						
<b>Total</b>	<b>\$33,294</b>	<b>\$1,452,746</b>	<b>\$250,000</b>	<b>\$1,605</b>	<b>\$1,737,645</b>	<b>5.0</b>

**FY 2012-13 Joint Budget Committee Staff Budget Briefing**  
**Department of Natural Resources**  
**(Executive Director's Office, Division of Parks and Wildlife, Colorado Water Conservation Board, Water Resources Division)**

**OVERVIEW OF NUMBERS PAGES**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request.

**Total Requested Change for Entire Department, FY 2010-11 to FY 2011-12**  
**(millions of dollars)**

Category	GF	CF	RF	FF	Total	FTE
FY 2011-12 Appropriation	\$23.4	\$191.0	\$8.5	\$19.6	\$242.5	1,465.6
FY 2012-13 Request	23.4	174.6	8.6	20.3	226.9	1,470.6
Increase / (Decrease)	\$0.0	(\$16.4)	\$0.1	\$0.7	(\$15.6)	5.0
Percentage Change	0.0%	-8.6%	1.2%	3.6%	-6.4%	0.3%

**Total Requested Change for EDO, Parks, CWCB, WRD, and DOW Only, FY 2011-12 to**  
**FY 2012-13 (millions of dollars)**

Category	GF	CF	RF	FF	Total	FTE
FY 2011-12 Appropriation	\$23.4	\$171.4	\$7.4	\$15.5	\$217.7	1,252.6
FY 2012-13 Request	23.4	153.4	7.5	16.2	200.5	1,252.6
Increase / (Decrease)	\$0.0	(\$18.0)	\$0.1	\$0.7	(\$17.2)	0.0
Percentage Change	0.0%	-10.5%	1.4%	4.5%	-7.9%	0.0%

The following tables highlight the individual changes contained in the Department's FY 2012-13 budget request, as compared with the FY 2011-12 appropriation, for the portion of the Department covered in this briefing packet. For additional detail, see the numbers pages in Appendix A.

**Requested Changes by Category of Request, FY 2011-12 to FY 2012-13**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
<b>Department of Natural Resources (EDO, Parks and Wildlife, CWCB, Water)</b>	<b>\$23,422,123</b>	<b>\$171,356,415</b>	<b>\$7,375,163</b>	<b>\$15,535,729</b>	<b>\$217,689,430</b>	<b>1,252.6</b>
Restore S.B. 11-76 PERA	384,244	1,202,478	66,881	205,845	1,859,448	0.0
Common Policy Adjustments <sup>1</sup>	868,484	1,246,719	(1,544,357)	511,242	1,082,088	0.0
Restore FY 2012 Operating Reduction	30,850	16,769	9,197	0	56,816	0.0
Additional Federal Funds	0	0	0	41,218	41,218	0.0
Indirect Cost Adjustments (EDO)	(1,310,389)	0	1,310,389	0	0	0.0
Annualize H.B. 11-1274 CWCB Project Bill	0	(13,925,000)	0	0	(13,925,000)	0.0
Annualize S.B. 11-203 Species Conservation Trust Fund	0	(6,600,000)	0	0	(6,600,000)	0.0
Indirect Cost Adjustments (other divisions except EDO)	0	(29,419)	0	(87,666)	(117,085)	0.0
<b>Department of Natural Resources Base Request</b>	<b>\$23,395,312</b>	<b>\$153,267,962</b>	<b>\$7,217,273</b>	<b>\$16,206,368</b>	<b>\$200,086,915</b>	<b>1,252.6</b>
R-5 Integrated Resource Services	0	0	250,000	0	250,000	0.0
NP-1 Vehicle Replacements	38,778	169,380	0	(727)	207,431	0.0
R-1 Field and Technical Support Staff	0	1,446	0	0	1,446	0.0
R-3 Consolidation of Division of Water Resources Line Items	0	0	0	0	0	0.0
R-6 Consolidation of Parks' GOCO Line Items	0	0	0	0	0	0.0
R-7 Consolidation of Parks' IT Line Items	0	0	0	0	0	0.0
R-8 Adjustments to Leased Space	<u>(5,484)</u>	<u>(17,106)</u>	<u>0</u>	<u>2,332</u>	<u>(20,258)</u>	<u>0.0</u>
<b>Department of Natural Resources (EDO, Parks and Wildlife, CWCB, Water) Total Request</b>	<b>\$23,428,606</b>	<b>\$153,421,682</b>	<b>\$7,467,273</b>	<b>\$16,207,973</b>	<b>\$200,525,534</b>	<b>1,252.6</b>
<b>Change</b>	<b>\$6,483</b>	<b>(\$17,934,733)</b>	<b>\$92,110</b>	<b>\$672,244</b>	<b>(\$17,163,896)</b>	<b>0.0</b>
<b>Percent Change</b>	<b>0.0%</b>	<b>-10.5%</b>	<b>1.2%</b>	<b>4.3%</b>	<b>-7.9%</b>	<b>0.0%</b>

<sup>1</sup> Common Policy Adjustments includes changes to the following line items: Health, Life, and Dental; Short-term Disability; S.B. 04-257 Amortization Equalization Disbursement, S.B. 06-235 Supplemental Amortization Equalization Disbursement; Shift Differential; Workers' Compensation; Purchase of Services from Computer Center; Multiuse Network Payments; Management and Administration fo OIT; Payment to Risk Management and Property Funds; Capitol Complex Leased Space; and Communications Services Payments.

**Requested Changes, FY 2011-12 to FY 2012-13 by Division**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
<b>(1) Executive Director's Office Current Appropriation</b>	<b>\$5,122,197</b>	<b>\$30,735,102</b>	<b>\$7,083,576</b>	<b>\$2,394,229</b>	<b>\$45,335,104</b>	<b>43.8</b>
Common Policy Adjustments	868,484	1,246,719	(1,544,357)	511,242	1,082,088	0.0
Restore S.B. 11-76 PERA	0	0	66,881	0	66,881	0.0
Restore FY 2012 Operating Reduction	0	0	9,197	0	9,197	0.0
Annualize S.B. 11-203 Species Conservation Trust Fund	0	(6,600,000)	0	0	(6,600,000)	0.0
Indirect Cost Adjustments	<u>(1,310,389)</u>	<u>0</u>	<u>1,310,389</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Executive Director's Office Base Request</b>	<b>\$4,680,292</b>	<b>\$25,381,821</b>	<b>\$6,925,686</b>	<b>\$2,905,471</b>	<b>\$39,893,270</b>	<b>43.8</b>
R-5 Integrated Resource Services	0	0	250,000	0	250,000	0.0
NP-1 Vehicle Replacements	38,778	169,380	0	(727)	207,431	0.0
R-1 Field and Technical Support Staff	0	1,446	0	0	1,446	0.0
R-8 Adjustments to Leased Space	<u>(5,484)</u>	<u>(17,106)</u>	<u>0</u>	<u>2,332</u>	<u>(20,258)</u>	<u>0.0</u>
<b>(1) Executive Director's Office Total Request</b>	<b>\$4,713,586</b>	<b>\$25,535,541</b>	<b>\$7,175,686</b>	<b>\$2,907,076</b>	<b>\$40,331,889</b>	<b>43.8</b>
<b>Change</b>	<b>(\$408,611)</b>	<b>(\$5,199,561)</b>	<b>\$92,110</b>	<b>\$512,847</b>	<b>(\$5,003,215)</b>	<b>0.0</b>
<b>Percent Change</b>	<b>-8.0%</b>	<b>-16.9%</b>	<b>1.3%</b>	<b>21.4%</b>	<b>-11.0%</b>	<b>0.0%</b>
<b>(6) Parks and Wildlife Current Appropriation</b>	<b>\$0</b>	<b>\$116,922,626</b>	<b>\$0</b>	<b>\$12,873,560</b>	<b>\$129,796,186</b>	<b>911.0</b>
Restore S.B. 11-76 PERA	0	1,115,518	0	203,551	1,319,069	0.0
Restore FY 2012 Operating Reduction	0	16,769	0	0	16,769	0.0
Indirect Cost Adjustments	<u>0</u>	<u>52,484</u>	<u>0</u>	<u>(93,054)</u>	<u>(40,570)</u>	<u>0.0</u>
<b>Parks and Wildlife Base Request</b>	<b>\$0</b>	<b>\$118,107,397</b>	<b>\$0</b>	<b>\$12,984,057</b>	<b>\$131,091,454</b>	<b>911.0</b>
R-6 Consolidation of Parks' GOCO Line Items	0	0	0	0	0	0.0
R-7 Consolidation of Parks' IT Line Items	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>(6) Parks and Wildlife Total Request</b>	<b>\$0</b>	<b>\$118,107,397</b>	<b>\$0</b>	<b>\$12,984,057</b>	<b>\$131,091,454</b>	<b>911.0</b>
<b>Change</b>	<b>\$0</b>	<b>\$1,184,771</b>	<b>\$0</b>	<b>\$110,497</b>	<b>\$1,295,268</b>	<b>0.0</b>
<b>Percent Change</b>	<b>n/a</b>	<b>1.0%</b>	<b>n/a</b>	<b>0.9%</b>	<b>1.0%</b>	<b>0.0%</b>



Category	GF	CF	RF	FF	Total	FTE
<b>(7) Colorado Water Conservation Board Current Appropriation</b>	<b>\$0</b>	<b>\$21,835,952</b>	<b>\$291,587</b>	<b>\$138,817</b>	<b>\$22,266,356</b>	<b>45.7</b>
Restore S.B. 11-76 PERA	0	81,079	0	2,294	83,373	0.0
Annualize H.B. 11-1274 CWCB Project Bill	0	(13,625,000)	0	0	(13,625,000)	0.0
Indirect Cost Adjustments	0	(63,076)	0	3,991	(59,085)	0.0
<b>Colorado Water Conservation Board Base Request</b>	<b>\$0</b>	<b>\$8,228,955</b>	<b>\$291,587</b>	<b>\$145,102</b>	<b>\$8,665,644</b>	<b>45.7</b>
No Change Requests	0	0	0	0	0	0.0
<b>(7) Colorado Water Conservation Board Total Request</b>	<b>\$0</b>	<b>\$8,228,955</b>	<b>\$291,587</b>	<b>\$145,102</b>	<b>\$8,665,644</b>	<b>45.7</b>
<b>Change</b>	<b>\$0</b>	<b>(\$13,606,997)</b>	<b>\$0</b>	<b>\$6,285</b>	<b>(\$13,600,712)</b>	<b>0.0</b>
<b>Percent Change</b>	<b>n/a</b>	<b>-62.3%</b>	<b>0.0%</b>	<b>4.5%</b>	<b>-61.1%</b>	<b>0.0%</b>
<b>(8) Water Resources Division Current Appropriation</b>	<b>\$18,299,926</b>	<b>\$1,862,735</b>	<b>\$0</b>	<b>\$129,123</b>	<b>\$20,291,784</b>	<b>252.1</b>
Restore S.B. 11-76 PERA	384,244	5,881	0	0	390,125	0.0
Additional Federal Funds	0	0	0	41,218	41,218	0.0
Restore FY 2012 Operating Reduction	30,850	0	0	0	30,850	0.0
Annualize H.B. 11-1274 CWCB Project Bill	0	(300,000)	0	0	(300,000)	0.0
Indirect Cost Adjustments	0	(18,827)	0	1,397	(17,430)	0.0
<b>Water Resources Division Base Request</b>	<b>\$18,715,020</b>	<b>\$1,549,789</b>	<b>\$0</b>	<b>\$171,738</b>	<b>\$20,436,547</b>	<b>252.1</b>
R-3 Consolidation of Division of Water Resources Line Items	0	0	0	0	0	0.0
<b>(8) Water Resources Division Total Request</b>	<b>\$18,715,020</b>	<b>\$1,549,789</b>	<b>\$0</b>	<b>\$171,738</b>	<b>\$20,436,547</b>	<b>252.1</b>
<b>Change</b>	<b>\$415,094</b>	<b>(\$312,946)</b>	<b>\$0</b>	<b>\$42,615</b>	<b>\$144,763</b>	<b>0.0</b>
<b>Percent Change</b>	<b>2.3%</b>	<b>-16.8%</b>	<b>n/a</b>	<b>33.0%</b>	<b>0.7%</b>	<b>0.0%</b>
<b>Department Total Change</b>	<b>\$6,483</b>	<b>(\$17,934,733)</b>	<b>\$92,110</b>	<b>\$672,244</b>	<b>(\$17,163,896)</b>	<b>0.0</b>
<b>Percent Change</b>	<b>0.0%</b>	<b>-10.5%</b>	<b>1.2%</b>	<b>4.3%</b>	<b>-7.9%</b>	<b>0.0%</b>

**FY 2012-13 Joint Budget Committee Staff Budget Briefing**  
**Department of Natural Resources**  
**(Executive Director's Office, Parks and Wildlife, Colorado Water Conservation Board,**  
**Water Resources Division)**

**BRIEFING ISSUE**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Natural Resources' report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Natural Resources can be accessed from the Office of State Planning and Budgeting web site.

The issue brief assumes that the performance-based goals are appropriate for the Department. Pursuant to the SMART Government Act legislative committees of reference are responsible for reviewing the strategic plans and recommending changes to the departments. The issue brief also assumes that the performance measures are reasonable for the performance-based goals. Pursuant to the SMART Government Act the State Auditor periodically assesses the integrity, accuracy, and validity of the reported performance measures. Please note that the Department's full strategic plan includes seven overarching highest priority objectives and performance measures and additional division-specific objectives and performance measures. This issue brief only deals with five of the seven overarching objectives. The remaining two overarching objectives will be evaluated in a separate issue brief.

**DISCUSSION:**

**Performance-based Goals and Measures**

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The Department's seven top priority objectives are:

**1. Species Conservation.**

*Objective: Protect the diversity of Colorado's wildlife resources.*

Number of species on the "Species of Greatest Conservation Need" list		
Year	Benchmark	Actual
FY 2007-08	210	Unknown
FY 2008-09	210	Unknown
FY 2009-10	210	Unknown
FY 2010-11	210	Unknown

Number of species on the "Species of Greatest Conservation Need" list		
Year	Benchmark	Actual
FY 2011-12 Appropriation	210	Unknown
FY 2012-13 Request	210	Unknown

**a. How is the Department measuring the specific goal/objective?**

The Division of Wildlife identifies and implements strategies to stabilize and enhance native species populations and to recover threatened and endangered species in ways that minimize adverse impacts on local governments, private landowners and other citizens. In order to prepare the federally-required Comprehensive "Wildlife Conservation Strategy" the Division developed a set of criteria for identifying "Species of Greatest Conservation Need" and finalized a Comprehensive Wildlife Conservation Strategy in FY 2006-07. This measure focuses more broadly on overall ecosystem health and is viewed by the Division as a barometer of health of wildlife in Colorado. Species on this list are targeted by conservation programs in order to ensure that they do not require protection via federal or state listing regulations. The Division currently has over 70 recovery plans targeting either individual species or ecosystems. In the Department's strategic plan submitted with the FY 2011-12 budget, the Department stated that FY 2012-13 is the first year actual data will be available. In the Department's strategic plan submitted with the FY 2012-13 budget, the Department stated that FY 2015-16 is the first year actual data will be available.

**b. Is the Department meeting its objective, and if not, why?**

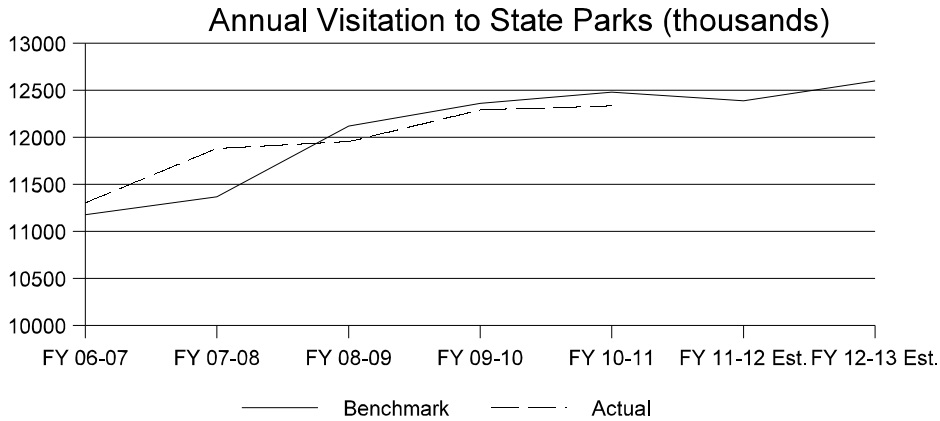
Unknown. The first year actual outcome data will be available is in FY 2015-16. In the FY 2011-12 strategic plan, the Division of Wildlife reported an alternative measure to assess performance on this objective in the strategic plan for the Division of Wildlife. The performance measure tracked if Division efforts helped prevent the listing of species under the Federal Endangered Species Act. For FY 2008-09 and FY 2009-10 the Department reported that it prevented 18 and 17 listings respectively in the two prior years. However, staff was not provided the Division of Parks and Wildlife strategic plan as of the writing of this report.

**c. How does the budget request advance the performance-based goal?**

The Department has not submitted any decision items related to species conservation. The Fish, Wildlife and Habitat Program within the Division of Wildlife is an on-going program that aims to achieve this goal. Under this program, Wildlife reports spending \$17.5 million in FY 2009-10 and \$19.0 million in FY 2010-11 for habitat and wildlife species protection.

## 2. Outdoor Recreation.

*Objective: Provide and promote a variety of outdoor recreational opportunities for citizens and visitors.*



### a. How is the Department measuring the specific goal/objective?

State Parks measures the number of visitors through the tracking of visitation statistics at parks.

### b. Is the Department meeting its objective, and if not, why?

The Department is slightly under-performing in meeting its annual visitation to state parks benchmark by 0.5 percent in FY 2009-10 and by 1.1 percent in FY 2010-11. State Parks anticipates a continuing increase in visitation to parks due to various factors including growth in Colorado's population and in part expanding the number of state parks and recreational opportunities. State Parks intends to continue to expand visitation by broadening the Agency's visibility, maintaining high-quality recreation opportunities, and expanding the in-state and regional marketing efforts to attract additional visitors. The Department states that its performance in this area will have to be considered in light of the elimination of General Fund support and the overall budget provided to State Parks. The Department notes that operations at Bonny Lake State Park have been reduced and the property has been converted to a State Wildlife Area. Additional proposals to reduce operations at other state parks may be considered in order to improve the long-term financial sustainability of the state park system.

### c. How does the budget request advance the performance-based goal?

The Department has submitted two change requests (R-6 and R-7) to consolidate several line items within the State Parks budget. The Department has not submitted any other requests to advance the specific goal. The Department has been implementing various strategies aimed at making sure that State Parks can continue to operate with no General Fund support. Currently, the new Parks and Wildlife Board has tasked a team of employees with assessing properties, facilities, other synergies and efficiencies that can be found in the new Division of Parks and Wildlife.

### 3. Compact Compliance.

*Objective: Maximize efficient use of Colorado's water resources in compliance with interstate compacts.*

Overall compliance with interstate water compacts		
Year	Benchmark	Actual
FY 2007-08	100.0 %	90.0 %
FY 2008-09	100.0 %	88.0 %
FY 2009-10	100.0%	88.0%
FY 2010-11	100.0%	88.0%
FY 2011-12 Appropriation	100.0%	Unknown
FY 2012-13 Request	100.0%	Unknown

#### **a. How is the Department measuring the specific goal/objective?**

The State of Colorado has to meet water delivery obligations for each of nine compacts, two U.S. Supreme Court Decrees, a U.S. treaty, and interstate water allocation agreements. The Division of Water Resources quantifies the allocation and subsequent delivery obligation for each binding agreement to assess compliance.

#### **b. Is the Department meeting its objective, and if not, why?**

For FY 2010-11 the State of Colorado was in compliance with both U.S. Supreme Court Decrees, all agreements, and eight of the nine compacts. The State is not in compliance with the Republican River Compact, namely, the State of Kansas has brought suit against Nebraska and Colorado for failing to meet their water delivery obligations under the Republican River Compact. The Department states that the La Plata River Compact was not considered in this analysis due to unresolved accounting issues.

The Department reports that numerous actions have been taken by the State Engineer to achieve compliance with the Republican River Compact. Colorado formally proposed the idea of a Compact Compliance Pipeline (CCP) to the States of Kansas and Nebraska. The CCP is intended to deliver water from wells located 8 to 15 miles north of the North Fork of the Republican River to the same stream at the Colorado/Nebraska state line just above the measuring device. Currently, Nebraska supports approval of the CCP, while Kansas does not. Colorado and Kansas will continue arbitration negotiations through 2011. The Republican River Water Conservation District (RRWCD) has accepted a bid for construction of the CCP. As of FY 2010-11, the cumulative annual total number of acres of land included in conservation programs (temporary and permanent) was 32,662 acres.

The State Engineer promulgated rules in July 2008 requiring metering of all wells within the Republican River Basin effective March 2009. Measurement devices are in place on almost all of approximately 4,000 high capacity wells in the Republican River Basin. Data has been collected and is currently being evaluated. In FY 2010-11, the State Engineer also ordered release

of approximately 5,007 acre-feet of water stored in Bonny Reservoir to reduce Colorado's water consumption in the future.

**c. How does the budget request advance the performance-based goal?**

The Division has submitted one request (R-3) to consolidate several line items in the Division in order to manage its budget in a more efficient and flexible manner. The Division of Water Resources is primarily funded with General Fund. The funding for the division is primarily for staff and operating expenses related to supervision and control of water resources in the state.

**4. Wildlife Recreation.**

*Objective: provide hunting and fishing recreation opportunities for citizens and visitors to Colorado.*

Number of Licensed Hunters in Colorado (Based on Calendar Year)			
Year	Benchmark	Actual	Percent
FY 2007-08	305,000	304,432	99.8%
FY 2008-09	305,000	294,186	96.5%
FY 2009-10	305,000	288,098	94.5%
FY 2010-11	305,000	286,363	93.9%
FY 2011-12 Appropriation	305,000	Unknown	NA
FY 2012-13 Request	305,000	Unknown	NA

Number of Licensed Anglers in Colorado (Based on Calendar Year)			
Year	Benchmark	Actual	Percent
FY 2007-08	685,000	681,077	99.4%
FY 2008-09	685,000	654,721	95.6%
FY 2009-10	685,000	687,584	100.4%
FY 2010-11	690,000	674,775	97.8%
FY 2011-12 Appropriation	685,000	Unknown	NA
FY 2012-13 Request	685,000	Unknown	NA

**a. How is the Department measuring the specific goal/objective?**

The Department tracks the sale of licenses to hunters and anglers.

**b. Is the Department meeting its objective, and if not, why?**

The Department is not meeting its objective related to the number of licensed hunters in Colorado. The Department states that the reasons for not meeting its objective are numerous. National statistics on demographic trends suggest that the number of hunters in the United States will

decline in the coming years. This decrease is related to many biological, social, and economic variables, as well as hunter satisfaction, game management objectives, demographics, etc. In Colorado, continued pressure on wildlife habitat may reduce big game populations. The Department states that maintaining the current number of hunters in Colorado despite national trends will be a challenge.

The Department is much closer to meeting its objective related to the number of licensed anglers in Colorado. The Department states that the number of people who fish in Colorado reflects the success of the Division in managing sport fish populations, including maintaining stream and lake water quality and quantity, augmenting sport fish populations through fish production at hatcheries, providing public access to fishing waters, managing the detrimental impacts of diseases and invasive species, recruiting new anglers to the sport, and informing and educating the public about angling opportunities. The Department states that while it increased its benchmark for the number of anglers for FY 2010-11, department staff believe that the FY 2010-11 target was optimistic given the changes in economic variables during the past two years.

**c. How does the budget request advance the performance-based goal?**

The Department has not submitted any change request specifically related to this goal. The Department spends approximately \$10.5 million to provide hunting opportunities and \$11.4 million to provide fishing opportunities. Currently, the new Parks and Wildlife Board has tasked a team of employees with assessing properties, facilities, other synergies and efficiencies that can be found in the new Division of Parks and Wildlife.

**5. Water Supply.**

*Objective: Meet the current and future water supply needs of the State.*

<b>Increase Water Storage to Meet Long-term Water Supply Needs</b>		
<b>Year</b>	<b>Benchmark</b>	<b>Actual</b>
FY 2007-08	20,000 acre feet	7,100 acre feet
FY 2008-09	20,000 acre feet	526 acre feet
FY 2009-10	10,000 acre feet	750 acre feet
FY 2010-11	122,265 acre feet	75,802 acre feet
FY 2011-12 Appropriation	36,455 acre feet	Unknown
FY 2012-13 Request	5,740 acre feet	Unknown

**a. How is the Department measuring the specific goal/objective?**

In 2003, the General Assembly approved the Statewide Water Supply Initiative (SWSI) to examine, on a basin by basin basis, Colorado's projected water supplies and water demands. One of SWSI's major findings shows that through projects and water planning local water providers have the ability to meet about 80.0 percent of Colorado's municipal and industrial water needs

through 2030. The CWCB has estimated that by the year 2050, Colorado will need an additional 750,000 to 1,100,000 acre feet of water supply.

**b. Is the Department meeting its objective, and if not, why?**

The CWCB is not meeting its objective related to water supply. CWCB staff is projecting a significant reduction in money available for new loans in FY 2011-12 and FY 2012-13 from the Perpetual Base Account of the Severance Tax Trust Fund. This will impact water supply projects in FY 2012-13 and FY 2013-14 due to the transfer of Perpetual Base Account funds to the General Fund. To date, the General Assembly has transferred \$163.1 million from the Perpetual Base Account and \$10.3 million from the CWCB Construction Fund to the General Fund. For FY 2012-13, the Department has submitted a request (BRI-1) to transfer an additional \$33.85 million from the Perpetual Base Account to the General Fund in FY 2012-13. The CWCB has identified over \$110.0 million in water project needs over the next 10 years.

The CWCB financed and completed one new storage project and two dam rehabilitation projects in FY 2010-11, resulting in approximately 75,802 acre feet of additional water storage. The new storage project was Reuter-Hess Reservoir, located near Parker, Colorado. It involved over 72,000 acre feet of new storage. Eight other new storage or rehabilitation projects, financed by the CWCB, are currently either in the design or construction phase and are expected to be completed within the next two to four years. The resulting total increase in water storage is projected to be in excess of 42,195 acre feet. In FY 2010-11, the CWCB completed 12 projects, involving over \$22.0 million in loan funds. The number of projects and amount of funds disbursed are subject to the borrower's design and construction schedule and actual loan funds available, thus, the Department claims that the performance measure for this goal is at times hard to predict.

**c. How does the budget request advance the performance-based goal?**

The budget request does not advance the goal. The CWCB has submitted a request to transfer \$33.85 million from the Perpetual Base Account of the Severance Tax Trust Fund to the General Fund in FY 2012-13.

**6. Energy Development.**

*Objective: Ensure that energy development is undertaken in a responsible manner that encourages protection of environmental resources such as water and wildlife habitat.*  
(This performance measure will be covered as part of a second issue brief)

**7. State Land Board Lands.**

*Objective: Maximize revenue on State Land Board properties for the benefit of all trusts.*  
(This performance measure will be covered as part of a second issue brief)



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**BRIEFING ISSUE**

**ISSUE: Implementation of S.B. 11-208 Concerning the Division of Parks and Wildlife**

The new Division of Parks and Wildlife is in the process of studying various aspects of the operations of the former Divisions of Parks and Outdoor Recreation and Wildlife and is preparing a final transition plan to be submitted to the General Assembly by February 29, 2012. The new division anticipates that the complete merger of the two former divisions' operations could take up to five years.

**SUMMARY:**

- The Parks and Wildlife Board is working on drafting a transition plan and proposal to present to the General Assembly by February 29, 2012, to address outstanding issues and identify increased efficiencies and cost savings that may be realized from the merger of State Parks and the Division of Wildlife.
- The current implementation plan flow envisions that the complete merger of the two divisions could take up to five years.
- One of the primary motivations for the consolidation of State Parks and the Division of Wildlife was the potential for savings from more efficient operations resulting from the merger.

**RECOMMENDATION:**

Staff recommends that the Committee discuss the progress of the merger of State Parks and Wildlife at the Department of Natural Resources' hearing, focusing on the primary motivation for the consolidation of State Parks and Wildlife - the potential for savings from more efficient operations.

**DISCUSSION:**

**Senate Bill 11-208 Highlights**

Senate Bill 11-208 consolidated the Divisions of Parks and Outdoor Recreation and Wildlife into a new single Division of Parks and Wildlife, that is an enterprise for the purpose of Section 20 of Article X of the State Constitution. The bill also defines a new Board of Parks and Wildlife (Board) to oversee the new division.

Among other responsibilities, the Board is tasked with formulating an implementation plan to address outstanding issues and identify increased efficiencies and cost savings that may be realized from the merger. The bill directs that any implementation plan consolidate the operations and programs of the two divisions in a manner that allocates costs over a reasonable period of time and within existing budget levels.

The bill directs the Board when discussing an increase or a decrease to a park fee to consider the effect that the new fee would have on park usage, the impact to the demand for service, and opportunities for differential pricing. The Bill limits any increase to park fees to a maximum of 20.0 percent over the annual amount earned from fees and charges as they existed on July 1, 2011. The bill reaffirms the State's assent to the federal acts that prohibit diversion of license and fees paid by hunters and sport fishermen for purposes other than administration of the former Division of Wildlife. The Board is tasked with adopting policies and procedures to prevent the unauthorized commingling or impermissible use of moneys in distinct funds and that moneys are expended consistent with the purpose for which they are received, collected, or appropriated.

The bill requires the Director of the Division of Parks and Wildlife to report by February 29, 2012, to the oversight committees on the Board's activities since June 1, 2011, regarding the implementation plan, any problems with the plan, and any recommendation for further legislation. The report must also identify any cost savings that are expected to emerge from the merger. The Director is also required to submit by November 30, 2011, an informal progress report to the oversight committees.

**Division of Parks and Wildlife - Revenues and Expenditures at a Glance**

The tables below are intended to provide a high-level overview of sources of revenue and appropriations by type (operating vs. capital budget).

<b>Division of Parks and Wildlife Revenues</b>		
	<b>FY 2010-11 Parks</b>	<b>FY 2010-11 Wildlife</b>
Passes, Permits, Fees (Entry, User, Registration), Licenses	\$28,211,494	\$75,030,637
GOCO Grants	11,272,557	22,053,229
Lottery 10 % Distribution	11,336,100	0
State Funds (Severance Tax and Species Conservation Trust Fund)	7,795,775	3,562,358
Federal Funds	6,127,566	24,236,684
General Fund	2,286,833	0
Other	<u>3,284,526</u>	<u>4,153,744</u>
<b>Total Division of Parks and Wildlife Revenues</b>	<b>\$70,314,851</b>	<b>\$129,036,652</b>

<b>Division of Parks and Wildlife Appropriations</b>		
	<b>FY 2011-12 Parks</b>	<b>FY 2011-12 Wildlife</b>
Operating Budget	\$44,691,092	\$85,105,094
Operating Budget Centrally Allocated Items	5,467,096	14,455,107
Capital Budget	<u>18,815,000</u>	<u>15,538,790</u>
<b>Total Division of Parks and Wildlife Revenues</b>	<b>\$68,973,188</b>	<b>\$115,098,991</b>

Senate Bill 11-208 did not attempt to merge the appropriations of the former divisions into the new Division of Parks and Wildlife. The Department has submitted its budget request for FY 2012-13 by merging the appropriations of the two former divisions into a single division with two sub-divisions. Other than the two change requests in State Parks to consolidate the GOCO Board Grants line items into the State Park Operations line item and consolidating three IT-related line items into one Information Technology line item, the Department has not submitted any other proposals for re-organizing line items within the Division of Parks and Wildlife.

#### **Current Status of Implementation of S.B. 11-208**

The Board has tasked 12 Division of Parks and Wildlife employees to sit on a transition team. The transition team has prepared a flow chart that identifies deliverables that need to be achieved by February 29, 2012, when the final transition plan is due to the General Assembly (*See Appendix-Division of Parks and Wildlife, Transition Plan Flow Chart*). The transition plan flow chart shows an estimated implementation time of 1 to 5 years.

The transition team has identified ten core work functions or "work groups" that are tasked with developing summary reports for each work group that outlines efficiencies, enhancements, and refinements to the core work areas (work group reports and other information can be accessed from <http://dnr.state.co.us/DPW/Pages/Default.aspx>).

Reported work group issues and recommendations varied, as a sample of issues discussed, staff has included a summary of major findings for three work groups below:

The **Capital Development** work group reported that since the 1930's, around \$800.0 million worth of infrastructure has been constructed or is managed at 44 parks, 230 state wildlife areas, 18 hatcheries and 40 administrative offices. There are approximately 300 active projects totaling around \$60-80 million (three year total of active funds). The work group is attempting to identify two types of efficiencies:

- Capital efficiencies that result in savings from better planning and lower life cycle costs; and
- Process efficiencies that come from optimizing internal delivery methods.

The **Property Evaluation** work group discovered that Wildlife manages over 300 properties (leased, owned, conservation easements) and Parks has 44 parks with complicated ownership scenarios. The work group considered the following alternatives:

- Transfer of Management Responsibility Between Wildlife and Parks - this includes recommendations for further analysis of such properties as San Luis State Park, Walker State Wildlife Area (SWA) and Lon Hagler State Wildlife Area;
- Joint Management - manage the property jointly due to proximity, similar management, operations and functions. This includes recommendations for further analysis of such properties as: Mueller State Park/ Dome Rock SWA, Lake Pueblo State Park/SWA, Golden Gate State Park/Ralston Creek SWA;
- Disposal - properties that do not fit the mission, fiscal constraints, or goals of the agency, or where the property has lost its functional value. This includes recommendations for further analysis of such properties as: Picnic Rock SWA, Sweitzer State Park and Jumbo SWA;
- Combining Administrative Sites - administrative offices, customer service, and maintenance properties that provide support for field services. This includes recommendations for further analysis of such administrative sites as: 1313 Sherman, 6060 Broadway, and the Parks Littleton Office Center.

The former divisions of Parks and Wildlife both had separate asset inventory programs and separate tracking systems and efforts to keep track and evaluate assets. State Parks had initiated a project prior to the merger initiative to track the parks asset inventory. The Department reports that an asset inventory database is about 95.0 percent complete and can be accessed through [www.coloparks.com](http://www.coloparks.com). JBC staff went to this web site and managed to print out a report totaling 1,107 records with a dollar amount of \$141.3 million. Similarly, Wildlife has a Controlled Maintenance database, that includes only buildings and hatchery infrastructure with a replacement value of \$5,000 or more. The Department provided a report by asset category for FY 2011 totaling \$361.8 million in assets.

<b>Wildlife Assets by Asset Category (FY 2011)</b>	
Land	\$209,447,338
Land Improvements	69,496,575
Buildings	32,980,678
Infrastructure	20,910,934
Equipment & Vehicles	20,053,474
Water Rights/Easements	8,765,725
Software	<u>165,508</u>
<b>Total Assets</b>	<b>\$361,820,232</b>

The **Financial Services** work group made recommendations targeting the accounting, budget, grants, and procurement/contracts sections of the Financial Services work group. Several common themes emerged:

- The need for standardization in order to increase accountability and compliance with set rules and regulations;
- Using a phased approach to implement changes would ensure a thoughtful process;
- Lack of training came up as a theme for both agencies. Appropriate and on-going training is important to ensure that financial services staff and end-users are kept current with changes and new additions to financial services policies and procedures;
- Thought needs to be put into determining coding for the merged agency so that it is easy to use, provides enough segregation to be transparent in complying with regulations, statutes and agreements, and allows for the preparation of meaningful reports for various purposes.
- The need for subject matter experts with technical expertise in specific functions to help disseminate information efficiently and accurately while maintaining centralized oversight.

### **What About Savings?**

The transition plan flow chart shows that subsequent to the submission of the final transition plan in February, 2012, and the passage of any potential legislation, the Department anticipates that the implementation of any short-term and long-term recommendations could take anywhere from one to five years. However, it is not clear to JBC staff at this point in time what time-frame is anticipated for the implementation of final recommendations from the ten work groups.

In the fiscal impact note the Department submitted in response to S.B. 11-208, the Department stated that "One of the primary motivations for the consolidation of these two agencies is the potential for savings from more efficient operations resulting from the closely matched missions of State Parks and DOW." However, savings were not quantified in the ultimate fiscal note of the bill because particular savings could not be quantified at the time.

As part of the FY 2011-12 budget, the Department had proposed the re-purposing of Bonny Lake, Sweitzer Lake, Harvey Gap, and Paonia State Parks. As of October, 2011, the Department reported that Bonny Lake State Park has been converted to a State Wildlife Area, however, the re-purposing of the other parks has become part of the larger assessment of properties and facilities in the two former agencies.

**FY 2012-13 Joint Budget Committee Staff Budget Briefing**  
**Department of Natural Resources**  
**(Executive Director's Office, Parks and Wildlife, Colorado Water Conservation Board,**  
**Water Resources Division)**

**BRIEFING ISSUE**

**ISSUE: Cash Fund Reporting Issues and Transfers to the General Fund**

The Department is proposing a new methodology for reporting cash fund balances in order to avoid providing misleading information to legislators and the public. This issue was brought to light when it was discovered that the Wildlife Cash Fund had spent \$14.0 million more than the Wildlife Commission had authorized for FY 2009-10. Given the fact that \$434.0 million dollars have been transferred out of Department of Natural Resources and Department of Local Affairs funds to the General Fund in the past four years, and that another \$63.9 million is requested to be transferred in FY 2012-13, it is important to have accurate fund balance information.

**SUMMARY:**

- The Department is proposing a \$33.9 million transfer from the Perpetual Base Account to the General Fund in FY 2012-13.
- The Department has proposed a new reporting methodology for cash funds reports in order to prevent providing legislators and the public misleading information.

**RECOMMENDATION:**

Staff recommends the Committee discuss with the Department its proposed new methodology for calculating fund balance and fund equity. In particular:

- 1 Explain the reasons for moving to a new cash fund equity calculation methodology. How is it different from the cash fund reports the Department used to submit in prior years?
- 2 Is the new cash fund reporting methodology better and more accurate than what the Department used to provide in previous cash fund reports? Please explain.
- 3 Is the Department the only agency that is using the new cash fund reporting methodology currently? If the Department believes that it provides better information to users, should not all agencies be using this methodology in reporting cash fund balances?
- 4 Discuss the impact to the water project loan program of transferring \$33.9 million of Perpetual Base Account fund balance to the General Fund in FY 2012-13. What projects are most likely not to receive funding as a result of the transfer?
- 5 Does the Department have a methodology to provide a numerical calculation of the long-term impact of continued transfers from the Perpetual Base Account to the General Fund?

**DISCUSSION:**

For the past four years (FY 2008-09 through FY 2011-12) the General Assembly has used severance tax and federal mineral lease (FML) cash fund revenues going to programs administered by the Department of Natural Resources and the Department of Local Affairs to balance the General Fund shortfall. Over the past four years, the General Assembly has transferred a total of \$434.0 million from these funds. For FY 2012-13, the Governor is proposing transferring another \$63.9 million to the General Fund. This will bring the total transfers from these funds to \$498.0 million.

<b>Cash Fund Transfers from Various Funds to the General Fund</b>						
	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13 Request</b>	<b>Total</b>
Local Govt. Severance Tax Fund	\$7,500,000	\$50,327,796	\$70,000,000	\$41,000,000	\$30,000,000	<b>\$198,827,796</b>
Local Govt. Mineral Impact Fund (FML)	1,000,000	22,600,000	15,000,000	30,000,000	0	<b>68,600,000</b>
Other Local Govt. Funds <sup>1</sup>	4,172,107	3,900,000	0	0	0	<b>8,072,107</b>
Perpetual Base Account of Severance Tax Trust Fund	35,000,000	64,000,000	16,000,000	48,100,000	33,850,000	<b>196,950,000</b>
Colorado Water Conservation Board Construction Fund (FML)	10,250,000	0	0	0	0	<b>10,250,000</b>
Operational Account of the Severance Tax Trust Fund	<u>0</u>	<u>11,000,000</u>	<u>0</u>	<u>3,950,000</u>	<u>0</u>	<b><u>14,950,000</u></b>
<b>Total Transfers/ Requests</b>	<b>\$57,922,107</b>	<b>\$151,827,796</b>	<b>\$101,000,000</b>	<b>\$123,050,000</b>	<b>\$63,850,000</b>	<b>\$497,649,903</b>

<sup>1</sup> Includes: Local Government Permanent Fund, Local Government Limited Gaming Impact Fund, Home Investment Fund, Building Regulation Fund, Moffat Tunnel Fund, Waste Tire Clean Up Fund, Waste Tire Recycling Development Fund.

For the Department of Natural Resources administered funds, over the past four years, the General Assembly has transferred a total of \$188.3 million from the Perpetual Base Account, the CWCB Construction Fund, and the Operational Account of the Severance Tax Trust Fund (Operational Account). For FY 2012-13, the Governor is proposing transferring another \$33.9 million to the General Fund. This will bring the total transfers from Department administered funds to \$221.2 million.

**1. Options for Transfers from the CWCB Construction Fund**

The CWCB Construction fund was discussed earlier on pages 8 and 9 of the "Factors Driving the Budget" section of this brief. The Department is not proposing a transfer from this fund to the General Fund in FY 2012-13. Based on the "Maximum Amount Available for Loans" line below, there is up to \$22.5 million in FY 2011-12 and up to \$28.5 million in FY 2012-13 available either for CWCB water project loans or to be transferred to the General Fund. According to a September 2011 updated list of potential borrowers/projects for the Water Project Loan Program, there are

approximately \$122.9 million borrowers that have contacted the CWCB about a potential need for funding but have not submitted a loan application and/or loan feasibility study.

<b>Colorado Water Conservation Board Construction Fund</b> (Based on September 2011 Legislative Council Staff Revenue Estimate)				
	<b>FY 2009-10</b> Actual	<b>FY 2010-11</b> Actual	<b>FY 2011-12</b> Estimate	<b>FY 2012-13</b> Estimate
Beginning Balance	\$36,697,945	\$84,336,896	\$107,444,626	\$92,557,086
Adjustments to Beginning Balance <sup>1</sup>	(23,901,592)	(79,809,899)	(85,572,290)	(82,238,923)
Accounts Receivable (Principal/Interest)	17,108,628	15,670,922	15,511,576	16,187,377
FML Revenues	11,724,295	14,722,345	15,672,410	16,378,020
Animas-La Plata Project Transfer	<u>0</u>	<u>12,000,000</u>	<u>12,000,000</u>	<u>12,000,000</u>
<b>Total Available</b>	<b>41,629,276</b>	<b>46,920,264</b>	<b>65,056,322</b>	<b>54,883,560</b>
CWCB, DWR, EDO, and AG Operations	5,881,385	5,989,346	7,138,343	7,219,123
Non-Reimbursable Investments & Cash Replenishment	9,671,214	10,108,764	10,000,000	10,000,000
Animas-La Plata Expenditure	0	0	0	0
Actual Loan Issuances	16,311,590	15,422,953	15,748,496	0
Anticipated Loan Issuances (pre-qualified)	0	0	9,101,525	9,101,525
Maximum Amount Available for Loans <sup>2</sup>	<u>0</u>	<u>0</u>	<u>22,500,000</u>	<u>28,500,000</u>
<b>Total Expenditures</b>	<b>31,864,189</b>	<b>31,521,063</b>	<b>64,488,364</b>	<b>54,820,648</b>
Ending Balance	\$9,765,087	\$15,399,201	\$567,958	\$62,912

<sup>1</sup> The "Adjustments to Beginning Balance" category is part of a new cash funds reporting methodology used by the Department starting on November 1, 2011. It includes an adjustment for prior year approved loans/grants that have not been spent, as well as other adjustments.

<sup>2</sup> The "Maximum Amount Available for Loans" is the Department's estimate of unobligated fund balance.

### 1.1. Change of Cash Fund Reporting Methodology

The Department informed staff that with the FY 2012-13 budget request, the Department is changing its calculation and reporting methodology for its cash funds reports. This is particularly relevant when speaking about the CWCB Construction Fund, as it is a complicated account.

This summer, Division of Parks and Wildlife staff discovered that the Wildlife Cash Fund balance had been erroneously reported. Due to several staff errors, it was allowed for the Wildlife Cash Fund to maintain a lower reserve than what the Wildlife Commission had required (10.0 percent of annual revenues). Due to these errors, the Wildlife Cash Fund was left with a negative 6.7 million reserve for FY 2009-10, which was \$14.0 million below the level required by the Wildlife Commission.



Partly as a result of this error, the Department is changing its cash fund balance calculation methodology to move away from showing "liquid cash". The Department believes that total fund equity (defined as short-term assets minus short-term liabilities) is the best measure of what is available in the fund, including for potential transfers to the General Fund. The Department states that the new methodology will also match figures pulled out of the state accounting system (COFRS). In prior years, the Department states that figures from the cash funds reports would not match fund equity reports pulled out of COFRS. The new reconciliation that the Department will provide will attempt to reconcile fund equity shown in COFRS and the beginning cash balance shown in the cash funds reports (Schedule 9s). With this change, the Department is attempting to provide information that is less confusing to the public and legislators.

The current cash fund report methodology was created starting with the FY 2009-10 budget request year. It is staff's recollection that it was an attempt to provide fund balance numbers that more accurately reflected the ending liquid or cash fund balance for a cash fund.

This is a significant change to what the Department reported to JBC staff in the past. For example, on page 387 of the FY 2011-12 appropriations report, the Department reported a FY 2009-10 beginning balance for the CWCB Construction Fund of \$19.3 million and an ending balance of \$23.6 million. Using the new methodology, the beginning equity of the fund would have been \$12.8 million and the ending balance would have been \$9.8 million. In following years, this methodology does not start a new year using the ending balance of the prior year, but instead, calculates a new fund equity at the start of each year.

Staff was notified of this change on Thursday, November 10, 2011. As such, staff did not have time to discuss this new methodology with the Department. For example, no such fund equity reconciliation is prepared for the Perpetual Base Account. It is staff's understanding that the Department of Natural Resources is spearheading on a trial basis this new cash fund reporting methodology. Beginning with FY 2012-13, given successful trial, all departments may start using the same methods. For now, if what the Department states is accurate, staff is unsure of the accuracy of cash funds report provided by other departments.

## **2. Options for Transfers from the Perpetual Base Account of the Severance Tax Trust Fund**

The Perpetual Base Account was discussed earlier on pages 9 and 10 of the "Factors Driving the Budget" section of this brief. The Department is proposing a \$33.9 million transfer from this fund to the General Fund in FY 2012-13. In addition, there is approximately \$13.0 million of unobligated funds in FY 2011-12 and \$7.0 million of unobligated funds in FY 2012-13.

<b>Perpetual Base Account of the Severance Tax Trust Fund</b> (Based on September 2011 Legislative Council Staff Revenue Estimate)				
	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
Beginning Balance	\$40,454,321	\$4,865,510	\$22,130,017	\$872,130
Receivables/Interest Earnings	7,062,895	6,538,389	7,448,802	6,753,962
Severance Tax	17,856,646	35,005,279	39,955,000	47,715,000
Principal Repayment	<u>4,151,218</u>	<u>4,094,531</u>	<u>4,438,311</u>	<u>4,919,809</u>
<b>Total Available</b>	<b>69,525,080</b>	<b>50,503,709</b>	<b>73,972,130</b>	<b>60,260,901</b>
Agriculture Emergency Drought Grants	0	0	0	1,000,000
Loan Issuances	659,570	373,692	0	0
Animas La-Plata Water Purchase (H.B. 10-1250; Sect. 7 and 8)	<u>0</u>	<u>12,000,000</u>	<u>12,000,000</u>	<u>12,000,000</u>
<b>Total Expenditures</b>	<b>\$659,570</b>	<b>\$12,373,692</b>	<b>\$12,000,000</b>	<b>\$13,000,000</b>
Ending FY Balance without transfers	\$68,865,510	\$38,130,017	\$61,972,130	\$47,260,901
Transfers to the General Fund in Various Bills	(64,000,000)	(16,000,000)	(48,100,000)	0
Reserve per direction from Governor's Office	0	0	(13,000,000)	(7,000,000)
Refinance Dept. of Revenue Severance Tax Collection and Administration (R-7)	0	0	0	(401,181)
November 1, 2011 Request to transfer \$33.85 million to the General Fund (BRI-1)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(33,850,000)</u>
<b>Ending Balance</b>	<b>\$4,865,510</b>	<b>\$22,130,017</b>	<b>\$872,130</b>	<b>\$6,009,720</b>

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 Department of Natural Resources  
 (Executive Director's Office, Parks and Wildlife, Colorado Water Conservation Board, Water Resources Division)

APPENDIX A: NUMBERS PAGES

	FY 2009-10 Actuals	FY 2010-11 Actuals	FY 2011-12 Appropriation	FY 2012-13 Request	Change Requests
<b>DEPARTMENT OF NATURAL RESOURCES</b>					
<b>Executive Director: Mike King</b>					
<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>					
Primary functions: provides budgeting, accounting, financial management, human resources, information technology, public information, and environmental education coordination for all divisions. Cash fund sources include various funds as reflected in individual division descriptions. Reappropriated funds is comprised of statewide and departmental indirect cost recoveries.					
<b>(A) Administration and Information Technology Services</b>					
Personal Services	5,123,817	3,693,818	3,691,923	3,758,804	
FTE	<u>56.2</u>	<u>40.9</u>	<u>43.8</u>	<u>43.8</u>	
General Fund	85,690	0	0	0	
Cash Funds - Various	0	0	0	0	
Reappropriated Funds - S-e Ind. Cost Rec.	1,129,933	1,233,048	1,316,390	1,573,207	
Reappropriated Funds - Dept. Ind. Cost Rec.	3,908,194	2,460,770	2,375,533	2,185,597	
Health, Life, and Dental	<u>9,030,537</u>	<u>8,607,587</u>	<u>9,005,212</u>	<u>9,097,603</u>	
General Fund	1,833,678	1,762,355	1,531,020	807,613	
Cash Funds - Various	6,125,183	5,554,144	5,461,962	5,404,844	
Cash Funds - STAX	0	0	271,589	238,164	
Reappropriated Funds - Dept. Ind. Cost Rec.	325,693	283,926	331,302	987,321	
Reappropriated Funds - CDOT	0	0	42,961	46,686	
Federal Funds	745,983	1,007,162	1,366,378	1,612,975	
Short-term Disability	<u>123,206</u>	<u>131,014</u>	<u>154,967</u>	<u>155,493</u>	
General Fund	23,577	25,925	27,743	26,141	
Cash Funds - Various	84,920	89,956	98,246	96,365	
Cash Funds - STAX	0	0	5,509	5,677	
Reappropriated Funds - Dept. Ind. Cost Rec.	5,163	3,915	5,092	5,054	

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Reappropriated Funds - CDOT	0	0	639	440	
Federal Funds	9,546	11,218	17,738	21,816	
S.B. 04-257 Amortization Equalization Disbursement	<u>1,739,502</u>	<u>2,023,033</u>	<u>2,446,227</u>	<u>2,811,167</u>	
General Fund	360,735	395,845	433,645	472,614	
Cash Funds - Various	1,141,612	1,392,875	1,554,176	1,742,181	
Cash Funds - STAX	0	0	87,149	102,638	
Reappropriated Funds - Dept. Ind. Cost Rec.	86,784	60,612	80,554	91,370	
Reappropriated Funds - CDOT	0	0	10,098	7,958	
Federal Funds	150,371	173,701	280,605	394,406	
S.B. 06-235 Supplemental AED	<u>1,083,002</u>	<u>1,472,224</u>	<u>1,963,386</u>	<u>2,415,847</u>	
General Fund	221,444	285,733	346,132	406,152	
Cash Funds - Various	713,508	1,015,638	1,248,892	1,497,187	
Cash Funds - STAX	0	0	70,030	88,205	
Reappropriated Funds - Dept. Ind. Cost Rec.	54,240	44,196	64,731	78,522	
Reappropriated Funds - CDOT	0	0	8,115	6,838	
Federal Funds	93,810	126,657	225,486	338,943	
Shift Differential	<u>9,801</u>	<u>24,774</u>	<u>17,732</u>	<u>31,879</u>	
General Fund	2,297	4,650	0	0	
Cash Funds - Various	7,504	20,124	17,732	31,879	
Workers' Compensation	<u>1,697,802</u>	<u>1,722,323</u>	<u>1,403,091</u>	<u>1,750,712</u>	
General Fund	224,577	301,919	199,253	67,888	
Cash Funds - Various	1,442,548	1,367,147	1,105,905	1,587,073	
Cash Funds - STAX	0	0	42,961	43,807	
Reappropriated Funds - Dept. Ind. Cost Rec.	25,284	24,913	24,310	9,090	
Federal Funds	5,393	28,344	30,662	42,854	
Operating Expenses	<u>1,132,756</u>	<u>1,143,986</u>	<u>1,241,241</u>	<u>1,250,438</u>	
Cash Funds - Various	925,811	973,464	1,052,119	1,052,119	
Cash Funds - STAX	6,203	5,378	8,858	8,858	
Reappropriated Funds - Dept. Ind. Cost Rec.	150,532	159,807	174,927	184,124	
Federal Funds	50,210	5,337	5,337	5,337	

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Legal Services	3,295,151	3,309,452	3,437,991	3,437,991	
<i>Hours Equivalent</i>	<u>0</u>	<u>0</u>	<u>45,410</u>	<u>45,410</u>	
General Fund	822,587	804,794	832,772	832,772	
Cash Funds - Various	1,979,706	2,012,636	2,065,710	2,065,710	
Cash Funds - STAX	448,411	409,445	449,368	449,368	
Reappropriated Funds - Dept. Ind. Cost Rec.	34,331	38,299	39,520	39,520	
Federal Funds	10,116	44,278	50,621	50,621	
Purchase of Services from Computer Center	<u>647,003</u>	<u>5,007,603</u>	<u>5,411,608</u>	<u>5,324,088</u>	
General Fund	6,483	654,114	471,648	684,522	
Cash Funds - Various	480,778	3,019,990	3,314,031	3,446,228	
Cash Funds - STAX	27	43	45	62,399	
Reappropriated Funds - Dept. Ind. Cost Rec.	159,715	1,216,646	1,521,241	922,448	
Federal Funds	0	116,810	104,643	208,491	
Multiuse Network Payments	<u>1,058,888</u>	<u>1,962,865</u>	<u>2,186,240</u>	<u>2,145,800</u>	
General Fund	211,928	238,620	130,554	191,444	
Cash Funds - Various	777,327	1,078,277	1,364,089	1,498,662	
Cash Funds - STAX	4,982	1,982	11,083	17,699	
Reappropriated Funds - Dept. Ind. Cost Rec.	59,340	535,856	569,738	420,118	
Federal Funds	5,311	108,130	110,776	17,877	
Management and Administration of OIT	<u>203,947</u>	<u>480,635</u>	<u>549,913</u>	<u>280,608</u>	
General Fund	43,053	10,881	1,517	24,223	
Cash Funds - Various	141,078	228,499	290,064	168,235	
Cash Funds - STAX	6,525	1,014	7,438	7,636	
Reappropriated Funds - Dept. Ind. Cost Rec.	8,538	234,566	244,797	75,382	
Federal Funds	4,753	5,675	6,097	5,132	
Payment to Risk Management & Property Funds	<u>963,820</u>	<u>351,612</u>	<u>760,527</u>	<u>781,368</u>	
General Fund	140,499	42,552	68,601	62,937	
Cash Funds - Various	771,717	292,875	655,326	684,596	
Cash Funds - STAX	24,748	6,096	15,599	14,815	
Reappropriated Funds - Dept. Ind. Cost Rec.	20,325	6,317	11,964	10,958	

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Federal Funds	6,531	3,772	9,037	8,062	
Vehicle Lease Payments	<u>2,945,589</u>	<u>3,306,953</u>	<u>2,898,675</u>	<u>3,107,552</u>	R-1, NP-1
General Fund	402,886	433,059	293,114	331,892	
Cash Funds - Various	2,436,341	2,762,851	2,504,369	2,678,240	
Cash Funds - STAX	49,084	51,916	49,041	45,996	
Reappropriated Funds - Dept. Ind. Cost Rec.	0	0	0	0	
Federal Funds	57,278	59,127	52,151	51,424	
Information Technology Asset Maintenance	<u>282,114</u>	<u>268,652</u>	<u>266,989</u>	<u>266,989</u>	
General Fund	53,383	53,746	31,628	31,628	
Cash Funds - Various	117,407	108,880	139,525	139,525	
Cash Funds - STAX	8,550	3,252	5,298	5,298	
Reappropriated Funds - Dept. Ind. Cost Rec.	90,538	90,538	90,538	90,538	
Federal Funds	12,236	12,236	0	0	
Leased Space	<u>1,185,090</u>	<u>1,245,988</u>	<u>1,366,140</u>	<u>1,345,882</u>	R-8
General Fund	501,682	508,481	536,714	531,230	
Cash Funds - Various	621,269	674,438	760,706	743,600	
Cash Funds - STAX	36,058	36,805	40,939	40,939	
Reappropriated Funds - Dept. Ind. Cost Rec.	0	0	0	0	
Federal Funds	26,081	26,264	27,781	30,113	
Capitol Complex Leased Space	<u>867,258</u>	<u>851,397</u>	<u>872,671</u>	<u>971,511</u>	
General Fund	239,471	241,965	217,856	242,530	
Cash Funds - Various	235,228	216,357	258,658	287,949	
Cash Funds - STAX	117,601	108,661	118,114	131,492	
Reappropriated Funds - Dept. Ind. Cost Rec.	170,071	166,960	171,126	190,515	
Federal Funds	104,887	117,454	106,917	119,025	
Integrated Resource Services (NEW LINE ITEM)	<u>0</u>	<u>0</u>	<u>0</u>	<u>250,000</u>	R-5
Reappropriated Funds - Various	0	0	0	250,000	
Communications Services Payments	<u>988,238</u>	<u>981,206</u>	<u>1,060,571</u>	<u>1,148,157</u>	
General Fund	117,207	110,050	0	0	

	FY 2009-10 Actuals	FY 2010-11 Actuals	FY 2011-12 Appropriation	FY 2012-13 Request	Change Requests
Cash Funds - Various	871,031	871,156	1,060,571	1,148,157	
Reappropriated Funds - Dept. Ind. Cost Rec.	0	0	0	0	
					<b>Request vs. Appropriation</b>
<b>(1) (A) Administration and Information</b>					
<b>Technology Services</b>	32,377,521	36,585,122	38,735,104	40,331,889	4.1%
FTE	<u>56.2</u>	<u>40.9</u>	<u>43.8</u>	<u>43.8</u>	<u>0.0</u>
General Fund	5,291,177	5,874,689	5,122,197	4,713,586	-8.0%
Cash Funds - Various	18,872,968	21,679,307	22,952,081	24,272,550	5.8%
Cash Funds - STAX	702,189	624,592	1,183,021	1,262,991	6.8%
Reappropriated Funds - S-e Ind. Cost Rec.	1,129,933	1,233,048	1,316,390	1,573,207	19.5%
Reappropriated Funds - Dept. Ind. Cost Rec.	5,098,748	5,327,321	5,705,373	5,290,557	-7.3%
Reappropriated Funds - CDOT	0	0	61,813	61,922	0.2%
Reappropriated Funds - Various	0	0	0	250,000	n/a
Federal Funds	1,282,506	1,846,165	2,394,229	2,907,076	21.4%
<b>(B) H.B. 09-1289 (Species Cons. Trust Fund) - CF</b>					
	2,186,437	0	0	0	n/a
<b>(C) H.B. 10-1398 (Species Cons. Trust Fund) - CF</b>					
	0	4,100,118	0	0	n/a
<b>(D) S.B. 11-203 (Species Cons. Trust Fund) - CF*</b>					
	0	0	6,600,000	0	-100.0%
* Actual expenditures for the Species Conservation Trust Fund bills include expenditures from multiple bills from prior years.					<b>Request vs. Appropriation</b>
<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>					
<b>- SUBTOTAL (by fund source)</b>	34,563,958	40,685,240	45,335,104	40,331,889	-11.0%
FTE	<u>56.2</u>	<u>40.9</u>	<u>43.8</u>	<u>43.8</u>	<u>0.0</u>
General Fund	5,291,177	5,874,689	5,122,197	4,713,586	-8.0%
Cash Funds	21,761,594	26,404,017	30,735,102	25,535,541	-16.9%
Reappropriated Funds	6,228,681	6,560,369	7,083,576	7,175,686	1.3%
Federal Funds	1,282,506	1,846,165	2,394,229	2,907,076	21.4%
<b><del>(6) PARKS AND OUTDOOR RECREATION</del></b>					

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	

**(6) DIVISION OF PARKS AND WILDLIFE**

Primary Parks Functions: manages new and existing parks and recreation programs throughout the State. Funding is from the Parks Cash Fund, direct lottery distribution, GOCO grants, Off-highway Vehicle Cash Fund, and other special purpose cash funds.

Primary Wildlife Functions: protection and management of wildlife and related habitats; coordinates hunting, fishing, and watchable recreation programs; and provides education on wildlife and wildlife recreation. Funding is primarily from hunting and fishing license fees, federal funds, and GOCO grants.

**(A) PARKS AND OUTDOOR RECREATION**

Primary function: manages new and existing parks and various recreation programs throughout the State. Cash fund sources include the Parks Cash Fund, direct lottery distribution, GOCO grants, Off-highway Vehicle Cash Fund, and other special purpose cash funds.

					R-6 Request vs. Appropriation
<b>(I) State Park Operations - Subtotal</b>	23,472,634	23,096,817	23,325,178	28,031,283	20.2%
FTE	<u>246.7</u>	<u>248.2</u>	<u>247.3</u>	<u>269.8</u>	<u>22.5</u>
General Fund	1,475,893	1,327,157	0	0	n/a
Cash Funds - Parks Cash Fund	17,284,493	16,095,017	18,256,812	18,627,917	2.0%
Cash Funds - STAX	3,381,473	3,222,920	2,243,971	2,243,971	0.0%
Cash Funds - GOCO Board	0	0	0	4,335,000	n/a
Cash Funds - Lottery Proceeds	505,806	1,255,806	1,859,306	1,859,306	0.0%
Cash Funds - Snowmobile Rec. Fund	50,058	56,975	122,690	122,690	0.0%
Cash Funds - OHV Recreation Fund	7,437	7,437	7,437	7,437	0.0%
Cash Funds - Various	362,054	695,142	396,254	396,254	0.0%
Federal Funds - USBR	405,420	436,363	438,708	438,708	0.0%

**(II) Great Outdoors Colorado (GOCO) Board Grants**

<b>Land and Water Protection - Total Line Item</b>	353,813	514,378	709,000	0	R-6
FTE	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>	
Cash Funds - GOCO Board	353,813	514,378	709,000	0	
<b>Operations and Maintenance - Total Line Item</b>	1,888,545	1,993,781	1,969,000	0	R-6
FTE	<u>12.3</u>	<u>12.1</u>	<u>14.5</u>	<u>0.0</u>	



	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Cash Funds - GOCO Board	1,888,545	1,993,781	1,969,000	0	
<b>Statewide Programs - Total Line Item</b>	1,135,002	1,376,831	1,657,000	0	R-6
FTE	<u>5.0</u>	<u>4.8</u>	<u>6.0</u>	<u>0.0</u>	
Cash Funds - GOCO Board	1,135,002	1,376,831	1,657,000	0	
<b>(II) GOCO Board Grants - Subtotal</b>	3,377,360	3,884,990	4,335,000	0	-100.0%
FTE	<u>19.3</u>	<u>18.9</u>	<u>22.5</u>	<u>0.0</u>	<u>(22.5)</u>
Cash Funds - GOCO Board	3,377,360	3,884,990	4,335,000	0	-100.0%
<b>(III) Special Purpose</b>					
<b>Snowmobile Program - Total Line Item</b>	854,351	838,433	999,848	1,000,924	
FTE	<u>1.0</u>	<u>1.0</u>	<u>1.3</u>	<u>1.3</u>	
Cash Funds - Snowmobile Rec. Fund	854,351	838,433	999,848	1,000,924	
<b>River Outfitters Regulation - Total Line Item</b>	70,920	66,827	142,966	142,966	
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.5</u>	<u>0.5</u>	
Cash Funds - River Outfitters Cash Fund	70,920	66,827	104,466	104,466	
Cash Funds - Parks Cash Fund	0	0	38,500	38,500	
<b>Off-highway Vehicle Program - Total Line Item</b>	238,408	220,000	529,265	532,501	
FTE	<u>2.3</u>	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	
Cash Funds - OHV Recreation Fund	238,408	220,000	529,265	532,501	
Off-highway Vehicle Grants - OHV Recreation Fund	0	3,114,056	4,000,000	4,000,000	
Federal Grants - Federal Funds - USCG	533,145	624,221	750,000	750,000	
S.B. 03-290 Enterprise Fund - Parks Cash Fund	239,508	340,531	200,000	200,000	
System Operations and Support - Lottery Proceeds	545,289	540,591	661,500	0	R-7
Connectivity at State Parks - Lottery Proceeds	179,319	149,309	370,000	0	R-7

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Asset Management - Lottery Proceeds	347,161	279,017	270,000	0	R-7
Information Technology - Lottery Proceeds (NEW LINE ITEM)	0	0	0	1,301,500	R-7
Law Enforcement Equipment - Lottery Proceeds	0	0	0	0	
Natural Resource Protection	0	382,691	600,000	600,000	
Cash Funds - GOCO Board	0	242,802	150,000	150,000	
Federal Funds - FEMA	0	139,889	450,000	450,000	
Miscellaneous Small Projects - Lottery Funds	0	2,330,756	2,000,000	2,000,000	
Trails Grants	0	1,792,566	2,200,000	2,200,000	
Cash Funds - GOCO Board	0	1,193,063	1,650,000	1,650,000	
Cash Funds - Lottery Proceeds	0	248,472	150,000	150,000	
Federal Funds - USDI	0	351,031	400,000	400,000	
<b>S.B. 08-226 Aquatic Nuisance Species - Total Line Item</b>	2,120,613	2,050,709	2,677,067	2,684,673	
FTE	6.0	6.0	7.0	7.0	
Cash Funds - Parks ANS Fund	2,120,613	2,050,709	2,677,067	2,684,673	
Indirect Cost Assessment	1,392,189	1,559,067	1,630,268	1,630,331	
Cash Funds - Parks Cash Fund	1,131,790	1,179,251	1,328,630	1,332,312	
Cash Funds - STAX	90,534	94,390	254,469	253,051	
Federal Funds - USCG and USBR	169,865	285,426	47,169	44,968	
					<b>Request vs.</b>
					<b>Appropriation</b>
<b>(III) Special Purpose - Subtotal (by Fund Source)</b>	6,520,903	14,288,774	17,030,914	17,042,895	0.1%
FTE	9.3	10.0	11.8	11.8	0.0
Cash Funds - Snowmobile Rec. Fund	854,351	838,433	999,848	1,000,924	0.1%
Cash Funds - River Outfitters Cash Fund	70,920	66,827	104,466	104,466	0.0%
Cash Funds - Parks Cash Fund	1,371,298	1,519,782	1,567,130	1,570,812	0.2%
Cash Funds - OHV Recreation Fund	238,408	3,334,056	4,529,265	4,532,501	0.1%
Cash Funds - Lottery Proceeds	1,071,769	3,548,145	3,451,500	3,451,500	0.0%
Cash Funds - GOCO Board	0	1,435,865	1,800,000	1,800,000	0.0%

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Cash Funds - Parks ANS Fund	2,120,613	2,050,709	2,677,067	2,684,673	0.3%
Cash Funds - STAX	90,534	94,390	254,469	253,051	-0.6%
Federal Funds - FEMA	0	139,889	450,000	450,000	0.0%
Federal Funds - USDI	0	351,031	400,000	400,000	0.0%
Federal Funds - USCG and USBR	703,010	909,647	797,169	794,968	-0.3%

**Request vs.  
Appropriation**

<b>(A) PARKS AND OUTDOOR RECREATION</b>					
<b>- SUBTOTAL (by fund source)</b>	33,370,897	41,270,581	44,691,092	45,074,178	0.9%
FTE	<u>275.3</u>	<u>277.1</u>	<u>281.6</u>	<u>281.6</u>	<u>0.0</u>
General Fund	1,475,893	1,327,157	0	0	n/a
Cash Funds - Parks Cash Fund	18,655,791	17,614,799	19,823,942	20,198,729	1.9%
Cash Funds - GOCO Board	3,377,360	5,320,855	6,135,000	6,135,000	0.0%
Cash Funds - Lottery Proceeds	1,577,575	4,803,951	5,310,806	5,310,806	0.0%
Cash Funds - OHV Recreation Fund	245,845	3,341,493	4,536,702	4,539,938	0.1%
Cash Funds - STAX	3,472,007	3,317,310	2,498,440	2,497,022	-0.1%
Cash Funds - Parks ANS Fund	2,120,613	2,050,709	2,677,067	2,684,673	0.3%
Cash Funds - Snowmobile Rec. Fund	854,351	838,433	999,848	1,000,924	0.1%
Cash Funds - River Outfitters Cash Fund	70,920	66,827	104,466	104,466	0.0%
Cash Funds - Snowmobile Rec. Fund	50,058	56,975	122,690	122,690	0.0%
Cash Funds - Various	362,054	695,142	396,254	396,254	0.0%
Federal Funds - USCG and USBR	1,108,430	1,346,010	1,235,877	1,233,676	-0.2%
Federal Funds - USDI	0	351,031	400,000	400,000	0.0%
Federal Funds - FEMA	0	139,889	450,000	450,000	0.0%

**(B) WILDLIFE**

Primary Function: Supports protection and management wildlife and related habitats; coordinates management of hunting, fishing, and watchable recreation programs; and provides education on wildlife and wildlife recreation.

**(I) Division Operations**

<b>Director's Office - Total Line Item</b>	1,597,443	1,429,786	2,011,518	2,037,530	
FTE	<u>12.9</u>	<u>11.9</u>	<u>18.0</u>	<u>18.0</u>	
Cash Funds - Wildlife Cash Fund	1,337,039	1,300,051	1,897,496	1,917,951	
Cash Funds - GOCO	0	0	0	0	

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Cash Funds - STAX	0	0	0	0	
Cash Funds - Wildlife Mgt. Public Ed. Fund	0	0	0	0	
Cash Funds - Colorado Outdoors Magazine	0	0	0	0	
Cash Funds - Cash Grants and Donations	0	0	0	0	
Cash Funds - Federal Aid Projects Income Fund	0	0	0	0	
Federal Funds - Unspecified	260,404	129,735	114,022	119,579	
<b>Wildlife Management - Total Line Item</b>	<b>64,005,276</b>	<b>66,231,312</b>	<b>63,677,184</b>	<b>64,531,311</b>	
FTE	<u>567.8</u>	<u>570.6</u>	<u>551.4</u>	<u>551.4</u>	
Cash Funds - Wildlife Cash Fund	40,826,123	42,918,652	45,923,914	46,587,237	
Cash Funds - GOCO	6,200,000	5,963,336	6,200,000	6,200,000	
Cash Funds - STAX	1,296,773	1,433,074	0	0	
Cash Funds - Wildlife Mgt. Public Ed. Fund	1,047,553	836,663	900,000	900,000	
Cash Funds - Colorado Outdoors Magazine	470,435	458,528	500,000	500,000	
Cash Funds - Cash Grants and Donations	97,610	110,207	150,000	150,000	
Cash Funds - Federal Aid Projects Income Fund	0	0	15,000	15,000	
Federal Funds - Unspecified	14,066,782	14,510,852	9,988,270	10,179,074	
<b>Technical Services - Total Line Item</b>	<b>5,639,890</b>	<b>5,855,370</b>	<b>6,463,423</b>	<b>6,536,099</b>	
FTE	<u>53.5</u>	<u>52.6</u>	<u>60.0</u>	<u>60.0</u>	
Cash Funds - Wildlife Cash Fund	5,520,817	5,737,163	6,455,347	6,520,833	
Cash Funds - GOCO	115,825	118,207	0	0	
Cash Funds - STAX	0	0	0	0	
Cash Funds - Wildlife Mgt. Public Ed. Fund	0	0	0	0	
Cash Funds - Colorado Outdoors Magazine	0	0	0	0	
Cash Funds - Cash Grants and Donations	0	0	0	0	
Cash Funds - Federal Aid Projects Income Fund	0	0	0	0	
Federal Funds - Unspecified	3,248	0	8,076	15,266	
<b>Information Technology - Total Line Item</b>	<b>1,992,909</b>	<b>899,597</b>	<b>1,580,395</b>	<b>1,580,395</b>	
FTE	<u>14.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	
Cash Funds - Wildlife Cash Fund	1,992,909	899,597	1,580,395	1,580,395	
Cash Funds - GOCO	0	0	0	0	
Cash Funds - STAX	0	0	0	0	
Cash Funds - Wildlife Mgt. Public Ed. Fund	0	0	0	0	

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Cash Funds - Colorado Outdoors Magazine	0	0	0	0	
Cash Funds - Cash Grants and Donations	0	0	0	0	
Cash Funds - Federal Aid Projects Income Fund	0	0	0	0	
Federal Funds - Unspecified	0	0	0	0	
					<b>Request vs. Appropriation</b>
<b>(I) Division Operations - Subtotal (by fund source)</b>	73,235,518	74,416,065	73,732,520	74,685,335	1.3%
FTE	<u>648.8</u>	<u>635.1</u>	<u>629.4</u>	<u>629.4</u>	<u>0.0</u>
Cash Funds - Wildlife Cash Fund	49,676,888	50,855,463	55,857,152	56,606,416	1.3%
Cash Funds - GOCO	6,315,825	6,081,543	6,200,000	6,200,000	0.0%
Cash Funds - STAX	1,296,773	1,433,074	0	0	n/a
Cash Funds - Wildlife Mgt. Public Ed. Fund	1,047,553	836,663	900,000	900,000	0.0%
Cash Funds - Colorado Outdoors Magazine	470,435	458,528	500,000	500,000	0.0%
Cash Funds - Cash Grants and Donations	97,610	110,207	150,000	150,000	0.0%
Cash Funds - Federal Aid Projects Income Fund	0	0	15,000	15,000	0.0%
Federal Funds - Unspecified	14,330,434	14,640,587	10,110,368	10,313,919	2.0%
<b>(II) Special Purpose</b>					
Wildlife Commission Discretionary Fund	<u>0</u>	<u>0</u>	<u>160,000</u>	<u>160,000</u>	
Cash Funds - Wildlife Cash Fund	0	0	160,000	160,000	
Cash Funds - STAX	0	0	0	0	
Game Damage Claims and Prevention					
Cash Funds - Wildlife Cash Fund	1,186,480	937,337	1,282,500	1,282,500	
Instream Flow Program					
Cash Funds - Wildlife Cash Fund	296,027	296,027	296,027	296,027	
Habitat Partnership Program					
Cash Funds - Habitat Partnership Cash Fund	2,236,253	2,341,575	2,500,000	2,500,000	
S.B. 08-226 Aquatic Nuisance Species					
Cash Funds - Aquatic Nuisance Species Fund	1,872,538	1,705,519	1,304,544	1,304,544	

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Grants and Habitat Partnerships	<u>0</u>	<u>179,773</u>	<u>1,625,000</u>	<u>1,625,000</u>	
Cash Funds - Wildlife Cash Fund	0	179,773	1,475,000	1,475,000	
Cash Funds - Waterfowl Stamps	0	0	150,000	150,000	
Asset Maintenance and Repairs					
Cash Funds - Wildlife Cash Fund	0	211,125	606,880	606,880	
Indirect Cost Assessment	<u>3,230,271</u>	<u>3,891,428</u>	<u>3,597,623</u>	<u>3,556,990</u>	
Cash Funds - Wildlife Cash Fund	3,230,271	2,946,661	2,920,308	2,970,528	
Federal Funds - Unspecified	0	944,767	677,315	586,462	
					<b>Request vs. Appropriation</b>
<b>(II) Special Purpose - Subtotal (by fund source)</b>	<u>8,821,569</u>	<u>9,562,784</u>	<u>11,372,574</u>	<u>11,331,941</u>	<u>-0.4%</u>
Cash Funds - Wildlife Cash Fund	4,712,778	4,570,923	6,740,715	6,790,935	0.7%
Cash Funds - STAX	0	0	0	0	n/a
Cash Funds - Habitat Partnership Cash Fund	2,236,253	2,341,575	2,500,000	2,500,000	0.0%
Cash Funds - Aquatic Nuisance Species Cash Fund	1,872,538	1,705,519	1,304,544	1,304,544	0.0%
Cash Funds - Waterfowl Stamps	0	0	150,000	150,000	0.0%
Federal Funds - Unspecified	0	944,767	677,315	586,462	-13.4%
					<b>Request vs. Appropriation</b>
<b>(B) WILDLIFE - SUBTOTAL (by fund source)</b>	<u>82,057,087</u>	<u>83,978,849</u>	<u>85,105,094</u>	<u>86,017,276</u>	<u>1.1%</u>
FTE	<u>648.8</u>	<u>635.1</u>	<u>629.4</u>	<u>629.4</u>	<u>0.0</u>
Cash Funds - Wildlife Cash Fund	54,389,666	55,426,386	62,597,867	63,397,351	1.3%
Cash Funds - GOCO	6,315,825	6,081,543	6,200,000	6,200,000	0.0%
Cash Funds - STAX	1,296,773	1,433,074	0	0	n/a
Cash Funds - Wildlife Mgt. Public Ed. Fund	1,047,553	836,663	900,000	900,000	0.0%
Cash Funds - Colorado Outdoors Magazine	470,435	458,528	500,000	500,000	0.0%
Cash Funds - Cash Grants and Donations	97,610	110,207	150,000	150,000	0.0%
Cash Funds - Federal Aid Projects Income Fund	0	0	15,000	15,000	0.0%
Cash Funds - Habitat Partnership Cash Fund	2,236,253	2,341,575	2,500,000	2,500,000	0.0%
Cash Funds - Aquatic Nuisance Species Cash Fund	1,872,538	1,705,519	1,304,544	1,304,544	0.0%
Cash Funds - Waterfowl Stamps	0	0	150,000	150,000	0.0%
Federal Funds - Unspecified	14,330,434	15,585,354	10,787,683	10,900,381	1.0%

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
<b>(6) DIVISION OF PARKS AND WILDLIFE</b>					<b>Request vs. Appropriation</b>
<b>- SUBTOTAL</b>	115,427,984	125,249,430	129,796,186	131,091,454	1.0%
FTE	<u>924.1</u>	<u>912.2</u>	<u>911.0</u>	<u>911.0</u>	<u>0.0</u>
General Fund	1,475,893	1,327,157	0	0	n/a
Cash Funds	98,513,227	106,499,989	116,922,626	118,107,397	1.0%
Federal Funds	15,438,864	17,422,284	12,873,560	12,984,057	0.9%

**(7) COLORADO WATER CONSERVATION BOARD**

Primary Functions: Responsible for water development and planning, as well as floodplain management.

The primary cash fund source is the Colorado Water Conservation Board Construction Fund.

**(A) Administration**

Personal Services	2,696,057	2,493,004	2,847,996	2,914,947	
FTE	<u>30.3</u>	<u>28.4</u>	<u>30.0</u>	<u>30.0</u>	
Cash Funds - CWCB Construction Fund	2,356,280	2,153,227	2,512,659	2,579,610	
Cash Funds - STAX	43,750	43,750	43,750	43,750	
Reappropriated Funds - Wildlife Cash Fund	296,027	296,027	291,587	291,587	
Operating Expenses	<u>85,366</u>	<u>94,740</u>	<u>472,761</u>	<u>472,761</u>	
Cash Funds - CWCB Construction Fund	85,366	94,740	472,761	472,761	
Cash Funds - STAX	0	0	0	0	
Interstate Compacts - CWCB Construction Fund	327,989	349,962	0	0	
Western States Water Council Dues - CWCB Construction Fund	27,500	27,500	0	0	
<b>River Decision Support Systems - Total Line Item</b>	535,327	452,782	447,881	456,784	
FTE	<u>5.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	
Cash Funds - CWCB Construction Fund	535,327	452,782	447,881	456,784	
<b>(A) Administration - Subtotal</b>	3,672,239	3,417,988	3,768,638	3,844,492	<b>Request vs. Appropriation</b>
FTE	<u>35.3</u>	<u>32.4</u>	<u>34.0</u>	<u>34.0</u>	2.0%
					<u>0.0</u>

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Cash Funds - CWCB Construction Fund	3,332,462	3,078,211	3,433,301	3,509,155	2.2%
Cash Funds - STAX	43,750	43,750	43,750	43,750	0.0%
Reappropriated Funds - Wildlife Cash Fund	296,027	296,027	291,587	291,587	0.0%
<b>(B) Special Purpose</b>					
Intrastate Water Management and Development - CWCB Construction Fund	207,700	414,892	470,464	470,464	
Federal Emergency Management Assistance	120,375	85,767	141,634	143,928	
FTE	<u>1.8</u>	<u>1.5</u>	<u>2.0</u>	<u>2.0</u>	
Cash Funds - CWCB Construction Fund	0	0	13,732	13,732	
Federal Funds - Unspecified	120,375	85,767	127,902	130,196	
Weather Modification - Weather Modification Permit Fees	7,148	11,170	25,000	25,000	
<b>Water Conservation Program - Total Line Item</b>	238,993	269,484	279,941	285,166	
FTE	<u>3.0</u>	<u>3.5</u>	<u>4.0</u>	<u>4.0</u>	
Cash Funds - CWCB Construction Fund	238,993	269,484	279,941	285,166	
<b><del>H.B. 05-1254</del> Water Efficiency Grant Program - Total Line Item<sup>1</sup></b>	266,153	562,602	598,788	598,788	
FTE	<u>0.9</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	
Cash Funds - CWCB Construction Fund	0	80,414	100,000	100,000	
Cash Funds - Water Effic. Grant Prog. Cash Fund	266,153	482,188	498,788	498,788	
Severance Tax Fund - STAX	1,249,037	1,256,402	1,275,500	1,275,500	
<b>Interbasin Compacts - Total Line Item</b>	682,919	1,259,368	1,141,167	1,141,167	
FTE	<u>3.6</u>	<u>3.7</u>	<u>3.7</u>	<u>3.7</u>	
Cash Funds - Interbasin Compact C-tee. Op. Fund	682,919	859,368	741,167	741,167	
Cash Funds - CWCB Construction Fund	0	400,000	400,000	400,000	
<b>Platte River Basin Cooperative Agreement - Total Line Item</b>	167,688	144,392	231,534	231,534	
FTE	<u>0.8</u>	<u>0.8</u>	<u>1.0</u>	<u>1.0</u>	



	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Cash Funds - Fish and Wildlife Resources Fund	167,688	144,392	231,534	231,534	
S.B. 02-87 Colorado Watershed Protection Fund - Colorado Healthy Rivers Fund	174,429	127,407	119,942	119,942	
Indirect Cost Assessment	<u>507,619</u>	<u>535,510</u>	<u>588,748</u>	<u>529,663</u>	
Cash Funds - CWCB Construction Fund	472,542	501,706	577,833	514,757	
Federal Funds - Unspecified	35,077	33,804	10,915	14,906	
Water Construction Fund Bill <sup>2</sup> - CWCB Construction Fund	4,266,351	1,322,685	13,625,000	0	
					<b>Request vs. Appropriation</b>
<b>(B) Special Purpose - Subtotal (by fund source)</b>	7,888,412	5,989,679	18,497,718	4,821,152	-73.9%
FTE	<u>10.1</u>	<u>10.5</u>	<u>11.7</u>	<u>11.7</u>	<u>0.0</u>
Cash Funds - CWCB Construction Fund	5,185,586	2,989,181	15,466,970	1,784,119	-88.5%
Cash Funds - Weather Modification Permit Fees	7,148	11,170	25,000	25,000	0.0%
Cash Funds - Water Effic. Grant Prog. Cash Fund	266,153	482,188	498,788	498,788	0.0%
Cash Funds - STAX	1,249,037	1,256,402	1,275,500	1,275,500	0.0%
Cash Funds - Interbasin Compact C-tee. Op. Fund	682,919	859,368	741,167	741,167	0.0%
Cash Funds - Fish and Wildlife Resources Fund	167,688	144,392	231,534	231,534	0.0%
Cash Funds - Colorado Healthy Rivers Fund	174,429	127,407	119,942	119,942	0.0%
Federal Funds - Unspecified	155,452	119,571	138,817	145,102	4.5%
					<b>Request vs. Appropriation</b>
<b>(7) COLORADO WATER CONSERVATION BOARD</b>					
<b>- SUBTOTAL (by fund source)</b>	11,560,651	9,407,667	22,266,356	8,665,644	-61.1%
FTE	<u>45.4</u>	<u>42.9</u>	<u>45.7</u>	<u>45.7</u>	<u>0.0</u>
Cash Funds - CWCB Construction Fund	8,518,048	6,067,392	18,900,271	5,293,274	-72.0%
Cash Funds - Weather Modification Permit Fees	7,148	11,170	25,000	25,000	0.0%
Cash Funds - Water Effic. Grant Prog. Cash Fund	266,153	482,188	498,788	498,788	0.0%
Cash Funds - STAX	1,292,787	1,300,152	1,319,250	1,319,250	0.0%
Cash Funds - Interbasin Compact C-tee. Op. Fund	682,919	859,368	741,167	741,167	0.0%
Cash Funds - Fish and Wildlife Resources Fund	167,688	144,392	231,534	231,534	0.0%

<sup>1</sup> Department request to change the name to line item to "Water Efficiency Grant Program".

<sup>2</sup> Funding for this area is provided through a special bill: the annual water projects bill (H.B. 11-1274).

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Cash Funds - Colorado Healthy Rivers Fund	174,429	127,407	119,942	119,942	0.0%
Reappropriated Funds - Wildlife Cash Fund	296,027	296,027	291,587	291,587	0.0%
Federal Funds - Unspecified	155,452	119,571	138,817	145,102	4.5%

**(8) WATER RESOURCES DIVISION ("State Engineer's Office")**

Primary functions: responsible for administration of the State's water resources.

Cash funds include the Groundwater Management Cash Fund, Well Inspection Cash Fund and CWCB Construction Fund.

**(A) Divison Operations (NEW SUB-DIVISION)**

**Water Administration - Total Line Item (NEW LINE ITEM)**

FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>245.1</u>	R-3
General Fund	0	0	0	18,520,052	
Cash Funds - Ground Water Management Cash Fund	0	0	0	538,133	
Cash Funds - Well Inspection Cash Fund	0	0	0	0	
<i>Cash Funds - Well Enforcement Cash Fund</i>	0	0	0	1,489	
<i>Cash Funds - Gravel Pit Lakes Augmentation Fund</i>	0	0	0	44,400	
Cash Funds - Various Sources	0	0	0	57,947	

**Well Inspection - Total Line Item (NEW LINE ITEM)**

FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>3.0</u>	R-3
Cash Funds - Well Inspection Cash Fund	0	0	0	359,990	

**Personal Services**

FTE	<u>239.0</u>	<u>233.4</u>	<u>243.1</u>	<u>0.0</u>	R-3
General Fund	17,173,432	16,920,509	16,762,664	0	
Cash Funds - Ground Water Management Cash Fund	137,556	0	289,201	0	
Cash Funds - Well Inspection Cash Fund	206,146	203,101	193,464	0	
Cash Funds - Various Sources	5,560	0	31,142	0	

**Operating Expenses**

General Fund	991,041	960,466	960,466	0	
Cash Funds - Ground Water Management Cash Fund	324,768	287,786	247,381	0	
Cash Funds - Well Inspection Cash Fund	50,697	45,297	165,489	0	
Cash Funds - Various Sources	11,974	22,852	26,638	0	

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
Interstate Compacts - General Fund	75,993	73,896	76,002	0	R-3
<b>Republican River Compact Compliance - Total Line Item</b>	314,254	309,346	309,422	0	R-3
FTE	<u>4.2</u>	<u>4.7</u>	<u>5.0</u>	<u>0.0</u>	
General Fund	314,254	309,346	309,422	0	
<b>Satellite Monitoring System - Total Line Item</b>	393,881	367,207	396,261	399,857	
FTE	<u>1.9</u>	<u>1.5</u>	<u>2.0</u>	<u>2.0</u>	
General Fund	211,890	192,142	191,372	194,968	
Cash Funds - Satellite Monitoring System Cash Fund	181,991	175,065	204,889	204,889	
Augmentation of Water for Sand and Gravel Extraction - Cash Funds - Gravel Pit Lakes Augmentation Fund	25,835	20,121	44,400	0	R-3
Dam Emergency Repair - Cash Funds - CWCB Construction Fund	0	0	50,000	50,000	
Federal Grant - Federal Funds (FEMA and USBR)	130,268	155,705	126,042	167,260	
<b>River Decision Support Systems - Total Line Item</b>	381,382	205,371	203,106	206,232	
FTE	<u>3.6</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	
Cash Funds - CWCB Construction Fund	381,382	205,371	203,106	206,232	
H.B. 03-1334 Temporary Interruptible Water Supply Agreements - Cash Funds - Ground Water Management Cash Fund	0	0	61,589	61,589	
S.B. 04-225 Well Enforcement - Cash Funds - Well Enforcement Cash Fund	0	0	1,489	0	R-3
Indirect Cost Assessment	<u>45,847</u>	<u>35,042</u>	<u>47,028</u>	<u>29,598</u>	
Cash Funds - CWCB Construction Fund	20,000	14,774	19,920	10,109	
Cash Funds - Various Sources	20,849	20,268	24,027	15,011	
Federal Funds - Unspecified	4,998	0	3,081	4,478	

	FY 2009-10 Actuals	FY 2010-11 Actuals	FY 2011-12 Appropriation	FY 2012-13 Request	Change Requests
Water Construction Fund Bill - Cash Funds - CWCB Construction Fund	329,484	295,576	300,000	0	
					<b>Request vs. Appropriation</b>
<b>(8) WATER RESOURCES DIVISION -</b>					
<b>SUBTOTAL (by fund source)</b>	20,598,118	19,902,275	20,291,784	20,436,547	0.7%
FTE	<u>248.7</u>	<u>241.6</u>	<u>252.1</u>	<u>252.1</u>	<u>0.0</u>
General Fund	18,766,610	18,456,359	18,299,926	18,715,020	2.3%
Cash Funds - Ground Water Management Cash Fund	462,324	287,786	598,171	599,722	0.3%
Cash Funds - Well Inspection Cash Fund	256,843	248,398	358,953	359,990	0.3%
Cash Funds - Satellite Monitoring System Cash Fund	181,991	175,065	204,889	204,889	0.0%
Cash Funds - Gravel Pit Lakes Augmentation Fund	25,835	20,121	44,400	44,400	0.0%
Cash Funds - CWCB Construction Fund	730,866	515,721	573,026	266,341	-53.5%
Cash Funds - Well Enforcement Cash Fund	0	0	1,489	1,489	0.0%
Cash Funds - Various Sources	38,383	43,120	81,807	72,958	-10.8%
Federal Funds - FEMA and USBR	130,268	155,705	126,042	167,260	32.7%
Federal Funds - Unspecified	4,998	0	3,081	4,478	45.3%
<del>(9) DIVISION OF WILDLIFE</del>					
					<b>Request vs. Appropriation</b>
<b>DEPARTMENT OF NATURAL RESOURCES (EDO, Parks and Wildlife, CWCB, WRD)</b>					
<b>TOTAL FUNDS</b>	182,150,711	195,244,612	217,689,430	200,525,534	-7.9%
FTE	<u>1,274.4</u>	<u>1,237.6</u>	<u>1,252.6</u>	<u>1,252.6</u>	<u>0.0</u>
General Fund	25,533,680	25,658,205	23,422,123	23,428,606	0.0%
Cash Funds	133,080,235	143,186,286	171,356,415	153,421,682	-10.5%
Reappropriated Funds	6,524,708	6,856,396	7,375,163	7,467,273	1.2%
Federal Funds	17,012,088	19,543,725	15,535,729	16,207,973	4.3%

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Change Requests
	Actuals	Actuals	Appropriation	Request	
					<b>Request vs. Appropriation</b>
<b>DEPARTMENT OF NATURAL RESOURCES (DRMS, GS, OGCC, SBLC)</b>					
TOTAL FUNDS	21,287,258	21,154,413	24,852,535	26,442,507	6.4%
FTE	<u>178.2</u>	<u>180.4</u>	<u>213.0</u>	<u>218.0</u>	<u>5.0</u>
General Fund	0	0	0	0	n/a
Cash Funds	16,812,822	16,757,972	19,674,707	21,223,898	7.9%
Reappropriated Funds	737,736	745,994	1,105,402	1,113,714	0.8%
Federal Funds	3,736,700	3,650,447	4,072,426	4,104,895	0.8%
					<b>Request vs. Appropriation</b>
<b>TOTAL DEPARTMENT OF NATURAL RESOURCES</b>					
TOTAL FUNDS	203,437,969	216,399,025	242,541,965	226,968,041	-6.4%
FTE	<u>1,452.6</u>	<u>1,418.0</u>	<u>1,465.6</u>	<u>1,470.6</u>	<u>5.0</u>
General Fund	25,533,680	25,658,205	23,422,123	23,428,606	0.0%
Cash Funds	149,893,057	159,944,258	191,031,122	174,645,580	-8.6%
Reappropriated Funds	7,262,444	7,602,390	8,480,565	8,580,987	1.2%
Federal Funds	20,748,788	23,194,172	19,608,155	20,312,868	3.6%

**FY 2012-13 Joint Budget Committee Staff Budget Briefing**  
**Department of Natural Resources**  
**(Executive Director's Office, Parks and Wildlife, Colorado Water Conservation Board,**  
**Water Resources Division)**

**APPENDIX B: SUMMARY OF MAJOR LEGISLATION**

- ❑ **S.B. 11-024 (King K./Looper):** Authorizes the Board of Parks and Outdoor Recreation in the Department of Natural Resources to promulgate rules to allow members of the armed forces wounded warriors programs, and caretakers accompanying them, free entrance to any state park or recreation area. Wounded warriors are individuals who have been severely injured in military operations undertaken since September 11, 2001, and require years of intense, ongoing care or assistance. Wounded warriors who are residents of, or are stationed in Colorado, would be eligible for free entrance. The bill also authorizes the board to promulgate rules to allow all veterans free entrance to any state park on one day each year of the board's choosing.
- ❑ **S.B. 11-090 (Schwartz/Baumgardner):** Continues the "Weather Modification Act of 1972" until September 1, 2018. Requires the Executive Director of the Department of Natural Resources to ensure that all rules related to weather modification are updated by June 30, 2012.
- ❑ **S.B. 11-092 (Giron/Hammer):** Extends the vessel registration laws set to expire on July 1, 2011 until September 1, 2016. Requires State Parks to report to the President of the Senate and the Speaker of the House of Representatives if federal funding for recreational boating safety are expected to cease for any reason.
- ❑ **S.B. 11-164 (Hodge/Gerou):** Transfers \$5.0 million from the Perpetual Base Account of the Severance Tax Trust Fund to the General Fund on June 30, 2011. For additional information on this bill, see the "Recent Legislation" section for the Department of Labor and Employment.
- ❑ **S.B. 11-203 (Schwartz/Sonnenberg):** Appropriates \$4,500,000 from the Capital Account of the Species Conservation Trust Fund (Capital Account) and \$2,100,000 from the Operation and Maintenance Account of the Species Conservation Trust Fund (Operation and Maintenance Account) to the Department of Natural Resources for programs to conserve native species that have been listed as threatened or endangered under state or federal law, or are candidate species or are likely to become candidate species as determined by the United States Fish and Wildlife Service. Also adjusts existing appropriations for projects beginning in FY 2000-01 to reflect the amount actually spent by the Department.

**S.B. 11-208 (Schwartz and Hodge/Sonnenberg and Gerou):** Combines the following:

- the Wildlife Commission and the Board of Parks and Outdoor Recreation into a new Parks and Wildlife Board, and
- the Division of Wildlife and the Division of Parks and Outdoor Recreation into a new Division of Parks and Wildlife.

The new Board and new Division will assume all of the duties, powers, responsibilities, obligations, and functions that were previously exercised by their predecessor entities. Specifies that the new Board and Division shall constitute an enterprise for the purposes of Article X, Section 20 of the State Constitution. Additionally, specifies that all funds and expenditures will continue unaltered and does not merge the appropriations of the two divisions for FY 2011-12, but allows the new Division of Parks and Wildlife to expend appropriations to the former Division of Wildlife and the former Division of Parks and Outdoor Recreation contained in the 2011 general appropriations act (S.B. 11-209). Requires the consolidation of the boards and divisions to take place within existing appropriations. Reaffirms the state's assent to the federal Pittman-Robertson and Dingell-Johnson acts.

In addition to all of the duties and functions of the two predecessor boards, requires the new board to develop an implementation plan in order to:

- address outstanding issues and to identify increased efficiencies and cost savings that may be realized from merging the divisions;
- consolidate the operations and programs of the two divisions in order to allocate costs over a reasonable period of time and within existing budget levels;
- use the identified cost savings to finance the implementation plan and transition; and
- include recommendations for restructuring the board.

Requires the new board to schedule monthly meeting dates through the 2011 calendar year beginning in July 2011 in order to develop the implementation plan. All meetings are to be open to the public and the board is required to solicit public input. Additionally, requires the Board to hold workshops at least every two months.

Authorizes the Board to raise or lower park fees or other charges if the Board anticipates that the total annual revenues realized from the change will not increase by more than 20 percent over the annual amount earned from fees and charges as of July 1, 2011. Additionally, when considering rules to increase or decrease a park fee or other charge, requires the Board to consider the effect that the change will have on park use and the demand for the service and to consider opportunities for differential pricing.

Requires the Executive Director to report to the House Agriculture, Livestock, and Natural Resources Committee and the Senate Agriculture, Natural Resources, and Energy Committee on the activities of the Board, the implementation plan, expected cost savings to result from the merger, and any recommendations for further legislation on or before February 29, 2012. Also

requires the Executive Director to submit an informal progress report by November 30, 2011 that provides an update on the development of an implementation plan and any outstanding issues.

- ❑ **S.B. 11-226 (Hodge/Gerou):** Transfers: \$25.0 million from the Perpetual Base Account of the Severance Tax Trust Fund to the General Fund on July 1, 2011; transfers \$23.1 million from the Perpetual Base Account of the Severance Tax Trust Fund to the General Fund on June 30, 2012; and transfers \$3.95 million from the Operational Account of the Severance Tax Trust Fund to the General Fund on June 30, 2012.
- ❑ **H.B. 11-1274 (Sonnenberg/Schwartz):** Appropriates \$13,925,000 cash funds from the Colorado Water Conservation Board (CWCB) Construction Fund to the Department of Natural Resources in FY 2011-12 for various water-related projects. Transfers \$300,000 from the CWCB Construction Fund to the Flood Response Fund in FY 2011-12. Transfers \$700,000 from the CWCB Construction Fund to the Litigation Fund in FY 2011-12.
- ❑ **S.B. 10-071 (Morse/Riesberg):** Creates an Aspen Leaf Lifetime Pass to Colorado State Parks for residents that meet the age requirement for the existing Aspen Leaf Annual Pass, which is currently 64 years or older. The price of the lifetime pass will be set by the Colorado State Parks Board, but cannot exceed 5 times the cost of the Aspen Leaf Annual Pass. Appropriates \$8,800 from the Parks and Outdoor Recreation Cash Fund to State Parks in FY 2010-11.
- ❑ **H.B. 10-1250 (Fischer/Hodge):** Appropriates \$13,225,000 cash funds from the Colorado Water Conservation Board (CWCB) Construction Fund to the Department of Natural Resources in FY 2010-11 for various water-related projects. Transfers \$300,000 from the CWCB Construction Fund to the Flood Response Fund in FY 2010-11. Transfers \$36.0 million dollars from the Perpetual Base Account of the Severance Tax Trust Fund to the CWCB Construction Fund for the purchase of all or a portion of Colorado's allotment of the Animas-La Plata Project water. The \$36.0 million dollars in transfers are to occur in three consecutive annual installments of \$12.0 million dollars on June 30 of each year, commencing June 30, 2011.
- ❑ **H.B. 10-1326 (Pommer/Tapia):** Makes the following adjustments to the authorization of appropriations from the Operational Account of the Severance Tax Trust Fund (Operational Account) for tax years beginning on or after July 1, 2009:
  - Decreases the authorization to the Colorado Oil and Gas Conservation Commission from up to 40 percent to up to 35 percent of the Operational Account;
  - Increases the authorization to the Division of Parks and Outdoor Recreation from up to 5 percent to up to 10 percent of the Operational Account; and
  - Allows the increased appropriation to the Division of Parks and Outdoor Recreation to supplant moneys that would otherwise be available to the Division of Parks and Outdoor Recreation.



Also makes the following adjustments:

- Decreases transfers from the Operational Account to the Water Supply Reserve Account by \$4.0 million in FY 2010-11 and by \$3.0 million in FY 2011-12. Transfers \$10.0 million in FY 2012-13 and beyond; and
  - Decreases the FY 2009-10 Long Bill General Fund appropriation to the Division of Parks and Outdoor Recreation by \$2,147,415 and increases its cash fund appropriation from the Operational Account by the same amount.
- H.B. 10-1327 (Pommer/White):** Transfers in FY 2009-10 to the General Fund \$2,000,000 from the Perpetual Base Account of the Severance Tax Trust Fund.
- H.B. 10-1388 (Ferrandino/Tapia):** Transfers \$11,000,000 to the General Fund from the Perpetual Base Account of the Severance Tax Trust Fund in FY 2010-11.

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Natural Resources  
(Executive Director's Office, Parks and Wildlife, Colorado Water Conservation Board,  
Water Resources Division)**

**APPENDIX C: UPDATE OF FY 2011-12  
FOOTNOTES AND REQUESTS FOR INFORMATION**

**Long Bill Footnotes**

Footnotes 42, 43, 44, and 45 will be addressed in a second Department briefing discussion.

- 46     **Department of Natural Resources, Parks and Outdoor Recreation, Special Purpose, Off-highway Vehicle Grants** -- It is the intent of the General Assembly that the appropriation to this line item remain available until the completion of all funded projects or the close of FY 2013-14, whichever comes first.
- 47     **Department of Natural Resources, Division of Wildlife, Special Purpose, Grants and Habitat Partnerships** -- It is the intent of the General Assembly that the appropriation to this line item remain available until the completion of all funded projects or the close of FY 2013-14, whichever comes first.
- 48     **Department of Natural Resources, Division of Wildlife, Special Purpose, Asset Maintenance and Repairs** -- It is the intent of the General Assembly that the appropriation to this line item remain available until the completion of all funded projects or the close of FY 2013-14, whichever comes first.

**Comment:** The General Assembly approved a Department request with the FY 2010-11 budget to re-organize the capital construction budgets in State Parks and the Division of Wildlife and move part of their re-organized capital construction line items into the operating side of the budget. For three of the line items, the Department requested, and the General Assembly approved, footnotes stating that the specific funding stream appropriated in FY 2010-11 and FY 2011-12 would remain available for expenditure for up to three fiscal years.

For the "Off-Highway Vehicle Grants" line item in the Parks and Outdoor Recreation budget, the General Assembly approved a footnote that authorizes three year spending authority in order to allow the Division enough time to select grant recipients and to account for weather events that may extend the project completion time to more than a year.

For the "Grants and Habitat Partnerships" and "Asset Maintenance and Repairs" line items in the Division of Wildlife budget, the General Assembly approved footnotes that authorize three year spending authority in order to allow the Division enough time to select grant recipients under the Pheasant Habitat Partnership Program (PHIP) and to account for weather events that may extend the project completion time to more than a year.

## **Requests for Information**

### Requests Affecting Multiple Departments

- 5 All Departments, Totals --** Every department is requested to submit to the Joint Budget Committee, by November 1, 2011, information on the number of additional federal and cash funds FTE associated with any federal grants or private donations that were received in FY 2010-11. The Departments are also requested to identify the number of additional federal and cash funds FTE associated with any federal grants or private donations that are anticipated to be received during FY 2011-12.

**Comment:** The Governor's May 11, 2011, letter to the Joint Budget Committee states that departments will "Comply within the November 1 budget request - Within the schedules customarily submitted to the Joint Budget Committee on November 1 (specifically the Schedule 3 and Schedule 14), departments report the actual number of FTE positions used during the most recently completed two fiscal years, and supply an estimate of anticipated FTE in the current and future years. In spite of my objection to the Joint Budget Committee's inclusion of FTE in the Long Bill, departments are directed to continue providing appropriate FTE data within the November 1 budget request for the purposes of assisting the General Assembly in analyzing departments' expenditures."

### Department of Natural Resources

- 1 Department of Natural Resources, Parks and Outdoor Recreation –** The Division of Parks and Outdoor Recreation is requested to provide the Joint Budget Committee with a report on division sources of revenue as well as the expenditures of revenues by revenue type. The report should provide an analysis of lottery funds used for operations and capital projects. The report is requested to be submitted by November 1, 2011.

**Comment:** The Department submitted the requested information on November 2, 2011, providing information on park revenue and expenditures by funding source. *Appendix-Parks-RFI-1* provides a summary of the information provided by State Parks. Staff requested that the new Division of Parks and Wildlife provide a similar report for Wildlife, however, the department reported back that this type of reporting is not supported by the current accounting and financial structure in Wildlife. Staff intends to pursue this issue further with the Department to find out what information will be useful to receive as an annual report.

Department requests for information 2 and 3 will be addressed in a second Department briefing discussion.

**COLORADO DEPARTMENT OF NATURAL RESOURCES  
COLORADO PARKS AND WILDLIFE - STATE PARKS**

**FY2010-11 State Parks Revenues and Expenditures - Consolidated**

<b>FY2010-11</b>	
<b>Revenues</b>	
Parks Passes and Entry Fees	11,421,860
Permits and User Fees	8,330,543
Sale of Goods, Services	649,560
Concession / Lease Income	1,243,494
Registration Fees - Boats	3,400,940
Registration Fees - Other	5,058,151
Federal Funds	6,127,566
State Funds (STAX, SCTF)	7,795,775
GOCO Parks Purpose	11,272,557
GOCO Other Purpose	-
Lottery 10% Distribution	11,336,100
Interest Income	782,700
Other Revenues	608,772
Subtotal, Earned Revenue	<u>68,028,018</u>
General Fund	2,286,833
Total Revenues	<u><u><b>70,314,851</b></u></u>
<b>Expenditures</b>	
Personal Services	
Permanent Salaries/Benefits	19,150,372
Temporary Employee Wages	5,484,270
Contract Personal Services	1,269,109
Operating Expenses	
Supplies	1,732,011
Maintenance and Cleaning Services	3,121,154
Purchased Services	3,545,411
Travel / Vehicles	1,714,320
Utilities / Communications	2,135,535
Information Technology	1,102,008
Equipment	1,154,087
Cost of Goods Sold	635,536
Grants	6,232,228
Other	857,100
Transfers Out (Intergovernmental)	<u>2,565,695</u>
Subtotal, Operating	24,795,085
Capital Construction	
Land, Water Acquisition	1,345,787
Contract Construction Services	11,667,161
Capital Improvements	-
Other Capital Construction	-
Subtotal Capital Construction	<u>13,012,948</u>
Total Expenditures	<u><u><b>63,711,784</b></u></u>
Net Income	<u><u><b>6,603,067</b></u></u>

**COLORADO DEPARTMENT OF NATURAL RESOURCES  
COLORADO PARKS AND WILDLIFE - STATE PARKS**

**Source and Use of Funds  
FY 2010-11**

	Park Revenue	Registration	Federal	State	Lottery	GOCO	GF	Other	TOTAL Uses
<b>Expenditures</b>									
Personal Services									
Permanent Salaries/Benefits	13,793,155	255,805	324,431	502,769	0	2,433,513	1,840,698	0	19,150,372
Temporary Employee Wages	4,044,128	93,766	43,485	1,249,509	0	53,383	0	0	5,484,270
Contract Personal Services	203,348	1,558	162,633	19,150	705,337	122,786	53,817	481	1,269,109
Operating									
Supplies	865,169	110,314	108,712	138,316	368,826	44,699	91,461	4,514	1,732,011
Maintenance and Cleaning Services	824,371	13,498	50,763	18,665	1,434,840	774,381	0	4,636	3,121,154
Purchased Services	0	436,758	0	3,046,383	0	0	62,270	0	3,545,411
Travel / Vehicles	1,437,063	75,207	27,379	44,403	0	0	128,250	2,018	1,714,320
Utilities / Communications	1,719,398	7,090	13,805	17,378	225,249	44,705	107,911	0	2,135,535
Information Technology	25,559	6,161	24,781	0	1,037,630	7,878	0	0	1,102,008
Equipment	23,227	133,642	381,824	20,884	582,823	0	2,428	9,259	1,154,087
Cost of Goods Sold	0	0	0	0	0	0	0	635,536	635,536
Grants	240,737	3,017,982	933,872	981,179	436,568	621,890	0	0	6,232,228
Other	781,742	47,991	7,646	1,121	5,602	70	0	12,929	857,100
Transfers Out (Intergovernmental)	<u>1,444,889</u>	<u>285,010</u>	<u>0</u>	<u>835,796</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,565,695</u>
Subtotal, Operating	25,402,785	4,484,780	2,079,331	6,875,554	4,796,875	4,103,305	2,286,834	669,372	50,698,837
Capital Construction									
Land, Water Acquisition	0	0	0	0	100,000	1,145,787	0	100,000	1,345,787
Contract Construction Services	0	0	204,941	0	5,438,755	6,023,465	0	0	11,667,161
Capital Improvements	0	0	0	0	0	0	0	0	0
Other Capital Construction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal Capital Construction	0	0	204,941	0	5,538,755	7,169,252	0	100,000	13,012,948
In/ Out of Fund Equity	3,179,850	535,178	1,708,824	589,029	1,000,470	0	0	386,582	7,399,933
<b>Total Sources</b>	<u>28,582,635</u>	<u>5,019,958</u>	<u>3,993,096</u>	<u>7,464,582</u>	<u>11,336,100</u>	<u>11,272,557</u>	<u>2,286,834</u>	<u>1,155,954</u>	<u>71,111,717</u>

# Division of Parks & Wildlife Transition Plan Flow Chart



\*Yellow highlighting denotes that approval is necessary

