



Colorado General Assembly
Joint Budget Committee

JOINT BUDGET COMMITTEE STAFF FY 2017-18 BUDGET BRIEFING SUMMARY

Department of Natural Resources

The Department of Natural Resources is responsible for developing, protecting, and enhancing Colorado's natural resources for the use and enjoyment of present and future residents and visitors. The Department's FY 2016-17 appropriation represents approximately 1.0 percent of statewide operating appropriations and 0.3 percent of statewide General Fund appropriations.

FY 2016-17 APPROPRIATION AND FY 2017-18 REQUEST

DEPARTMENT OF NATURAL RESOURCES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION:						
H.B. 16-1405 (Long Bill)	254,938,806	28,742,941	191,851,418	7,703,225	26,641,222	1,462.7
Other Legislation	11,116,168	0	11,116,168	0	0	0.0
TOTAL	\$266,054,974	\$28,742,941	\$202,967,586	\$7,703,225	\$26,641,222	1,462.7
FY 2017-18 APPROPRIATION:						
FY 2016-17 Appropriation	\$266,054,974	28,742,941	\$202,967,586	\$7,703,225	\$26,641,222	1,462.7
R4 Chatfield reallocation loan repayment	216,829	0	216,829	0	0	0.0
R1 Assistant Subdistrict Coordinator	82,667	82,667	0	0	0	0.9
R2 ISF Program Assistant	72,858	0	72,858	0	0	1.0
R3 Satellite Monitoring System	70,176	0	70,176	0	0	0.0
R5 CCLS cost allocation	0	0	0	0	0	0.0
NP Annual fleet vehicle request	204,681	24,876	173,304	(25)	6,526	0.0
NP FY 2017-18 Secure Colorado	150,119	22,275	121,825	3,342	2,677	0.0
NP OIT Deskside	60,034	8,908	48,720	1,336	1,070	0.0
Centrally appropriated line items	6,972,903	1,864,809	5,852,021	(760,172)	16,245	0.0
Technical adjustment	35,740	0	0	0	35,740	0.0
Refinance severance tax funding	0	0	0	0	0	0.0
Annualize prior year legislation	(13,318,865)	0	(13,318,865)	0	0	0.0
Annualize prior year budget actions	(5,033)	0	(5,033)	0	0	0.0
TOTAL	\$260,597,083	\$30,746,476	\$196,199,421	\$6,947,706	\$26,703,480	1,464.6
INCREASE/(DECREASE)	(\$5,457,891)	\$2,003,535	(\$6,768,165)	(\$755,519)	\$62,258	1.9
Percentage Change	(2.1%)	7.0%	(3.3%)	(9.8%)	0.2%	0.1%

R4 CHATFIELD REALLOCATION LOAN REPAYMENT: The request includes the creation of a new line item in the Division of Parks and Wildlife called "Chatfield Reallocation Repayment" and an increase of \$216,829 cash funds. The cash fund spending authority is from the Wildlife Cash Fund.

R1 ASSISTANT SUBDISTRICT COORDINATOR: The request includes an increase of \$82,667 General Fund and 1.0 FTE for the Division of Water Resources for an Assistant Subdistrict Coordinator (ASC) for the Water Division 3 Office.

R2 ISF PROGRAM ASSISTANT: The request includes an increase of \$72,858 cash fund spending authority from the Colorado Water Conservation Board Construction Fund for 1.0 FTE to address an increase in workload in the Instream Flow and Natural Lake Level Protection Section of the Colorado Water Conservation Board.

R3 SATELLITE MONITORING SYSTEM: The request includes an increase of \$70,176 cash fund spending authority from the Satellite Monitoring Cash Fund to assist in hydrography and water administration statewide.

R5 CCLS COST ALLOCATION: The request includes a budget neutral change to the cost allocation of 2,194 square feet of capitol complex leased space at 1313 Sherman St. from the Division of Water Resources to the Executive Director's Office.

NP ANNUAL FLEET VEHICLE REQUEST: The request includes an increase of \$204,681 total funds, including \$24,876 General Fund, for the Department's share of statewide vehicle costs. *This request item will be addressed in separate staff briefings for the Department of Personnel and Administration.*

NP FY 2017-18 SECURE COLORADO: The request includes an increase of \$150,119 total funds, including \$22,275 General Fund, for FY 2017-18 to deploy an end user configuration management tool. This tool will assist in discovering assets (e.g., computers and software) and the status of assets. *This request item was addressed in separate staff briefings for the Governor's Office.*

NP OIT DESKSIDE: The request includes an increase of \$60,034 total funds, including \$8,908 General Fund, for end user assistance and services for computer devices and peripheral equipment, such as printers. *This request item was addressed in separate staff briefings for the Governor's Office.*

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; salary survey; shift differential; workers' compensation; legal services; payment to risk management and property funds; vehicle lease payments; leased space; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations. *This request item will be addressed in separate staff briefings for the Department of Personnel and Administration and the Governor's Office.*

TECHNICAL ADJUSTMENT: The request includes an increase of \$35,740 federal funds for the Division of Water Resources federal grants line item.

REFINANCE SEVERANCE TAX FUNDING: The request includes a net-zero cash fund refinancing of activities previously funded with severance tax revenue from the severance tax operational account with funding from the cash fund that receives revenue from Oil and Gas Conservation Commission conservation mill levy.

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes adjustments for the second year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
H.B. 16-1458 Species Conservation Fund Bill	(\$12,938,865)	\$0	(\$12,938,865)	\$0	\$0	0.0
S.B. 16-174 CWCB Projects Bill	(380,000)	0	(380,000)	0	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Total	(\$13,318,865)	\$0	(\$13,318,865)	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a reduction of \$5,033 cash funds to reflect the second-year impact of the Committee’s decision to fund the Department’s request in FY 2016-17 to add 1.0 FTE to the State Land Board for an Asset Manager on the Western Slope.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

R1 ASSISTANT SUBDISTRICT COORDINATOR: The Department of Natural Resources has requested \$82,667 General Fund and 1.0 FTE for the Division of Water Resources for an Assistant Subdistrict Coordinator (ASC) for the Water Division 3 Office. This new position will administer 135 Plans of Augmentation and assist the Subdistrict Coordinator in coordinating plan operations and river administration activities.

R2 ISF PROGRAM ASSISTANT: The Department of Natural Resources has requested an increase of \$72,858 cash fund spending authority from the Colorado Water Conservation Board Construction Fund, created in Section 37-60-121 (1) (a), C.R.S., for 1.0 FTE to address an increase in workload in the Instream Flow and Natural Lake Level Protection Section (Section) of the Colorado Water Conservation Board (CWCB). The duties and responsibilities of the requested FTE are currently performed by temporary employees.

R3 SATELLITE MONITORING SYSTEM: The Department of Natural Resources has requested an increase of \$70,176 cash fund spending authority from the Satellite Monitoring Cash Fund to assist in hydrography and water administration statewide. The Satellite Monitoring System has been operational since 1985 and has about 550 gauges measuring stream flow that provide data in real-time. These gauges take about 4,000 stream flow measurements annually.

R4 CHATFIELD REALLOCATION LOAN REPAYMENT: The Department of Natural Resources has requested the creation of a new line item in the Division of Parks and Wildlife called “Chatfield Reallocation Repayment” and an increase of \$216,829 cash funds. The cash fund spending authority is from the Wildlife Cash Fund created in Section 33-1-112 (1) (a), C.R.S. The Chatfield Reservoir Reallocation Project will accommodate an additional 20,600 acre feet of water storage without compromising its flood control functions. The additional storage capacity will help meet long-term water demand in the South Platte Basin.

OVERVIEW OF SEVERANCE TAX OPERATION FUND: Provides a primer on severance tax revenue and how the Severance Tax Operational Fund supports the activities of Tier I and Tier II Severance Tax programs. This issue focuses on how things operate in a typical year.

EFFECT OF S.B. 16-218 AND REQUESTED LEGISLATION: Discusses a potentially unintended effect the provisions of S.B. 16-218 (Severance Tax Refunds) are having on General Fund revenue in FY 2015-16 and FY 2016-17. Compares projected revenue and expenditures of severance tax before and after the adoption of the legislation. Finally, discusses the Governor’s request to transfer \$31.7 million of the remaining severance tax reserved in S.B. 16-218

INFORMATIONAL ISSUE: TIER II SEVERANCE TAX PROGRAMS: Provides a brief description of each Tier II Severance Tax program to facilitate discussion over what types of programs should be in Tier II and whether some may be better funded with General Fund.

FOR MORE INFORMATION

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TO READ THE ENTIRE BRIEFING: http://leg.colorado.gov/sites/default/files/fy2017-18_natbrf1.pdf and http://leg.colorado.gov/sites/default/files/fy2017-18_natbrf2.pdf