

COLORADO GENERAL ASSEMBLY

JOINT BUDGET COMMITTEE



FY 2007-08 SUPPLEMENTAL: DEPARTMENT OF NATURAL RESOURCES

PRIORITIZED AND NON-PRIORITIZED REQUESTS

JBC Working Document - Subject to Change

Staff Recommendation Does Not Represent Committee Decision

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	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
DEPARTMENT OF NATURAL RESOURCES					
Executive Director - Harris Sherman					
Supplemental #1 - Vehicle Operating Expenses					
(8) WATER RESOURCES DIVISION ("State Engineer's Office")					
Operating Expenses	<u>1,506,838</u>	<u>1,650,957</u>	<u>27,064</u>	<u>0</u>	<u>1,650,957</u>
General Fund	1,012,903	1,062,896	27,064	0	1,062,896
Cash Funds (Mostly Ground Water Mgt. Cl)	403,511	403,979	0	0	403,979
Cash Funds Exempt	90,424	184,082	0	0	184,082
Federal Funds	0	0	0	0	0
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Supplemental #1a - Winter Feeding Operations					
(9) DIVISION OF WILDLIFE					
(A) Division Operations					
(2) Wildlife Management	60,090,270	62,153,521	1,746,560	1,746,560	63,900,081
FTE	<u>532.7</u>	<u>555.4</u>	<u>0</u>		
Cash Funds Exempt	50,201,905	51,812,094	1,746,560	1,746,560	53,558,654
Federal Funds	9,888,365	10,341,427	0	0	10,341,427
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Supplemental #2 - Snowmobile Program					
(6) PARKS AND OUTDOOR RECREATION					
(C) Special Purpose					
Snowmobile Program - CF	672,960	702,838	302,160	302,160	1,004,998

	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Supplemental #3 - Division of Wildlife Leased Space to POTs					
(1) EXECUTIVE DIRECTOR'S OFFICE					
(A) Administration and Information Technology Services					
Leased Space	<u>852,838</u>	<u>957,548</u>	<u>158,965</u>	<u>0</u>	<u>957,548</u>
General Fund	484,690	487,039	0	0	487,039
Cash Funds	258,936	355,538	0	0	355,538
Cash Funds Exempt	86,124	91,832	158,965	0	91,832
Federal Funds	23,088	23,139	0	0	23,139
(9) DIVISION OF WILDLIFE					
(A) Division Operations					
(2) Wildlife Management	60,090,270	62,153,521	(158,965)	0	62,153,521
FTE	<u>532.7</u>	<u>555.4</u>	<u>0.0</u>	<u>0.0</u>	<u>555.4</u>
Cash Funds Exempt	50,201,905	51,812,094	(158,965)	0	51,812,094
Federal Funds	9,888,365	10,341,427	0	0	10,341,427
Total for Supplemental #3	60,943,108	63,111,069	0	0	63,111,069
FTE	<u>533</u>	<u>555</u>	<u>0.0</u>	<u>0.0</u>	<u>555.4</u>
General Fund	484,690	487,039	0	0	487,039
Cash Funds	258,936	355,538	0	0	355,538
Cash Funds Exempt	50,288,029	51,903,926	0	0	51,903,926
Federal Funds	9,911,453	10,364,566	0	0	10,364,566
Supplemental #4 - Glenwood Springs Lease Space					

	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
(1) EXECUTIVE DIRECTOR'S OFFICE					
(A) Administration and Information Technology Services					
Leased Space	<u>852,838</u>	<u>957,548</u>	<u>0</u>	<u>0</u>	<u>957,548</u>
General Fund	484,690	487,039	0	0	487,039
Cash Funds	258,936	355,538	0	0	355,538
Cash Funds Exempt	86,124	91,832	0	0	91,832
Federal Funds	23,088	23,139	0	0	23,139
(8) WATER RESOURCES DIVISION ("State Engineer's Office")					
Operating Expenses	<u>1,506,838</u>	<u>1,650,957</u>	<u>0</u>	<u>0</u>	<u>1,650,957</u>
General Fund	1,012,903	1,062,896	0	0	1,062,896
Cash Funds	403,511	403,979	0	0	403,979
Cash Funds Exempt	90,424	184,082	0	0	184,082
Total for Supplemental #4	<u>2,359,676</u>	<u>2,608,505</u>	<u>0</u>	<u>0</u>	<u>2,608,505</u>
General Fund	1,497,593	1,549,935	0	0	1,549,935
Cash Funds	662,447	759,517	0	0	759,517
Cash Funds Exempt	176,548	275,914	0	0	275,914
Federal Funds	23,088	23,139	0	0	23,139
Totals Excluding Pending Items					
DEPARTMENT OF _____					
TOTALS for ALL Departmental line items	188,652,155	208,655,134	2,075,784	2,048,720	210,703,854
FTE	<u>1,387.7</u>	<u>1,515.4</u>	<u>0.0</u>	<u>0.0</u>	<u>1,515.4</u>
General Fund	28,299,762	30,336,286	27,064	0	30,336,286

	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Cash Funds	40,946,514	48,392,482	302,160	302,160	48,694,642
Cash Funds Exempt	103,740,262	113,019,941	1,746,560	1,746,560	114,766,501
Federal Funds	15,665,617	16,906,425	0	0	16,906,425
Statewide Common Policy Supplementals (see narrative for more detail)	<u>N.A.</u>	<u>N.A.</u>	<u>Pending</u>	<u>Pending</u>	<u>N.A.</u>
General Fund					
Cash Funds					
Cash Funds Exempt					
Federal Funds					
Totals Including Pending Items in Request					
DEPARTMENT OF _____					
TOTALS for ALL Departmental line items	188,652,155	208,655,134	2,075,784	2,048,720	210,703,854
FTE	<u>1,387.7</u>	<u>1,515.4</u>	<u>0.0</u>	<u>0.0</u>	<u>1,515.4</u>
General Fund	28,299,762	30,336,286	27,064	0	30,336,286
Cash Funds	40,946,514	48,392,482	302,160	302,160	48,694,642
Cash Funds Exempt	103,740,262	113,019,941	1,746,560	1,746,560	114,766,501
Federal Funds	15,665,617	16,906,425	0	0	16,906,425

Key:

"N.A." = Not Applicable

**DEPARTMENT OF NATURAL RESOURCES
FY 2007-08 SUPPLEMENTAL RECOMMENDATION
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

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Supplemental # 1 - Vehicle Operating Expense

	Request	Recommendation
Total	<u>\$27,064</u>	<u>\$0</u>
General Fund	27,064	0
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	NO
Staff does not believe the request presents new information.	

Department Request: The Department requests an increase to its operating line in the Water Resources Division in the amount of \$27,06 General Fund in order to cover a 5.7 percent increase in vehicle mileage rates assessed by State Fleet Management.

Staff Analysis: The table below provides the mileage rates for the Division for five years:

Fiscal Year	Average Variable Cost/Mile
2003-04	0.191
2004-05	0.213
2005-06	0.267
2006-07	0.288
2007-08 (6 months)	0.305

The Department stated that it was informed by State Fleet in June 2007 that the variable rate is being increased for FY 2008. The Department also states that rate increases each year vary depending on maintenance and fuel costs. The Department also provided a table showing the annual historical rates assessed to the Division. Staff notes that the Committee's Common Policy figure setting for FY 2008 did not include operating increases.

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The Department has also stated that out of its total \$1.7 million operating budget, \$0.5 million is used to cover vehicle operating costs. The Department has informed staff that if the appropriation is not approved they will reduce miles driven in order to stay within the appropriation.

Staff Recommendation: Staff recommends that the committee does not approve the Department’s request. Staff notes that the fleet operating expense rates have increased every year, staff believes that such increases should be requested through a decision item through the regular budget request.

Supplemental # 1a - Winter Feeding Operation

	Request	Recommendation
Total	<u>\$1,746,560</u>	<u>\$1,746,560</u>
Cash Funds Exempt	1,746,560	1,746,560
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	YES
Staff believes this request presents new information.	

Department Request: The Division of Wildlife requests \$1,746,560 cash funds exempt (Wildlife Cash Fund) to undertake an emergency big game feeding operation within the Gunnison Basin and in Northwest Colorado beginning the week of January 12, 2008. The Department requests this as a result of very heavy snowfall since the week of December 6, 2007 and very cold temperatures.

The request is made up of two parts: One, is funding in the amount of \$152,540 (Attachment 1-2) for Gunnison Basin. The other, is for \$1,594,020 (Attachment 1-3) for Northwestern Colorado.

Staff Analysis: The Department has informed staff that it is still not clear if the Northwest feeding operation will proceed, the Department states that they will know for certain depending on weather conditions if they will need to proceed on that front. In this regard, the Department is only asking for spending authority for the Northwest operation at this time.

The Department is stating that the estimated deer population in the affected areas is 120,000. The regular winter survival rate is 80 percent. The Department states that if the request is not approved and the department does not undertake a feeding operation, the deer population survival rate is estimated to be 45 percent. Even with feeding, this winter the Department estimates the survival deer survival to be

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70 percent.

The Department also states that it could potentially lose up to \$2 million in lost revenues from sold licenses.

The Wildlife Cash Fund had an ending balance of \$31 million for FY 2007. For FY 2008, the Department estimates that the fund balance will be \$28 million (before supplemental).

Staff Recommendation: Staff recommends that the committee approve the Department's request.

Supplemental # 2 - Snowmobile Program

	Request	Recommendation
Total	\$302,160	<u>\$302,160</u>
Cash Funds	302,160	302,160

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	YES
Staff and the Department believe that the request present new information	

Department Request: The Department requests \$302,160 Cash Funds (Snowmobile Recreation Fund) of additional spending authority in FY 2008 and \$302,160 and 1.3FTE in FY 2009.

Staff Analysis: The State Parks Board voted to increase the resident snowmobile registration fee from \$20.25 to \$30.25 effective September 2007. The Department claims that it did not have this information in time to request the extra spending authority during figure setting. The Department states that this rate increase is supposed to offset the increased costs related to grooming trails and maintaining high use trails. The increased funding requested will be allocated to snowmobile clubs that maintain the trails.

Staff notes that the Department has included a Budget Amendment for FY 2009 for 1.3 FTE to administer the snowmobile program.

Staff Recommendation: Staff recommends that the committee approve the Department's request.

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Supplemental # 3 - Division of Wildlife Leased Space to POTs

	Request	Recommendation
Total	\$0	\$0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	NO
Staff does not believe the request meets supplemental criteria	

Department Request: The Department requests that \$\$158,965 cash funds exempt be moved from the Division of Wildlife to the EDO for leased space. The Department states that the Long Bill Headnotes were changed from FY 2007 to FY 2008 to not include language exempting the Division from listing its leased space within the Wildlife Management line.

Staff Analysis: Staff does not believe that such an adjustment is necessary during supplementals.

Staff Recommendation: Staff recommends the Committee not approve the Department's request.

Supplemental #4 - Glenwood Springs Leased Space.

	Request	Recommendation
Total	\$0	\$0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	NO
Staff does not believe the request meets supplemental criteria	

Department Request: The Division of Water Resources is requesting that two letternotes be added to the Department's EDO Leased Space and the DOW Operating Expenses lines to state that \$10,037 General Fund in EDO and \$10,000 General Fund in DOW will remain available until expended by the Division for leased space needs in Glenwood Springs.

The Department states that it initially thought that it would be able to start the move into the space by FY 2008. The Department now states that it will not be able to move into the space until sometime in FY 2010.

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Recommendation: Staff recommends the Committee not approve the Department's request. This request does not meet supplemental criteria.

Statewide Common Policy Supplemental Requests

Staff Recommendation: Staff asks permission to include the Committee's approved common policy supplemental decisions from January 21, 2008.

2008 Emergency Winter Feeding Operation Estimated Costs

Description	Qty	1st 30 2nd 30		Count	Unit cost	1st 30 days	2nd 30 days	Total	
		days	days						
Feed									
Deer (wafers)	3 lbs/day -- 18,750 deer	3	30	30	18,750	\$ 320	\$270,000	\$270,000	\$540,000
Pronghorn (wafers)	2.5 lbs./day -- 4,250 pronghorn	2.5	30	30	4,250	\$ 320	\$51,000	\$51,000	\$102,000
Elk (hay only)	8lbs/day - 16,000 elk	8	30	30	16,000	\$ 200	\$384,000	\$384,000	\$768,000
Subtotal							\$705,000	\$705,000	\$1,410,000
Non-fleet Fuel and Maintenance									
		Gals			Machines		Per Gal		
Snowmobiles	36 machines	5	30	30	36	\$ 3.25	\$17,550	\$17,550	\$35,100
Snowcats	11 machines	30	30	30	11	\$ 3.25	\$32,175	\$32,175	\$64,350
Heavy equipment	6 machines	20	30	30	6	\$ 3.25	\$11,700	\$11,700	\$23,400
Maintenance	Est. at 20% of fuel costs						\$12,285	\$12,285	\$24,570
Subtotal							\$73,710	\$73,710	\$147,420
Volunteer / Employee Travel Higher Cost Areas									
						Rate			
Hotel	Rooms	29	30	30		\$ 95.00	\$82,650	\$82,650	\$165,300
Per diem	Individuals	65	30	30		\$ 49.00	\$95,550	\$95,550	\$191,100
Subtotal							\$178,200	\$178,200	\$356,400
Travel / Lower Cost Areas									
						Rate			
Hotel	3 rooms (share rooms)	3	30	30		\$ 90.00	\$8,100	\$8,100	\$16,200
Per diem	Individuals	5	30	30		\$ 49.00	\$7,350	\$7,350	\$14,700
Subtotal							\$15,450	\$15,450	\$30,900
Temporary Employees									
			Hours	Hours		Rate			
Technician	11 temps		160	160	11	\$ 13.25	\$23,320	\$23,320	\$46,640
Admin III	1 temp		160	160	1	\$ 16.25	\$2,600	\$2,600	\$5,200
Subtotal							\$25,920	\$25,920	\$51,840
Total Cost of Operation							\$998,280	\$998,280	\$1,996,560
Less DOW Funds Already Committed							\$250,000	\$0	\$250,000
Shortfall, Supplemental Request							\$748,280	\$998,280	\$1,746,560

**2008 Emergency Winter Feeding Operation
Estimated Costs - Gunnison**

1st 30 2nd 30

Description	Qty	days	days	Count	Unit cost	1st 30 days	2nd 30 days	Total	
Feed				Animals	Per Ton				
Deer (wafers)	lbs/day * days * num animals * feed cost	3	30	30	8,000	\$ 320	\$115,200	\$115,200	\$230,400
Pronghorn (wafers)	lbs/day * days * num animals * feed cost	2.5	30	30	500	\$ 320	\$6,000	\$6,000	\$12,000
Elk (hay only)	lbs/day * days * num animals * feed cost	8	30	30	-	\$ 200	\$0	\$0	\$0
Subtotal						\$121,200	\$121,200	\$242,400	

Non-fleet Fuel and Maintenance	Gals			Machines	Per Gal				
Snowmobiles	gal /day * days * num machines * cost/gal	5	30	30	20	\$ 3.25	\$9,750	\$9,750	\$19,500
Snowcats	gal /day * days * num machines * cost/gal	30	30	30	8	\$ 3.25	\$23,400	\$23,400	\$46,800
Heavy equipment	gal /day * days * num machines * cost/gal	20	30	30	4	\$ 3.25	\$7,800	\$7,800	\$15,600
Maintenance	Est. at 20% of fuel costs						\$8,190	\$8,190	\$16,380
Subtotal							\$49,140	\$49,140	\$98,280

Volunteer / Employee Travel Higher Cost Areas					Rate			
Hotel	num vols * days * room rate	2	30	30	\$ 95.00	\$5,700	\$5,700	\$11,400
Per diem	num vols * days * per diem	2	30	30	\$ 49.00	\$2,940	\$2,940	\$5,880
Subtotal						\$8,640	\$8,640	\$17,280

Travel / Lower Cost Areas					Rate			
Hotel	num rooms * days * room rate	3	30	30	\$ 90.00	\$8,100	\$8,100	\$16,200
Per diem	num staff * days * per diem	5	30	30	\$ 49.00	\$7,350	\$7,350	\$14,700
Subtotal						\$15,450	\$15,450	\$30,900

Temporary Employees		Hours	Hours		Rate			
Technician	num temps * hours * rate per hour	2	160	160	\$ 13.25	\$4,240	\$4,240	\$8,480
Admin III	num temps * hours * rate per hour	1	160	160	\$ 16.25	\$2,600	\$2,600	\$5,200
Subtotal						\$6,840	\$6,840	\$13,680

Total Cost of Operation						\$201,270	\$201,270	\$402,540
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Less DOW Funds Already Committed						\$201,270	\$48,730	\$250,000
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Shortfall, Supplemental Request						\$0	\$152,540	\$152,540
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2008 Emergency Winter Feeding Operation Estimated Costs - Northwest

1st 30 2nd 30

Description	Qty	days	days	Count	Unit cost	1st 30 days	2nd 30 days	Total	
Feed				Animals	Per Ton				
Deer (wafers)	lbs/day * days * num animals * feed cost	3	30	30	10,750	\$ 320	\$154,800	\$154,800	\$309,600
Pronghorn (wafers)	lbs/day * days * num animals * feed cost	2.5	30	30	3,750	\$ 320	\$45,000	\$45,000	\$90,000
Elk (hay only)	lbs/day * days * num animals * feed cost	8	30	30	16,000	\$ 200	\$384,000	\$384,000	\$768,000
Subtotal							\$583,800	\$583,800	\$1,167,600

Non-fleet Fuel and Maintenance	Gals			Machines	Per Gal				
Snowmobiles	gal /day * days * num machines * cost/gal	5	30	30	16	\$ 3.25	\$7,800	\$7,800	\$15,600
Snowcats	gal /day * days * num machines * cost/gal	30	30	30	3	\$ 3.25	\$8,775	\$8,775	\$17,550
Heavy equipment	gal /day * days * num machines * cost/gal	20	30	30	2	\$ 3.25	\$3,900	\$3,900	\$7,800
Maintenance	Est. at 20% of fuel costs						\$4,095	\$4,095	\$8,190
Subtotal							\$24,570	\$24,570	\$49,140

Volunteer / Employee Travel Higher Cost Areas					Rate			
Hotel	num pers * days * room rate	27	30	30	\$ 95.00	\$76,950	\$76,950	\$153,900
Per diem	num pers * days * per diem	63	30	30	\$ 49.00	\$92,610	\$92,610	\$185,220
Subtotal						\$169,560	\$169,560	\$339,120

Travel / Lower Cost Areas					Rate			
Hotel	num rooms * days * room rate	0	30	30	\$ 90.00	\$0	\$0	\$0
Per diem	num staff * days * per diem	0	30	30	\$ 49.00	\$0	\$0	\$0
Subtotal						\$0	\$0	\$0

Temporary Employees		Hours	Hours		Rate			
Technician	num temps * hours * rate per hour	9	160	160	\$ 13.25	\$19,080	\$19,080	\$38,160
Admin III	num temps * hours * rate per hour	0	160	160	\$ 16.25	\$0	\$0	\$0
Subtotal						\$19,080	\$19,080	\$38,160

Total Cost of Operation						\$797,010	\$797,010	\$1,594,020
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Less DOW Funds Already Committed						\$0	\$0	\$0
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Shortfall, Supplemental Request						\$797,010	\$797,010	\$1,594,020
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