

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**FY 2010-11 STAFF BUDGET BRIEFING**

**DEPARTMENT OF NATURAL RESOURCES**

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

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

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**FY 2010-11 BUDGET BRIEFING  
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE**

**DEPARTMENT OF NATURAL RESOURCES**

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

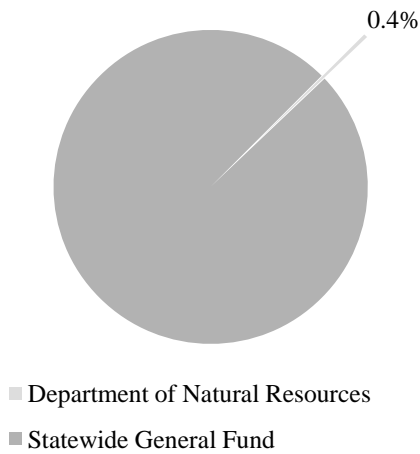
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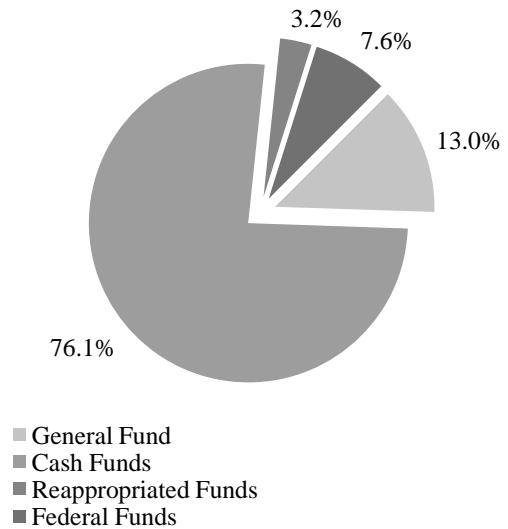
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Department of Natural Resources**

**GRAPHIC OVERVIEW**

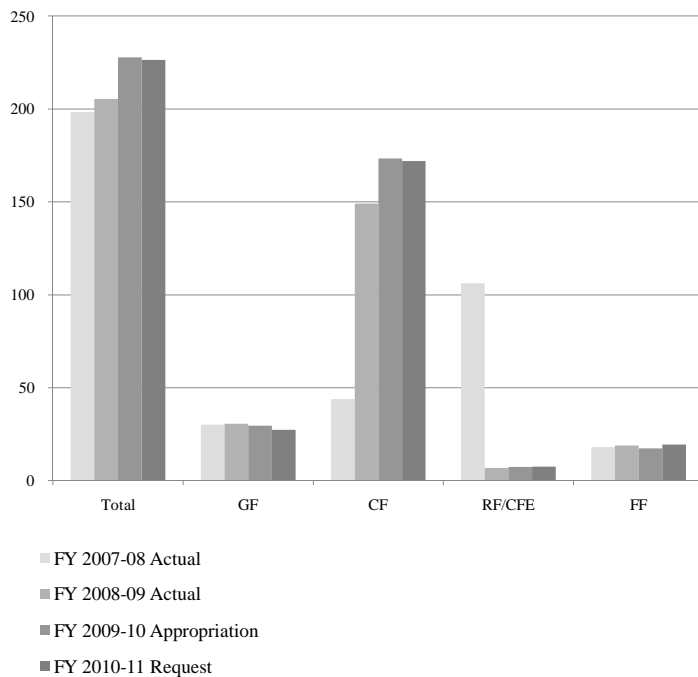
**Department's Share of Statewide General Fund**



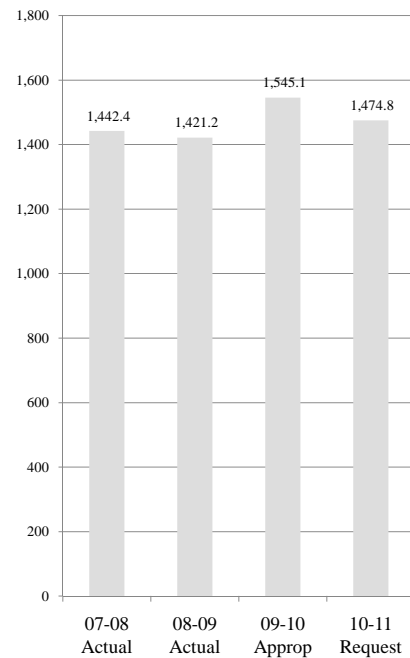
**Department Funding Sources**



**Budget History  
(Millions of Dollars)**

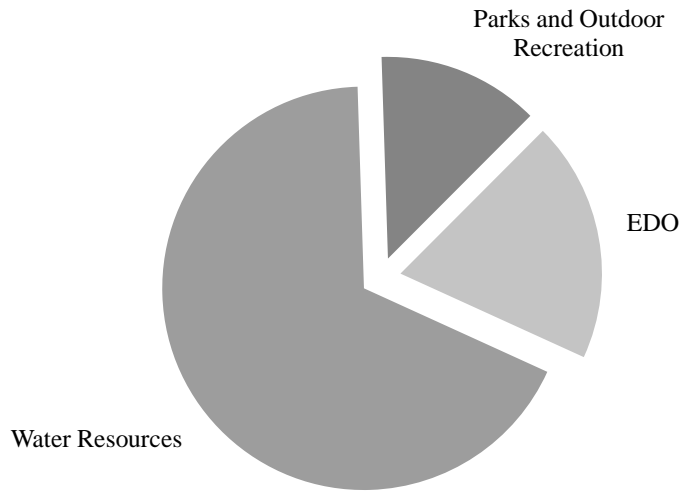


**FTE History**

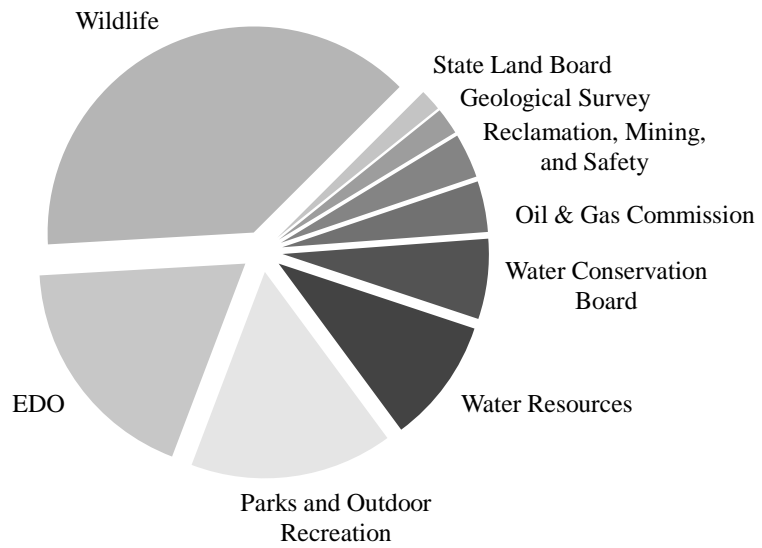


Unless otherwise noted, all charts are based on the FY 2009-10 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



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

**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 Outdoor Recreation** manages 40 established state parks, three park projects, and various recreation 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.
- The **Division of 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 250 state wildlife areas.

**Factors Driving the Budget**

Funding for the entire department consists of 13.0 percent General Fund, 76.2 percent cash funds, 3.2 percent reappropriated funds, and 7.6 percent federal funds.

**State Parks**

Funding for the state parks operating budget is primarily a mixture of General Fund and cash funds from fees. The following table shows the level of General Fund relative to total funds for the Division of Parks and Outdoor Recreation.

<b>State Parks Operating Funding Mix<sup>1</sup></b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimated</b>	<b>FY 2010-11 Request</b>
General Fund - State Parks	\$6,297,082	\$6,656,991	\$7,001,948	\$4,798,324	\$2,696,234
<i>Percent Change</i>	<i>n/a</i>	<i>5.7%</i>	<i>5.2%</i>	<i>(31.5)%</i>	<i>(43.8)%</i>
Total Funds - State Parks Operating	\$32,453,976	\$35,828,674	\$40,211,230	\$40,915,338	\$50,322,421
<i>Percent Change</i>	<i>n/a</i>	<i>10.4%</i>	<i>12.2%</i>	<i>1.8%</i>	<i>23.0%</i>
State Parks Visitation	11,305,180	11,834,228	11,955,691	12,158,938	12,365,640
<i>Percent Change</i>	<i>n/a</i>	<i>4.7%</i>	<i>1.0%</i>	<i>1.7%</i>	<i>1.7%</i>

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

Funding of state parks capital construction budget is primarily a mixture of lottery and federal funds.

<b>State Parks Capital Construction Appropriations</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11 Request</b>
Lottery Funds	\$8,428,000	\$9,675,500	\$8,154,000	\$12,529,000	\$8,700,000
GOCO Funds	4,175,000	4,475,000	8,005,000	6,590,000	6,800,000
Other Cash Funds	1,700,000	1,800,000	3,331,000	3,331,000	0
Federal Funds	<u>4,648,000</u>	<u>4,237,500</u>	<u>5,197,000</u>	<u>4,935,000</u>	<u>1,400,000</u>
Total Funds	\$18,951,000	\$20,188,000	\$24,687,000	\$27,385,000	\$16,900,000

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

Both the Division of Parks and Outdoor Recreation and the Division of Wildlife receive funding from the GOCO Board, as established in Article XXVII of the Colorado Constitution. The GOCO grants are not subject to legislative authority and thus are reflected for information only. The GOCO grants to the Division of Parks and Outdoor Recreation are used for developing new parks (capital) as well as enhancing and maintaining existing parks (operating). The GOCO grants to the Division of Wildlife are used for species protection, habitat development, watchable wildlife, and wildlife education.

<b>Great Outdoors Colorado Board Grants</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimate</b>	<b>FY 2010-11 Request</b>
Parks Capital Budget	\$4,362,000	\$8,318,000	\$760,000	\$16,104,000	\$10,354,000
Parks Operating Budget	<u>4,143,000</u>	<u>4,025,000</u>	<u>3,864,000</u>	<u>4,275,000</u>	<u>4,275,000</u>
Total GOCO Grants to Parks	\$8,505,000	\$12,343,000	\$4,624,000	\$20,379,000	\$14,629,000

<b>Great Outdoors Colorado Board Grants</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimate</b>	<b>FY 2010-11 Request</b>
<i>Percent of Parks' Expenditures</i>	23.3%	20.8%	7.7%	32.1%	23.7%
Wildlife Capital Budget	\$2,091,323	\$13,940,282	\$13,330,909	\$9,300,000	\$9,300,000
Wildlife Operating Budget	<u>6,168,566</u>	<u>6,421,006</u>	<u>6,167,923</u>	<u>6,200,000</u>	<u>6,200,000</u>
Total Grants to Wildlife	\$8,259,889	\$20,361,288	\$19,498,832	\$15,500,000	\$15,500,000
<i>Percent of DOW Expenditures</i>	10.0%	12.0%	9.5%	12.0%	12.0%

### **Division of Water Resources General Fund**

This division, also referred to as the Office of the State Engineer, receives 67.7 percent of the Department's total General Fund appropriation. The majority of the Division's General Fund appropriation is associated with personal services costs. In FY 2006-07, the fees authorized by S.B. 03-181 sunsetted and the \$3.2 million in cash funding was replaced with General Fund.

<b>Division of Water Resources Long Bill General Fund</b>	<b>FY 06-07 Actual</b>	<b>FY 07-08 Actual</b>	<b>FY 08-09 Actual</b>	<b>FY 09-10 Approp.</b>	<b>FY 10-11 Request</b>
General Fund - Division <sup>1/</sup>	\$21,855,788	\$23,402,287	\$23,680,696	\$24,540,301	\$24,490,508
<i>Percent Change</i>	0.0%	7.1%	1.2%	3.6%	-0.2%
Total Department General Fund	\$28,152,870	\$30,059,279	\$30,552,851	\$29,680,331	\$27,425,011
<i>Div. GF as % of Department GF</i>	77.6%	77.9%	77.5%	82.7%	89.3%

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

### **Division of Wildlife**

For FY 2009-10, the Division of Wildlife's \$87.6 million appropriation represents 38.4 percent of the Department's total operating budget. The following table describes the Division's various revenue sources.

<b>Division of Wildlife Revenue Sources</b>	<b>FY 07-08 Actual</b>	<b>FY 08-09 Actual</b>	<b>FY 09-10 Estimate</b>	<b>FY 10-11 Request</b>
Wildlife Cash Fund	\$64,290,892	\$65,809,000	\$70,355,007	\$67,034,445
Federal Funds	13,235,312	12,419,269	11,026,871	10,401,544
GOCO Board Grants	6,423,686	6,167,923	6,200,000	6,200,000
Habitat Partnership Cash Fund	2,686,662	2,146,531	2,500,000	2,500,000
Wildlife Aquatic Nuisance Species (Severance Tax Operational Account S.B. 08-226)	0	1,364,172	1,304,544	1,304,544

<b>Division of Wildlife Revenue Sources</b>	<b>FY 07-08 Actual</b>	<b>FY 08-09 Actual</b>	<b>FY 09-10 Estimate</b>	<b>FY 10-11 Request</b>
Cash Grants	1,175,445	1,479,966	150,000	150,000
Public Education Donation	892,604	1,078,791	1,100,000	1,100,000
Colorado Outdoor Magazine Subscriptions	739,978	493,156	550,000	550,000
Non-game Wildlife Voluntary Tax Contributions	500,000	0	0	0
Other	<u>94,476</u>	<u>160,707</u>	<u>15,000</u>	<u>15,000</u>
<b>Total DOW Budget</b>	<b>\$90,039,055</b>	<b>\$91,119,515</b>	<b>\$93,201,422</b>	<b>\$89,255,533</b>

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

The Colorado Water Conservation Board Construction Fund, created in Section 37-60-121 (1) (a), C.R.S., provides loans for projects which will increase the beneficial consumptive use of Colorado's undeveloped compact entitled waters. Statute instructs the Colorado Water Conservation Board to participate in only those projects that can repay the board's investment. Grants are not allowed, unless specifically authorized by the general assembly through a bill.

The Construction Fund is a partially self-supporting revolving loan fund. Revenues come 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, and federal mineral lease (FML) fund distributions. Senate Bill 08-218 modified the allocation of the state's portion of FML revenue by segregating FML bonus payment revenue and reallocation as well as non-bonus (rent and royalty) FML revenue reallocation. Senate Bill 08-218 amended statute so that beginning with FY 2008-09, the CWCB Construction fund receives a distribution of 10.0 percent of non-bonus revenue, up to \$14.0 million. The amount transferred is allowed to grow by 4 percent annually in succeeding years.

The Construction Fund also pays for the administrative expenses of the Colorado Water Conservation Board (CWCB). For FY 2009-10 the CWCB estimates that it will need \$7.3 million for salaries and operating costs. In addition the Construction Fund provides funding for non-reimbursable projects, an estimated \$5.5 million in FY 2009-10. The fund also provides funding for loans, the CWCB anticipates \$22.6 million in new water loans for FY 2009-10.

<b>Colorado Water Conservation Board Construction Fund</b>				
	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimate</b>	<b>FY 2010-11 Estimate</b>
Cash Balance - Beginning of Year	\$8,775,717	\$13,282,580	\$19,305,372	\$6,024,025
Revenues	28,884,363	45,300,023	22,160,220	26,662,272
<i>CWCB Operations</i>	<i>(5,790,824)</i>	<i>(6,255,134)</i>	<i>(7,269,359)</i>	<i>(7,438,451)</i>



<b>Colorado Water Conservation Board Construction Fund</b>				
	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimate</b>	<b>FY 2010-11 Estimate</b>
<i>Non-Reimbursable Investments</i>	(3,828,890)	(4,724,563)	(5,530,000)	(3,700,000)
<i>Loan Issuances</i>	(14,757,786)	(18,047,534)	(22,642,208)	(18,000,000)
<i>Total Expenditures</i>	<u>(24,377,500)</u>	<u>(29,027,231)</u>	<u>(35,441,567)</u>	<u>(29,138,451)</u>
Ending FY Balance without transfer	\$13,282,580	\$29,555,372	\$6,024,025	\$3,547,846
Transfer to the General Fund in S.B. 09-208	<u>0</u>	<u>(10,250,000)</u>	<u>0</u>	<u>0</u>
Ending Balance after transfers	\$13,282,580	\$19,305,372	\$6,024,025	\$3,547,846

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

The Severance Tax Perpetual Base Account is authorized in Section 39-29-109 (2) (a), C.R.S., to be used for the same purposes as the Colorado Water Conservation Board Construction Fund. Specifically, to fund directly or provide loans for construction, rehabilitation, enlargement, or improvement of water projects. The Severance Tax 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, as such no permanent programs depend on this fund.

<b>Perpetual Base Account of the Severance Tax Trust Fund</b>				
	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimate</b>	<b>FY 2010-11 Estimate</b>
Cash Balance - Beginning of Year	\$43,702,079	\$18,058,960	\$40,454,321	\$5,282,563
<i>Receivables/Interest Earnings</i>	10,507,640	11,071,624	6,858,689	7,827,329
<i>Severance Tax</i>	37,868,413	71,253,177	17,911,500	38,264,500
<i>Principal Repayment</i>	2,731,028	3,099,696	3,058,053	3,176,009
<i>Total Revenues</i>	51,107,081	85,424,497	27,828,242	49,267,838
Loan Issuances/Drought Grants	<u>(76,750,200)</u>	<u>(28,029,136)</u>	<u>(1,000,000)</u>	<u>(42,000,000)</u>
Ending FY Balance without transfer	\$18,058,960	\$75,454,321	\$67,282,563	\$12,550,401
Transfer to the General Fund in S.B. 09-208	0	(20,000,000)	0	0
Transfer to the General Fund in S.B. 09-279*	<u>0</u>	<u>(15,000,000)</u>	<u>(62,000,000)</u>	<u>0</u>
Ending Balance after transfers	\$18,058,960	\$40,454,321	\$5,282,563	\$12,550,401

\* The Department of Natural Resources states that there is not enough unobligated cash in the Perpetual Base Account to satisfy the transfer requirement in S.B. 09-279. An estimated \$37.0 million will come from money set aside for authorized projects that are not yet under contract or have not yet been fully completed.

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**DECISION ITEM PRIORITY LIST**

Decision Item	GF	CF	RF	FF	Total	FTE
1	(19,573)	48,694	(1,557)	2,919	30,483	0.0
<b>Leased Space Adjustments</b>						
<b>Executive Director's Office and Colorado Geological Survey.</b> The Department requests to renew ten existing leases, to reflect two current leases fully in the Long Bill, and to annualize the effects of H.B. 08-1395 (property tax exemption for government leases). <i>Statutory authority: Section 24-75-112 (1)(b) and (g), C.R.S.</i>						
2	0	0	225,000	0	225,000	0.0
Public Access Program Damage and Enhancement Reappropriation						
3	0	2,231,880	0	0	2,231,880	0.0
<b>Shift Funding for the Division of Wildlife from the Capital Construction to the Operating Budget</b>						
<b>Division of Wildlife.</b> The Department requests to move and re-classify \$2.2 million cash funds (Wildlife Cash Fund) from the Division of Wildlife's Long Bill capital construction appropriation to the operating appropriation. The request includes creating two new line items in the operating appropriation: "Grants and Habitat Partnerships" for \$1,625,000 and "Asset Maintenance and Repairs" for \$606,880. <i>Statutory authority: Section 24-30-1301 (1) and (2), C.R.S., and Section 24-75-112 (1) (a), C.R.S.</i>						
4	0	6,750,000	0	1,350,000	8,100,000	0.0
<b>State Parks Capital Line Item Consolidation and Capital Reorganization</b>						
<b>State Parks.</b> The Department requests to move and re-classify \$8.1 million total funds (\$6.75 million cash funds and \$1.35 million federal funds) from the division of Parks and Outdoor Recreation Long Bill capital construction appropriation to the operating appropriation. The request includes creating four new line items in the operating appropriation: "Natural Resource Protection" for \$600,000 (\$150,000 GOCO and \$450,000 FEMA); "Miscellaneous Small Projects" for \$2,000,000 Lottery funds; "Trails Grants" for \$2,500,000 (\$1,450,000 Lottery, \$150,000 GOCO, and \$900,000 federal funds from the Department of Interior and the U.S. Department of Transportation); and Off-Highway Vehicle Grants for \$3,000,000 (Off-Highway Vehicle Recreation Fund). <i>Statutory Authority: Section 24-30-1301 (1) and (2), C.R.S., and Section 24-75-112 (1) (a), C.R.S.</i>						
5	(20,000)	20,000	0	0	0	0.0
<b>Increase Fee Revenue for Satellite Monitoring System</b>						

Decision Item	GF	CF	RF	FF	Total	FTE
<p><b>Division of Water Resources.</b> The Department requests a technical correction to an August 2009 Department budget reduction proposal "Increase Fee Revenue for the Satellite Monitoring System." The proposal would increase the participants in the Satellite Monitoring System to increase cash fund revenue and off-set General Fund support. The August request calculated the FY 2010-11 annualization for only 8 months, instead of 12 months. <i>Statutory authority: Section 37-80-102 (10), C.R.S., and Section 37-80-111.5 (c), C.R.S.</i></p>						
NP-1	(96,173)	(312,534)	(155,510)	(21,743)	(585,960)	(64.0)
<p><b>Statewide Information Technology Staff Consolidation</b></p> <p><b>Multiple Divisions.</b> This statewide common policy request, submitted in the Governor's Office budget request, would transfer a total of 64.0 FTE from the Department to the Governor's Office of Information Technology. In addition, the request would reduce appropriations in the amount of \$5,859,561 total funds (including \$961,726 General Fund) from various line items in FY 2010-11 and increase appropriations by \$5,273,601 total funds (including \$865,553 General Fund) to three line items: Purchase of Services from Computer Center, Multiuse Network Payments, and Management and Administration of OIT.</p>						
NP-2	9,521	177,879	0	(16,910)	170,490	0.0
<p><b>Annual Fleet Vehicle Replacements</b></p> <p><b>Executive Director's Office.</b> This statewide common policy request, submitted in the Department of Personnel's budget request, would replace a total of 178 state fleet vehicles, including 20 Department of Natural Resources vehicles.</p>						
<b>Total</b>	<b>(126,225)</b>	<b>8,915,919</b>	<b>67,933</b>	<b>1,314,266</b>	<b>10,171,893</b>	<b>(64.0)</b>

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**OVERVIEW OF NUMBERS PAGES**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2009-10 appropriation and its FY 2010-11 request.

**Total Requested Change for Entire Department, FY 2009-10 to FY 2010-11**  
**(millions of dollars)**

Category	GF	CF	RF	FF	Total	FTE
FY 2009-10 Appropriation	\$29.7	\$173.4	\$7.3	\$17.4	\$227.8	1,545.1
FY 2010-11 Request	27.4	172.0	7.6	19.4	226.4	1,474.8
Increase / (Decrease)	(\$2.3)	(\$1.4)	\$0.3	\$2.0	(\$1.4)	(70.3)
Percentage Change	-7.7%	-0.8%	4.1%	11.5%	-0.6%	-4.6%

**Total Requested Change for EDO, Parks, CWCB, WRD, and DOW Only, FY 2009-10 to FY 2010-11**  
**(millions of dollars)**

Category	GF	CF	RF	FF	Total	FTE
FY 2009-10 Appropriation	\$29.7	\$153.0	\$6.4	\$12.8	\$201.9	1,325.8
FY 2010-11 Request	27.4	152.2	6.5	15.0	201.1	1,262.5
Increase / (Decrease)	(\$2.3)	(\$0.8)	\$0.1	\$2.2	(\$0.8)	(63.3)
Percentage Change	-7.7%	-0.5%	1.6%	17.2%	-0.4%	-4.8%

The following table highlights the individual changes contained in the Department's FY 2010-11 budget request, as compared with the FY 2009-10 appropriation, for the portion of the Department covered in this briefing packet. For additional detail, see the numbers pages in Appendix A.

**Requested Changes, FY 2009-10 to FY 2010-11**

Category	GF	CF	RF	FF	Total	FTE
<b>(1) Executive Director's Office Current Appropriation</b>	<b>\$5,730,662</b>	<b>\$28,551,837</b>	<b>\$6,141,225</b>	<b>\$1,284,830</b>	<b>\$41,708,554</b>	<b>59.8</b>
Common Policy Changes	\$202,146	\$30,286	\$108,318	\$450,607	\$791,357	0.0
Restore FY 2010 Personal Services Cut	97,089	0	0	0	97,089	0.0

Category	GF	CF	RF	FF	Total	FTE
Indirect Costs Adjustments	(103,747)	0	103,747	0	0	0.0
Annualize H.B. 09-1289 Species Conservation Trust Fund	0	(8,378,070)	0	0	(8,378,070)	0.0
Budget Balancing Base Reductions	(171,003)	(175,571)	(13,779)	(1,806)	(362,159)	(1.0)
Annualize S.B. 09-158 Private Land Conservation Incentive	0	(50,000)	0	0	(50,000)	0.0
Annualize FY 2010 Decision Item Postage Increase and Mail Equipment Upgrade	<u>0</u>	<u>0</u>	<u>(670)</u>	<u>0</u>	<u>(670)</u>	<u>0.0</u>
<b>Executive Director's Office Base Request</b>	<b>5,755,147</b>	<b>19,978,482</b>	<b>6,338,841</b>	<b>1,733,631</b>	<b>33,806,101</b>	<b>58.8</b>
Non-prioritized Statewide Decision Item 1: IT Staff Consolidation	777,957	2,509,048	(155,510)	166,177	3,297,672	(15.0)
Non-prioritized Statewide Decision Item 2: Annual Fleet Vehicle Replacements	9,521	194,667	0	(16,910)	187,278	0.0
Decision Item 1: Leased Space Adjustments	<u>(19,573)</u>	<u>48,694</u>	<u>0</u>	<u>2,919</u>	<u>32,040</u>	<u>0.0</u>
<b>(1) Executive Director's Office Total Request</b>	<b>\$6,523,052</b>	<b>\$22,730,891</b>	<b>\$6,183,331</b>	<b>\$1,885,817</b>	<b>\$37,323,091</b>	<b>43.8</b>
<b>Change</b>	<b>\$792,390</b>	<b>(\$5,820,946)</b>	<b>\$42,106</b>	<b>\$600,987</b>	<b>(\$4,385,463)</b>	<b>(16.0)</b>
<b>Percent Change</b>	<b>13.8%</b>	<b>-20.4%</b>	<b>0.7%</b>	<b>46.8%</b>	<b>-10.5%</b>	<b>-26.8%</b>
<b>(6) Parks and Outdoor Recreation Current Appropriation</b>	<b>\$3,866,992</b>	<b>\$31,233,217</b>	<b>\$0</b>	<b>\$1,028,156</b>	<b>\$36,128,365</b>	<b>294.5</b>
Increase Lottery Funds to State Parks Operations	\$0	\$750,000	\$0	\$0	\$750,000	0.0
Restore FY 2010 Personal Services Cut	65,362	365,277	0	8,094	438,733	0.0
Indirect Costs Adjustments	0	(713)	0	6,555	5,842	0.0
FY 2010 Supplemental Request to Increase Severance Tax Allocation to State Parks	(2,147,415)	2,147,415	0	0	0	0.0
Annualize FY 2010 Decision Item Postage Increase and Mail Equipment Upgrade	<u>(8,540)</u>	<u>(36,261)</u>	<u>0</u>	<u>0</u>	<u>(44,801)</u>	<u>0.0</u>

Category	GF	CF	RF	FF	Total	FTE
<b>Parks and Outdoor Recreation Base Request</b>	<b>1,776,399</b>	<b>34,458,935</b>	<b>0</b>	<b>1,042,805</b>	<b>37,278,139</b>	<b>294.5</b>
Decision Item 4: State Parks Capital Line Item Consolidation and Capital Reorganization	0	6,750,000	0	1,350,000	8,100,000	0.0
Non-prioritized Statewide Decision Item 1: IT Staff Consolidation	(68,294)	(358,534)	0	0	(426,828)	(5.0)
Non-prioritized Statewide Decision Item 2: Annual Fleet Vehicle Replacements	<u>0</u>	<u>(16,788)</u>	<u>0</u>	<u>0</u>	<u>(16,788)</u>	<u>0.0</u>
<b>(6) Parks and Outdoor Recreation Total Request</b>	<b>\$1,708,105</b>	<b>\$40,833,613</b>	<b>\$0</b>	<b>\$2,392,805</b>	<b>\$44,934,523</b>	<b>289.5</b>
<b>Change</b>	<b>(\$2,158,887)</b>	<b>\$9,600,396</b>	<b>\$0</b>	<b>\$1,364,649</b>	<b>\$8,806,158</b>	<b>(5.0)</b>
<b>Percent Change</b>	<b>-55.8%</b>	<b>30.7%</b>	<b>n/a</b>	<b>132.7%</b>	<b>24.4%</b>	<b>-1.7%</b>
<b>(7) Colorado Water Conservation Board Current Appropriation</b>	<b>\$0</b>	<b>\$13,884,909</b>	<b>\$296,027</b>	<b>\$141,368</b>	<b>\$14,322,304</b>	<b>47.7</b>
Restore FY 2010 Personal Services Cut	\$0	\$55,210	\$0	\$0	\$55,210	0.0
Indirect Costs Adjustments	0	8,309	0	(387)	7,922	0.0
Annualize H.B. 09-1129 Precipitation Harvesting Pilot Projects	0	680	0	0	680	0.0
Annualize S.B. 09-125 Colorado Water Conservation Board Projects	0	(5,530,000)	0	0	(5,530,000)	0.0
Annualize FY 2010 Decision Item Postage Increase and Mail Equipment Upgrade	0	(670)	0	0	(670)	<u>0.0</u>
<b>Colorado Water Conservation Board Base Request</b>	<b>0</b>	<b>8,418,438</b>	<b>296,027</b>	<b>140,981</b>	<b>8,855,446</b>	<b>47.7</b>
Non-prioritized Statewide Decision Item 1: IT Staff Consolidation	<u>0</u>	<u>(167,268)</u>	<u>0</u>	<u>0</u>	<u>(167,268)</u>	<u>(2.0)</u>
<b>(7) Colorado Water Conservation Board Total Request</b>	<b>\$0</b>	<b>\$8,251,170</b>	<b>\$296,027</b>	<b>\$140,981</b>	<b>\$8,688,178</b>	<b>45.7</b>
<b>Change</b>	<b>\$0</b>	<b>(\$5,633,739)</b>	<b>\$0</b>	<b>(\$387)</b>	<b>(\$5,634,126)</b>	<b>(2.0)</b>

Category	GF	CF	RF	FF	Total	FTE
<b>Percent Change</b>	<b>n/a</b>	<b>-40.6%</b>	<b>0.0%</b>	<b>-0.3%</b>	<b>-39.3%</b>	<b>-4.2%</b>
<b>(8) Water Resources Division Current Appropriation</b>	<b>\$20,082,677</b>	<b>\$2,038,921</b>	<b>\$0</b>	<b>\$96,603</b>	<b>\$22,218,201</b>	<b>272.4</b>
Restore FY 2010 Personal Services Cut	342,711	9,531	0	0	352,242	0.0
Anticipated New Grant - USGS Hydrologic Data Stewardship Project	0	0	0	39,030	39,030	0.0
FY 2010 Supplemental Request to Increase Fee Revenue for the Satellite Monitoring System	(40,000)	40,000	0	0	0	0.0
FY 2010 Supplemental Request to Reduce DWR Personal Services Costs	(362,111)	0	0	0	(362,111)	(5.3)
Annualize S.B. 09-125 Colorado Water Conservation Board Projects	0	(350,000)	0	0	(350,000)	0.0
Indirect Costs Adjustments	0	(9,897)	0	(183)	(10,080)	0.0
Annualize FY 2010 Decision Item Postage Increase and Mail Equipment Upgrade	<u>(3,587)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(3,587)</u>	<u>0.0</u>
<b>Water Resources Division Base Request</b>	<b>20,019,690</b>	<b>1,728,555</b>	<b>0</b>	<b>135,450</b>	<b>21,883,695</b>	<b>267.1</b>
Decision Item 5: Increase Fee Revenue	(20,000)	20,000	0	0	0	0.0
Non-prioritized Statewide Decision Item 1: IT Staff Consolidation	<u>(805,836)</u>	<u>(182,784)</u>	<u>0</u>	<u>0</u>	<u>(988,620)</u>	<u>(15.0)</u>
<b>(8) Water Resources Division Total Request</b>	<b>\$19,193,854</b>	<b>\$1,565,771</b>	<b>\$0</b>	<b>\$135,450</b>	<b>\$20,895,075</b>	<b>252.1</b>
<b>Change</b>	<b>(\$888,823)</b>	<b>(\$473,150)</b>	<b>\$0</b>	<b>\$38,847</b>	<b>(\$1,323,126)</b>	<b>(20.3)</b>
<b>Percent Change</b>	<b>-4.4%</b>	<b>-23.2%</b>	<b>n/a</b>	<b>40.2%</b>	<b>-6.0%</b>	<b>-7.5%</b>
<b>(9) Division of Wildlife Current Appropriation</b>	<b>\$0</b>	<b>\$77,289,298</b>	<b>\$0</b>	<b>\$10,282,533</b>	<b>\$87,571,831</b>	<b>651.4</b>
Restore FY 2010 Personal Services Cut	\$0	\$790,033	\$0	\$119,011	\$909,044	0.0

Category	GF	CF	RF	FF	Total	FTE
Annualize S.B. 09-235 Wildlife Habitat Stamps and Wildlife Passport	0	183,819	0	0	183,819	0.0
Indirect Costs Adjustments	0	82,365	0	0	82,365	0.0
Annualize FY 2010 Decision Item Postage Increase and Mail Equipment Upgrade	0	(38,750)	0	0	(38,750)	0.0
<b>Division of Wildlife Base Request</b>	<b>0</b>	<b>78,306,765</b>	<b>0</b>	<b>10,401,544</b>	<b>88,708,309</b>	<b>651.4</b>
Decision Item 3: Shift Funding for the Division of Wildlife from the Capital Construction to the Operating Budget	0	2,231,880	0	0	2,231,880	0.0
Non-prioritized Statewide Decision Item 1: IT Staff Consolidation	0	(1,684,656)	0	0	(1,684,656)	(20.0)
<b>(9) Division of Wildlife Total Request</b>	<b>\$0</b>	<b>\$78,853,989</b>	<b>\$0</b>	<b>\$10,401,544</b>	<b>\$89,255,533</b>	<b>631.4</b>
<b>Change</b>	<b>\$0</b>	<b>\$1,564,691</b>	<b>\$0</b>	<b>\$119,011</b>	<b>\$1,683,702</b>	<b>(20.0)</b>
<b>Percent Change</b>	<b>n/a</b>	<b>2.0%</b>	<b>n/a</b>	<b>1.2%</b>	<b>1.9%</b>	<b>-3.1%</b>
<b>Department Total Change</b>	<b>(\$2,255,320)</b>	<b>(\$762,748)</b>	<b>\$42,106</b>	<b>\$2,123,107</b>	<b>(\$852,855)</b>	<b>(63.3)</b>
<b>Percent Change</b>	<b>-7.6%</b>	<b>-0.5%</b>	<b>0.7%</b>	<b>16.5%</b>	<b>-0.4%</b>	<b>-4.8%</b>



**FY 2010-11 Joint Budget Committee Staff Budget Briefing**  
**Department of Natural Resources**  
**(Executive Director's Office, Parks and Outdoor Recreation, Colorado Water**  
**Conservation Board, Water Resources Division, Division of Wildlife)**

**BRIEFING ISSUE**

**ISSUE: Options for Cash Funds Transfers to the General Fund**

Options for Cash Fund Transfers from the Colorado Water Conservation Board Construction Fund and the Perpetual Base Account of the Severance Tax Trust Fund to the General Fund to Address the Projected FY 2009-10 and FY 2010-11 General Fund Revenue Shortfall.

**SUMMARY:**

- The General Assembly authorized one-day cash fund transfers on June 30, 2009 to the General Fund totaling up to \$565.9 million to augment the General Fund if needed. The Governor is proposing similar legislation to allow one-day cash fund transfers on June 30, 2010 to the General Fund totaling up to \$355.0 million to augment the General Fund if needed.
- The Governor's proposal includes a one-day transfer on June 30, 2010 from the Colorado Water Conservation Board Construction Fund up to \$70.0 million and a one-day transfer from the Perpetual Base Account of the Severance Tax Trust Fund up to \$100.0 million.
- The General Assembly could choose to transfer up to \$53.0 million to the General Fund in FY 2009-10 and FY 2010-11 from the CWCB Construction Fund and up to \$53.5 million to the General Fund in FY 2009-10 and FY 2010-11 from the Perpetual Base Account of the Severance Tax Trust Fund.

**RECOMMENDATION:**

Staff recommends the Committee discuss the following issue with the Department:

1. What will be the impact to water projects in the State if the General Assembly were to transfer \$106.5 million in FY 2009-10 and FY 2010-11 from the CWCB Construction Fund and the Perpetual Base Account of the Severance Tax Trust Fund?

**DISCUSSION:**

On November 6, 2009, the OSPB submitted a request titled "Legislative Authority for Cash Fund Transfers." This request is for providing flexibility to the Governor to transfer up to \$355.0 million to the General Fund in FY 2009-10 in order to help balance the General Fund budget.

Similar to S.B. 09-279, the request states that execution of this authority would only be exercised in the event that the June 2010 economic and revenue forecast falls below existing appropriation levels. All funds transferred would occur on June 30, 2010; the proposal anticipates that any funds transferred to the General Fund on June 30, 2010, would be repaid back to the cash funds as soon as possible beginning on July 1, 2010.

S.B. 09-279 included the following options for one-day transfers on June 30, 2009 to augment the General Fund if needed. Transfers were paid back to the original funds on July 1, 2009.

<b>June 30th, 2009 One-Day Cash Fund Transfers in S.B. 09-279</b>		
<b>Cash Fund</b>	<b>Department</b>	<b>Maximum Amount</b>
Employment Support Fund	Labor	\$25,000,000
Local Government Mineral Impact Fund	Local Affairs	72,000,000
Local Government Severance Tax Fund	Local Affairs	128,000,000
Colorado Water Conservation Board Account	Natural Resources	60,000,000
Perpetual Base Account of the Severance Tax Trust Fund	Natural Resources	75,000,000
Operational Account of the Severance Tax Trust Fund	Natural Resources	21,300,000
Tobacco Litigation Settlement Cash Fund	Public Health and Environment	84,600,000
Unclaimed Property Trust Fund	Treasury	100,000,000
<b>Total</b>		<b>\$565,900,000</b>

The Governor proposal states that only \$458.0 million of the authorized \$565.9 million were made on June 30, 2009. The table below also shows the proposed \$355.0 million potential cash funds transfers that could be made on June 30, 2010 to the General Fund. The proposal also states that it is not yet known if the amounts shown in the table below will be available on June 30, 2010, determination of which specific cash funds will be available and how much will be available to be transferred will depend on actual revenues and expenditures from such funds.

		<b>June 30, 2009 Transfers</b>	<b>June 30, 2010 One-Day Transfers Proposal</b>
<b>Cash Fund</b>	<b>Department</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>
Employment Support Fund	Labor	\$25,000,000	\$10,000,000
Local Government Mineral Impact Fund	Local Affairs	14,200,000	30,000,000

		<b>June 30, 2009 Transfers</b>	<b>June 30, 2010 One-Day Transfers Proposal</b>
<b>Cash Fund</b>	<b>Department</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>
Local Government Severance Tax Fund	Local Affairs	109,600,000	60,000,000
Colorado Water Conservation Board Account	Natural Resources	60,000,000	70,000,000
Perpetual Base Account of the Severance Tax Trust Fund	Natural Resources	75,000,000	100,000,000
Operational Account of the Severance Tax Trust Fund	Natural Resources	21,300,000	30,000,000
Tobacco Litigation Settlement Cash Fund	Public Health and Environment	84,600,000	15,000,000
Unclaimed Property Trust Fund	Treasury	68,300,000	40,000,000
<b>Total</b>		<b>\$458,000,000</b>	<b>\$355,000,000</b>

In addition to the one-day transfer proposal described above, staff notes that there are funds available to be transferred out of the Colorado Water Conservation Board Construction Fund and the Perpetual Base Account of the Severance Tax Trust Fund. Staff analysis and recommendations follow below.

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

The Colorado Water Conservation Board Construction Fund, created in Section 37-60-121 (1) (a), C.R.S., provides loans for projects which will increase the beneficial consumptive use of Colorado's undeveloped compact entitled waters. Statute instructs the Colorado Water Conservation Board to participate in only those projects that can repay the board's investment. Grants are not allowed, unless specifically authorized by the general assembly through a bill.

The Construction Fund is a partially self-supporting revolving loan fund. Revenues come 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, and federal mineral lease (FML) fund distributions. Senate Bill 08-218 modified the allocation of the state's portion of FML revenue by segregating FML bonus payment revenue and reallocation as well as non-bonus (rent and royalty) FML revenue reallocation. Senate Bill 08-218 amended statute so that beginning with FY 2008-09, the CWCB Construction fund receives a distribution of 10.0 percent of non-bonus revenue, up to \$14.0 million. The amount transferred is allowed to grow by 4 percent annually in succeeding years.

The Construction Fund also pays for the administrative expenses of the Colorado Water Conservation Board (CWCB). For FY 2009-10 the CWCB estimates that it will need \$7.3 million for salaries and operating costs. The CWCB anticipates providing \$5.5 million in non-reimbursable investments (S.B. 09-125) and \$22.6 million in loans.

Staff estimates that if the CWCB Construction Fund were to only provide funding for CWCB operations, the General Assembly could transfer additional amounts up to \$33.9 million to the General Fund in FY 2009-10 and up to \$19.1 million in FY 2010-11. Any potential transfer in FY 2009-10 could be reduced by expenditures from already obligated funds. Staff notes that if the General Assembly chooses to use the CWCB Construction Fund to balance the General Fund by transferring moneys into the General Fund, available funding will be reduced for any potential one-day transfers into the General Fund as described above. Any potential fund transfer would require statutory changes.

<b>Colorado Water Conservation Board Construction Fund</b>				
	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimate</b>	<b>FY 2010-11 Estimate</b>
Cash Balance - Beginning of Year	\$8,775,717	\$13,282,580	\$19,305,372	\$6,024,025
Revenues	28,884,363	45,300,023	22,160,220	26,662,272
<i>CWCB Operations</i>	<i>(5,790,824)</i>	<i>(6,255,134)</i>	<i>(7,269,359)</i>	<i>(7,438,451)</i>
<i>Non-Reimbursable Investments</i>	<i>(3,828,890)</i>	<i>(4,724,563)</i>	<i>(5,530,000)</i>	<i>(3,700,000)</i>
<i>Loan Issuances</i>	<i>(14,757,786)</i>	<i>(18,047,534)</i>	<i>(22,642,208)</i>	<i>(18,000,000)</i>
<i>Total Expenditures</i>	<i><u>(24,377,500)</u></i>	<i><u>(29,027,231)</u></i>	<i><u>(35,441,567)</u></i>	<i><u>(29,138,451)</u></i>
Ending FY Balance without transfer	\$13,282,580	\$29,555,372	\$6,024,025	\$3,547,846
Transfer to the General Fund in S.B. 09-208	<u>0</u>	<u>(10,250,000)</u>	<u>0</u>	<u>0</u>
Ending Balance after transfers	\$13,282,580	\$19,305,372	\$6,024,025	\$3,547,846

<b>Colorado Water Conservation Board Construction Fund OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11</b>				
	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimate</b>	<b>FY 2010-11 Estimate</b>
Cash Balance - Beginning of Year	\$8,775,717	\$13,282,580	\$19,305,372	\$69,811
Revenues	28,884,363	45,300,023	21,933,798	26,482,272
<i>CWCB Operations</i>	<i>(5,790,824)</i>	<i>(6,255,134)</i>	<i>(7,269,359)</i>	<i>(7,438,451)</i>
<i>Non-Reimbursable Investments</i>	<i>(3,828,890)</i>	<i>(4,724,563)</i>	<i>0</i>	<i>0</i>
<i>Loan Issuances</i>	<i>(14,757,786)</i>	<i>(18,047,534)</i>	<i>0</i>	<i>0</i>
<i>Total Expenditures</i>	<i><u>(24,377,500)</u></i>	<i><u>(29,027,231)</u></i>	<i><u>(7,269,359)</u></i>	<i><u>(7,438,451)</u></i>
Ending FY Balance without transfer	\$13,282,580	\$29,555,372	\$33,969,811	\$19,113,632
Transfer to the General Fund in S.B. 09-208	<u>0</u>	<u>(10,250,000)</u>	<u>0</u>	<u>0</u>

<b>Colorado Water Conservation Board Construction Fund</b>				
<b>OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11</b>				
	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
Options for Additional Transfers to the General Fund	<u>0</u>	<u>0</u>	<u>(33,900,000)</u>	<u>(19,100,000)</u>
Ending Balance after transfers	\$13,282,580	\$19,305,372	\$69,811	\$13,632

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

The Severance Tax Perpetual Base Account is authorized in Section 39-29-109 (2) (a), C.R.S., to be used for the same purposes as the Colorado Water Conservation Board Construction Fund. Specifically, to fund directly or provide loans for construction, rehabilitation, enlargement, or improvement of water projects. The Severance Tax 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, as such no permanent programs depend on this fund.

Similar to the analysis above, staff estimates that the General Assembly could transfer additional amounts up to \$5.2 million to the General Fund in FY 2009-10 and up to \$48.3 million to the General Fund in FY 2010-11. Any potential transfer in FY 2009-10 could be reduced by expenditures from already obligated funds. Staff notes that if the General Assembly chooses to use the Perpetual Base Account of the Severance Tax Trust Fund to balance the General Fund by transferring moneys into the General Fund, available funding will be reduced for any potential one-day transfers into the General Fund as described above. Any potential fund transfer would require statutory changes.

<b>Perpetual Base Account of the Severance Tax Trust Fund</b>				
	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
Cash Balance - Beginning of Year	\$43,702,079	\$18,058,960	\$40,454,321	\$5,282,563
<i>Receivables/Interest Earnings</i>	<i>10,507,640</i>	<i>11,071,624</i>	<i>6,858,689</i>	<i>7,827,329</i>
<i>Severance Tax</i>	<i>37,868,413</i>	<i>71,253,177</i>	<i>17,911,500</i>	<i>38,264,500</i>
<i>Principal Repayment</i>	<i>2,731,028</i>	<i>3,099,696</i>	<i>3,058,053</i>	<i>3,176,009</i>
<i>Total Revenues</i>	<i>51,107,081</i>	<i>85,424,497</i>	<i>27,828,242</i>	<i>49,267,838</i>
Loan Issuances/Drought Grants	<u>(76,750,200)</u>	<u>(28,029,136)</u>	<u>(1,000,000)</u>	<u>(42,000,000)</u>
Ending FY Balance without transfer	\$18,058,960	\$75,454,321	\$67,282,563	\$12,550,401
Transfer to the General Fund in S.B. 09-208	0	(20,000,000)	0	0
Transfer to the General Fund in S.B. 09-279*	<u>0</u>	<u>(15,000,000)</u>	<u>(62,000,000)</u>	<u>0</u>

<b>Perpetual Base Account of the Severance Tax Trust Fund</b>				
	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimate</b>	<b>FY 2010-11 Estimate</b>
Ending Balance after transfers	\$18,058,960	\$40,454,321	\$5,282,563	\$12,550,401

\* The Department of Natural Resources states that there is not enough unobligated cash in the Perpetual Base Account to satisfy the transfer requirement in S.B. 09-279. An estimated \$37.0 million will come from money set aside for authorized projects that are not yet under contract or have not yet been fully completed.

<b>Perpetual Base Account of the Severance Tax Trust Fund OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11</b>				
	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Estimate</b>	<b>FY 2010-11 Estimate</b>
Cash Balance - Beginning of Year	\$43,702,079	\$18,058,960	\$40,454,321	\$82,563
<i>Receivables/Interest Earnings</i>	<i>10,507,640</i>	<i>11,071,624</i>	<i>6,858,689</i>	<i>7,827,329</i>
<i>Severance Tax</i>	<i>37,868,413</i>	<i>71,253,177</i>	<i>17,911,500</i>	<i>38,264,500</i>
<i>Principal Repayment</i>	<i>2,731,028</i>	<i>3,099,696</i>	<i>3,058,053</i>	<i>3,176,009</i>
<i>Total Revenues</i>	<i>51,107,081</i>	<i>85,424,497</i>	<i>27,828,242</i>	<i>49,267,838</i>
Loan Issuances/Drought Grants	<u>(76,750,200)</u>	<u>(28,029,136)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>
Ending FY Balance without transfer	\$18,058,960	\$75,454,321	\$67,282,563	\$48,350,401
Transfer to the General Fund in S.B. 09-208	0	(20,000,000)	0	0
Transfer to the General Fund in S.B. 09-279	0	(15,000,000)	(62,000,000)	0
Options for Additional Transfers to the General Fund	<u>0</u>	<u>0</u>	<u>(5,200,000)</u>	<u>(48,300,000)</u>
Ending Balance after transfers	\$18,058,960	\$40,454,321	\$82,563	\$50,401

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

**BRIEFING ISSUE**

**ISSUE: State Parks Funding**

During FY 2009-10 State Parks funding was reduced through a General Fund operating reduction of \$1.9 million, personal services base reduction of \$439,000 total funds, and a refinance of General Fund central appropriations with cash funds totaling \$456,000. As a result, State Parks is proposing various measures to increase revenues through increased fees, reduce expenditures, and provided additional funding to State Parks from the Operational Account of the Severance Tax.

**SUMMARY:**

- State Parks is facing reductions to state parks operations as a result of the General Fund revenue shortfall.
- State Parks has undertaken a series of operational budget reductions, revenue enhancements, and a proposal to refinance General Fund with additional Operational Account of the Severance Tax funding in order to address the various operating budget reductions.

**RECOMMENDATION:**

Staff recommends the Committee discuss the following issues with the Department:

1. The State Parks system is facing approximately \$150 million or more in outstanding maintenance and renovation projects related only to health and safety projects. At the same time, State Parks is considering placing certain parks under 'care taker' or 'open space' status. Given current funding levels, what is a sustainable state park system?
2. The Parks Board has increased the allocation of lottery funding to State Parks Operations by \$750,000 in order to more accurately reflect the fact that a significant amount of state parks were acquired and developed using lottery proceeds. The State Auditor 2008 report recommends that the department develop a tracking system to ensure that lottery funds are allocated for operational purposes only to parks that have been acquired, developed, or expanded with lottery proceeds. When does the Department anticipate completing such a tracking system?

3. What additional measures is the Parks Board undertaking to address the budget shortfall at State Parks?

**DISCUSSION:**

During FY 2009-10 State Parks funding was reduced through a General Fund operating reduction of \$1.9 million, personal services base reduction of \$439,000 total funds, and a refinance of General Fund central appropriations with cash funds totaling \$456,000. As a result, State Parks is proposing various measures to increase revenues through increased fees, reduce expenditures, and provided additional funding to State Parks from the Operational Account of the Severance Tax.

The table below provides a historical representation of State Parks General Fund funding in the operating budget:

<b>State Parks General Fund Support</b>				
	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Appropriation</b>	<b>FY 2010-11 Request</b>
Operating Budget	\$5,466,161	\$5,614,271	\$3,866,992	\$1,708,105
Centrally Appropriated Line Items	<u>1,190,830</u>	<u>1,387,677</u>	<u>931,332</u>	<u>988,129</u>
Total General Fund to Parks	\$6,656,991	\$7,001,948	\$4,798,324	\$2,696,234
Change from Prior Year	N/A	344,957	(2,203,624)	(2,102,090)

State Parks is attempting to address the General Fund reductions in FY 2009-10 and FY 2010-11 with measures summarized below.

**State Parks Revenue Enhancing Actions and Expenditure Reductions**

For FY 2009-10, as part of measures to address the General Fund revenue shortfall, Parks funding was reduced by \$1.9 million, in addition, General Funding in centrally appropriated line items was reduced by approximately \$500,000 and a personal services base reduction of \$439,000 total funds was implemented.

As a result, in addition to other measures described below, the Parks Board intends to increase fees and reduce expenditures in the following areas:

1. Increase fees by \$621,000 (Camping, Camping Reservation, and Boat Registration)
2. Expenditure reductions by \$1,587,000 (furloughs, various programmatic reductions, suspend IT development, reduce temporary/seasonal workforce, reduce specific parks program costs).

**Parks Board Decision to Increase Lottery Funding Allocation to State Parks Operating**



A June 2008 Parks audit made 28 separate recommendations on deficiencies in the management and operations of the Division of Parks and Outdoor Recreation. recommendation 3 stated that the Division of Parks develop a comprehensive strategy for responsible investment and management of lottery proceeds. As a response to the audit, the Parks Board has made a decision to increase lottery allocations to the State Parks Operations line item by \$750,000 to a total of \$1,256,000.

The audit also recommended that State Parks develop a tracking system to ensure that lottery funds are allocated for operational purposes only to parks that have been acquired, developed, or expanded with lottery proceeds. The Department had committed to provide such information by March 2010. However, staff discussions with State Parks leads staff to believe that the March 2010 deadline will most probably not be met. Unfortunately, staff cannot analyze the appropriate amount of lottery funds to be dedicated to State Parks Operations if staff does not have information on how much lottery funds have been spent on acquiring, developing, or expanding state parks with lottery funds.

### **Proposal to Increase Severance Tax Allocations to State Parks**

The Division of Parks and Outdoor Recreation is proposing a General Fund refinance of \$2.1 million with funding from the Operational Account of the Severance Tax Trust Fund. This proposal will require a statutory change to Section 39-29-109.3 (1) (f), C.R.S., which allows Parks to receive up to 5 percent of the balance of the Operational Account (S.B. 08-13 allowed appropriations up to 5 percent of the balance of the Operational Account of the Severance Tax Trust Fund to State Parks to operate, maintain, and improve state parks located in areas impacted by energy development). The proposal also requests to increase State Parks maximum allocation of Severance Tax Operational Account funding to 10 percent and reduce the maximum allocation to the Oil and Gas Conservation Commission to 35 percent from 40 percent. As an example, for FY 2009-10, the Oil and Gas Conservation Commission's appropriation is \$3.1 million or 3.9 percent of Operational Account revenues. The FY 2009-10 appropriation to State Parks from the Operational Account is \$1.3 million or 1.7 percent of Operational Account revenues. With the proposed increase in Operational Account funding to State Parks, the appropriation will increase to \$3.5 million or 4.4 percent of Operational Account revenues.

In order to balance funding from the Operational Account, the Department is proposing reducing funding for the Water Supply Reserve Account (WSRA) by \$6.0 million in FY 2010-11 and \$2.5 million in FY 2011-12 and beyond. The WSRA is currently authorized to receive an annual transfer of \$10.0 million from the Severance Tax Operational Account. The Water Supply Reserve Account was established in S.B. 06-179 to help Coloradans identify and meet their critical water supply needs. Funding from the WSRA may be used to identify water supply needs in each river basin, evaluate available water supplies in each basin, and build projects or implement other solutions to meet the water supply needs in each of Colorado's river basins.

The FY 2010-11 reduction to \$4.0 million would diminish WSRA's ability to fund "on the ground" infrastructure and restoration projects which tend to require larger amounts of money.

Under the proposed reduction, the Department states that the WSRA would continue to be able to fund feasibility studies, studies of human and environmental water needs, and technical assistance for permitting or environmental compliance.

**Plans for Current and Future State Parks**

State Parks manages 42 operating state parks. In addition, there are 2 state parks that have not been opened yet/are in a development phases, these are Staunton State Park and Lone Mesa State Park. At the same time, State Parks is considering placing parks in care taker status (provide a minimum amount of services yet keep the park open as a state park) or open space status (the park ceases to be a state park and provide services to visitors).

At the same time, the 2008 State Audit pointed out that parks employees had compiled a list of outstanding maintenance and renovation projects related to health and safety and protection of facilities and resources totaling \$150.7 million. State Parks is currently in the process of updating and refining the list of outstanding maintenance and renovation projects.

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**BRIEFING ISSUE**

**ISSUE: Division of Water Resources Cash Funding of Ground Water Management Program**

The Ground Water Management Program is estimated to cost the Division of Water Resources \$5.0 million (including \$4.7 million for approximately 65.0 FTE and \$300,000 in operating costs). An estimated 18.0 percent of program costs are covered by cash fees, the remainder of the program is subsidized by the General Fund.

**SUMMARY:**

- During the General Fund revenue shortfall in the early 2000's the General Assembly enacted legislation to increase fees in the Division of Water Resources to cover more of the Division's costs. These fees were allowed to sunset and repeal a few years later.
- S.B. 09-216 attempted to increase well permit application fees, substitute water supply plan fees, and dam design review fees.
- The Ground Water Management Program is estimated to cost the Division of Water Resources \$5.0 million, however, only an estimated 15.4 percent of program costs is covered by fees, the remainder of the program is funded by General Fund.

**RECOMMENDATION:**

Staff recommends the Committee discuss the following issues with the Department:

1. Provide a budget overview of all programs within the Division of Water Resources that are currently funded with General Fund but would be more appropriately funded through cash fees.
2. Provide a budget overview of the Ground Water Management program. Provide a breakdown of all current individual fees and estimate by how much fees would need to increase in order to fund the Ground Water Management program entirely through cash fees.

## **DISCUSSION:**

### **Background**

In FY 2002-03 and FY 2003-04, the State of Colorado was experiencing a General Fund revenue shortfall similar to the one experienced today. As a response to the revenue shortfall, the General Assembly enacted S.B. 03-181 and S.B. 03-278.

S.B. 03-181 increased well-permitting fees on order to enhance the self-sufficiency of the Division of Water Resources. This bill refinance \$1,284,820 General Fund in FY 2002-03.

S.B. 03-278 authorized the State Engineer to establish and collect annual water administration fees to cover costs associated with administration of appropriative water rights and created the Water Administration Cash Fund to receive such fees. The Bill reduced FY 2003-04 General Fund appropriations in to the State Engineer by \$1,414,539 and refinanced such costs with water administration fees.

H.B. 04-1402 repealed the water administration fee (authorized in S.B. 03-278) and required the State Engineer to refund all such monies collected by June 30, 2004. The bill refinanced the funding of the administration of appropriative water rights with General Fund.

In FY 2006-07, the General Assembly allowed S.B 03-181 to sunset and refinance \$3.2 million cash funds back to General Fund support.

During the 2009 Legislative Session, the Joint Budget Committee introduced S.B. 09-216 in an attempt to refinance \$2.5 million of well permitting activities in the Division of Water Resources from General Fund to cash funds from well permit fees. The proposal was for fee increases for well permitting applications, substitute water supply plan applications, and dam design review. The bill was lost and did not become law.

### **Ground Water Management Program**

Ground water administration includes all aspects of water administration since groundwater withdrawals also impact water systems. The groundwater duties of the Division include evaluation of permits (applications) for impact to surface rights, review of groundwater court cases, metering of groundwater withdrawals, inspection of well construction, monitoring of groundwater levels, hydrogeologic investigation, administration of augmentation programs, etc.

The Ground Water Management Program is estimated to cost the Division of Water Resources \$5.0 million (including \$4.7 million for approximately 65.0 FTE and \$300,000 in operating costs). The Department states that 17.5 FTE are involved in well permitting evaluation only, excluding IT, water administration and administrative support. For FY 2009-10, of the total programmatic costs, cash from fees are expected to cover \$768,000 of the costs of the program or 15.4 percent.

## INFORMATIONAL ISSUE

### **ISSUE: Department Proposal to Shift Funding in the Divisions of Parks and Outdoor Recreation and Wildlife from the Capital Construction to the Operating Budget**

The Division of Parks and Outdoor Recreation and the Division of Wildlife are proposing to re-organize the capital construction budgets and move part of their re-organized capital construction line items into the operating side of the budget.

#### **SUMMARY:**

- ❑ The Division of Parks and Outdoor Recreation is proposing to re-organize its capital construction long bill group and move \$8,100,000 into four new long bill line items under the Parks operating budget. For a detailed breakdown of request please refer to *Attachment D* at the end of this presentation.
- ❑ The Division of Wildlife is proposing to re-organize its capital construction long bill group and move \$2,231,880 into two new long bill line items under the Wildlife operating budget. For a detailed breakdown of request please refer to *Attachment E* at the end of this presentation.

#### **RECOMMENDATION:**

Staff recommends the Committee discuss the merits of this proposal with the Divisions, in particular:

1. Is this request going to result in operational efficiencies for the projects, or is this a more transparency and accountability oriented request?
2. Would the Divisions have an increase in spending flexibility by transferring these line items from the capital construction to the operating request?
3. Explain the need for footnotes allowing the expenditure of funds in three years instead of one.

#### **DISCUSSION:**

#### **Division of Parks and Outdoor Recreation Proposed Capital Construction Re-organization**

The request is to reclassify \$8,100,000 (\$6,750,000 cash funds and \$1,350,000 federal funds) and move four line items from the capital construction budget to the operating budget.

"Capital Construction" is defined in Section 24-30-1301, C.R.S., and Section 24-75-301, C.R.S. Section 24-75-112 (1) (a) ((I) (D), C.R.S., defines "Capital Outlay" as "Nonstructural improvements to land, meaning, the grading, leveling, drainage, irrigation, and landscaping thereof and the construction of roadways, fences, ditches, and sanitary and storm sewers."

The Division believes that there are projects currently in the capital construction section of the budget that are more on-going and operating in nature. These projects are fuel mitigation projects, trails grants, and small equipment maintenance and repair projects. The Department states that none of these projects involves the purchase of land, purchase, construction or demolition of buildings, fixed or movable equipment in conjunction with a new, remodeled or renovated building, or site development.

The requested new operating budget line items are:

**"Natural Resource Protection"** \$600,000 GOCO and FEMA funding. This line item will contain fuel mitigation projects which involve improving the resilience of state parks areas to recover from wildfires by cutting and removing diseased timber and removing brush. The Department states that the work performed would not amount to "site improvements" in the context of the capital construction definition contained in Section 24-75-301, C.R.S.

**"Miscellaneous Small Projects"** \$2,000,000 lottery funds. This line item will address projects that are for the most part under \$50,000 and are more maintenance in nature. The Department states that this new line item will be considered the Division of Parks internal controlled maintenance program. Typical miscellaneous small projects will include weed spraying, roof repairs, shoreline stabilization, repairs to water and sewer lines, road and parking lot repairs, picnic table replacement, upgrades to utility systems, renovation or replacement of vault and flush toilets, landscaping, and the installation of signs and interpretive kiosks.

**"Trails Grants"** \$2,500,000 GOCO, federal and lottery funding. This program provides technical assistance and training on trail design, development, and maintenance to agencies, communities, and non-profit groups statewide. The program coordinates with agencies and communities on trails and greenways as part of plans for development, rivers, transportation, and utility corridors, recreation, and habitat protection. The specific projects are dependent on the grants submitted, but typically consist of trail maintenance, construction and signage. Grants are made to third parties, the work does not result in a physical asset owned by the state.

**"Off-Highway Vehicle Grants"** \$3,000,000 Off-Highway Vehicle Recreation Fund. The OHV grant program provides an on-going source of funding for federal, state and local government agencies and non-profit user groups to construct and maintain off-highway vehicle trails, trail

heads, parking areas, signage and maps. Grant funds are provided through off-highway vehicle registration fees.

The Department states that the Off-Highway Vehicle Grants request is contingent on the General Assembly approving 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.

**Division of Wildlife Proposed Capital Construction Re-organization**

The request is to reclassify \$2,231,880 Wildlife Cash Fund and move two line items from the capital construction budget to the operating budget.

**"Grants and Habitat Partnerships"** \$1,625,000 Wildlife Cash Fund. This line item will contain projects related to (1) grants for habitat improvement on private property under the Pheasant Habitat Partnership Program (PHIP); (2) small habitat improvement projects on State Wildlife Areas that cost less than \$50,000 each and are more appropriately categorized as operating expenses, and ; (3) grants for improvements, repairs and development for wetlands and shooting ranges.

**"Asset Maintenance and Repairs"** \$606,880 Wildlife Cash Fund. This line item is proposed to address projects that are for the most part under \$50,000, are more maintenance in nature, and are more appropriately contained in the operating budget. This line item will represent the Division's internal controlled maintenance program.

The Department states that the request for these two line items is contingent on the General Assembly approving a footnote that authorizes three year spending authority in order to allow the Division enough time to select grant recipients under the PHIP program and to account for weather events that may extend the project completion time to more than a year.

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	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation	FY 2010-11 Nov. 1 Request	Change Requests
<b>DEPARTMENT OF NATURAL RESOURCES</b>					
<b>Executive Director: Jim Martin</b>					
<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>					
<b>(A) Administration and Information Technology Services</b>					
Personal Services	4,740,550	4,701,517	5,293,525	3,816,045	SWNPDI-1
FTE	<u>55.4</u>	<u>0.0</u>	<u>59.8</u>	<u>43.8</u>	
General Fund	0	0	341,706	238,269	
Cash Funds	2,133,854	0	50,000	0	
Cash Funds Exempt / Reappropriated Funds	2,606,696	4,701,517	4,901,819	3,577,776	
Health, Life, and Dental	<u>6,704,124</u>	<u>7,931,687</u>	<u>9,173,810</u>	<u>8,423,018</u>	SWNPDI-1
General Fund	1,614,859	1,797,593	1,972,381	1,730,941	
Cash Funds	1,458,016	5,185,616	6,125,183	5,503,418	
Cash Funds Exempt / Reappropriated Funds	3,179,794	292,835	330,263	237,506	
Federal Funds	451,455	655,643	745,983	951,153	
Short-term Disability	<u>118,210</u>	<u>129,011</u>	<u>127,930</u>	<u>136,743</u>	SWNPDI-1
General Fund	25,925	26,620	24,972	28,021	
Cash Funds	28,829	86,582	87,566	88,821	
Cash Funds Exempt / Reappropriated Funds	51,154	5,607	5,459	4,017	
Federal Funds	12,302	10,202	9,933	15,884	
S.B. 04-257 Amortization Equalization Disbursement	<u>1,078,513</u>	<u>1,599,591</u>	<u>1,804,624</u>	<u>2,117,339</u>	SWNPDI-1
General Fund	232,658	327,083	379,109	433,881	
Cash Funds	262,590	1,077,935	1,179,346	1,375,295	
Cash Funds Exempt / Reappropriated Funds	469,702	69,014	90,658	62,199	
Federal Funds	113,563	125,559	155,511	245,964	
S.B. 06-235 Supplemental AED	<u>214,102</u>	<u>743,881</u>	<u>1,123,874</u>	<u>1,543,907</u>	SWNPDI-1
General Fund	41,546	147,392	232,927	316,375	
Cash Funds	51,042	505,282	737,091	1,002,829	
Cash Funds Exempt / Reappropriated Funds	97,855	32,351	56,661	45,355	
Federal Funds	23,659	58,856	97,195	179,348	
Salary Survey and Senior Executive Service	<u>3,052,424</u>	<u>3,303,727</u>	0	0	
General Fund	732,883	593,316	0	0	



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	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation	FY 2010-11 Nov. 1 Request	Change Requests
Cash Funds	739,567	2,461,589	0	0	
Cash Funds Exempt / Reappropriated Funds	1,515,021	173,652	0	0	
Federal Funds	64,953	75,170	0	0	
Performance-based Pay Awards	<u>1,297,157</u>	<u>1,428,940</u>	<u>0</u>	<u>0</u>	
General Fund	297,912	324,273	0	0	
Cash Funds	320,726	997,742	0	0	
Cash Funds Exempt / Reappropriated Funds	644,191	66,259	0	0	
Federal Funds	34,328	40,666	0	0	
Shift Differential	<u>12,251</u>	<u>18,743</u>	<u>9,801</u>	<u>24,774</u>	
General Fund	3,675	5,182	2,297	4,806	
Cash Funds	8,576	13,561	7,504	19,968	
Workers' Compensation	<u>935,612</u>	<u>1,193,258</u>	<u>1,798,275</u>	<u>1,877,290</u>	
General Fund	119,864	152,872	237,867	331,545	
Cash Funds	177,442	1,039,018	1,527,916	1,487,697	
Cash Funds Exempt / Reappropriated Funds	636,971	0	26,780	27,154	
Federal Funds	1,335	1,368	5,712	30,894	
Operating Expenses	<u>1,253,963</u>	<u>1,190,066</u>	<u>1,251,953</u>	<u>1,250,255</u>	
Cash Funds	308,730	976,443	1,060,977	1,060,977	
Cash Funds Exempt / Reappropriated Funds	939,896	193,286	185,639	183,941	
Federal Funds	5,337	20,337	5,337	5,337	
Legal Services	2,968,731	3,095,965	3,313,102	3,313,102	
<i>Hours Equivalent</i>	<u>41,215</u>	<u>41,225</u>	<u>43,952</u>	<u>0</u>	
General Fund	859,540	826,299	826,302	836,418	
Cash Funds	815,710	2,219,498	2,397,049	2,386,924	
Cash Funds Exempt / Reappropriated Funds	1,266,849	12,500	39,348	39,348	
Federal Funds	26,632	37,668	50,403	50,412	
Administrative Law Judge Services - CFE / RF	0	0	0	0	
Purchase of Services from Computer Center	<u>427,670</u>	<u>686,562</u>	<u>686,562</u>	<u>5,125,497</u>	SWNPDI-1
General Fund	5,938	9,533	6,879	849,765	
Cash Funds	421,732	519,710	510,203	3,117,317	
Cash Funds Exempt / Reappropriated Funds	0	157,319	169,480	1,060,574	
Federal Funds	0	0	0	97,841	

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	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation	FY 2010-11 Nov. 1 Request	Change Requests
Multiuse Network Payments	<u>1,024,275</u>	<u>1,058,888</u>	<u>1,058,888</u>	<u>2,178,584</u>	SWNPDI-1
General Fund	249,305	257,730	211,928	308,651	
Cash Funds	753,665	731,043	782,309	1,288,598	
Cash Funds Exempt / Reappropriated Funds	15,671	62,113	59,340	471,330	
Federal Funds	5,634	8,002	5,311	110,005	
Management and Administration of OIT	<u>0</u>	<u>226,424</u>	<u>237,634</u>	<u>540,782</u>	SWNPDI-1
General Fund	0	47,835	50,164	42,509	
Cash Funds	0	165,212	171,985	285,860	
Cash Funds Exempt / Reappropriated Funds	0	8,417	9,948	206,584	
Federal Funds	0	4,960	5,537	5,829	
Payment to Risk Management & Property Funds	<u>806,305</u>	<u>1,168,937</u>	<u>1,026,249</u>	<u>355,237</u>	
General Fund	144,167	209,005	92,559	63,254	
Cash Funds	203,698	924,260	929,996	275,888	
Cash Funds Exempt / Reappropriated Funds	453,130	27,698	2,895	10,049	
Federal Funds	5,310	7,974	799	6,046	
Vehicle Lease Payments	<u>2,087,881</u>	<u>2,385,420</u>	<u>2,997,379</u>	<u>3,184,657</u>	SWNPDI-2
General Fund	326,466	365,017	393,903	403,424	
Cash Funds	393,556	1,979,301	2,542,381	2,737,048	
Cash Funds Exempt / Reappropriated Funds	1,330,093	0	0	0	
Federal Funds	37,766	41,102	61,095	44,185	
Information Technology Asset Maintenance	<u>281,540</u>	<u>276,478</u>	<u>282,477</u>	<u>282,477</u>	
General Fund	53,746	53,746	53,746	53,746	
Cash Funds	190,563	125,957	125,957	125,957	
Cash Funds Exempt / Reappropriated Funds	24,995	84,539	90,538	90,538	
Federal Funds	12,236	12,236	12,236	12,236	
Leased Space	<u>928,634</u>	<u>1,196,145</u>	<u>1,277,044</u>	<u>1,309,084</u>	DI-1
General Fund	476,295	489,254	543,969	524,396	
Cash Funds	344,047	682,766	709,620	758,314	
Cash Funds Exempt / Reappropriated Funds	89,512	0	0	0	
Federal Funds	18,780	24,125	23,455	26,374	
Capitol Complex Leased Space	<u>871,159</u>	<u>866,705</u>	<u>879,119</u>	<u>851,397</u>	
General Fund	244,752	243,501	242,746	242,743	

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	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation	FY 2010-11 Nov. 1 Request	Change Requests
Cash Funds	403,721	348,807	357,653	337,385	
Cash Funds Exempt / Reappropriated Funds	117,297	169,706	172,397	166,960	
Federal Funds	105,389	104,691	106,323	104,309	
Communications Services Payments	<u>946,136</u>	<u>988,238</u>	<u>988,238</u>	<u>992,903</u>	
General Fund	117,234	117,207	117,207	114,308	
Cash Funds	828,603	871,031	871,031	878,595	
Cash Funds Exempt / Reappropriated Funds	299	0	0	0	
					<b>Request vs. Appropriation</b>
<b>(1) (A) Administration and Information</b>					
<b>Technology Services</b>	29,749,237	34,190,183	33,330,484	37,323,091	12.0%
FTE	<u>55.4</u>	<u>0.0</u>	<u>59.8</u>	<u>43.8</u>	<u>(16.0)</u>
General Fund	5,546,765	5,993,458	5,730,662	6,523,052	13.8%
Cash Funds	9,844,667	20,911,353	20,173,767	22,730,891	12.7%
Cash Funds Exempt / Reappropriated Funds	13,439,126	6,056,813	6,141,225	6,183,331	0.7%
Federal Funds	918,679	1,228,559	1,284,830	1,885,817	46.8%
<b>(B) EPA Wetlands Grant - Federal Funds</b>					
	0	0	0	0	n/a
					<b>Request vs. Appropriation</b>
<b>(C) H.B. 06-1311 (Species Cons. Trust Fund) - CF</b>					
	0	0	0	0	n/a
<b>(D) H.B. 07-1182 (Species Cons. Trust Fund) - CF</b>					
	1,212,148	0	0	0	n/a
<b>(E) S.B. 08-168 (Species Cons. Trust Fund) - CF</b>					
	0	1,399,022	0	0	n/a
<b>(F) S.B. 09-1289 (Species Cons. Trust Fund) - CF</b>					
	0	0	8,378,070	0	-100.0%
					<b>Request vs. Appropriation</b>
<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>					
<b>- SUBTOTAL</b>	30,961,385	35,589,205	41,708,554	37,323,091	-10.5%
FTE	<u>55.4</u>	<u>0.0</u>	<u>59.8</u>	<u>43.8</u>	<u>(16.0)</u>
General Fund	5,546,765	5,993,458	5,730,662	6,523,052	13.8%
Cash Funds	11,056,815	22,310,375	28,551,837	22,730,891	-20.4%

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Cash Funds Exempt / Reappropriated Funds	13,439,126	6,056,813	6,141,225	6,183,331	0.7%
Federal Funds	918,679	1,228,559	1,284,830	1,885,817	46.8%

**(6) PARKS AND OUTDOOR RECREATION**

<b>(A) State Park Operations</b>	23,184,410	24,081,146	24,063,248	24,788,863	SWNPDI-1
FTE	<u>248.3</u>	<u>252.7</u>	<u>260.7</u>	<u>255.7</u>	
General Fund	5,466,161	5,614,271	3,866,992	1,708,105	
Cash Funds	14,870,622	18,106,950	19,758,961	22,635,369	
Cash Funds Exempt / Reappropriated Funds	2,494,124	0	0	0	
Federal Funds	353,503	359,925	437,295	445,389	
					<b>Request vs. Appropriation</b>
<b>(A) State Park Operations - Subtotal</b>	23,184,410	24,081,146	24,063,248	24,788,863	3.0%
FTE	<u>248.3</u>	<u>252.7</u>	<u>260.7</u>	<u>255.7</u>	(5.0)
General Fund	5,466,161	5,614,271	3,866,992	1,708,105	-55.8%
Cash Funds	14,870,622	18,106,950	19,758,961	22,635,369	14.6%
Cash Funds Exempt / Reappropriated Funds	2,494,124	0	0	0	n/a
Federal Funds	353,503	359,925	437,295	445,389	1.9%

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

Land and Water Protection	651,000	709,000	709,000	709,000	
FTE	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	
Cash Funds	0	709,000	709,000	709,000	
Cash Funds Exempt / Reappropriated Funds	651,000	0	0	0	
Operations and Maintenance	1,806,000	1,969,000	1,969,000	1,969,000	
FTE	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>	
Cash Funds	0	1,969,000	1,969,000	1,969,000	
Cash Funds Exempt / Reappropriated Funds	1,806,000	0	0	0	
Statewide Programs	1,362,037	1,657,000	1,657,000	1,657,000	
FTE	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	
Cash Funds	0	1,657,000	1,657,000	1,657,000	
Cash Funds Exempt / Reappropriated Funds	1,362,037	0	0	0	
					<b>Request vs. Appropriation</b>
<b>(B) GOCO Board Grants - Subtotal</b>	3,819,037	4,335,000	4,335,000	4,335,000	0.0%

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FTE	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>	<u>0.0</u>
Cash Funds	0	4,335,000	4,335,000	4,335,000	0.0%
Cash Funds Exempt / Reappropriated Funds	3,819,037	0	0	0	n/a
<b>(C) Special Purpose</b>					
Snowmobile Program - CF	997,958	839,911	1,007,001	1,003,878	
FTE	0.2	0.2	1.3	1.3	
River Outfitters Regulation - CF	77,001	71,931	74,466	74,466	
Off-Highway Vehicle Program - CF	336,465	255,818	402,224	396,836	
FTE	3.0	3.0	3.0	3.0	
Federal Grants - FF	506,047	886,472	518,516	518,516	
S.B. 03-290 Enterprise Fund	<u>185,189</u>	<u>277,455</u>	<u>200,000</u>	<u>200,000</u>	
Cash Funds	0	277,455	200,000	200,000	
Cash Funds Exempt / Reappropriated Funds	185,189	0	0	0	
System Operations and Support	<u>485,368</u>	<u>626,153</u>	<u>735,000</u>	<u>735,000</u>	
Cash Funds	0	626,153	735,000	735,000	
Cash Funds Exempt / Reappropriated Funds	485,368	0	0	0	
Connectivity at State Parks	<u>123,628</u>	<u>343,959</u>	<u>370,000</u>	<u>370,000</u>	
Cash Funds	0	343,959	370,000	370,000	
Cash Funds Exempt / Reappropriated Funds	123,628	0	0	0	
Asset Management	<u>407,256</u>	<u>298,279</u>	<u>300,000</u>	<u>300,000</u>	
Cash Funds	0	298,279	300,000	300,000	
Cash Funds Exempt / Reappropriated Funds	407,256	0	0	0	
Voice Over Internet Protocol	<u>224,935</u>	<u>1,242</u>	<u>0</u>	<u>0</u>	
Cash Funds	0	1,242	0	0	
Cash Funds Exempt / Reappropriated Funds	224,935	0	0	0	
Law Enforcement Equipment	<u>0</u>	<u>0</u>	<u>126,780</u>	<u>126,780</u>	
Cash Funds	0	0	126,780	126,780	
Cash Funds Exempt / Reappropriated Funds	0	0	0	0	

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Natural Resource Protection (NEW LBLI REQUEST)	<u>0</u>	<u>0</u>	<u>0</u>	<u>600,000</u>	DI-4
Cash Funds	NA	NA	0	150,000	
Federal Funds	NA	NA	0	450,000	
Miscellaneous Small Projects - CF (NEW LBLI REQUEST)	NA	NA	0	2,000,000	DI-4
Trails Grants (NEW LBLI REQUEST)	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,500,000</u>	DI-4
Cash Funds	NA	NA	0	1,600,000	
Federal Funds	NA	NA	0	900,000	
Off-Highway Vehicle Grants - CF (NEW LBLI REQUEST)	NA	NA	0	3,000,000	DI-4
S.B. 08-226 Aquatic Nuisance Species - CF	0	1,788,660	2,701,461	2,684,673	
FTE	0.0	7.0	7.0	7.0	
Indirect Cost Assessment	<u>1,511,433</u>	<u>1,457,729</u>	<u>1,294,669</u>	<u>1,300,511</u>	
Cash Funds	1,318,075	1,283,850	1,222,324	1,221,611	
Federal Funds	193,358	173,879	72,345	78,900	
					<b>Request vs. Appropriation</b>
<b>(C) Special Purpose - Subtotal</b>	4,855,280	6,847,609	7,730,117	15,810,660	104.5%
FTE	<u>3.2</u>	<u>10.2</u>	<u>11.3</u>	<u>11.3</u>	<u>0.0</u>
Cash Funds	2,729,499	5,787,258	7,139,256	13,863,244	94.2%
Cash Funds Exempt / Reappropriated Funds	1,426,376	0	0	0	n/a
Federal Funds	699,405	1,060,351	590,861	1,947,416	229.6%
					<b>Request vs. Appropriation</b>
<b>(6) PARKS AND OUTDOOR RECREATION</b>					
<b>- SUBTOTAL</b>	31,858,727	35,263,755	36,128,365	44,934,523	24.4%
FTE	<u>274.0</u>	<u>285.4</u>	<u>294.5</u>	<u>289.5</u>	<u>(5.0)</u>
General Fund	5,466,161	5,614,271	3,866,992	1,708,105	-55.8%
Cash Funds	17,600,121	28,229,208	31,233,217	40,833,613	30.7%
Cash Funds Exempt / Reappropriated Funds	7,739,537	0	0	0	n/a
Federal Funds	1,052,908	1,420,276	1,028,156	2,392,805	132.7%

**(7) COLORADO WATER CONSERVATION BOARD**

**(A) Administration**

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Personal Services	2,564,748	2,612,940	2,981,923	2,959,337	SWNPDI-1
FTE	26.8	28.8	31.0	30.0	
Cash Funds	339,777	2,316,913	2,685,896	2,663,310	
Cash Funds Exempt / Reappropriated Funds	2,224,971	296,027	296,027	296,027	
Operating Expenses	89,569	99,743	95,677	95,007	
Cash Funds	0	99,743	95,677	95,007	
Cash Funds Exempt / Reappropriated Funds	89,569	0	0	0	
Interstate Compacts	306,406	342,085	350,071	350,071	
Cash Funds	0	342,085	350,071	350,071	
Cash Funds Exempt / Reappropriated Funds	306,406	0	0	0	
Western States Water Council Dues	27,500	27,500	27,500	27,500	
Cash Funds	0	27,500	27,500	27,500	
Cash Funds Exempt / Reappropriated Funds	27,500	0	0	0	
River Decision Support Systems	510,262	532,532	551,540	462,068	SWNPDI-1
FTE	5.0	5.0	5.0	4.0	
Cash Funds	0	532,532	551,540	462,068	
Cash Funds Exempt / Reappropriated Funds	510,262	0	0	0	
					<b>Request vs. Appropriation</b>
<b>(A) Administration - Subtotal</b>	3,498,485	3,614,800	4,006,711	3,893,983	-2.8%
FTE	31.8	33.8	36.0	34.0	(2.0)
Cash Funds	339,777	3,318,773	3,710,684	3,597,956	-3.0%
Cash Funds Exempt / Reappropriated Funds	3,158,708	296,027	296,027	296,027	0.0%

**(B) Special Purpose**

Intrastate Water Management and Development- CF (SWSI) Water Supply Management, Development, and Implementation Assistance - CFE <sup>1</sup>	0	450,655	470,464	470,464	
	443,646	0	0	0	
Federal Emergency Management					
Assistance	81,659	126,344	146,120	146,120	
FTE	1.9	2.0	2.0	2.0	
Cash Funds (CWCB)	0	13,941	13,941	13,941	
Cash Funds Exempt / Reappropriated Funds (CWCB)	0	0	0	0	

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Federal Funds	81,659	112,403	132,179	132,179	
Weather Modification - CF (Fees)	11,220	11,035	25,000	25,000	
Water Conservation Program	180,501	219,008	288,322	289,002	
FTE	<u>2.2</u>	<u>2.8</u>	<u>4.0</u>	<u>4.0</u>	
Cash Funds (CWCB)	0	219,008	288,322	289,002	
Cash Funds Exempt / Reappropriated Funds (CWCB)	180,501	0	0	0	
H.B. 05-1254 Water Efficiency Grant Program	525,127	523,449	600,029	600,029	
FTE	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	
Cash Funds (CWCB) <sup>2</sup>	0	523,449	600,029	600,029	
Cash Funds Exempt / Reappropriated Funds (CWCB) <sup>2</sup>	525,127	0	0	0	
Severance Tax Fund - CF	1,262,099	1,226,627	1,275,500	1,275,500	
HB 05-1177 (Negotiation of Interbasin Compacts) - CF (Sev Tax)	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	
Interbasin Compacts (HB 06-1400) - CF	1,057,578	683,022	1,145,067	1,145,067	
FTE	1.7	3.0	3.7	3.7	
Platte River Basin Cooperative Agreement	200,745	226,452	233,418	233,418	
FTE	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	
Cash Funds (CWCB)	0	226,452	233,418	233,418	
Cash Funds Exempt / Reappropriated Funds (CWCB)	200,745	0	0	0	
S.B. 02-87 Colorado Watershed Protection Fund	<u>70,333</u>	<u>86,945</u>	<u>119,942</u>	<u>119,942</u>	
Cash Funds	0	86,945	119,942	119,942	
Cash Funds Exempt / Reappropriated Funds	70,333	0	0	0	
Indirect Cost Assessment	<u>450,535</u>	<u>431,770</u>	<u>481,731</u>	<u>489,653</u>	
Cash Funds (CWCB)	0	425,523	472,542	480,851	
Cash Funds Exempt / Reappropriated Funds (CWCB)	446,108	0	0	0	
Federal Funds	4,427	6,247	9,189	8,802	
Water Construction Fund Bill <sup>3</sup>	<u>2,575,885</u>	<u>0</u>	<u>5,530,000</u>	<u>0</u>	
Cash Funds	0	0	5,530,000	0	



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Cash Funds Exempt / Reappropriated Funds	2,575,885	0	0	0	
S.B. 06-193 Study - CF	0	0	0	0	
					<b>Request vs. Appropriation</b>
<b>(B) Special Purpose - Subtotal</b>	6,859,328	3,985,307	10,315,593	4,794,195	-53.5%
FTE	<u>6.8</u>	<u>8.8</u>	<u>11.7</u>	<u>11.7</u>	<u>0.0</u>
Cash Funds	2,330,897	3,866,657	10,174,225	4,653,214	-54.3%
Cash Funds Exempt / Reappropriated Funds	4,442,345	0	0	0	n/a
Federal Funds	86,086	118,650	141,368	140,981	-0.3%

<sup>1</sup> The name of this line item was changed in FY 2008-09 to "Intrastate Water Management and Development".

<sup>2</sup> S.B. 07-008 expanded the Water Efficiency Grant Program and appropriated \$82,749 and 1.0 FTE to the CWCB in FY 08. The Department was appropriated \$600,029 in FY 09 and a continuation appropriation for FY 2009-10.

<sup>3</sup> Funding for this area is provided through a special bill: the annual water projects bill (S.B. 09-125). Since the amount for the FY 2010-11 bill is not known at this time, the Department's request appears to be lower by the amount of the FY 2009-10 appropriation.

					<b>Request vs. Appropriation</b>
<b>(7) COLORADO WATER CONSERVATION BOARD</b>					
<b>- SUBTOTAL</b>	10,357,813	7,600,107	14,322,304	8,688,178	-39.3%
FTE	<u>38.6</u>	<u>42.6</u>	<u>47.7</u>	<u>45.7</u>	<u>(2.0)</u>
Cash Funds	2,670,674	7,185,430	13,884,909	8,251,170	-40.6%
Cash Funds Exempt / Reappropriated Funds	7,601,053	296,027	296,027	296,027	0.0%
Federal Funds	86,086	118,650	141,368	140,981	-0.3%

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

Personal Services	17,910,062	17,706,890	18,926,874	18,133,219	SWNPDI-1
FTE	<u>252.3</u>	<u>244.6</u>	<u>261.4</u>	<u>243.1</u>	
General Fund	17,633,652	17,544,755	18,411,977	17,608,791	
Cash Funds (Mostly Gr. Water Management Fee)	258,879	162,135	514,897	524,428	
Cash Funds Exempt / Reappropriated Funds	17,531	0	0	0	
Operating Expenses	<u>1,606,419</u>	<u>1,437,146</u>	<u>1,455,484</u>	<u>1,429,847</u>	
General Fund	1,045,631	932,876	1,015,976	990,339	
Cash Funds	376,706	504,270	439,508	439,508	
Cash Funds Exempt / Reappropriated Funds	184,082	0	0	0	
Interstate Compacts - General Fund	75,906	76,002	76,002	76,002	

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Republican River Compact Compliance	46,035	273,051	321,012	321,012	
FTE	<u>1.0</u>	<u>2.2</u>	<u>5.0</u>	<u>5.0</u>	
General Fund	46,035	186,655	321,012	321,012	
Cash Funds - Well Enforcement Cash Fund	0	86,396	0	0	
Satellite Monitoring System	360,129	367,614	752,599	402,599	
FTE	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	
General Fund	245,129	204,834	257,710	197,710	
Cash Funds - Satellite Monitoring System CF and CWCB	115,000	162,780	494,889	204,889	
Augmentation of Water for Sand and Gravel Extraction - CF	12,651	17,184	44,400	44,400	
Dam Emergency Repair - H.B. 92-1131 - Cash Funds	0	0	50,000	50,000	
Federal Grants - FF (FEMA and USGS)	148,943	69,345	94,782	133,812	
River Decision Support Systems	366,003	345,811	391,300	208,516	
FTE	<u>4.0</u>	<u>3.0</u>	<u>4.0</u>	<u>2.0</u>	
Cash Funds	0	345,811	391,300	208,516	
Cash Funds Exempt / Reappropriated Funds	366,003	0	0	0	
H.B. 03-1334 Temporary Interruptible Water Supply Agreements - CF	0	0	61,589	61,589	
S.B. 04-225 Well Enforcement - CF	1,489	0	1,489	1,489	
Indirect Cost Assessment	<u>60,744</u>	<u>59,540</u>	<u>42,670</u>	<u>32,590</u>	
Cash Funds	33,938	56,062	40,849	30,952	
Cash Funds Exempt / Reappropriated Funds	24,331	0	0	0	
Federal Funds	2,475	3,478	1,821	1,638	
Expenditure of Water Project Bill Funds	<u>253,743</u>	<u>267,088</u>	<u>0</u>	<u>0</u>	
Cash Funds (CWCB)	0	267,088	0	0	
Cash Funds Exempt / Reappropriated Funds (CWCB)	253,743	0	0	0	
					<b>Request vs. Appropriation</b>
<b>(8) WATER RESOURCES DIVISION - SUBTOTAL</b>	20,842,124	20,619,671	22,218,201	20,895,075	-6.0%
FTE	<u>259.3</u>	<u>251.8</u>	<u>272.4</u>	<u>252.1</u>	<u>(20.3)</u>
General Fund	19,046,353	18,945,122	20,082,677	19,193,854	-4.4%

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Cash Funds	798,663	1,601,726	2,038,921	1,565,771	-23.2%
Cash Funds Exempt / Reappropriated Funds	845,690	0	0	0	n/a
Federal Funds	151,418	72,823	96,603	135,450	40.2%
<b>(9) DIVISION OF WILDLIFE</b>					
<b>(A) Division Operations</b>					
(1) Director's Office	1,706,473	1,811,065	2,058,660	2,056,484	
FTE	<u>14.8</u>	<u>13.1</u>	<u>18.0</u>	<u>18.0</u>	
Cash Funds	0	1,656,905	1,937,934	1,935,758	
Cash Funds Exempt / Reappropriated Funds	1,566,578	0	0	0	
Federal Funds	139,895	154,160	120,726	120,726	
(2) Wildlife Management	66,505,722	65,366,675	65,897,433	66,676,362	
FTE	<u>565.7</u>	<u>581.1</u>	<u>554.4</u>	<u>551.4</u>	
Cash Funds	0	53,734,282	55,750,690	56,410,935	
Cash Funds Exempt / Reappropriated Funds	54,259,742	0	0	0	
Federal Funds	12,245,980	11,632,393	10,146,743	10,265,427	
(3) Technical Services	6,078,066	6,272,375	6,616,044	6,585,076	
FTE	<u>56.2</u>	<u>57.7</u>	<u>61.0</u>	<u>60.0</u>	
Cash Funds	0	6,255,696	6,600,980	6,569,685	
Cash Funds Exempt / Reappropriated Funds	6,053,227	0	0	0	
Federal Funds	24,839	16,679	15,064	15,391	
(4) Information Technology	2,811,805	2,514,929	2,957,658	1,581,330	
FTE	<u>16.5</u>	<u>16.6</u>	<u>18.0</u>	<u>2.0</u>	
Cash Funds	0	2,514,929	2,957,658	1,581,330	
Cash Funds Exempt / Reappropriated Funds	2,811,805	0	0	0	
Federal Funds	0	0	0	0	
					<b>Request vs. Appropriation</b>
<b>(A) Division Operations - Subtotal</b>	77,102,066	75,965,044	77,529,795	76,899,252	-0.8%
FTE	<u>653.2</u>	<u>668.5</u>	<u>651.4</u>	<u>631.4</u>	(20.0)
Cash Funds	0	64,161,812	67,247,262	66,497,708	-1.1%
Cash Funds Exempt / Reappropriated Funds	64,691,352	0	0	0	n/a
Federal Funds	12,410,714	11,803,232	10,282,533	10,401,544	1.2%

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 APPENDIX A: NUMBERS PAGES

	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation	FY 2010-11 Nov. 1 Request	Change Requests
<b>(B) Special Purpose</b>					
Wildlife Commission Discretionary Fund	<u>160,000</u>	159,626	<u>160,000</u>	<u>160,000</u>	
Cash Funds	0	159,626	160,000	160,000	
Cash Funds Exempt / Reappropriated Funds	160,000	0	0	0	
Game Damage Claims and Prevention	<u>1,050,000</u>	<u>1,184,914</u>	<u>2,500,000</u>	<u>2,500,000</u>	
Cash Funds	0	1,184,914	2,500,000	2,500,000	
Cash Funds Exempt / Reappropriated Funds	1,050,000	0	0	0	
Instream Flow Program	<u>296,027</u>	<u>296,027</u>	<u>296,027</u>	<u>296,027</u>	
Cash Funds	0	296,027	296,027	296,027	
Cash Funds Exempt / Reappropriated Funds	296,027	0	0	0	
Habitat Partnership Program	<u>2,686,662</u>	<u>2,146,531</u>	<u>2,500,000</u>	<u>2,500,000</u>	
Cash Funds	0	2,146,531	2,500,000	2,500,000	
Cash Funds Exempt / Reappropriated Funds	2,686,662	0	0	0	
S.B. 08-226 Aquatic Nuisance Species - CF	0	1,364,172	1,304,544	1,304,544	
Grants and Habitat Partnerships - CF (NEW LBLI REQUEST)	NA	NA	0	1,625,000	
Asset Maintenance and Repairs - CF (NEW LBLI REQUEST)	NA	NA	0	606,880	
Indirect Cost Assessment - Total Funds	<u>3,215,026</u>	<u>2,982,528</u>	<u>3,281,465</u>	<u>3,363,830</u>	
Cash Funds	0	2,982,528	3,281,465	3,363,830	
Cash Funds Exempt / Reappropriated Funds	2,791,872	0	0	0	
Federal Funds	423,154	0	0	0	
					<b>Request vs. Appropriation</b>
<b>(B) Special Purpose - Subtotal</b>	<u>7,407,715</u>	<u>8,133,798</u>	<u>10,042,036</u>	<u>12,356,281</u>	<u>23.0%</u>
Cash Funds	0	8,133,798	10,042,036	12,356,281	23.0%
Cash Funds Exempt / Reappropriated Funds	6,984,561	0	0	0	n/a
Federal Funds	423,154	0	0	0	n/a
					<b>Request vs. Appropriation</b>
<b>(9) DIVISION OF WILDLIFE - SUBTOTAL</b>	84,509,781	84,098,842	87,571,831	89,255,533	1.9%
FTE	<u>653.2</u>	<u>668.5</u>	<u>651.4</u>	<u>631.4</u>	<u>(20.0)</u>
Cash Funds	0	72,295,610	77,289,298	78,853,989	2.0%

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 APPENDIX A: NUMBERS PAGES

	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation	FY 2010-11 Nov. 1 Request	Change Requests
Cash Funds Exempt / Reappropriated Funds	71,675,913	0	0	0	n/a
Federal Funds	12,833,868	11,803,232	10,282,533	10,401,544	1.2%

					Request vs. Appropriation
<b>DEPARTMENT OF NATURAL RESOURCES (EDO, Parks, CWCB, WRD, and DOW)</b>					
TOTAL FUNDS	178,529,830	183,171,580	201,949,255	201,096,400	-0.4%
FTE	<u>1,280.5</u>	<u>1,248.3</u>	<u>1,325.8</u>	<u>1,262.5</u>	(63.3)
General Fund	30,059,279	30,552,851	29,680,331	27,425,011	-7.6%
Cash Funds	32,126,273	131,622,349	152,998,182	152,235,434	-0.5%
Cash Funds Exempt / Reappropriated Funds	101,301,319	6,352,840	6,437,252	6,479,358	0.7%
Federal Funds	15,042,959	14,643,540	12,833,490	14,956,597	16.5%

<b>DEPARTMENT OF NATURAL RESOURCES (DRMS, GS, OGCC, SBLC)</b>					
TOTAL FUNDS	19,737,431	22,292,023	25,868,947	25,358,621	-2.0%
FTE	<u>161.9</u>	<u>172.9</u>	<u>219.3</u>	<u>212.3</u>	(7.0)
General Fund	0	0	0	0	n/a
Cash Funds	11,786,278	17,489,176	20,428,391	19,770,092	-3.2%
Cash Funds Exempt / Reappropriated Funds	4,879,434	591,873	873,482	1,096,925	25.6%
Federal Funds	3,071,719	4,210,974	4,567,074	4,491,604	-1.7%

<b>TOTAL DEPARTMENT OF NATURAL RESOURCES</b>					
TOTAL FUNDS	198,267,261	205,463,603	227,818,202	226,455,021	-0.6%
FTE	<u>1,442.4</u>	<u>1,421.2</u>	<u>1,545.1</u>	<u>1,474.8</u>	(70.3)
General Fund	30,059,279	30,552,851	29,680,331	27,425,011	-7.6%
Cash Funds	43,912,551	149,111,525	173,426,573	172,005,526	-0.8%
Cash Funds Exempt / Reappropriated Funds	106,180,753	6,944,713	7,310,734	7,576,283	3.6%
Federal Funds	18,114,678	18,854,514	17,400,564	19,448,201	11.8%

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**APPENDIX B: SUMMARY OF MAJOR LEGISLATION**

- ❑ **S.B. 09-022 (Bacon/Solano):** Increases the annual limit of payments generated from state school lands that can be credited to the State Board of Land Commissioners Investment and Development Fund from \$1.0 million to \$5.0 million, in equal increments over 3 years, and removes the repeal of the fund.
- ❑ **S.B. 09-024 (White/Sonnenberg & Curry):** Modifies the responsibilities of the Division of Wildlife with respect to game damage issues. As a result of the bill, the Division of Wildlife must: contact landowners within 48 hours and consult with the landowner within 5 business days of a damage prevention material request being filed; provide temporary game damage prevention materials within 15 business days of receiving a request; provide permanent game damage prevention materials within 45 business days of receiving a request, under certain circumstances; pay for damages that occur between the request of damage prevention materials and the receipt of damage prevention materials if the deadlines are not met. Appropriates \$600,000 from the Wildlife Cash Fund to the Division of Wildlife in FY 2008-09 and appropriates \$1,450,000 from the Wildlife Cash Fund to the Division of Wildlife in FY 2009-10.
- ❑ **S.B. 09-106 (Isgar/Roberts):** Increases a statutorily authorized transfer from the Operational Account of the Severance Tax Trust Fund to the Water Supply Reserve Account in FY 2010-11 from \$6.0 million to \$10.0 million and authorizes a similar transfer each year thereafter. Allows any unencumbered and unexpended amount in the Water Supply Reserve Account to remain in the fund. Limits grants and loans from the Water Supply Reserve Account to "covered entities" that have adopted a water conservation plan.
- ❑ **S.B. 09-124 (Isgar/Roberts):** Extends a \$500,000 per year transfer from the Operational Account of the Severance Tax Trust Fund to the Agriculture Value-added Cash Fund through FY 2011-12. The transfer was previously set to expire after FY 2008-09. The Agriculture Value-added Cash Fund is used to promote agricultural energy-related projects and research.
- ❑ **S.B. 09-125 (Isgar/Curry):** Appropriates \$5,880,000 cash funds from the Colorado Water Conservation Board Construction Fund to the Department of Natural Resources in FY 2009-10 for various water-related projects. Gives the Colorado Water Conservation Board (CWCB) the authority to deauthorize grants previously approved by the General Assembly and use any remaining funds for other statutorily authorized purposes if a

specific grant project has been completed or is no longer feasible. Creates the continuously appropriated Wild and Scenic Rivers Fund for the CWCB to use in developing a state alternative to the wild and scenic river designation under federal law for river preservation. Reduces an annual transfer from the Operational Account of the Severance Tax Trust Fund to the Interbasin Compact Committee Operation Fund beginning on July 1, 2009, from \$1,145,067 to \$745,067. Finally, extends a loan from two years to twelve years, initially issued in 2007 and totaling \$60,600,000 for the Southern Colorado Water Conservancy District Water Activity Enterprise Arkansas Valley Conduit Project.

- ❑ **S.B. 09-158 (Isgar/Baumgardner):** Requires the Department of Natural Resources to carry out a study of federal and state landowner conservation programs that offer monetary compensation to landowners who set aside lands or adopt specific land management strategies. The Department is tasked to report the findings of the study to the House of Representatives Committee on Agriculture, Livestock, and Natural Resources and the Senate Committee on Agriculture and Natural Resources at the same time as the annual species conservation eligibility list and annual report are submitted. Appropriates \$50,000 from the Operation and Maintenance Account of the Species Conservation Trust Fund (authorized in H.B. 09-1289) to the Executive Director's Office of the Department of Natural Resources for FY 2009-10.
- ❑ **S.B. 09-195 (Keller/Pommer):** Supplemental appropriation to the Department of Natural Resources to modify FY 2008-09 appropriations included in the FY 2008-09 Long Bill (H.B. 08-1375).
- ❑ **S.B. 09-208 (Tapia/Pommer):** Transfers in FY 2008-09 the following to the General Fund: \$20,000,000 from the Perpetual Base Account of the Severance Tax Trust Fund and \$10,250,000 from the Colorado Water Conservation Board Construction Fund.
- ❑ **S.B. 09-259 (Keller/Pommer):** General appropriations act for FY 2009-10.
- ❑ **S.B. 09-279 (Tapia/Pommer):** Transfers in FY 2008-09 to the General Fund \$15,000,000 from the Perpetual Base Account of the Severance Tax Trust Fund and transfers in FY 2009-10 to the General Fund \$62,000,000 from the Perpetual Base Account of the Severance Tax Trust Fund.
- ❑ **S.B. 09-293 (Isgar/Curry):** Makes the following changes to transfers from the Operational Account of the Severance Tax Trust Fund:
  - Reduces funding for the Water Supply Reserve Account by \$3.0 million in FY 2008-09 and \$4,225,000 in FY 2009-10;
  - Eliminates contingent funding for the Water Efficiency Grant Program of up to \$1.0 million, dependent on the prior year unobligated revenue, in FY 2009-10;

- Reduces funding for the Species Conservation Trust Fund by \$4.5 million in FY 2009-10;
- Reduces funding for low income energy assistance by \$9,750,000 in FY 2009-10;
- Increases funding for low income energy assistance by \$13.0 million in FY 2012-13; and
- Reduces funding for the Healthy Forests and Vibrant Communities Fund by \$500,000.

The bill also makes changes to the allocation by program of money for low-income energy assistance and money for the Healthy Forests and Vibrant Communities Fund.

- ❑ **H.B. 09-1017 (Pace/Hodge):** Clarifies the authority of the Colorado Water Conservation Board (CWCB) to operate the Water Efficiency Grant Program. The bill specifies that moneys in the Water Efficiency Grant Program Cash Fund are to be continuously appropriated to the CWCB for the grant program until the projects financed are completed or until June 30, 2012, whichever occurs first.
- ❑ **H.B. 09-1129 (Looper/Romer):** Establishes a pilot program for the collection of precipitation from rooftops for nonpotable uses. The pilot program will be carried out by the Colorado Water Conservation Board. Appropriates \$14,280 from the Colorado Water Conservation Board Construction Fund to the Colorado Water Conservation Board in FY 2009-10.
- ❑ **H.B. 09-1199 (Scanlan/Gibbs):** Further defines and expands the roll of the Colorado State Forest Service in helping local communities mitigate the risk of wildfires, and plan for response. Transfers from the Operational Account of the Severance Tax Trust Fund \$1,950,000 to the newly created Healthy Forests and Vibrant Communities Fund and \$50,000 to the Wildland-urban Interface Training Fund each year for three years beginning in FY 2009-10. Allows expenditures from the Healthy Forests and Vibrant Communities Fund for the following:
  - Community Wildfire Protection Plans (\$475,000);
  - Wildfire mitigation (\$225,000);
  - Community watershed restoration (\$100,000);
  - Revolving loans to promote the use of woody biomass in heating applications (\$80,000);
  - Revolving loans to provide start-up capital for new facilities or equipment to harvest, remove, use, and market beetle-killed and other timber taken for wildfire mitigation (\$320,000);
  - Outreach and technical assistance (\$700,000); and
  - The Department of Public Health and Environment to study prescribed burning (\$50,000).



Appropriates \$50,000 from the Wildland-urban Interface Training Fund to the Department of Public Safety in FY 2009-10.

The bill also expands the allowable uses of the existing Forest Restoration Pilot Program Cash Fund to allow up to \$1,000,000 of that fund to be used each year for community watershed restoration. Finally, the bill authorizes the Governor to make a one-time transfer from the Disaster Emergency Fund to the Wildfire Emergency Response Fund.

- ❑ **H.B. 09-1289 (Curry/Isgar):** Appropriates \$5,825,000 from the Capital Account of the Species Conservation Trust Fund and \$2,553,070 from the Operation and Maintenance Account of the Species Conservation Trust Fund 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.
- ❑ **S.B. 08-13 (Schwartz/Fischer): Severance Tax Trust Fund Operational Account Appropriations.** Reduces the maximum percentage of the Operational Account of the Severance Tax fund that may be appropriated to the Colorado Oil and Gas Conservation Commission and the Division of Reclamation, Mining, and Safety by five percent each. Allows appropriations from the Operational Account of the Severance Tax Fund of up to five percent of the balance to the Division of Wildlife to monitor, manage, mitigate, and research the impacts of mineral or mineral fuel production activities on wildlife, and up to five percent of the balance to the Division of Parks and Outdoor Recreation to operate, maintain, and improve state parks located in areas impacted by energy development. Appropriates from the Operational Account of the Severance Tax Fund to the Department of Natural Resources: \$1,234,058 for the Division of Parks and Outdoor Recreation; \$1,519,927 for the Division of Wildlife; and \$750,000 to construct a boat ramp at Nighthorse Reservoir.
- ❑ **S.B. 08-168 (Isgar/Curry): Species Conservation Trust Fund.** Appropriates \$11,163,886 from the Species Conservation Trust Fund (SCTF) 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. The bill also changes the funding of the SCTF by delaying a transfer from the Operational Account of the Severance Tax Trust Fund to the SCTF from FY 2007-08 to FY 2008-09 and changing the timing of transfers to the SCTF specified in S.B. 06-229.
- ❑ **S.B. 08-226 (Isgar/Butcher and McFadyen): Aquatic Nuisance Species Prohibition.** Authorizes regulations and penalties related to aquatic nuisance species. For FY 2008-09, transfers \$1,250,000 from the Wildlife Cash Fund plus \$2,667,244 from the Operational Account of the Severance Tax Trust Fund (total of \$3,917,244) to the newly created Division of Wildlife Aquatic Nuisance Species Fund, and appropriates the balance in the

fund to the Division of Wildlife. In addition, for FY 2008-09, transfers \$3,289,392 from the Operational Account of the Severance Tax Trust Fund to the newly created Division of Parks and Outdoor Recreation Aquatic Nuisance Species Fund and appropriates the balance in the fund to the Division of Parks and Outdoor Recreation. Reduces FY 2008-09 transfers from the Operational Account of the Severance Tax Trust Fund to the Species Conservation Trust Fund by \$750,000. For FY 2009-10 and every year thereafter, transfers from the Operational Account of the Severance Tax Trust Fund \$4,006,005 with \$2,701,461 for the Division of Parks and Outdoor Recreation Aquatic Nuisance Species Fund and \$41,304,544 for the Division of Wildlife Aquatic Nuisance Species Fund.

- **H.B. 08-1346 (Curry/Isgar): Funding for Colorado Water Conservation Board Projects.** Loans \$60,600,000 for the Republican River Water Conservation District Water Activity Enterprise - Republican River Compact Compliance Pipeline from the Severance Tax Trust Fund Perpetual Base Account. Loans \$11,217,060 for the Pagosa Area Water & Sanitation District Water Activity Enterprise - Dry Gulch Reservoir Project Land Purchase from the Colorado Water Conservation Board Construction Fund. Appropriates \$7,071,000 cash funds from the Colorado Water Conservation Board Construction Fund to the Department of Natural Resources in FY 2008-09 for various projects. Transfers \$1,000,000 from the Operational Account of the Species Conservation Trust Fund to the Colorado Water Conservation Board Construction Fund and appropriates this amount to the Colorado Water Conservation Board in the Department of Natural Resources to finance a tamarisk control cost-sharing grant program.
  
- **H.B. 08-1387 (Buescher/Veiga): Low-Income Energy Assistance Funding.** Re-authorizes low-income energy assistance programs. Replaces cash fund appropriations from the Operational Account of the Severance Tax Trust Fund made in the 2008 Long Bill (H.B. 08-1375) of \$7,050,000 to the Governor's Office and \$5,950,000 to the Department of Human Services with transfers from the Operational Account into newly created funds that are continuously appropriated to the Department of Human Services and the Governor's Office. Authorizes new transfers of \$13 million per year in state fiscal years 2009-10, 2010-11, and 2011-12 from the Operational Account of the Severance Tax Trust Fund to the following funds:
  - 25 percent to the Department of Human Services Low-income Energy Assistance Fund;
  - 25 percent to the Energy Outreach Colorado Low-income Energy Assistance Fund; and
  - 50 percent to the Governor's Energy Office Low-income Energy Assistance Fund.By placing the extension of funding within the structure of H.B. 08-1398, makes the funding for low-income energy assistance programs subject to the reserve requirements and proportional reductions if there are insufficient revenues that are specified for all tier 2 programs. Specifies a slightly different installment structure than other tier 2 programs under HB 08-1398, by requiring all of the funding to the Governor's Energy Office Low-income Energy Assistance Fund to be made on July 1, all of the funding to the Department of Human Services Low-income Energy Assistance Fund to be made on January 4, and all of the funding to the Energy Outreach Colorado Low-income Energy

Assistance Fund to be made on April 1. Changes the qualification levels for the Governor's Energy Office Home Energy Efficiency Program.

- ☐ **H.B. 08-1398 (Buescher/Johnson): Operational Account of the Severance Tax Trust Fund.** Repeals and reenacts statutes governing the distribution of funds from the Operational Account of the Severance Tax Trust Fund with relocations, technical corrections, and repeals of out-dated language. Changes the reserve requirements for the Operational Account of the Severance Tax Trust Fund as follows:
- Reduces the reserve from twice the appropriations for the core operations of the Department of Natural Resources ("tier 1 programs") to one times the appropriations, plus 15 percent of all other transfers from the operational account grant, research, and construction programs ("tier 2 programs");
  - Changes the dates for transfers out of the Operational Account for tier 2 programs:
    - 40 percent transfers July 1,
    - 30 percent transfers January 4, and
    - 30 percent transfers April 1.
  - Reduces transfers from the Operational Account for tier 2 programs proportionately if the Legislative Council Staff revenue forecast indicates there will be insufficient funds to maintain the reserve.

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**APPENDIX C: UPDATE OF FY 2007-08 and FY 2009-10**  
**LONG BILLS (S.B. 07-239 and S.B. 09-259) FOOTNOTES AND REQUESTS FOR**  
**INFORMATION**

**FY 2007-08:**

**Long Bill Footnotes**

Footnote #106 had requested State Parks to provide the Joint Budget Committee with a status report on the deployment of the Voice Over Internet Protocol (VoIP) System. The report was to include a summary of costs to implement the system and a summary of savings and cost avoidance attributable to the system. The report was requested to be provided by June 30, 2008.

The Department submitted a report on December 16, 2009. The report provided statistics that show the Department saved a cumulative \$80,015 in FY 2007-08 and FY 2008-09 as a result of implementing the VoIP).

**FY 2009-10:**

**Long Bill Footnotes**

None. The Department's Long Bill footnotes were specific to the Divisions of Reclamation, Mining, and Safety; and Oil and Gas Conservation Commission and will be discussed in a separate briefing.

**Requests for Information**

**46 Department of Natural Resources, Executive Director's Office** – The Department of Natural Resources has committee resource and FTE to examining energy impacts on the Eastern Plains and throughout Colorado. The Joint Budget Committee is requesting a report from the Department of Natural Resources by November 1, 2009, explaining the impact on native ecosystems, prairie wildlife, and the impact on rural lifestyle, including farming and ranching.

Comment: The Department provided a report summarizing studies that have evaluated the impacts of oil and gas development on native ecosystems and wildlife found in Colorado and other western states. The Department stated that although the studies cited

evaluate impacts on ecosystems and wildlife found in Colorado, none of the work was done in Colorado. The Department further states that in the last year, the Division of Wildlife has begun cooperative studies with the energy development industry to evaluate methods to extract natural gas while minimizing impacts to sage grouse and mule deer in northwest Colorado.

- 47 Department of Natural Resources, Oil and Gas Conservation Commission, Emergency Response** – The Oil and Gas Conservation Commission is requested to include in its annual budget request a report detailing all expenditures made in the previous year from this line item.

Comment: This request is specific to the Oil and Gas Conservation Commission and will be discussed in a separate briefing.

- 48 Department of Natural Resources, Oil and Gas Conservation Commission, Special Environmental Protection and Mitigation Studies** – The Oil and Gas Conservation Commission is requested to include in its annual budget request a report detailing all expenditures made in the previous year from this line item.

Comment: This request is specific to the Oil and Gas Conservation Commission and will be discussed in a separate briefing.

- 49 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 September 1, 2009.

Comment: The Department submitted the requested report on December 15, 2009. *Attachment F* provides a summary of the information provided by State Parks.

- 50 Capital Construction, Department of Natural Resources, Division of Wildlife** – It is the intent of the Joint Budget Committee that the Division better inform members of the General Assembly regarding the purchase of property and easements. As soon as the Division starts to consider a property acquisition or easement in a given county, the Division is directed to contact all members of the General Assembly who represent any portion of the county where the proposed acquisition or easement is to occur. Such notification shall include the specific location of the property or easement to be acquired, the mechanism for funding the proposal and the justification for seeking the acquisition or easement.

Comment: The Department provided the following response: "The Division understands 'starts to consider' to mean once an acquisition or easement is approved by the Board. The

Division is complying with this request." Staff notes that the State Auditor released a performance audit report in July 2009 titled "Land Acquisition and Management. Division of Wildlife. Department of Natural Resources."

ATTACHMENT D - FY 10-11 State Parks Proposed Capital Line Item Consolidation and Capital Reorganization

	PROPOSED LINE ITEM TITLES *						
	OPERATING				CAPITAL CONSTRUCTION		
	NATURAL RESOURCE PROTECTION	MISCELLANEOUS SMALL PROJECTS	TRAILS GRANTS	OFF-HIGHWAY VEHICLE GRANTS	LAND AND WATER ACQUISITIONS	NEW PARK DEVELOPMENT	PARK INFRASTRUCTURE AND FACILITIES
<b>TRADITIONAL LINE ITEM TITLES</b>							
AUTOMATED ENTRANCES							X
CORPS COST SHARE IMPROVEMENTS							X
ENERGY EFFICIENCY AND GREENING							X
FUELS MITIGATION	\$600,000						
IMPROVEMENTS TO LAKE PUEBLO STATE PARK							X
MAJOR REPAIRS, MINOR RECREATION IMPROVEMENTS		\$2,000,000					X
OFF-HIGHWAY VEHICLE PROGRAM GRANTS AND MINOR NEW CONSTRUCTION AND RENOVATION				\$3,000,000			
PARK FACILITIES							X
PARK IMPROVEMENTS AND BUFFER ACQUISITIONS					X		
PARK INFRASTRUCTURE IMPROVEMENTS							X
STATE TRAILS GRANT PROGRAM			\$2,500,000				
STAUNTON STATE PARK						X	
WATER ACQUISITIONS/LEASE OPTIONS AND DAM REPAIRS					X		X
<b>TOTAL REQUEST FY 2010-11</b>			\$8,100,000			\$16,960,000	

ATTACHMENT E - FY 10-11 Division of Wildlife Proposed Capital Line Item Consolidation and Capital Reorganization

PROJECT NAME TRADITIONAL LINE ITEM TITLES	PROPOSED LINE ITEM TITLES *					
	OPERATING	CAPITAL CONSTRUCTION				
	GRANTS AND HABITAT PARTNERSHIPS	ASSET MAINTENANCE AND REPAIRS	ASSET DEVELOPMENT OR IMPROVEMENTS INFRASTRUCTURE & REAL PROPERTY MAINTENANCE	MOTOR BOAT ACCESS	LAND AND WATER ACQUISITIONS	
<b>PROPERTY ACQUISITIONS</b>						
Property Acquisitions - Habitat Stamp Properties	\$3,500,000					\$3,500,000
Property Acquisitions - Non-habitat Stamp	\$1,000,000					\$1,000,000
	<b>\$4,500,000</b>					
<b>COOPERATIVE HABITAT IMPROVEMENTS</b>						
Pheasant Habitat Partnership Program (PHIP)	\$350,000	\$350,000				
Mt. Evans SWA - Prescribed Fire	\$15,000	\$15,000				
Mt. Evans SWA - Habitat Improvement	\$17,500	\$17,500				
James Mark Jones SWA - prescription burn	\$42,500	\$42,500				
	<b>\$425,000</b>					
<b>DAM MAINTENANCE REPAIR AND IMPROVEMENT</b>						
Misc. Dam Repairs and Improvements Statewide	\$200,000			\$200,000		
Skaguay Reservoir SWA - Hazard Classification	\$50,000			\$50,000		
Two Bunes SWA - Alternative Analysis and Outlet Design	\$230,000			\$230,000		
	<b>\$280,000</b>					
<b>EMPLOYEE HOUSING REPAIRS</b>						
Basalt SWA - Toner House Repair	\$45,000	\$45,000				
Kemp Breze SWA - Kemp House - Water Line	\$35,000			\$35,000		
Glenwood Springs SFU - Replace Flooring, Furnace and Windows in GH-65	\$35,280	\$35,280				
Pitkin SFU - GH-81 Energy Retrofit (Formerly Rear Deck Enclosure)	\$42,000					
Finger Rock SFU - B372 Duplex Window Replacement	\$12,000	\$12,000		\$42,000		
	<b>\$169,280</b>					
<b>FISH UNIT MAINTENANCE AND IMPROVEMENT</b>						
Crystal River Hatchery - Security Fencing	\$48,000		\$48,000			
Fish Research Hatchery - Main Well Pipe Replacement	\$101,000			\$101,000		
Roaring Judy SFU - Office/Warehouse Heating System	\$30,000			\$30,000		
Pitkin SFU - Quartz Creek - Middle Diversion Repair	\$30,000			\$30,000		
Bellvue Hatchery - Wells #1 & #2 REHABILITATE	\$60,000			\$60,000		
Pueblo SFU - Well #3 Rehabilitation	\$29,000			\$29,000		
	<b>\$299,000</b>					
<b>GRANTS FOR IMPROVEMENTS, REPAIRS, DEVELOPMENT FOR WETLANDS AND SHOOTING RANGES</b>						
Wetlands Projects	\$700,000	\$700,000				
Shooting Range Grant	\$500,000	\$500,000				
	<b>\$1,200,000</b>					
<b>MAJOR REPAIRS AND SMALL IMPROVEMENTS</b>						
Bellvue SFU - Residence - GH 43 - Wall - Exterior	\$7,200		\$7,200			
Denver SAA - Hunter Education Building - Electrical	\$15,000		\$15,000			
Pueblo Hatchery - Residence - GH6 - Roof	\$15,000		\$15,000			
Mount Shavano SFU - Packed Column Bldg - Roof	\$500		\$500			
Lamar Service Center SAA - Lamar Service Center - Roof	\$5,000		\$5,000			
Mount Shavano SFU - Residence - Manager GH77 - Window - Primary	\$30,000		\$30,000			
Monte Vista SFU - Residence - Wall - Exterior	\$30,000		\$30,000			
Denver Headquarters SAA - Northeast Service Center - Area 1 & 5 Offices - Wall -	\$43,000		\$43,000			
	<b>\$145,700</b>					
<b>MISCELLANEOUS SMALL IMPROVEMENT PROJECTS</b>						
Denver HQ - B647 File Storage	\$20,000		\$20,000			
Skaguay Reservoir SWA - Spillway Notching	\$123,000		\$123,000			
Colorado Springs Hangar - B560 Phase II	\$62,160		\$62,160			
Pueblo Hunter Ed - Phase II	\$100,000		\$100,000			
South Platte River Cleaning/sandbar maintenance	\$40,000		\$40,000			
Dome Rock SWA - Vault Toilet	\$28,800		\$28,800			
Denver HQ - B647 Replace Carpet in Main Hallways	\$41,430		\$41,430			
Mt. Orury SWA - Replace Diversion Structure	\$51,050		\$51,050			
Mike Higbee SWA - Irrigation Well Repair / Improvements	\$8,000		\$8,000			
Centennial Valley SWA - water measuring device	\$18,630		\$18,630			
South Republican SWA - B251 Office Remodel	\$15,000		\$15,000			
Higet SWA - Accessible Hunting Blind	\$21,500		\$21,500			
	<b>\$529,550</b>					
<b>MOTOR BOAT ACCESS IMPROVEMENT, REPAIRS, DEVELOPMENT ON LAKES AND STREAMS</b>						
Beaver Creek Reservoir SWA - Remote Gate Control	\$10,000			\$10,000		
Rio Blanco Lake SWA - Remove & Replace Double Vault Toilet	\$58,300			\$58,300		
Queens SWA - Nee Gronda Boat Ramp Extension	\$50,000			\$50,000		
Tarryall Reservoir SWA - Outhouse repairs	\$10,000			\$10,000		
DuWesse Reservoir SWA - Replace Vault Toilets	\$130,000			\$130,000		
Pueblo SWA - Vault Toilet Replacement	\$30,000			\$30,000		
Clear Creek Reservoir SWA - Boat Dock	\$60,000			\$60,000		
Groundhog Reservoir SWA - Boat Ramp Extension	\$52,500			\$52,500		
SE Region - Boat Ramp Maintenance	\$15,000			\$15,000		
Sanchez Reservoir SWA - Boat Ramp Improvements	\$71,990			\$71,990		
	<b>\$487,790</b>					
<b>PROPERTY MAINTENANCE, IMPROVEMENT, AND DEVELOPMENT</b>						
Turk's Pond SWA - New Well	\$50,000			\$50,000		
Miller Ranch SWA - Cunningsham Ditch Improvements (Piping & Clearing) Phase 0	\$38,000			\$38,000		
Cottonwood SWA - Slough Renovation	\$40,000			\$40,000		
James Mark Jones SWA - Well Drilling & Development	\$69,600			\$69,600		
Chuck Lewis SWA - Shop Building-Phase II	\$100,000			\$100,000		
Miller Ranch SWA - Cunningsham Ditch Repair / Improvements	\$50,000			\$50,000		
Cimarron SWA - Road Improvements	\$50,000			\$50,000		
South Republican SWA - Vault Toilets	\$86,400			\$86,400		
Blacktail SWA - Boundary Survey	\$34,000	\$34,000				
Monte Vista Service Center - Paving and drainage	\$110,000			\$110,000		
La Jara SWA - Fencing & Creek Crossings	\$303,000			\$303,000		
Hot Sulphur Springs SWA - Dolloff Ditch Pipeline	\$255,000			\$255,000		
Sarvis Creek SWA - East & South Boundary Survey and Fence	\$69,000	\$69,000				
Emerald Mountain SWA-Boundary Survey	\$32,000	\$32,000				
Beaver Creek SWA - Fencing	\$181,000			\$181,000		
	<b>\$1,448,000</b>					
<b>SERVICE CENTER IMPROVEMENTS</b>						
Grand Junction Service Center - Hunter Ed Building Supplemental Funds	\$210,043			\$210,043		
Fort Collins Service Center - B568 Front Desk Upgrades	\$33,000			\$33,000		
Montrose Service Center - Remodel Conference Room Etc.	\$91,200			\$91,200		
	<b>\$334,243</b>					
<b>STREAM AND LAKE IMPROVEMENTS</b>						
Badger Basin SWA - Perp. Easement, Hartsel Town Site - Stream Imp	\$90,000	\$90,000				
Parachute SWA - Boat Ramp	\$117,022		\$117,022			
Oak Ridge SWA - Sloop Cat Ponds - Headgate	\$18,490		\$18,490			
Rift Cup Reservoir - Downstream Fish Barrier DESIGN	\$21,600		\$21,600			
Dolores River SWA - Stream Habitat Improvements	\$115,000	\$115,000				
West Lake SWA - Ditch head gate repair	\$12,600			\$12,600		
	<b>\$374,712</b>					
5% Contingency	\$203,414					
	<b>\$578,126</b>					
<b>SUB-TOTALS</b>	<b>\$10,396,689</b>	<b>\$1,625,000</b>	<b>\$606,879</b>	<b>\$2,471,600</b>	<b>\$681,030</b>	<b>\$512,180</b>
<b>TOTALS</b>	<b>\$10,396,689</b>	<b>\$2,231,879</b>			<b>\$8,164,810</b>	
<b>GRAND TOTAL</b>	<b>\$10,396,689</b>			<b>\$10,396,689</b>		

\* This proposal is contingent upon a letter note for all the operating appropriations authorizing three year spending authority and continuations.  
 \*\* The long range projection for Controlled Maintenance is \$300,000 per year. The \$145,700 listed was an anomaly for this year. An annual budget of \$300,000 should be used. The difference between \$145,700 and \$300,000 can easily be used on the next tier of projects from year to year.



**FY 2010-11 Joint Budget Committee Staff Budget Briefing  
Department of Natural Resources**

Attachment - F

**(EDO, Parks and Outdoor Recreation, Colorado Water Conservation Board, Water Resources Division, Division of Wildlife)**

FY 2008-09 State Parks  
Revenues and Expenditures - Consolidated

<b>FY 08-09</b>	
<b>PY 1</b>	

**Revenues**

Parks Passes and Entry Fees	9,739,314
Permits and User Fees	6,754,400
Sale of Goods, Services	550,225
Concession / Lease Income	1,147,337
Registration Fees - Boats	2,568,204
Registration Fees - Other	4,828,933
Federal Funds	4,615,152
State Funds (STAX, SCTF)	6,062,521
GOCO Parks Purpose	5,102,422
GOCO Other Purpose	0
Lottery 10% Distribution	11,960,386
Interest Income	708,130
Other Revenues	<u>592,106</u>
Subtotal, Earned Revenue	54,629,130
Transfers In	0
General Fund	<u>6,760,164</u>
Total Revenue	<u><u>61,389,294</u></u>

**Expenditures**

Personal Services	
Permanent Salaries / Ben	20,342,364
<i>FTE</i>	
Temporary Wages	1,733,587
Contract Personal Serv	5,446,101
Operating	
Purchased Services	4,401,243
Supplies	2,106,872
Travel / Vehicles	1,583,505
Utilities / Communications	1,706,827
Information Technology	547,205
Equipment	1,579,155
Grants	3,089,410
Other	445,842
Transfers Out	<u>2,014,837</u>
Subtotal, Operating	44,996,948
Capital Construction	
Land, Water Acq & Protection	825,143
Contract Construction Serv	7,656,782
Purchase Capital Improvements	273,800
Other Capital Construction	<u>0</u>
Subtotal Capital Construction	8,755,725
Total Expenditures	<u><u>53,752,673</u></u>
<b>Net Income</b>	<u><u>7,636,621</u></u>

**Notes**

FY 2010-11 Joint Budget Committee Staff Budget Briefing

Department of Natural Resources

(EDO, Parks and Outdoor Recreation, Colorado Water Conservation Board, Water Resources Division, Division of Wildlife)

Division of Parks and Outdoor Recreation, Source and Use of Funds  
FY 2008-09 - All Funds Combined

	Park Revenue	Registration	Federal	State	Lottery	GOCO	GF	Other	TOTAL Uses
<b>Expenditures</b>									
Personal Services									
Permanent Salaries / Ben	10,008,363	1,664,345	1,037,078	1,509,466	286,245	1,709,021	3,825,702	302,145	20,342,364
<i>FTE</i>									
Temporary Wages	631,514	104,277	65,438	501,957	18,061	152,381	241,394	18,564	1,733,587
Contract Personal Serv	1,736,622	336,866	205,005	927,831	1,015,425	454,417	663,840	106,096	5,446,101
Operating									
Purchased Services	1,125,336	225,174	306,958	261,977	1,181,131	761,286	430,177	109,204	4,401,243
Supplies	929,540	195,080	92,856	191,048	291,807	86,611	270,264	49,667	2,106,872
Travel / Vehicles	765,765	169,719	79,376	113,077	30,609	107,374	292,724	24,862	1,583,505
Utilities / Communications	799,082	125,627	87,290	115,212	135,240	109,747	305,447	29,182	1,706,827
Information Technology	10,500	1,613	2,395	9,687	486,220	8,513	4,013	24,263	547,205
Equipment	509,949	145,868	78,482	336,585	222,525	55,543	194,957	35,245	1,579,155
Grants	52,543	1,422,483	588,240	45,931	1,332,201	-546,413	20,692	173,734	3,089,410
Other	222,115	39,932	22,776	28,729	20,810	17,716	83,874	9,891	445,842
Transfers Out	1,092,763	164,165	113,232	141,758	31,253	469,970	417,704	32,107	2,462,953
Subtotal, Operating	17,884,091	4,595,148	2,679,126	4,183,257	5,051,526	3,386,166	6,750,789	914,961	45,445,064
Capital Construction									
Land and Water Acquisition	0	0	0	0	0	825,143	0	0	825,143
Contract Construction Serv	24,526	3,640	1,891,307	317,827	3,916,946	1,335,899	9,375	157,261	7,656,782
Purchase Capital Improvement:	0	0	-639	4,104	257,678	-86	0	12,743	273,800
Other Capital Construction	0	0	0	0	0	0	0	0	0
Subtotal Capital Construction	24,526	3,640	1,890,669	321,931	4,174,624	2,160,956	9,375	170,004	8,755,725
In/ Out of Fund Equity	282,659	2,798,349	45,357	1,557,333	2,734,236	3,414	0	215,273	7,636,621
Total Sources	18,191,276	7,397,137	4,615,152	6,062,521	11,960,386	5,550,536	6,760,164	1,300,238	61,837,410