

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2014-15 STAFF FIGURE SETTING
DEPARTMENT OF LOCAL AFFAIRS**

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

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DEPARTMENT OF LOCAL AFFAIRS

Department Overview

The Department of Local Affairs (DOLA) is responsible for building community and local government capacity by providing training, technical, and financial assistance to localities. While current law creates a number of divisions¹, the Department's section of the Long Bill currently consists of the following:

- The *Executive Director's Office* provides the comprehensive departmental management and administration, including strategic planning, policy management, budget, accounting, purchasing, and human resources administration and public information.
- The *Division of Property Taxation* and the Property Tax Administrator, under the supervision and control of the *State Board of Equalization*, have three primary responsibilities: (1) administering property tax laws, including issuing appraisal standards and training county assessors; (2) granting exemptions from taxation for charities, religious organizations, and other eligible entities; and (3) valuing multi-county companies doing business in Colorado, including railroads, pipelines, and other public utilities.
- The *Division of Housing* administers state and federal low-income housing programs, and regulates the manufacture of factory-built residential and commercial buildings.
- The *Division of Local Governments* provides technical assistance to local government officials. This division also administers several state and federal programs to assist local governments in capital construction and community services, including: administering the federal Community Services Block Grant and the Community Development Block Grant; making state grants to communities negatively impacted by mineral extraction and limited gaming activities; distributing Conservation Trust Fund moneys (derived from lottery proceeds) for parks, recreation, and open space; and allocating the state contribution for volunteer firefighter pension plans.

¹ Divisions, offices, and boards created in Sections 24-1-125, 39-2-101, 39-9-101, and 39-2-123, and Article 32 of Title 24, C.R.S., include: the Division of Local Governments; the Division of Planning; the Division of Commerce and Development; the Division of Housing; the Office of Rural Development; the Office of the Colorado Youth Conservation and Service Corps; the Office of Smart Growth; the Division of Property Taxation; the State Board of Equalization; and the Board of Assessment Appeals.

DEPARTMENT REQUEST AND RECOMMENDATION SUMMARY

Executive Request

For the divisions covered in this briefing packet, the Department request reflects:

- **Executive Director's Office:** Flat total funding and changes in this division are primarily due to the IT non-prioritized request items. These include: (1) OIT security, (2) eliminate redundant applications, (3) network resiliency, (4) ITSM eco-system, (5) DTRS operations, and (6) technical development.
- **Division of Property Taxation:** A 2.6 percent increase in total funding, includes a 7.6 percent increase in General Fund, primarily due to one prioritized request. The Department requested an increase of \$72,936 General Fund offset by a decrease in cash fund spending authority.
- **Division of Housing:** A 8.9 percent increase in total funding, including a 65.9 percent increase in General Fund, primarily due to a prioritized request items and annualization of S.B. 13-210, which created the Fort Lyon Supportive Housing Program. The Department requested approximately \$4.2 million General Fund and 2.7 FTE to expand the Division's Housing Development Grant Program. The Department also requested a budget neutral Long Bill reorganization of the Division of Housing.
- **Division of Local Governments:** A 1.2 percent decrease in total funding, including a 90.5 percent reduction in General Fund, primarily due to last year's one-time appropriation for Rural Economic Development. Also included in the Department's request is spending authority for \$4,000 reappropriated funds from OEDIT to increase efficiencies in the jointly administered Downtown Assessments Program and \$50,000 cash fund authority from the Geothermal Resource Leasing Fund for the Department to make geothermal energy impact grants available.

Staff Recommendation

The staff recommendation is summarized in the table below, followed by brief description of each item listed. The primary differences between the request and recommendation for the divisions discussed in this packet are:

- **Executive Director's Office:** Staff is recommending \$150,347 more in total funding than the Department request. This change is due primarily to common policy adjustments for centrally appropriated line items in FY 2014-15.
- **Division of Property Taxation:** Staff is recommending \$19,361 less than the Department request. This change is due primarily to changes to the Department's indirect cost recovery plan.

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- **Division of Housing:** Staff is recommending \$4,035,416 less in total funding than the Department request. This change is due primarily to staff not recommending a requested \$4.2 million General Fund to provide additional affordable housing units.
- **Division of Local Governments:** Staff is recommending \$53,903 less in total funding than the Department request. This change is due primarily to changes to the Department’s indirect cost recovery plan.

Department of Local Affairs						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230	\$302,291,196	\$15,059,717	\$208,645,557	\$8,629,582	\$69,956,340	164.2
H.B. 14-1241	13,208	11,887	0	1,321	0	0.0
Other Legislation	<u>2,913,851</u>	<u>2,638,851</u>	<u>275,000</u>	<u>0</u>	<u>0</u>	<u>0.1</u>
TOTAL	\$305,218,255	\$17,710,455	\$208,920,557	\$8,630,903	\$69,956,340	164.3
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$305,218,255	\$17,710,455	\$208,920,557	\$8,630,903	\$69,956,340	164.3
R5 Geothermal Energy Impact Grants	50,000	0	50,000	0	0	0.0
R4 Downtown Revitalization Technical Assistance	4,000	0	0	4,000	0	0.0
R1 Board of Assessment Appeals GF refinance	0	72,936	(72,936)	0	0	0.0
R2 Housing development grants	0	0	0	0	0	0.0
R3 Division of Housing Reorganization	0	0	0	0	0	0.0
BA1 Economic Development for Rural Communities	(3,002,681)	(3,002,681)	0	0	0	(1.0)
Annualize prior year legislation	945,289	945,289	0	0	0	0.0
Centrally appropriated line items	584,983	411,518	173,551	(130,684)	130,598	0.0
NP1 HCPF R9 Medicaid community living initiative	272,099	0	0	272,099	0	1.8
Non-prioritized requested changes	160,702	64,419	928	(144,040)	239,395	0.0
Statewide IT common policy adjustments	<u>(208,579)</u>	<u>(96,957)</u>	<u>(2,079)</u>	<u>(64,259)</u>	<u>(45,284)</u>	<u>0.0</u>
TOTAL	\$304,024,068	\$16,104,979	\$209,070,021	\$8,568,019	\$70,281,049	165.1
Increase/(Decrease)	(\$1,194,187)	(\$1,605,476)	\$149,464	(\$62,884)	\$324,709	0.8
Percentage Change	(0.4%)	(9.1%)	0.1%	(0.7%)	0.5%	0.5%
FY 2014-15 Executive Request						
Request Above/(Below) Recommendation	\$3,919,611	\$4,158,024	(\$30,415)	\$62,787	(\$270,785)	2.7

Incremental Change Descriptions

R5 Geothermal Energy Impact Grants: The recommendation includes \$50,000 cash fund appropriation for the Division to distribute to local communities affected by geothermal energy development in a new grant program.

R4 Downtown revitalization technical assistance: The recommendation includes \$4,000 reappropriated funds from the Office of Economic Development and International Trade to eliminate the need for redundant grant applications currently being submitted to both DOLA and OEDIT.

R1 Board of Assessment Appeals General Fund refinance: The recommendation includes replacing \$72,936 cash fund spending authority with a \$72,936 General Fund appropriation to continue funding the Board of Assessment Appeals in the upcoming non-assessment year which results in fewer fees being collected.

R2 Housing development grants: The recommendation includes continuation level funding for the Division of Housing's Housing Development Grant and Loan Program and reflects denying the Department's request for an additional \$4.2 million General Fund and 2.7 FTE.

R3 Division of Housing Long Bill reorganization: The recommendation includes a budget neutral reorganization of the Long Bill structure. See Appendix C for a "crosswalk" utilizing the FY 2013-14 appropriation for illustration.

BA1 Economic development assistance to rural communities: The recommendation includes a reduction of \$3,002,681 General Fund related to the supplemental budget request approved by the Committee to provide roll-forward authority for \$3,000,000 General Fund appropriated for the rural economic development initiative.

Annualize prior year legislation: The recommendation includes \$945,289 General Fund to annualize behavioral health rental subsidies and S.B. 13-210 which repurposed Fort Lyon.

Centrally appropriated line items: The amount shown includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; merit pay; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation; administrative law judges; payment to risk management and property funds; leased space; and Capitol complex leased space. *The staff recommendation on operating common policies is pending committee action.*

NP1 HCPF R9 Medicaid community living initiative: The recommendation includes \$272,099 reappropriated funds from the Department of Health Care Policy and Financing (HCPF) and 1.8 FTE for FY 2014-15 to administer the Medicaid Community Initiative. *This item is a prioritized request from HCPF and will be addressed during the HCPF presentation on March 10, 2014.*

Non-prioritized requested changes: The amount shown includes the annual fleet vehicle change from the Department of Personnel, and the following changes from the Office of Information Technology: secure Colorado phase II, eliminate redundant applications, Capitol Complex network resiliency, IT service management ecosystem, and IT technical development. *The staff recommendation is pending committee action.*

Statewide IT common policy adjustments: The amount shown includes adjustments to line items appropriated for: purchase of services from the computer center; Colorado state network; management and administration of the Governor's Office of Information Technology (OIT); information technology security, and communication services payments. *The staff recommendation is pending committee action.*

(1) Executive Director's Office

This section of the Long Bill includes funding for administrative functions and all centrally-appropriated funds. It also includes several miscellaneous functions statutorily assigned to the Department, including administration of the Moffat Tunnel Improvement District.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Executive Director's Office						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230	\$6,151,949	\$983,247	\$549,826	\$3,670,597	\$948,279	14.2
H.B. 14-1241	<u>13,208</u>	<u>11,887</u>	<u>0</u>	<u>1,321</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$6,165,157	\$995,134	\$549,826	\$3,671,918	\$948,279	14.2
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$6,165,157	\$995,134	\$549,826	\$3,671,918	\$948,279	14.2
R2 Housing development grants	0	0	0	0	0	0.0
Centrally appropriated line items	235,251	309,986	116,044	(239,735)	48,956	0.0
Non-prioritized requested changes	64,419	64,419	0	0	0	0.0
Statewide IT common policy adjustments	<u>(208,579)</u>	<u>(96,957)</u>	<u>(2,079)</u>	<u>(64,259)</u>	<u>(45,284)</u>	<u>0.0</u>
TOTAL	\$6,256,248	\$1,272,582	\$663,791	\$3,367,924	\$951,951	14.2
Increase/(Decrease)	\$91,091	\$277,448	\$113,965	(\$303,994)	\$3,672	0.0
Percentage Change	1.5%	27.9%	20.7%	(8.3%)	0.4%	0.0%
FY 2014-15 Executive Request:	\$6,105,901	\$1,264,365	\$634,304	\$3,286,671	\$920,561	14.2
Request Above/(Below) Recommendation	(\$150,347)	(\$8,217)	(\$29,487)	(\$81,253)	(\$31,390)	0.0

Incremental Change Descriptions

R2 Housing development grants: The recommendation includes continuation level funding for the Division of Housing's Housing Development Grant and Loan Program and reflects denying the Department's request for an additional \$4.2 million General Fund and 2.7 FTE.

Centrally appropriated line items: The amount shown includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; merit pay; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation;

administrative law judges; payment to risk management and property funds; leased space; and Capitol complex leased space. ***The staff recommendation on operating common policies is pending committee action.***

Non-prioritized requested changes: The amount shown includes the annual fleet vehicle change from the Department of Personnel, and the following changes from the Office of Information Technology: secure Colorado phase II, eliminate redundant applications, Capitol Complex network resiliency, IT service management ecosystem, and IT technical development. ***The staff recommendation is pending committee action.***

Statewide IT common policy adjustments: The amount shown includes adjustments to line items appropriated for: purchase of services from the computer center; Colorado state network; management and administration of the Governor's Office of Information Technology (OIT); information technology security, and communication services payments. ***The staff recommendation is pending committee action.***

EXECUTIVE DIRECTOR’S OFFICE—LINE ITEM DETAIL

Personal Services

Description: This line item funds the 14.2 FTE in the Executive Director's Office, including the Executive Director, accounting, budget, purchasing, human resources, and general support staff. The source of reappropriated funds is indirect cost assessments collected from several cash and federally-funded programs administered by the Department. The workload for staff supported by this line item is driven by both the number of Department employees and the number and complexity of grants and contracts administered.

Request: The Department requests \$1,310,153 in reappropriated funds and 14.2 FTE for FY 2014-15. The budget request reflects a continuation level of funding from FY 2013-14.

Recommendation: Staff recommends approving the Department request. The table below shows the incremental change to this line item.

Executive Director's Office, Personal Services				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
S.B. 13-230	<u>\$1,269,251</u>	<u>\$0</u>	<u>\$1,269,251</u>	<u>14.2</u>
TOTAL	\$1,269,251	\$0	\$1,269,251	14.2
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$1,269,251	\$0	\$1,269,251	14.2
Centrally appropriated line items	<u>40,902</u>	<u>0</u>	<u>40,902</u>	<u>0.0</u>

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Executive Director's Office, Personal Services				
	Total Funds	General Fund	Reappropriated Funds	FTE
TOTAL	\$1,310,153	\$0	\$1,310,153	14.2
Increase/(Decrease)	\$40,902	\$0	\$40,902	0.0
Percentage Change	3.2%	0.0%	3.2%	0.0%
FY 2014-15 Executive Request:	\$1,310,153	\$0	\$1,310,153	14.2
Request Above/(Below) Recommendation	\$0	\$0	\$0	0.0

Health, Life, and Dental

Description: This line item provides funding for the employer's share of the cost of group benefit plans providing health, life, and dental insurance for State employees.

Request: The Department requests \$1,145,194 total funds (including \$227,663 General Fund) for FY 2014-15.

Recommendation: Pursuant to Committee common policy, staff recommends \$1,131,931 total funds for FY 2014-15. Staff's recommendation is less than the Department request because staff recommends not including operating costs for "R2 Housing Development Grants" in this line time.

Short-term Disability

Description: This line item provides funding for the employer's share of State employees' short-term disability insurance premiums.

Request: The Department requests \$22,152 total funds (including \$4,484 General Fund) for FY 2014-15.

Recommendation: Pursuant to Committee common policy, staff recommends \$22,011 total funds (including \$4,263 General Fund) for FY 2014-15. Staff's recommendation is less than the Department request because staff recommends not including operating costs for R2 Housing Development Grants in this line time.

S.B. 04-257 Amortization Equalization Disbursement

Description: Pursuant to S.B. 04-257, this line item provides additional funding to increase the State contribution for Public Employees' Retirement Association (PERA).

Request: The Department requests \$409,129 total funds (including \$83,410 General Fund) for FY 2014-15.

Recommendation: Pursuant to Committee common policy, staff recommends \$405,917 total funds (including \$78,666 General Fund) for FY 2014-15. Staff's recommendation is less than the Department request because staff recommends not including operating costs for R2 Housing Development Grants in this line time.

S.B. 06-235 Supplemental Amortization Equalization Disbursement

Description: Pursuant to S.B. 06-235, this line item provides additional funding to increase the State contribution for PERA.

Request: The Department requests \$383,561 total funds (including \$78,199 General Fund) for FY 2014-15.

Recommendation: Pursuant to Committee common policy, staff recommends \$380,546 total funds (including \$73,749 General Fund) for FY 2014-15. Staff's recommendation is less than the Department request because staff recommends not including centrally appropriated line items for R2 Housing Development Grants.

Salary Survey

Description: The Department uses this line item to pay for annual increases for salary survey and senior executive service positions.

Request: The Department requests \$160,150 total funds (including \$32,619 General Fund) for FY 2014-15.

Recommendation: Pursuant to Committee common policy, staff recommends \$328,461 total funds including \$63,619 General Fund for FY 2014-15.

Merit Pay

Description: This line item funds pay increases relating to employee performance evaluations.

Request: The Department requests \$164,694 total funds (including \$32,704 General Fund) for FY 2014-15.

Recommendation: Pursuant to Committee common policy, staff recommends \$165,242 total funds including \$32,801 General Fund for FY 2014-15.

Workers' Compensation

Description: This line item is used to pay the Department's estimated share for inclusion in the State's workers' compensation program for state employees.

Request: The Department requests \$97,315 total funds (including \$89,955 General Fund) for FY 2014-15.

Recommendation: Staff's recommendation is pending the approval of the Workers' Compensation common policy by the Committee. Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Operating Expenses

Description: This line item includes funding for operating expenses for the Executive Director's Office as well as funding for capital outlay, motor-pool, and software maintenance agreements.

Request: The Department requests continuation funding of \$144,650 total funds. The budget request reflects no change from the prior year appropriation.

Recommendation: Staff recommends \$144,650 total funds for FY 2014-15.

Legal Services

Description: This line item provides funding for the Department to purchase legal services from the Department of Law. Most of the appropriation funds legal services to the Board of Assessment Appeals and to the Property Tax Administrator. The balance of the legal services hours provides staffing for rule and regulation review, contract processing, and other miscellaneous legal needs.

Request: The Department requests continuation funding of \$163,033 total funds (including \$148,246 General Fund) to purchase 1,790 hours of legal services from the Department of Law in FY 2014-15.

Recommendation: Staff recommends the Committee approve the Department's request to purchase 1,790 hours of legal services from the Department of Law in FY 2014-15. The requested number of hours is consistent with annual appropriations since FY 2003-04. The number of hours purchased by the Department over that time has ranged from 980 to 2,248, with a ten-year average of 1,704. **The dollar amount of staff's recommendation is pending the determination of the hourly rate for legal services by the Committee.** Staff requests permission to adjust the line item after the Committee has determined the rate.

Purchase of Services from Computer Center

Description: This item provides funding for the Department's share of statewide computer services provided by the Governor's Office of Information Technology (OIT). OIT plans, manages, operates, and delivers the computing infrastructure to customer entities, which include all State agencies and certain institutions of higher education. OIT is responsible for managing the operating system, transaction processing scheduling, and systems management software associated with these resources.

Request: The Department requests no appropriation for this line item due to the request from the Governor's Office of Information Technology to consolidate five common policy line items for the purchase of information technology services into a single line item (see new line item "Payments to OIT"). Staff recommendation is pending the approval of a Committee policy.

Multiuse Network Payments

Description: This line item is used to pay the Department's share of the statewide multiuse network (MNT). The MNT is a service providing secure, high-speed broadband access to State agencies, schools, colleges, libraries, hospitals, and local governments. MNT payments represent the cost to the State for administering its share of the MNT build-out with the private consortium. Reimbursements for this area are expended for contracts with Century Link, and are based on anticipated billings, using a circuit inventory conducted department by department, for all agencies.

Request: The Department requests no appropriation for this line item due to the request from the Governor's Office of Information Technology to consolidate five common policy line items for the purchase of information technology services into a single line item (see new line item "Payments to OIT"). Staff recommendation is pending the approval of a Committee policy.

Management and Administration of OIT

Description: Senate Bill 08-155 (Cadman/Kerr, A.) required that billing methodologies be developed to allocate costs for central OIT administrative services, including a "back office" business services staff for financial and human resource services to the consolidated office. Beginning with FY 2008-09, allocation appropriations were made to executive branch agencies for this function.

Request: The Department requests no appropriation for this line item due to the request from the Governor's Office of Information Technology to consolidate five common policy line items for the purchase of information technology services into a single line item (see new line item "Payments to OIT"). Staff recommendation is pending the approval of a Committee policy.

Payment to Risk Management and Property Funds

Description: The Department's share of liability and property insurance carried by the Department of Personnel and Administration is appropriated through this line item. The State's liability program is used to pay liability claims and expenses brought against the State.

Request: The Department requests \$29,732 total funds (including \$27,676 General Fund) for this purpose for FY 2014-15. The budget request reflects a decrease of \$7,856 total funds (including \$7,313 General Fund) over the prior year appropriation.

Recommendation: Staff's recommendation is pending the approval of the Common Policy by the Committee. Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Vehicle Lease Payments

Description: This line item provides funding for annual payments to the Department of Personnel and Administration for the cost of administration, loan repayment, and lease-purchase payments for new and replacement motor vehicles.

Request: The Department requests \$79,365 total funds (including \$72,571 General Fund) for FY 2014-15. The request includes one replacement vehicle for FY 2014-15.

Recommendation: Staff recommends the Committee approve the request for one new replacement vehicles in FY 2014-15. The projected mileage on July 1, 2014 for the vehicle will nearly exceed the replacement standard of 150,000 miles and will exceed the standard of 130,000. The DOLA was only one of three departments to receive a supplemental appropriation for vehicle lease payments, however, that request did not affect this vehicle. **The dollar amount of staff's recommendation is, however, pending the approval of the vehicle lease Common Policy by the Committee.** Staff requests permission to adjust the line after this has been determined.

Information Technology Asset Maintenance

Description: This line item funds routine replacement of technology to keep it current and minimize work interruptions.

Request: The Department requests continuation funding of \$104,793 total funds (including \$29,913 General Fund) for this purpose for FY 2014-15.

Recommendation: Staff recommends approving the Department request.

Leased Space

Description: This line item funds leased space needs for the Department. Each office is strategically located throughout the State to maximize the impact of DOLA's field staff. The Department currently leases space at the following locations:

Summary of Leased Space			
FY 2013-14			
City	Address	Lease Payments	Space (sqft)
Alamosa	610 State Street	\$6,240	291
Frisco	602 Galena Street	4,704	294
Loveland	150 East 29th Street	11,594	955
Pueblo	132 West B Street	13,968	900
Sterling	109 North Front Street	5,040	500
Durango	1000 Rim Drive	14,551	355
Glenwood Springs	818 Colorado Avenue	<u>5,928</u>	<u>336</u>
Total		\$62,025	3631

The terms of the leases of the Alamosa Office and Frisco Office are up for renewal during FY 2014-15. Department staff anticipates the renewed leases to increase rents due, however, Department staff also expects the increase to be less than \$3,000 in total funds.

Request: The Department requests continuation funding of \$65,000 in total funds (including \$22,376 in General Fund) for this purpose in FY 2014-15.

Recommendation: Staff recommends continuation level funding of \$65,000 total funds (including \$22,376 General Fund) for FY 2014-15. This reflects the properties listed above plus approximately \$3,000 for increased rents at the Alamosa and Frisco offices.

Capitol Complex Leased Space

Description: This line item is used to pay the Department of Personnel and Administration for the costs of maintaining State buildings that are part of the Capitol Complex. The Department currently leases space in the Complex at the following locations:

Capitol Complex Lease Space	
Location	Space (sqft)
Denver – 1313 Sherman Street	35,654
Grand Junction – 222 S. 6 th Street	3,458

At both locations, DOLA provides financial support to local communities and professional and technical services to community leaders in the areas of governance, housing, and property tax administration.

Request: The Department requests \$531,293 total funds, including \$183,854 General Fund, for FY 2013-14.

Recommendation: Staff's recommendation is pending the approval of the Common Policy by the Committee. Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Communication Services Payments

Description: This line item is used to pay the Department's share of the state's microwave radio infrastructure and the Digital Trunked Radio System (DTRS). DTRS provides interoperability between public safety agencies and emergency responders to 95 percent of the State's roadways. The Department anticipates being billed for the use of 109 radios in FY 2013-14.

Request: The Department requests no appropriation for this line item due to the request from the Governor's Office of Information Technology to consolidate five common policy line items for the purchase of information technology services into a single line item (see new line item "Payments to OIT"). Staff recommendation is pending the approval of a Committee policy.

COFRS Modification

Description: This line item funds the five-phase project to replace the statewide accounting system (COFRS) that is used by the Office of the State Controller to record all state revenues and expenditures.

Request: The Department requests continuation funding of \$157,503 in total funds (including \$104,883 General Fund) for FY 2013-14.

Recommendation: Staff's recommendation is pending the approval of the Common Policy by the Committee. Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Information Technology Security

Request: The Department requests no appropriation for this line item due to the request from the Governor's Office of Information Technology to consolidate five common policy line items for the purchase of information technology services into a single line item (see new line item "Payments to OIT"). Staff recommendation is pending the approval of a Committee policy.

Moffat Tunnel Improvement District

Description: This line item funds the Department's administration of the Moffat Tunnel Improvement District. DOLA is provided custodial authority pursuant to Section 32-8-124.7 (3), C.R.S. Cash funds are received from annual lease revenues. There are currently two lessees, Union Pacific Railroad (UP) and Century Link (formerly Qwest).

The leases require UP pay the District \$12,000 per year and Century Link to pay \$11,542 per year. The UP lease term ends in 2025 with a right to renew and the Century Link lease term ends 2091 with right to renew. The appropriation provides spending authority from reserves in the Moffat Tunnel Cash Fund in case moneys are needed to protect the right-of-way from legal challenges.

Request: The Department requests continuation funding of \$137,444 in total funds (all of which is cash funds) for FY 2014-15.

Recommendation: Staff recommends approving the Department request.

Payments to OIT (non-prioritized requested new line)

This line item reflects the request from the Governor's Office of Information Technology (OIT) to consolidate Department appropriations for information technology services from five IT common policy line items: Management and Administration of OIT, Purchase of Services from Computer Center, Multiuse Network Payments, Communication Services Payments, and Information Technology Security.

➔ Statewide IT common policy adjustments

Request: The Department requests an appropriation of \$9,206,059 total funds (\$6,723 General Fund, \$4,670,384 cash funds, and \$4,528,952 federal funds). This includes the non-prioritized items (1) OIT security, (2) eliminate redundant applications, (3) network resiliency, (4) ITSM eco-system, (5) DTRS operations, and (6) technical development.

Recommendation: Staff's recommendation is pending Committee action.

(2) Property Taxation

This section provides funding for the Division of Property Taxation, which: issues appraisal standards and provides training and technical assistance to county assessors; values multi-county companies; and grants taxation exemptions. This section also provides funding for the State Board of Equalization, which supervises the administration of property tax laws by local county assessors, as well as the Board of Assessment Appeals, which hears petitions for appeal on valuation, abatements, exemptions, and valuation of state-assessed properties.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Property Taxation						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230	\$3,542,025	\$1,459,049	\$1,023,291	\$1,059,685	\$0	49.9
Other Legislation	<u>0</u>	<u>(150,000)</u>	<u>150,000</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$3,542,025	\$1,309,049	\$1,173,291	\$1,059,685	\$0	49.9
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$3,542,025	\$1,309,049	\$1,173,291	\$1,059,685	\$0	49.9
R1 Board of Assessment Appeals GF refinance	0	72,936	(72,936)	0	0	0.0
Centrally appropriated line items	92,388	27,225	31,201	33,962	0	0.0
Non-prioritized requested changes	<u>19,361</u>	<u>0</u>	<u>19,862</u>	<u>(501)</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$3,653,774	\$1,409,210	\$1,151,418	\$1,093,146	\$0	49.9
Increase/(Decrease)	\$111,749	\$100,161	(\$21,873)	\$33,461	\$0	0.0
Percentage Change	3.2%	7.7%	(1.9%)	3.2%	0.0%	0.0%
FY 2014-15 Executive Request:	\$3,634,413	\$1,409,210	\$1,131,556	\$1,093,647	\$0	49.9
Request Above/(Below) Recommendation	(\$19,361)	\$0	(\$19,862)	\$501	\$0	0.0

Issue Descriptions

R1 Board of Assessment Appeals General Fund refinance: The recommendation includes replacing \$72,936 cash fund spending authority with a \$72,936 General Fund appropriation to continue funding the Board of Assessment Appeals in the upcoming non-assessment year which results in fewer fees being collected.

Centrally appropriated line items: The amount shown includes adjustments to centrally appropriated line items for the following: merit pay and salary survey. *The staff recommendation on operating common policies is pending committee action.*

LINE ITEM DETAIL—DIVISION OF PROPERTY TAXATION

Description: The Property Tax Administrator is a constitutionally created position, responsible for administering property tax laws under the supervision and control of the State Board of Equalization (see Section 15 (2) of Article X of the Colorado Constitution). Pursuant to Section 39-2-101, C.R.S., the Property Tax Administrator is head of the Division of Property Taxation (DPT). The key statutory responsibilities that drive the Division's workload are carried out by four subdivisions:

- **Appraisal Standards Section:** ensures property tax equity by issuing appraisal standards and training county assessors.
- **Administrative Resources Section:** prepares and publishes administrative manuals, procedures, and instructions for assessors' offices.
- **Exemptions Section:** grants exemptions from taxation for charities, churches, and other eligible entities to assure a standardization of exemptions.
- **State Assessed Section:** performs original valuations of multi-county companies in Colorado, including railroads, pipelines, and other utilities.

The Division is supported by General Fund, fees for approving property tax exemptions, and mineral and energy impact funds.

Request: The Department requests continuation funding of \$2,704,129 in total funds and 36.7 FTE for this program line, including \$949,492 General Fund.

Recommendation: While there have been significant reversions from this line item in fiscal years 2009-10 through 2012-13, staff recommends approving the request.

Fiscal Year	Reversions for Division of Property Taxations					
	Total Authorization		Expenditures		Reversions	
	Amount	FTE	Amount	FTE	Amount	FTE
2008-09	\$3,026,674	38.5	\$2,939,981	36.0	\$86,693	2.5
2009-10	2,959,869	38.5	2,609,809	31.4	350,060	7.1
2010-11	2,913,927	36.7	2,606,634	32.4	307,292	4.3
2011-12	2,669,449	36.7	2,495,667	30.0	173,782	6.7
2012-13	2,642,961	36.7	2,542,807	30.0	100,154	6.7

For fiscal years 2009-10 and 2010-11, the Division intentionally left positions vacant to accommodate potential budget reductions and to minimize employee impact across the Division.

Throughout this period DPT also focused on expending less so that more money was available to support broader state needs, if necessary. Moreover, during these years there were a lower number of complaints filed against assessors that needed investigation by the Division. No complaint resulted in a reappraisal order that needed to be supervised or conducted by DPT staff.

The division expects a continued increase in its workload for FY 2013-14 and FY2014-15 as the housing market continues to recover along with the overall state economy—largely eliminating the reversions experienced during the recession. Staff believes that reducing FTE or spending authority below current long bill levels would hinder the division’s ability to respond effectively to its statutorily mandated responsibilities as demand for services returns to pre-recession levels.

State Board of Equalization

Description: The State Board of Equalization ("State Board"), created in Section 15 of Article X of the Colorado Constitution, consists of five members:

- The Governor (or his or her designee).
- The Speaker of the House of Representatives (or his or her designee).
- The President of the Senate (or his or her designee).
- Two members appointed by the Governor with the consent of the Senate.

The State Board supervises the administration of property taxation laws by local county assessors. In this regard, the State Board meets at least once annually to review real and personal property valuations, hear complaints concerning valuation (including petitions by tax-levying authorities), redirect assessments, and set the residential assessment ratio. The Board also approves training manuals, appraisal standards, and written instructions issued by the Property Tax Administrator.

During each property tax year, an assessment study is conducted to determine whether or not county assessors have complied with property tax provisions in the State Constitution and in State statutes. The State Board is responsible for ordering a reappraisal of affected classes of property which were not properly assessed in accordance with the State Constitution and with State statutes. Finally, the State Board appoints the Property Tax Administrator.

The Constitution requires the General Assembly to provide by statute for the compensation of State Board members. Pursuant to Section 39-9-101 (2), C.R.S., State Board members receive \$50 per day for each day spent attending State Board meetings or hearings, as well as reimbursement for actual and necessary expenses incurred in performing State Board duties. This line item funds the Board's direct operating expenses, including \$50 per diem payments and expense reimbursements.

Request: The Department requests continuation level funding of \$12,856 General Fund.

Recommendation: Staff recommends the Department's request.

Board of Assessment Appeals

Description: The Board of Assessment Appeals (BAA) is a quasi-judicial body that operates as a "type 1" agency within the Department (see Section 39-2-123, C.R.S.). The Board hears appeals by individual taxpayers who disagree with county boards of equalization, county boards of commissioners, and the Property Tax Administrator on the valuation of real and personal property, property tax abatements (reductions), and property tax exemptions. State assessed properties and exemptions are first appealed to the property tax administrator. These cases may then be appealed to the BAA. Appeals to the BAA must be made in writing within 30 days of the decision that is being appealed. After the appeal is docketed, a receipt of appeal is sent to the Petitioner. A notice of hearing is mailed to all parties at least 30 days prior to the scheduled hearing. The Board's decision is transmitted in a written order and mailed to all parties. Board decisions are also posted on the Board's website. Board decisions may be appealed to the Colorado Court of Appeals.

Pursuant to statute, Board members must be registered, certified, or licensed as an appraiser. The Board must consist of at least three members, and an additional six members may be appointed based on workload. All Board members are employees of the State who are appointed by the Governor, with the consent of the Senate, and serve at the pleasure of the Governor. As employees of the State they are entitled to benefits such as health, life and dental, short-term disability, and PERA. Compensation is based on a statutory rate of \$150 per day. Board members often have private sector employment in addition to their duties on the Board. This line item supports 13.2 FTE, including Board members.

➔ R1 Board of Assessment Appeals General Fund Refinance

Request: The Department requests \$579,545 total funds, including \$446,862 General Fund and 13.2 FTE for this line item in FY 2014-15. The budget request includes an increase of \$72,936 General Fund for R1 Board of Assessment Appeals General Fund Refinance to offset expected and regular decrease in cash receipts to the BAA Cash Fund in a re-assessment year.

Recommendation: Staff recommends the Department request. The recommendation is detailed in the table below:

Property Taxation, Board of Assessment Appeals						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230	\$555,831	\$500,212	\$0	\$55,619	\$0	13.2
Other Legislation	<u>0</u>	<u>(150,000)</u>	<u>150,000</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$555,831	\$350,212	\$150,000	\$55,619	\$0	13.2

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Property Taxation, Board of Assessment Appeals						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$555,831	\$350,212	\$150,000	\$55,619	\$0	13.2
R1 Board of Assessment Appeals GF refinance	0	72,936	(72,936)	0	0	0.0
Centrally appropriated line items	<u>23,714</u>	<u>23,714</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$579,545	\$446,862	\$77,064	\$55,619	\$0	13.2
Increase/(Decrease)	\$23,714	\$96,650	(\$72,936)	\$0	\$0	0.0
Percentage Change	4.3%	27.6%	(48.6%)	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$579,545	\$446,862	\$77,064	\$55,619	\$0	13.2
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

Analysis: The BAA Cash Fund was created in Senate Bill 13-146 and credits all filing fees paid to the BAA to the Cash Fund. Before its enactment, filing fees were credited to the General Fund and the entire BAA budget was supported with General Fund and reappropriated funds. The fiscal note that accompanied the bill projected future yearly receipts to the BAA Cash Fund based on the filing fees collected in the higher-volume re-assessment year and did not account for fewer petitions filed with the BAA. This created the need to use General Fund appropriations to supplement the Department’s Cash Fund appropriation.

Senate Bill 13-146 never intended to fully cash fund the BAA and the appropriation to the BAA last year consisted of General Fund, reappropriated funds, and cash funds. The purpose behind creating the BAA was to provide an administrative remedy to property owners who wish to appeal their property tax determinations. This reduces the burden on the courts, ensures the adjudication is presided over by those knowledgeable in property taxation, and reduces the financial burden to the petitioner.

Because SB13-146 never intended to fully cash fund the BAA and in light of its policy goals, staff recommends increasing the General Fund appropriation for this line item and reducing it by an equal amount of cash funds from the BAA Cash Fund.

Indirect Cost Assessment

Description: This line reflects the amount of indirect cost assessments made against cash and reappropriated funds funding sources within the Division (including federal mineral leasing and severance tax revenues that are appropriated to support a portion of this division's activities). The funds collected through this line item are used to offset General Fund that would otherwise be required in the Executive Director's Office, Personal Services, and Operating line items and the Board of Assessment Appeals.

Request: The Department requests \$337,883 total funds for the collection rate applied to the Division for indirect cost recoveries in FY 2014-15.

Recommendation: Staff recommends \$357,244 total funds for FY 2014-15.

(3) Housing

The Division of Housing (DOH) provides financial and technical assistance designed to increase the availability of housing to low income, elderly, and disabled individuals. Financial assistance programs include State and federal grants, loans, loan guarantees, equity investments, and subordinated debt for construction or rehabilitation of affordable housing. DOH provides technical assistance to local communities, including assisting communities to identify housing needs and to apply for and secure available private and public financing for housing projects. DOH develops and updates various studies on the availability and affordability of housing in Colorado. Finally, DOH works with local governments to reform local development and building regulations in ways which lower housing production costs.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Division of Housing						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230	\$58,898,181	\$5,035,433	\$953,105	\$211,722	\$52,697,921	47.7
Other Legislation	<u>2,913,851</u>	<u>2,788,851</u>	<u>125,000</u>	<u>0</u>	<u>0</u>	<u>0.1</u>
TOTAL	\$61,812,032	\$7,824,284	\$1,078,105	\$211,722	\$52,697,921	47.8
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$61,812,032	\$7,824,284	\$1,078,105	\$211,722	\$52,697,921	47.8
R2 Housing development grants	0	0	0	0	0	0.0
R3 Division of Housing Reorganization	0	0	0	0	0	0.0
Annualize prior year legislation	945,289	945,289	0	0	0	0.0
NP1 HCPF R7 Medicaid	272,099	0	0	272,099	0	1.8

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Division of Housing						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Centrally appropriated line items	123,634	49,342	15,825	8,112	50,355	0.0
Non-prioritized requested changes	<u>128,144</u>	<u>0</u>	<u>(27,210)</u>	<u>(31,897)</u>	<u>187,251</u>	<u>0.0</u>
TOTAL	\$63,281,198	\$8,818,915	\$1,066,720	\$460,036	\$52,935,527	49.6
Increase/(Decrease)	\$1,469,166	\$994,631	(\$11,385)	\$248,314	\$237,606	1.8
Percentage Change	2.4%	12.7%	(1.1%)	117.3%	0.5%	3.8%
FY 2014-15 Executive Request:	\$67,316,614	\$12,982,475	\$1,093,930	\$491,933	\$52,748,276	52.3
Request Above/(Below) Recommendation	\$4,035,416	\$4,163,560	\$27,210	\$31,897	(\$187,251)	2.7

Issue Descriptions

R2 Housing development grants: The recommendation includes continuation level funding for the Division of Housing’s Housing Development Grant and Loan Program and reflects denying the Department’s request for an additional \$4.2 million General Fund and 2.7 FTE.

R3 Division of Housing Long Bill reorganization: The recommendation includes a budget neutral reorganization of the Long Bill structure. See Appendix C for a “crosswalk” utilizing the FY 2013-14 appropriation for illustration.

NP1 HCPF R9 Medicaid community living initiative: The recommendation includes \$272,099 reappropriated funds from the Department of Health Care Policy and Financing (HCPF) and 1.8 FTE for FY 2014-15 to administer the Medicaid Community Initiative. *This item is a prioritized request from HCPF and will be addressed during the HCPF presentation on March 10, 2014.*

Annualize prior year legislation: The recommendation includes \$945,289 General Fund to annualize behavioral health rental subsidies and S.B. 13-210 which repurposed Fort Lyon.

Centrally appropriated line items: The amount shown includes adjustments to centrally appropriated line items for the following: merit pay and salary survey. *The staff recommendation on operating common policies is pending committee action.*

➔ R3 Division of Housing Long Bill Reorganization

Request: The Department requests a Long Bill reorganization of the Division of Housing in an effort to more transparently illustrate the activities of the Division.

Recommendation: Staff recommends approving the Department’s request.

Analysis: The current Long bill structure for the Division of Housing no longer reflects the organizational structure of the Division. House Bill 11-1230 consolidated statewide housing assistance programs into the Department of Local Affairs by merging the DOH Section 8 Housing Program with the Supportive Housing and Homeless Program from the Department of Human Services.

The Department proposes structuring the Long Bill to reflect the activities of the Division of Housing through distinct Long Bill Groups: Community and Non-Profit Services, Field services, and Indirect Costs Assessment. The proposal is budget neutral and includes the addition of a line item to annualize S.B. 13-210 Fort Lyon Supportive Housing Program. The current Long Bill structure lists a total of 47.8 FTE for the Division of Housing, with 40.5 FTE allocated to the Personal Services line item and 7.3 FTE in the Manufactured Buildings Program. The new structure allocates the FTE between centralized staff in the Community and Non-Profit Services subdivision and decentralized staff working throughout the state in the Field Services subdivision. The following are brief descriptions of each new subdivision:


Community and Non-Profit Services describes centrally located staff who provide services for administering the Division and services directly supported in the community. The community programs are partnerships with community service and non-profit agencies throughout the state.

Field Services reflects the Division’s outreach and technical assistance activities throughout the state. These employees are located throughout the state, and are engaged in activities that include private activity bond incentives, inspections, and regulation of the manufactured building industry and mobile home parks, and work associated with the Housing Development Grants and Loans.

Indirect Cost Assessment includes the Department’s assessments of indirect cost recoveries from the Local Government Mineral and Energy Impacts Grants and Disbursements line item, which includes moneys in the Local Government Severance Tax Fund created in Section 39-23-110 (1) (a) (I), C.R.S., and moneys in the Local Government Mineral Impact Fund created in Section 24-32-3309 (1) (a), C.R.S.

Ultimately, staff recommends approving the Department’s request because the current Long Bill Structure does not reflect legislation consolidating statewide housing assistance programs. The proposed Long Bill structure and line items convey the Division’s activities by the type of activity being performed where it previously allocated funding by the program.

The Department provided a “crosswalk” utilizing the FY 2013-14 appropriation to demonstrate how each line is split, which is provided in Appendix C.

 **NP1 HCPF R9 Medicaid community living initiatives**

Request: The Department requests \$272,099 reappropriated funds from the Department of Health Care Policy and Financing (HCPF) and 1.8 FTE for FY 2014-15 to administer the Medicaid Community Initiative. *This item is a prioritized request from HCPF and will be addressed during the HCPF presentation on March 10, 2014.*

Recommendation: Staff recommendation is pending Committee action. The line items affected by this request are detailed below. *Staff requests permission to adjust the affected lines based on the Committee decision made during the HCPF presentation.*

LINE ITEM DETAIL

(A) Community and Non-Profit Services

This subdivision encompasses two core activities headquartered at the main Division of Housing office in Denver. This includes the administration of the Division and the services directly supported in the community. Some example programs included in this subdivision include housing vouchers for veterans, low income and disabled persons, and community-based homeless prevention programs. The programs are partnerships with community service and non-profit agencies throughout the state.

(i) Administration

Personal Services

Description: The Division is supported by General Fund, mineral and energy impact funds, private activity bond fees, and various federal funds. Please note that H.B. 11-1230, which consolidated the housing assistance programs in the Department of Human Services into the Department of Local Affairs, resulted in an increase of 19.5 FTE for FY 2011-12 and beyond.

Request: The Department requests \$2,198,586 total funds and 25.6 FTE including \$292,476 General Fund. The request includes \$148,785 reappropriated funds from Health Care Policy and Financing (HCPF) and 1.8 FTE for the non-prioritized request NP1 HCPF R9 Medicaid Community Living Initiative. Included in the requested Long Bill reorganization, the Department also requests moving 14.9 FTE to the Affordable Housing Program Costs line. *The non-prioritized request will be addressed during the HCPF presentation on March 10, 2014.*

Recommendation: Staff's recommendation is pending Committee action on the NP1 HCPF R9 Medicaid Community Living Initiative. Staff's preliminary recommendation, which includes funding the full request for HCPF, is \$2,198,586 including \$292,476 General Fund. *Staff requests permission to adjust this line based on the Committee decision made during the HCPF presentation.*

Operating Expenses

Description: This line item funds the operating expenses of the Division. Common operating expenses for the Division include postage, equipment maintenance, and in-state travel.

Request: The Department requests \$477,778 total funds including \$25,903 General Fund. The request includes \$123,314 reappropriated funds from Health Care Policy and Financing (HCPF) for the non-prioritized request NP1 HCPF R9 Medicaid Community Living Initiative. *The request will be addressed during the HCPF presentation on March 10, 2014.*

Recommendation: Staff's recommendation is pending Committee action on the NP1 HCPF R9 Medicaid Community Living Initiative. Staff's preliminary recommendation, which includes funding the full request for HCPF, is \$477,778 total funds including \$25,903 General Fund. *Staff requests permission to adjust this line based on the Committee decision made during the HCPF presentation.*

Private Activity Bond

Request and recommendation: The Department is not requesting an appropriation for this line item. The Department requests the associated spending authority previously appropriated to the Private Activity Bond line be moved to the Affordable Housing Costs program. **Staff recommends the request.**

(ii) Community Services

Low Income Rental Subsidies

Description: This line item funds the housing vouchers made available to low income and disabled persons.

Request: The Department requests continuation level funding of \$40,498,029 total funds, including \$955,813 General Fund for this line item in FY 2014-15. The request reflects an increase of \$510,289 General Fund related to annualization of behavioral health rental subsidies. The request also includes consolidating federal funds from the previous Emergency Shelter Program into this line item.

Recommendation: Staff recommends the request.

Homeless Prevention Programs (requested new line)

Description: This line includes funding for homeless prevention activities and includes administration of the federal shelter plus care program and the Homeless Prevention Activities Program Fund created in Section 39-22-1302 (1), C.R.S. This fund is credited with the state income tax "check-off" for homeless prevention activities.

Request: The Department requests this new line item consolidate all homeless prevention programs including the income tax "check-off" and federal programs. The Department requests \$1,434,449 total funds, which is primarily federal funds and \$110,000 cash funds for this line item in FY 2014-15.

Recommendation: Staff recommends the request.

Homeless Prevention and Rapid Re-Housing

Description: This line item was created by the previous JBC analyst to house the transfer of the Homeless Prevention Activities Program from the Department of Human Services and never received an appropriation in a Long Bill.

(iii) Fort Lyon Supporting Housing Program

Program Costs (requested new line)

Description: This program provides essential housing, supportive services, and vocational training necessary to stabilize homeless individuals and help reintegrate them into society. This line funds facility operating costs and program service costs for serving chronically homeless individuals.

Request: The Department requests continuation level funding of \$3,223,851 General Fund to support this line in FY 2014-15.

Recommendation: Staff recommends the request. The cost of maintaining the property without including additional services combined with age of the program leads staff to believe it is too early to withdraw funding from the program.

(B) Field Services

➔ R2 Housing Development Grant Program

Request: The Department requests \$4,186,869 General Fund and 2.7 FTE to increase the number of affordable housing grants and loans available incentivize investment in affordable housing. With the increased funding, the Division anticipates being able to increase the supply of affordable housing units by 800 per year. The request annualizes to 3.0 FTE in FY 2015-16.

Recommendation: Staff recommends denying the request because, although there is continued demand for increased affordable housing construction, the request would expand the size of the staff administering the affordable housing grants and loans program and nearly quadruples the average amount of General Fund support for these activities over the past sixteen years.

Analysis: Colorado continues to experience growth in its population driving the apartment vacancy rate in Colorado during the second quarter of 2013 to its lowest level since 2001, 4.5 percent. Not surprisingly, the average rent in Colorado also hit an all-time high during this period at \$976 per month. Further, when compared to the other states and the District of Columbia, the median rent per month in Colorado ranks as the 16th highest. Since 2007, the average rents increased 19.0 percent in Colorado while the median renter household income increased only 1.1 percent.

Driven by rising demand and a scarcity of rental units the apartment market is experiencing a long-term tightening in the apartment market. In fact, in 2012 the number of new households

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created exceeded the number of new rental units by over 11,000. Since 2008, the cumulative gap between units constructed and units needed exceeds 94,500. The apartment industry has responded to current demand by planning numerous new apartment communities and rehabilitated units. However, these new and remodeled units are being built for higher-income households and not designed to meet the needs of other households.

Recent History of General Fund Appropriations for Affordable Housing Program				
Fiscal Year	General Fund Appropriation	Federal Funds****	Annual Change in General Fund	
			Dollar	Percent
1998-99*	\$4,000,000	NA	NA	NA
1999-00	2,600,000	NA	(1,400,000)	-35.0%
2000-01	2,600,000	NA	-	0.0
2001-02**	2,508,933	NA	(91,067)	-3.5
2002-03***	-	NA	(2,508,933)	-100.0
2003-04	-	\$10,598,133	-	-100.0
2004-05	100,000	11,652,467	100,000	100.0
2005-06	100,000	12,343,039	-	0.0
2006-07	1,100,000	11,213,236	1,000,000	1,000.0
2007-08	1,223,324	10,479,411	123,324	11.2
2008-09	2,225,000	9,968,372	1,001,676	81.9
2009-10	2,225,000	44,027,072	-	0.0
2010-11	2,225,000	10,851,311	-	0.0
2011-12	2,000,000	15,221,414	(225,000)	-10.1
2012-13	2,200,000	6,726,295	200,000	10.0
2013-14	4,200,000	10,147,688	2,000,000	47.6
2014-15 Request	\$8,200,000	\$6,517,338	\$4,000,000	48.8%

* Includes \$1.4 million increase in the base and a one-time transfer of \$2 million from reserves in the Economic Development Commission Cash Fund reserves.

** Original Long Bill appropriation of \$4,570,000 was reduced mid-year. The original appropriation included a change request to increase the General Fund appropriation by \$1,970,000 (DI #1).

*** Original Long Bill appropriation of \$2,904,376 was lined through by the Governor.

****Historic federal funding data was only available beginning in FY 2003-04.

The demand for affordable housing far exceeds the available financial resources the State can provide for housing given the growing disparity between housing cost and household income. Over the past sixteen fiscal years, the state has appropriated anywhere between zero dollars, in FY 2002-03 and FY 2003-04, and \$4.2 million General Fund in FY 2013-14 for affordable housing loans and grants. See the table above for detail by fiscal year. If the Committee approves this request, it will nearly double the largest General Fund appropriation made for these purposes in recent history.

Lastly, the Department's request includes an additional 3.0 FTE and the funding to support those new positions. Based on the past funding of the housing development grants, it seems likely a future General Assembly would return to appropriating the average over the past sixteen years, which is \$2.2 million. Currently, DOLA employs five development specialists and four asset managers. The request would add one development specialist and two asset managers. When General Fund appropriations for affordable housing decrease in future years, the Division would likely no longer have the workload to demand six development specialists and six asset managers.

Affordable Housing Program Costs (requested new line)

Description: This line funds the affordable housing program which focuses on providing outreach and technical assistance throughout the state. The FTE included in this subdivision are strategically located across the state and perform the following functions:

- Support private activity bond incentives;
- Inspect and regulate the manufactured building industry and mobile home parks; and
- Location-specific work related to awarding and oversight of housing development grants and loans.

Request: The Department requests \$4,185,033 and 26.7 FTE, including \$284,432 General Fund for this program in FY 2014-15. Included in the request are \$163,560 General Fund and 2.7 FTE for the prioritized request R2 Housing Development Grants. The request also reflects consolidating the remaining FTE from the Personal Services line with the Manufactured Buildings Program.

Recommendation: Staff recommends \$4,021,473 total funds and 24.0 FTE, including \$120,872 General Fund for the program. Staff's recommendation reflects the recommendation to deny the Department request R2 Housing Development Grants.

Affordable Housing Grants and Loans (requested new line)

Description: This line reflects federal and state funds appropriated to promote development of affordable housing through administering grant and loan programs. Below is a brief description of the primary vehicles for state funding to promote affordable housing development.

Home Investment Trust Fund. The Home Investment Trust Fund was created to meet federal matching funds requirements. The fund is administered by the DOH and consists of monies made available by the state or federal government for the purpose of making loans, and the principal repayment and interest on those loans. The fund provides money for development, redevelopment, or rehabilitation of low- or moderate-income housing. Under current law, only non-profit developers and housing authorities are eligible grantees for development or redevelopment costs incurred prior to completion or occupancy of low- or moderate-income housing.

Housing Development Grant Fund. The Housing Development Grant Fund consists of monies appropriated by the General Assembly. The purpose of the fund is to provide funds for acquisition, rehabilitation, and new construction through a competitive application process to improve, preserve, or expand the supply of affordable housing, and to fund the acquisition of housing and economic data necessary to advise the State Housing Board on local housing conditions.

Low-Income Housing Income Tax Credit. For tax years 2001 and 2002, the state provided an income tax credit for owners of qualified low-income housing developments. The amount of the credit was allocated by the Colorado Housing and Finance Authority, a statutory public entity, over a two-year period. CHFA was authorized to issue the aggregate sum of \$20 million in income tax credits at a rate of \$5 million per year for four years. The total amount of the credits was \$40 million. Unused credits could be carried forward up to 2012.

Request: The Department requests \$14,717,338 total funds, including \$8,200,000 General Fund and \$6,517,338 federal funds. The request includes \$4.0 million for R2 Housing Development Grants. The request also consolidates funds made available for grants and loans from the following lines: Federal Affordable Housing Construction Grants and Loans; and Colorado Affordable Housing Construction Grants and Loans.

Recommendation: Staff recommends \$10,717,338 total funds, including \$4,200,000 General Fund and \$6,517,338 federal funds for this line in FY 2014-15. These figures reflect staff recommendation to deny the Department's request for an additional \$4.2 million General Fund.

Manufactured Buildings Program

Request: The Department requests no appropriation for this line item. The Department requests the Manufactured Buildings Program and FTE be consolidated with the Affordable Housing Program Costs line above.

Recommendation: Staff recommends the Department request.

Colorado Affordable Housing Construction Grants and Loans

Request: The Department requests this line item is included in the new Affordable Housing Grants and Loans line item.

Recommendation: Staff recommends the Department request.

Federal Affordable Housing Construction Grants and Loans

Request: The Department requests this line item is included in the new Affordable Housing Grants and Loans line item.

Recommendation: Staff recommends the Department request.

(C) Indirect Cost Assessments

Indirect Cost Assessments

Description: This line reflects the amount of indirect cost assessments within this division. The funds are used to offset General Fund in the Executive Director's Office, Personal Services and Operating line items, and the Board of Assessment Appeals.

Request: The Department requests continuation funding of \$581,550 for FY 2014-15.

Recommendation: Staff recommends \$709,694 total funds for FY 2014-15.

(4) Local Government

This Division provides information and training for local governments in budget development, purchasing, demographics, land use planning, and regulatory issues. It also manages federal and state funding programs to support infrastructure and local services development. To provide this assistance to local governments, the Division operates eight field offices. Significant cash fund sources include: (1) severance tax revenues; (2) federal mineral lease revenues; (3) net lottery proceeds; and (4) gaming revenues. Reappropriated funds are primarily from severance tax revenues and federal mineral lease revenues transferred within this Division from the Local Government Mineral and Energy Impact Grants and Disbursements line item. Federal funds include the Community Development Block Grant and the Community Services Block Grant.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Division of Local Government						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230	\$233,699,041	\$7,581,988	\$206,119,335	\$3,687,578	\$16,310,140	52.4
H.B. 14-1241	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$233,699,041	\$7,581,988	\$206,119,335	\$3,687,578	\$16,310,140	52.4
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$233,699,041	\$7,581,988	\$206,119,335	\$3,687,578	\$16,310,140	52.4
R4 Downtown Revitalization Technical Assistance	4,000	0	0	4,000	0	0.0
R5 Geothermal Energy Impact Grants	50,000	0	50,000	0	0	0.0
BA1 Economic Development for Rural Communities	(3,002,681)	(3,002,681)	0	0	0	(1.0)
Centrally appropriated line items	133,710	24,965	10,481	66,977	31,287	0.0
Non-prioritized requested changes	<u>(51,222)</u>	<u>0</u>	<u>8,276</u>	<u>(111,642)</u>	<u>52,144</u>	<u>0.0</u>
TOTAL	\$230,832,848	\$4,604,272	\$206,188,092	\$3,646,913	\$16,393,571	51.4

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Division of Local Government						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Increase/(Decrease)	(\$2,866,193)	(\$2,977,716)	\$68,757	(\$40,665)	\$83,431	(1.0)
Percentage Change	(1.2%)	(39.3%)	0.0%	(1.1%)	0.5%	(1.9%)
FY 2014-15 Executive Request:	\$230,886,751	\$4,606,953	\$206,179,816	\$3,758,555	\$16,341,427	51.4
Request Above/(Below) Recommendation	\$53,903	\$2,681	(\$8,276)	\$111,642	(\$52,144)	(0.0)

Issue Descriptions

R5 Geothermal Energy Impact Grants: The recommendation includes \$50,000 cash fund appropriation for the Division to distribute to local communities affected by geothermal energy development in a new grant program.

R4 Downtown revitalization technical assistance: The recommendation includes \$4,000 reappropriated funds from the Office of Economic Development and International Trade to eliminate the need for redundant grant applications currently being submitted to both DOLA and OEDIT.

BA1 Economic development assistance to rural communities: The recommendation includes a reduction of \$3,002,681 General Fund related to the supplemental budget request approved by the Committee to provide roll-forward authority for \$3,000,000 General Fund appropriated for the rural economic development initiative.

Centrally appropriated line items: The amount shown includes adjustments to centrally appropriated line items for the following: merit pay and salary survey. *The staff recommendation on operating common policies is pending committee action.*

LINE ITEM DETAIL

(A) Local Government and Community Services

(i) Administration

Personal Services

Description: This line item funds salaries and associated Medicare and PERA contributions, as well as contractual services, for approximately half of the technical assistance and grants management FTE in the Division of Local Government (the remaining half are in the Field Services, Program Costs line item). This expertise is needed because many of the political subdivisions that DOLA works with have little or no professional staff and rely on part-time

citizen leadership. The potential for non-compliance with State statutory and constitutional mandates due to a lack of expertise at the local level is significant. The line item supports 17.7 FTE. The responsibilities and duties performed by these staff are described below.

Request: The Department requests continuation funding of \$1,345,839 in total funds (including \$267,341 General Fund) and 17.7 FTE for this line item for FY 2014-15.

Recommendation: Staff recommends approving the Department request.

Operating Expenses

Description: This line item funds the operating expenses of the Division of Local Government's administration. Common operating expenses include advertising, in-state travel, printing, postage, and various other cost items.

Request: The Department requests continuation funding of \$131,351 in total funds (including \$42,178 General Fund) for FY 2014-15.

Recommendation: Staff recommends approving the Department request.

(ii) Local Government Services

Local Utility Management Assistance

Description: This program provides assistance to the Water Resources and Power Development Authority in implementing drinking water and waste water treatment loans. DOLA advises local governments about the mechanics of the loans and their potential eligibility. DOLA reviews about 50 loan applications per year and analyzes their economic feasibility. The Department provides support because it already has information about the finances of local governments and has financial/economic analysis expertise. The Authority pays the Department for portions of the salaries of several employees who work on the loans, adding in total to 2.0 FTE.

Request: The Department requests continuation funding of \$157,921 in cash funds for FY 2014-15 and 2.0 FTE.

Recommendation: Staff recommends approving the Department request.

Conservation Trust Fund Disbursements

Description: This line item represents the lottery proceeds anticipated to be transferred to the Conservation Trust Fund each fiscal year. Lottery proceeds (after payment of lottery-related administrative expenses, prizes, and operating reserves) are distributed among three State agencies as follows:

- Department of Local Affairs: 40 percent is transferred from the Lottery Fund to the Conservation Trust Fund "for distribution to municipalities and counties and other eligible entities for parks, recreation, and open space purposes" (Section 3 (1) (b) (I) of Article XXVII of the Colorado Constitution; Section 33-60-104 (1) (a), C.R.S.);

- Department of Natural Resources: 10 percent is distributed from the Lottery Fund to the Division of Parks and Outdoor Recreation for the "acquisition, development, and improvement of new and existing state parks, recreation areas, and recreational trails" (Section 3 (1) (b) (II) of Article XXVII of the Colorado Constitution; Section 33-60-104 (1) (b), C.R.S.); up to \$35.0 million of the remaining net lottery proceeds (adjusted annually based on the Denver metro CPI) is distributed to the Great Outdoors Colorado (GOCO) Trust Fund Board (Section 3 (1) (b) (III) of Article XXVII of the Colorado Constitution; Section 33-60-104 (1) (c), C.R.S.); and
- Department of Education: Net lottery proceeds in excess of the above-described GOCO cap are transferred to the Public School Capital Construction Assistance Fund, pursuant to H.B. 08-1335, to fund direct and indirect administrative costs of the division of Public School Capital Construction Assistance and the Public School Capital Construction Board. Any remainder funds are continuously appropriated to the Board for public school capital construction.

Pursuant to Section 24-77-102 (17) (b) (IX), C.R.S., moneys in the Conservation Trust Fund are not subject to TABOR. In addition, Section 3 (1) of Article XXVII of the Colorado Constitution specifies that net lottery proceeds are "set aside, allocated, allotted, and continuously appropriated" for purposes of the distributions specified above.

Pursuant to Section 29-21-101 (2), C.R.S., moneys in the Conservation Trust Fund are primarily distributed based on population. Moneys may be used for acquiring and developing land and/or water for parks, open space, historic, recreation, scenic, aesthetic, or similar purposes. Moneys may also be used for maintenance of recreational facilities. In addition, pursuant to Section 29-21-101 (3), C.R.S., the Division of Local Government may utilize the Conservation Trust Fund to recover its direct and indirect costs related to distributing moneys in the Trust Fund. This line item appropriation is included in the annual Long Bill for informational purposes only.

Request: The Department requests continuation funding of \$50,000,751 in cash funds and 2.0 FTE for FY 2014-15.

Recommendation: Staff recommends approving the Department request.

Volunteer Firefighter Retirement Plans

Description: This line item reports the State's contribution to local volunteer firefighter retirement plans, as authorized by Section 31-30-1112 (2), C.R.S. Pursuant to Section 10-3-209, C.R.S., it is funded with revenues from a two percent tax on the gross amount of all insurance premiums collected during the previous calendar year. These moneys are not subject to the annual statutory limit on General Fund appropriations. The General Assembly has identified at least a portion of this appropriation as coming from the General Fund Exempt account in all but one year since FY 2005-06. In FY 2009-10, no portion was identified as coming from the General Fund Exempt account because General Fund revenues fell below the TABOR revenue

limit. The line item is continuously funded and is included in the Long Bill for informational purposes only. Eligible entities include:

- Municipalities with a population under 100,000 that maintain a regularly organized volunteer fire department and that offer fire protection services;
- Fire protection districts having volunteers and offering fire protection services;
- County improvement districts having volunteer fire department members and offering fire protection services; and
- Counties contributing to a volunteer pension fund at one of the above.

Eligible entities must have active, pension-eligible volunteer firefighters and have contributed tax revenue to the pension fund in the year previous to the year in which the distribution is made. Municipalities with populations of less than 100,000 may levy a tax of not more than one mill (one percent) on the taxable property in the municipality, county, or district to fund their individual volunteer firefighter pension funds.

Pursuant to Section 31-30-1112 (2), C.R.S., the State payment to any municipality or district that is contributing an amount necessary to pay volunteer firefighter pension plans of \$300 or less per month must equal 90 percent of all amounts contributed by the locality in the previous year. The State payment to localities that contribute an amount necessary to pay pensions in excess of \$300 per month also must equal 90 percent of all amounts contributed by the locality in the previous year, as long as that 90 percent is less than the greater of (1) the contribution actuarially required to pay a pension of \$300 per month or (2) the highest actual contribution received by the municipality during the calendar years 1998, 1999, 2000, or 2001. The State has to contribute an amount equal to the greater of these two categories if such amount is less than 90 percent of municipal or special district contributions in the previous year. In each case, the State contribution cannot exceed an amount that is equal to a tax of one-half mill (.05 percent) on the total taxable property in the municipality or special district.

The Department conducts an application process in which volunteer firefighting agencies submit an actuarial review of their plans "soundness" over the next 20 years. DOLA uses these studies to determine how much assistance each locality receives. Critically, because of the "greater of" language currently included in statute, any locality which submits a request will be funded at some level, regardless of whether its pension plan requires such funding to meet the \$300 per month pension. DOLA currently distributes moneys to 227 qualified pension plans, 91 of which distribute more than \$300 per month to eligible retirees.

Request: The Department's request is based on projected expenditures for FY 2014-15. The Department anticipates contributing \$4,264,753 General Fund to local volunteer firefighter retirement plans in FY 2014-15.

Recommendation: Staff recommends \$4,264,753 General Fund for this purpose in FY 2014-15. Staff has reflected the full amounts as coming from General Fund. The Committee will review

all line items impacted by the General Fund Exempt account following the March revenue forecast, and if revenues are in excess of the TABOR revenue cap, these moneys may be identified as coming from the General Fund Exempt account.

Volunteer Firefighter Death and Disability Insurance

Description: This line item reports the State's contribution to local volunteer firefighter death and disability insurance, as authorized by Section 31-30-1112 (2), C.R.S. This amount is not subject to the limit on General Fund appropriations. It is included in the Long Bill for informational purposes.

Request: The Department's request is based on projected expenditures. DOLA anticipates contributing \$30,000 General Fund to disability insurance for FY 2014-15.

Recommendation: Staff recommends approving the Department request for \$30,000 in FY 2014-15. Staff has reflected the full amounts as coming from General Fund. The Committee will review all line items impacted by the General Fund Exempt account following the March Legislative Council Staff revenue forecast, and if revenues are in excess of the TABOR revenue cap, then these moneys may be identified as coming from the General Fund Exempt account.

Environmental Protection Agency Water/Sewer File Project

Description: This is a federally funded project to determine eligibility and credit worthiness of local governments for EPA water and sewer loans.

Request: The Department requests continuation funding of \$49,425 federal funds and 0.5 FTE.

Recommendation: Staff recommends approving the Department request.

(iii) Community Services

Community Services Block Grant

Description: The federal Community Services Block Grant (CSBG) provides funding to local communities for services that address the causes of poverty, including employment assistance, education, affordable housing, emergency services, nutrition, counseling, health, transportation, elderly projects, summer youth recreation, and community development. Recipients must be at or below 125 percent of federal poverty guidelines. Colorado has 40 eligible entities that receive CSBG funds annually, which are distributed on a formula basis. Eligible entities include qualified locally-based nonprofit anti-poverty agencies which provide services to low income individuals and families. Ninety percent of the funds are allocated to grantees, five percent is for administration, and five percent is reserved for the Governor's discretion.

In order for the State to be eligible to receive federal moneys under the CSBG program, it is required to hold at least one legislative hearing every three years in conjunction with the development of the approved state plan. Historically, the JBC has served as the legislative committee whom has held the required hearing and last did so on November 17, 2011. Division

staff notified JBC staff of changes to the legislative hearing requirement which requires it be held in June or July 2014.

Request: The Department's request reflects \$6.0 million in federal funding that is anticipated to be available for FY 2014-15.

Recommendation: Staff recommends approving the Department request.

(B) Field Services

Program Costs

Description: This line funds salaries and associated Medicare and PERA contributions, as well as contractual services, for half of the technical assistance and grants management FTE in the Division (the remaining half are in the Administration, Personal Services line item). It also includes associated operating expenses. The line supports 27.9 FTE. The responsibilities and the duties performed by these staff are described below.

- Field staff provide education and customized assistance for local governments on issues such as budget review, property tax limitations, TABOR, water and sewer financing, election rules, land use planning, and application for federal and state grant funds. Staff is responsible for working with the local governments in their region.
- The Office of Smart Growth, created by H.B. 00-1427, is responsible for administering the Colorado Heritage Grants program, advising the Governor, the General Assembly, and local governments on growth issues, providing technical assistance to communities dealing with growth, and coordinating mediation of disputes between local governments using professionals from a list of qualified mediators that the Office is required to maintain.
- Energy and mineral impact funds and limited gaming funds pay salaries for staff to administer the associated grant programs.
- Federal funds are used to support staff who manage the federal Community Development Block Grant program, but a State match is required for administrative costs. Some of the activities of the Field Staff qualify as a "soft match" of the federal administrative funds, but the Department also uses FTE more specifically to administer the program (see staffing chart above).

Request: The Department requests \$2,420,466 total funds, including \$2,681 General Fund, and 27.9 FTE for this line in FY 2014-15.

Recommendation: Staff recommends \$2,417,785 total funds, with no General Fund, and 27.9 FTE. The difference between the request and recommendation reflects \$2,681 General Fund that was included in the original request for the Rural Economic Development Initiative. The

Department submitted a Budget Amendment which removed \$3.0 million General Fund but neglected to deduct the annualization amount of \$2,681.

Community Development Block Grant

Description: The federal Community Development Block Grant (CDBG) provides funding to local communities for housing, public facility, and business assistance projects that benefit primarily low to moderate income individuals through community development efforts. These funds are provided by HUD. The federal agency distributes funds to each state based on a statutory formula that takes into account total population, poverty, incidence of overcrowded housing, and age of housing.

DOLA administers the funds for smaller, "non-entitlement" communities. Non-entitlement areas are cities with populations of less than 50,000, and counties with populations of less than 200,000. Large metro areas and counties receive their funding directly on an entitlement basis. DOLA has historically elected to divide CDBG funds in equal thirds for the following purposes:

- To make discretionary loans to local businesses to promote rural development. Administration of the business development program is coordinated between Department field staff and the Governor's Office of Economic Development and International Trade.
- To provide discretionary grants to local governments for local infrastructure development such as roads, water treatment facilities, and public buildings.
- To provide discretionary grants for affordable housing development. This portion of CDBG funds is shown as part of the Federal Affordable Housing Grants and Loans line item in the Division of Housing section of the Long Bill.

Request: The Department's request reflects \$9,697,000 for FY 2014-15 based on estimates of federal funds that will be available to the State.

Recommendation: Staff recommends approving the Department's request.

Local Government Mineral and Energy Impact Grants and Disbursements

Description: This grant program is intended to assist communities that are impacted by the growth and decline of the mineral and energy industries. The Local Government Severance Tax Fund and the Local Government Mineral Impact Fund serve as revenue sources for the program.

Fifty percent of total gross receipts realized from the state severance taxes imposed on five types of extracted minerals and mineral fuels, including oil and natural gas, coal, metallic minerals, molybdenum ore, and oil shale, are deposited in the Local Government Severance Tax Fund on a monthly basis. The tax applies for resources that are removed from both privately and publicly owned lands; however, the severance tax is not paid when resources are removed from Tribal lands. Forty percent of the State's share (49 percent) of private sector payments to the federal

government for mineral and mineral fuel production on federal lands is deposited to the Local Government Mineral Impact Fund on a quarterly basis.

By statute, a portion of each program's funding is distributed directly back to the local jurisdictions on the basis of the reported residence of mineral production employees, mining and well permits, and mineral production (30 percent of severance tax revenues and approximately 50 percent of federal mineral lease revenues). The remaining portion of these funds is distributed through discretionary grants to local jurisdictions.

In administering the grant program, the Department is assisted by the nine-member Energy and Mineral Impact Assistance Advisory Committee. Final funding decisions are made by the Executive Director of the Department. Entities eligible to receive grants and loans include municipalities, counties, school districts, special districts and other political subdivisions, and state agencies for the planning, construction, and maintenance of public facilities and public services. Priority is given to schools and local governments socially or economically impacted by the mineral extraction industry on federal lands.

The interpretation by the executive branch is that these funds are continuously appropriated. The statutory language governing the funds predates the standardized usage by the General Assembly of the term "continuously appropriated." However, there is language saying that the moneys "shall be distributed" by the Department, and it is arguable that the statutory purposes of the money are best served by a continuous appropriation. The General Assembly has never challenged the interpretation.

Request: The Department requests continuation funding of \$150 million for FY 2014-15.

Recommendation: Staff recommends \$150 million based on the December 2013 Legislative Council revenue projections for FY 2014-15.

Local Government Limited Gaming Impact Grants

Description: Pursuant to Section 12-47.1-701, C.R.S., the Local Government Limited Gaming Impact Fund receives 15 percent of "any amount of the state share that is greater than nineteen million two hundred thousand dollars but less than or equal to forty-eight million five hundred thousand dollars." The state share is 50 percent of the total receipts from the tax levied on limited gaming. Two percent of the funds are set aside for gambling addiction counseling and the remainder is used to provide financial assistance to localities for documented gaming impacts. The General Assembly approved an additional \$1 million General Fund for this line item in FY 2012-13. Current law is projected to yield \$3,595,464 million to this fund.

Senate Bill 13-133 modifies the distribution of the state share in the Limited Gaming Fund. The distribution to various cash funds at the close of each fiscal year is amended from a percentage-based amount to a fixed-dollar amount. Pursuant to the legislation, the Local Government Limited Impact Gaming Fund would receive \$5,000,000 in FY 2013-14. As a result, the net distribution of state share Limited Gaming Fund money to the Local Government Limited Gaming Impact Fund is increased by the bill.

Request: The Department requests continuation funding of \$5,000,000 from the Local Government Limited Gaming Impact Fund.

Recommendation: Staff recommends approving the Department request.

Local Government Geothermal Energy Impact Grants (new line)

The Department is directed by section 34-63-105, C.R.S., to make grants available to state agencies, school districts, and political subdivisions affected by geothermal development and production for planning and providing services necessitated by geothermal energy development.

➔ R5 Geothermal Energy Impact Grants

Request: The Department requests an appropriation of \$50,000 cash funds from the Geothermal Resource Leasing fund.

Recommendation: Staff recommends an appropriation of \$50,000 cash funds from the Geothermal Resource Leasing Fund.

Analysis: In May 2007, the Department of the Interior published regulations on geothermal energy development on public lands requiring more competitive leasing, offering simplified royalty calculations, and providing for the administration of geothermal leases. Revenue from geothermal leases is distributed 50.0 percent to the states and 25.0 percent to local counties. The allocation to the counties occurs through a direct distribution to the county affected by geothermal leases while the state's share is transferred to the State Treasury Office.

Senate Bill 10-174 directed the Department of Local Affairs to award grants from the Geothermal Resource Leasing Fund to state agencies, school districts, and political subdivisions affected by geothermal development and production for planning and services necessitated by geothermal development and production. The Bill also created the Geothermal Resource Leasing Fund and directed it to be funded by the 50.0 percent state share of federal payments from sales, bonuses, royalties, leases, and rentals related to geothermal resources on federal lands in Colorado.

To date, there have been two competitive geothermal lease sales held by the Bureau of Land Management in Colorado resulting in three parcels being leased. Currently, the BLM does not have any competitive lease sales noticed in Colorado in 2013 or 2014. However, the BLM is only required to provide notice 45 days prior to holding a geothermal lease sale. These sales have resulted in the Fund balance growing to approximately \$33,000.

Currently, the Department cannot determine whether the three parcels will be developed for geothermal energy. Because of the uncertainty with current outstanding leases the Department's projected revenues credited to the Fund only anticipate revenue from lease payments. The

anticipated additional income from lease payment is \$18,000. Therefore, the Department is only requesting spending authority of \$50,000.

The Department is *not* requesting any FTE to administer the program because it anticipates its workload over the next three to five years can be absorbed by the Department staff. The Department also intends to increase efficiencies by adopting existing policies and procedures incorporating Geothermal Resource Grant applications and awards into the existing Impact Assistance Grant Program.

Authority to Make Grants from Geothermal Energy

Grants by the Department are authorized to be made from the Geothermal Resource Leasing Fund for use in planning for or providing facilities and services necessitated by the geothermal resource development. JBC and OLLS staff agree that geothermal resources need not be producing geothermal energy to create an environment where planning and infrastructure improvements are necessary.

Other Local Government Grants (new line)

Description: As part of the Community Assessment Program, the Department requests reappropriated fund spending authority from OEDIT and requests the appropriation be included in this new line item. The Department administers the Community Assessment Program to provide technical assistance to communities on a wide variety of topics. One area where DOLA is already providing technical assistance is by working with local communities each year to help conduct Downtown Assessments. This program partners with the Office of Economic Development and International Trade, (OEDIT) and a non-profit partner, Downtown Colorado, Inc., to conduct these assessments. Currently, communities must submit paperwork to both DOLA and OEDIT to receive reimbursements. DOLA requests authority to expend \$4,000 in reappropriated funds from OEDIT to eliminate redundant paperwork for communities that tend to be more resource scarce.

➔ R4 Downtown Revitalization Technical Assistance

Request: The Department requests \$4,000 spending authority for reappropriated funds from the OEDIT.

Recommendation: Staff recommends approving the Department request.

Analysis: The Division of Local Government is charged with assisting the governor coordinate state services made available to local government, serve as a clearing house for information common to local government, and to encourage and assist cooperative efforts among officials of local government, section 24-31-104, C.R.S.

In working to achieve this goal the Department of Local Affairs, The Office of Economic Development and International Trade (OEDIT), and Downtown Colorado, Inc. (DCI) work together in partnership to administer the Community Assessment Program. The Community

Assessment Program provides technical assistance to communities to help solve a myriad of problems and provides guidance to resources.

As part of carrying out the Community Assessment Program the program partners work together to subsidize and enhance Downtown Assessments for local communities in Colorado. Ultimately DCI, a nonprofit partner, administers the Downtown Assessments. Together the three organizations partner to collaboratively enhance and support four different communities per year including follow up work.

Using the Main Street Four Point Approach, DCI provides technical assistance visits to the communities selected for the program. DCI meets with all downtown stakeholders before making a recommendation. It then holds a public presentation on its initial recommendations and ultimately provides the community a detailed action matrix describing the implementation steps. Some of the value-added to this process by DCI include increased communication amongst interested groups, identifying areas for collaboration, determining underutilized community assets, and providing consultant services for a fraction of the cost.

To receive assistance from this program, communities must work with both OEDIT and DOLA to receive, spend, document, and submit for the reimbursement of funds. The Downtown Assessments cost each community \$3,000. Currently, communities must submit separate purchase orders to both DOLA (to receive the \$2,000 grant) and OEDIT (\$1,000 grant). There is an opportunity to eliminate redundant work for the small communities, with already limited resources, by allowing DOLA the authority to spend \$4,000 reappropriated funds to utilize committed OEDIT funds toward a DOLA-OEDIT partnership to help fund Downtown Assessments.

Search and Rescue Program

Description: The Search and Rescue Program reimburses political subdivisions for the costs incurred in search and rescue operations, and provides partial funding for search and rescue equipment. The cash fund that supports the program is financed by a statutory \$0.25 surcharge on hunting and fishing licenses, boat registrations, snowmobile registrations, and off-highway vehicle registrations, pursuant to Section 33-1-112.5, C.R.S. The program also receives funding from other outdoor recreational users, such as hikers, bikers, cross country skiers, and climbers who voluntarily purchase a Colorado Outdoor Recreation Search and Rescue Card for \$3 for one year or \$12 for five years.

Request: The Department requests continuation funding of \$616,295 cash funds and 1.3 FTE for FY 2014-15.

Recommendation: Staff recommends approving the Department request.

Colorado Heritage Communities Grants

Description: House Bill 00-1427 created the Office of Smart Growth in the Department of Local Affairs. If allocated appropriately, the funds can fill a niche that other grant programs administered by the Department cannot. For example, mineral and energy impact funds and

limited gaming funds are both often used for planning, but they are restricted to communities affected by mineral and energy production and limited gaming activities respectively. Applicants for Colorado Heritage Communities Grants are judged on a number of criteria, including:

- The extent of existing/projected growth-related impacts.
- The extent to which the growth-related problems were regional in nature.
- The extent to which the project was multi-objective in nature.
- The extent to which the project was innovative.
- The involvement of private and public partners.
- The amount of funding leveraged by the project.
- The consistency of the project with local/regional plans.
- The overall feasibility of the project.

In FY 2009-10, General Fund dollars for this line item were eliminated. As a result, the program has been operating on the remaining balance of the Colorado Heritage Communities Fund as a cash fund source. The fund, as of January 31, 2014, has a balance of \$126,715 to award to eligible local governments that experience growth issues.

Request: The Department requests continuation funding of \$100,000 cash funds.

Recommendation: Staff recommends approving the Department's request.

There has been a significant amount of cash fund expenditure authority reverted over the past several years. Actual expenditures out of the program in FY 2012-13 were \$27,050. The program requires a 50.0 percent local match to receive a grant. Over the last several years the economy has negatively impacted local governments and impeded their ability to provide a match to compete for a planning grant, however, as of January 2014, two communities have expressed renewed interest in the program. Staff expects that as the economy and local tax receipts continue to improve, local governments will have dollars to match and then once again compete for the grant dollars.

Additionally, several flood-affected communities are identifying and prioritizing projects to coordinate their long term recovery planning. This program will be one of only a few grant funds available to communities where each will not have to compete against health and safety infrastructure or high-need housing projects. Multi-jurisdictional planning grants available in the program are needed especially around land use and parks, recreation, open space and trails. This information is being communicated to communities, and the Division is holding a flood recovery funding workshop in April for local governments affected by floods. Lastly, because there are no other cash funds available to finance this program, General Fund dollars would be needed to continue it once the remaining cash fund balance is spent.

(C) Indirect Cost Assessments

Description: This line item currently reflects the amount of indirect cost assessments made against cash, reappropriated funds, and federal funding sources within the Division of Local

Government (including local utility management, search and rescue, gaming, lottery proceeds, federal mineral leasing and severance tax revenues that are appropriated to support a portion of this Division's activities, as well as the federal Community Development and Community Services Block Grants). The funds collected through this line item are used to offset General Fund that would otherwise be required in the Executive Director's Office, Personal Services, and Operating line items and the Board of Assessment Appeals.

Request: The Department requests continuation funding of \$1,018,950 total funds.

Recommendation: Staff recommends an appropriation of \$967,728 total funds for this purpose for FY 2014-15.

(5) Emergency Management

This Division assisted local, state, and private organizations in disaster preparedness, response, recovery, and impact mitigation. The Division was responsible for preparing and maintaining a state disaster plan, as well as taking part in the development and revision of local and inter-jurisdictional disaster plans. House Bill 12-1283 transferred the functions, personnel, and resources of DEM to the Department of Public Safety (DPS). Actuals for FY 2011-12 are available in the numbers pages.

Long Bill Footnotes and Requests for Information

LONG BILL FOOTNOTES

The Department did not have any Long Bill footnotes in FY 2013-14.

REQUESTS FOR INFORMATION

The Department did not have any Requests for Information in FY 2013-14.

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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<p>DEPARTMENT OF LOCAL AFFAIRS Reeves Brown, Executive Director</p>
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(1) EXECUTIVE DIRECTOR'S OFFICE

This division is responsible for the management and administration of the Department, including accounting, budgeting, human resources, as well as other miscellaneous functions statutorily assigned to the Department, including administration of the Moffat Tunnel Improvement District.

Personal Services	<u>1,247,998</u>	<u>1,356,077</u>	<u>1,269,251</u>	<u>1,310,153</u>	<u>1,310,153</u>
FTE	12.7	0.0	14.2	14.2	14.2
General Fund	0	0	0	0	0
Reappropriated Funds	1,247,998	1,356,064	1,269,251	1,310,153	1,310,153
Health, Life, and Dental	<u>1,025,108</u>	<u>1,042,048</u>	<u>1,078,804</u>	<u>1,145,194</u>	<u>1,131,931</u>
General Fund	398,414	421,810	0	227,663	214,400
Cash Funds	133,968	159,264	175,120	238,318	238,318
Reappropriated Funds	311,683	189,812	686,938	425,281	425,281
Federal Funds	181,043	271,162	216,746	253,932	253,932
Short-term Disability	<u>16,198</u>	<u>15,380</u>	<u>18,406</u>	<u>22,152</u>	<u>22,011</u>
General Fund	3,684	3,684	4,790	4,484	4,263
Cash Funds	2,655	2,517	2,937	3,704	3,721
Reappropriated Funds	6,299	5,730	7,096	9,928	9,973
Federal Funds	3,560	3,449	3,583	4,036	4,054

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
S.B. 04-257 Amortization Equalization					
Disbursement	<u>249,827</u>	<u>279,500</u>	<u>347,941</u>	<u>409,129</u>	<u>405,917</u>
General Fund	57,604	98,201	50,610	83,410	78,666
Cash Funds	37,042	45,372	55,388	68,447	68,774
Reappropriated Funds	99,646	95,332	173,898	182,829	183,687
Federal Funds	55,535	40,595	68,045	74,443	74,790
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>193,147</u>	<u>240,278</u>	<u>313,827</u>	<u>383,561</u>	<u>380,546</u>
General Fund	45,979	83,988	80,937	78,199	73,749
Cash Funds	29,776	38,999	50,003	64,170	64,475
Reappropriated Funds	72,142	62,937	121,457	171,402	172,206
Federal Funds	45,250	54,354	61,430	69,790	70,116
Salary Survey					
General Fund	<u>0</u>	<u>258,966</u>	<u>258,966</u>	<u>160,150</u>	<u>328,461</u>
Cash Funds	0	0	0	32,619	63,619
Reappropriated Funds	0	37,333	37,333	26,839	55,522
Federal Funds	0	166,672	166,672	70,915	148,818
Federal Funds	0	54,961	54,961	29,777	60,502
Merit Pay					
General Fund	<u>0</u>	<u>157,336</u>	<u>157,336</u>	<u>164,694</u>	<u>165,242</u>
Cash Funds	0	0	0	32,704	32,801
Reappropriated Funds	0	22,235	22,235	32,113	32,268
Federal Funds	0	102,593	102,593	69,433	69,755
Federal Funds	0	32,508	32,508	30,444	30,418

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Workers' Compensation	<u>45,762</u>	<u>49,393</u>	<u>92,873</u>	<u>97,315</u>	<u>97,315</u>
General Fund	42,551	46,963	85,849	89,955	89,955
Cash Funds	1,441	1,743	3,148	3,298	3,298
Reappropriated Funds	1,770	687	3,876	4,062	4,062
Operating Expenses	<u>126,018</u>	<u>123,099</u>	<u>144,650</u>	<u>144,650</u>	<u>144,650</u>
Reappropriated Funds	126,018	123,099	132,888	132,888	132,888
Federal Funds	0	0	11,762	11,762	11,762
Legal Services	<u>109,839</u>	<u>123,277</u>	<u>163,033</u>	<u>163,033</u>	<u>163,033</u> P
General Fund	109,839	123,277	148,246	148,246	148,246
Cash Funds	0	0	7,538	7,538	7,538
Reappropriated Funds	0	0	1,968	1,968	1,968
Federal Funds	0	0	5,281	5,281	5,281
Purchase of Services from Computer Center	<u>404,003</u>	<u>428,515</u>	<u>947,259</u>	<u>0</u>	<u>0</u> P
General Fund	227,743	242,858	70,185	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	176,260	185,657	494,973	0	0
Federal Funds	0	0	382,101	0	0
Multiuse Network Payments	<u>26,372</u>	<u>26,343</u>	<u>142,539</u>	<u>0</u>	<u>0</u> P
General Fund	21,737	21,737	56,217	0	0
Cash Funds	1,874	1,845	7,475	0	0
Reappropriated Funds	2,761	2,761	41,447	0	0
Federal Funds	0	0	37,400	0	0

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Management and Administration of OIT	<u>63,596</u>	<u>7,357</u>	<u>43,277</u>	<u>0</u>	<u>0</u> P
General Fund	5,869	5,162	30,364	0	0
Reappropriated Funds	57,727	2,195	12,913	0	0
Federal Funds	0	0	0	0	0
Payment to Risk Management and Property Funds	<u>13,519</u>	<u>19,347</u>	<u>37,588</u>	<u>29,732</u>	<u>29,732</u> P
General Fund	12,613	18,322	34,989	27,676	27,676
Cash Funds	689	915	2,321	1,836	1,836
Reappropriated Funds	100	110	278	220	220
Federal Funds	117	0	0	0	0
Vehicle Lease Payments	<u>118,834</u>	<u>79,713</u>	<u>80,484</u>	<u>79,365</u>	<u>80,484</u> P
General Fund	95,952	55,882	72,369	72,571	72,369
Reappropriated Funds	22,882	23,831	8,115	6,794	8,115
Federal Funds	0	0	0	0	0
Information Technology Asset Maintenance	<u>80,469</u>	<u>56,305</u>	<u>104,793</u>	<u>104,793</u>	<u>104,793</u>
General Fund	29,913	29,913	29,913	29,913	29,913
Cash Funds	8,546	0	13,049	13,049	13,049
Reappropriated Funds	37,507	21,889	37,507	37,507	37,507
Federal Funds	4,503	4,503	24,324	24,324	24,324
Leased Space	<u>34,174</u>	<u>37,794</u>	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>
General Fund	22,376	22,376	22,376	22,376	22,376
Reappropriated Funds	11,798	15,418	42,624	42,624	42,624
Federal Funds	0	0	0	0	0

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Capitol Complex Leased Space	<u>418,529</u>	<u>416,744</u>	<u>592,358</u>	<u>531,293</u>	<u>531,293</u> P
General Fund	163,800	160,000	201,822	183,854	183,854
Cash Funds	14,699	24,463	35,761	32,078	32,078
Reappropriated Funds	240,030	232,281	309,037	277,206	277,206
Federal Funds	0	0	45,738	38,155	38,155
Communication Services Payments	<u>7,032</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u> P
General Fund	7,032	0	0	0	0
Federal Funds	0	0	0	0	0
COFRS Modernization	<u>0</u>	<u>157,503</u>	<u>157,503</u>	<u>157,503</u>	<u>157,503</u> P
General Fund	0	104,883	104,883	104,883	104,883
Reappropriated Funds	0	52,620	52,620	52,620	52,620
Federal Funds	0	0	0	0	0
Information Technology Security	<u>0</u>	<u>0</u>	<u>11,825</u>	<u>0</u>	<u>0</u> P
General Fund	0	0	1,584	0	0
Cash Funds	0	0	74	0	0
Reappropriated Funds	0	0	5,767	0	0
Federal Funds	0	0	4,400	0	0
Moffat Tunnel Improvement District	<u>0</u>	<u>20</u>	<u>137,444</u>	<u>137,444</u>	<u>137,444</u>
Cash Funds	0	20	137,444	137,444	137,444
Payments to OIT	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,000,740</u>	<u>1,000,740</u> P
General Fund	0	0	0	125,812	125,812
Cash Funds	0	0	0	5,470	5,470
Reappropriated Funds	0	0	0	490,841	490,841
Federal Funds	0	0	0	378,617	378,617

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
TOTAL - (1) Executive Director's Office	4,180,425	4,874,995	6,165,157	6,105,901	6,256,248
<i>FTE</i>	<u>12.7</u>	<u>0.0</u>	<u>14.2</u>	<u>14.2</u>	<u>14.2</u>
General Fund	1,245,106	1,439,056	995,134	1,264,365	1,272,582
Cash Funds	230,690	334,706	549,826	634,304	663,791
Reappropriated Funds	2,414,621	2,639,688	3,671,918	3,286,671	3,367,924
Federal Funds	290,008	461,532	948,279	920,561	951,951

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
(2) PROPERTY TAXATION					
This section provides funding for the Division of Property Taxation, the State Board of Equalization, and the Board of Assessment Appeals.					
Division of Property Taxation	<u>2,419,257</u>	<u>2,542,807</u>	<u>2,635,455</u>	<u>2,704,129</u>	<u>2,704,129</u>
FTE	30.0	30.0	36.7	36.7	36.7
General Fund	1,060,205	945,981	945,981	949,492	949,492
Cash Funds	674,172	817,711	853,525	884,726	884,726
Reappropriated Funds	684,880	779,115	835,949	869,911	869,911
State Board of Equalization	<u>12,856</u>	<u>12,856</u>	<u>12,856</u>	<u>12,856</u>	<u>12,856</u>
General Fund	12,856	12,856	12,856	12,856	12,856
Board of Assessment Appeals	<u>522,427</u>	<u>570,627</u>	<u>555,831</u>	<u>579,545</u>	<u>579,545</u> *
FTE	11.9	11.9	13.2	13.2	13.2
General Fund	182,039	331,341	350,212	446,862	446,862
Cash Funds	0	0	150,000	77,064	77,064
Reappropriated Funds	340,388	239,286	55,619	55,619	55,619
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>255,011</u>	<u>268,617</u>	<u>337,883</u>	<u>337,883</u>	<u>357,244</u>
Cash Funds	128,354	149,049	169,766	169,766	189,628
Reappropriated Funds	126,657	119,568	168,117	168,117	167,616
TOTAL - (2) Property Taxation	3,209,551	3,394,907	3,542,025	3,634,413	3,653,774
FTE	41.9	41.9	49.9	49.9	49.9
General Fund	1,255,100	1,290,178	1,309,049	1,409,210	1,409,210
Cash Funds	802,526	966,760	1,173,291	1,131,556	1,151,418
Reappropriated Funds	1,151,925	1,137,969	1,059,685	1,093,647	1,093,146
Federal Funds	0	0	0	0	0

* denotes this line item includes a decision item.

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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(3) DIVISION OF HOUSING

The Division provides financial and technical assistance to help communities provide affordable housing, it administers state and federal affordable housing programs, and it regulates the manufacture of factory-built residential and commercial buildings.

(A) Community and Non-Profit Services

(i) Administration

Personal Services	<u>2,024,401</u>	<u>2,848,666</u>	<u>2,517,207</u>	<u>2,198,586</u>	<u>2,198,586</u> ^P
FTE	40.0	38.6	40.5	25.6	25.6
General Fund	361,674	599,256	364,006	292,476	292,476
Cash Funds	48,828	45,809	90,478	15,376	15,376
Reappropriated Funds	147,859	149,909	149,909	0	85,039
Federal Funds	1,466,040	2,053,692	1,912,814	1,805,695	1,805,695
Operating Expenses	<u>24,608</u>	<u>25,903</u>	<u>324,140</u>	<u>477,778</u>	<u>477,778</u> ^P
General Fund	24,608	25,903	25,903	25,903	25,903
Cash Funds	0	0	0	2,500	2,500
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	298,237	449,375	449,375
Private Activity Bond Allocation Committee	<u>1,820</u>	<u>2,046</u>	<u>2,500</u>	<u>0</u>	<u>0</u>
Cash Funds	1,820	2,046	2,500	0	0

SUBTOTAL - (i) Administration	2,050,829	2,876,615	2,843,847	2,676,364	2,676,364
FTE	40.0	38.6	40.5	25.6	25.6
General Fund	386,282	625,159	389,909	318,379	318,379
Cash Funds	50,648	47,855	92,978	17,876	17,876
Reappropriated Funds	147,859	149,909	149,909	85,039	85,039
Federal Funds	1,466,040	2,053,692	2,211,051	2,255,070	2,255,070

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
(ii) Community Services					
Low Income Rental Subsidies	<u>43,662,790</u>	<u>45,205,976</u>	<u>37,329,954</u>	<u>40,498,029</u>	<u>40,498,029</u>
General Fund	0	0	445,524	955,813	955,813
Federal Funds	43,662,790	45,205,976	36,884,430	39,542,216	39,542,216
Homeless Prevention Programs	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,434,449</u>	<u>1,434,449</u>
Cash Funds	0	0	0	110,000	110,000
Federal Funds	0	0	0	1,324,449	1,324,449
Homeless Prevention and Rapid Re-Housing Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Emergency Shelter Program	<u>993,440</u>	<u>1,079,783</u>	<u>965,000</u>	<u>0</u>	<u>0</u>
Federal Funds	993,440	1,079,783	965,000	0	0
SUBTOTAL - (ii) Community Services	44,656,230	46,285,759	38,294,954	41,932,478	41,932,478
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	445,524	955,813	955,813
Cash Funds	0	0	0	110,000	110,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	44,656,230	46,285,759	37,849,430	40,866,665	40,866,665
(iii) Fort Lyon Supportive Housing Program					
Program Costs	<u>0</u>	<u>0</u>	<u>2,788,851</u>	<u>3,223,851</u>	<u>3,223,851</u>
General Fund	0	0	2,788,851	3,223,851	3,223,851

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
SUBTOTAL - (iii) Fort Lyon Supportive Housing Program	0	0	2,788,851	3,223,851	3,223,851
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	2,788,851	3,223,851	3,223,851

SUBTOTAL - (A) Community and Non-Profit Services	46,707,059	49,162,374	43,927,652	47,832,693	47,832,693
<i>FTE</i>	<u>40.0</u>	<u>38.6</u>	<u>40.5</u>	<u>25.6</u>	<u>25.6</u>
General Fund	386,282	625,159	3,624,284	4,498,043	4,498,043
Cash Funds	50,648	47,855	92,978	127,876	127,876
Reappropriated Funds	147,859	149,909	149,909	85,039	85,039
Federal Funds	46,122,270	48,339,451	40,060,481	43,121,735	43,121,735

(B) Field Services

Affordable Housing Program Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,185,033</u>	<u>4,021,473</u> *
<i>FTE</i>	0.0	0.0	0.0	26.7	24.0
General Fund	0	0	0	284,432	120,872
Cash Funds	0	0	0	783,757	783,757
Reappropriated Funds	0	0	0	345,081	345,081
Federal Funds	0	0	0	2,771,763	2,771,763
Affordable Housing Grants and Loans	<u>0</u>	<u>0</u>	<u>0</u>	<u>14,717,338</u>	<u>10,717,338</u> *
General Fund	0	0	0	8,200,000	4,200,000
Federal Funds	0	0	0	6,517,338	6,517,338
Manufactured Buildings Program	<u>419,485</u>	<u>586,577</u>	<u>692,830</u>	<u>0</u>	<u>0</u>
<i>FTE</i>	6.2	7.2	7.3	0.0	0.0
Cash Funds	419,485	586,577	692,830	0	0

* denotes this line item includes a decision item.

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Colorado Affordable Housing Construction Grants and Loans	<u>2,000,000</u>	<u>2,200,000</u>	<u>4,310,000</u>	<u>0</u>	<u>0</u>
General Fund	2,000,000	2,200,000	4,200,000	0	0
Cash Funds	0	0	110,000	0	0
Federal Affordable Housing Construction Grants and Loans	<u>6,648,272</u>	<u>8,641,159</u>	<u>12,300,000</u>	<u>0</u>	<u>0</u>
Federal Funds	6,648,272	8,641,159	12,300,000	0	0
SUBTOTAL - (B) Field Services	9,067,757	11,427,736	17,302,830	18,902,371	14,738,811
<i>FTE</i>	<u>6.2</u>	<u>7.2</u>	<u>7.3</u>	<u>26.7</u>	<u>24.0</u>
General Fund	2,000,000	2,200,000	4,200,000	8,484,432	4,320,872
Cash Funds	419,485	586,577	802,830	783,757	783,757
Reappropriated Funds	0	0	0	345,081	345,081
Federal Funds	6,648,272	8,641,159	12,300,000	9,289,101	9,289,101
(C) Indirect Cost Assessments					
Indirect Cost Assessments	<u>95,668</u>	<u>477,793</u>	<u>581,550</u>	<u>581,550</u>	<u>709,694</u>
Cash Funds	56,195	125,194	182,297	182,297	155,087
Reappropriated Funds	39,473	56,993	61,813	61,813	29,916
Federal Funds	0	295,606	337,440	337,440	524,691
SUBTOTAL - (C) Indirect Cost Assessments	95,668	477,793	581,550	581,550	709,694
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	56,195	125,194	182,297	182,297	155,087
Reappropriated Funds	39,473	56,993	61,813	61,813	29,916
Federal Funds	0	295,606	337,440	337,440	524,691

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
TOTAL - (3) Division of Housing	55,870,484	61,067,903	61,812,032	67,316,614	63,281,198
<i>FTE</i>	<u>46.2</u>	<u>45.8</u>	<u>47.8</u>	<u>52.3</u>	<u>49.6</u>
General Fund	2,386,282	2,825,159	7,824,284	12,982,475	8,818,915
Cash Funds	526,328	759,626	1,078,105	1,093,930	1,066,720
Reappropriated Funds	187,332	206,902	211,722	491,933	460,036
Federal Funds	52,770,542	57,276,216	52,697,921	52,748,276	52,935,527

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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(4) DIVISION OF LOCAL GOVERNMENT

This division provides information and training for local governments in budget development, purchasing, demographics, land use planning, and regulatory issues; and it manages federal and state funding programs to support infrastructure and local services development.

(A) Local Government and Community Services

(i) Administration

Personal Services	<u>1,106,689</u>	<u>1,186,590</u>	<u>1,296,075</u>	<u>1,345,839</u>	<u>1,345,839</u>
FTE	16.1	0.0	17.7	17.7	17.7
General Fund	586,296	265,705	245,057	267,341	267,341
Reappropriated Funds	520,393	920,885	920,885	937,469	937,469
Federal Funds	0	0	130,133	141,029	141,029
Operating Expenses	<u>65,212</u>	<u>65,914</u>	<u>131,351</u>	<u>131,351</u>	<u>131,351</u>
General Fund	40,069	42,178	42,178	42,178	42,178
Reappropriated Funds	25,143	23,736	25,146	25,146	25,146
Federal Funds	0	0	64,027	64,027	64,027

SUBTOTAL - (i) Administration	1,171,901	1,252,504	1,427,426	1,477,190	1,477,190
FTE	<u>16.1</u>	<u>0.0</u>	<u>17.7</u>	<u>17.7</u>	<u>17.7</u>
General Fund	626,365	307,883	287,235	309,519	309,519
Reappropriated Funds	545,536	944,621	946,031	962,615	962,615
Federal Funds	0	0	194,160	205,056	205,056

(ii) Local Government Services

Local Utility Management Assistance	<u>154,429</u>	<u>0</u>	<u>155,434</u>	<u>157,921</u>	<u>157,921</u>
FTE	2.0	1.9	2.0	2.0	2.0
Cash Funds	154,429	0	155,434	157,921	157,921

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Conservation Trust Fund Disbursements	<u>49,279,076</u>	<u>54,245,455</u>	<u>49,997,797</u>	<u>50,000,751</u>	<u>50,000,751</u>
FTE	2.0	2.0	2.0	2.0	2.0
Cash Funds	49,279,076	54,245,455	49,997,797	50,000,751	50,000,751
Volunteer Firefighter Retirement Plans	<u>4,358,691</u>	<u>4,175,447</u>	<u>4,264,753</u>	<u>4,264,753</u>	<u>4,264,753</u>
General Fund	0	0	0	0	0
General Fund Exempt	4,358,691	4,175,447	4,264,753	4,264,753	4,264,753
Volunteer Firefighter Death and Disability					
Insurance	<u>21,065</u>	<u>21,065</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
General Fund Exempt	21,065	21,065	30,000	30,000	30,000
Environmental Protection Agency Water/Sewer					
File Project	<u>49,425</u>	<u>46,169</u>	<u>49,425</u>	<u>49,425</u>	<u>49,425</u>
FTE	0.3	0.5	0.5	0.5	0.5
Federal Funds	49,425	46,169	49,425	49,425	49,425
SUBTOTAL - (ii) Local Government Services	53,862,686	58,488,136	54,497,409	54,502,850	54,502,850
FTE	4.3	4.4	4.5	4.5	4.5
General Fund	0	0	0	0	0
General Fund Exempt	4,379,756	4,196,512	4,294,753	4,294,753	4,294,753
Cash Funds	49,433,505	54,245,455	50,153,231	50,158,672	50,158,672
Federal Funds	49,425	46,169	49,425	49,425	49,425
(iii) Community Services					
Community Services Block Grant	<u>4,760,229</u>	<u>6,408,868</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>
Federal Funds	4,760,229	6,408,868	6,000,000	6,000,000	6,000,000

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
SUBTOTAL - (iii) Community Services	4,760,229	6,408,868	6,000,000	6,000,000	6,000,000
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Federal Funds	4,760,229	6,408,868	6,000,000	6,000,000	6,000,000
SUBTOTAL - (A) Local Government and Community Services	59,794,816	66,149,508	61,924,835	61,980,040	61,980,040
<i>FTE</i>	<u>20.4</u>	<u>4.4</u>	<u>22.2</u>	<u>22.2</u>	<u>22.2</u>
General Fund	626,365	307,883	287,235	309,519	309,519
General Fund Exempt	4,379,756	4,196,512	4,294,753	4,294,753	4,294,753
Cash Funds	49,433,505	54,245,455	50,153,231	50,158,672	50,158,672
Reappropriated Funds	545,536	944,621	946,031	962,615	962,615
Federal Funds	4,809,654	6,455,037	6,243,585	6,254,481	6,254,481
(B) Field Services					
Program Costs	<u>2,305,001</u>	<u>2,271,628</u>	<u>5,344,543</u>	<u>2,420,466</u>	<u>2,417,785</u> *
<i>FTE</i>	20.0	0.0	28.9	27.9	27.9
General Fund	0	0	3,000,000	2,681	0
Cash Funds	105,778	104,796	104,796	107,254	107,254
Reappropriated Funds	1,962,052	2,170,009	1,945,826	1,996,219	1,996,219
Federal Funds	237,171	(3,177)	293,921	314,312	314,312
Community Development Block Grant	<u>10,313,968</u>	<u>7,978,500</u>	<u>9,697,000</u>	<u>9,697,000</u>	<u>9,697,000</u>
Federal Funds	10,313,968	7,978,500	9,697,000	9,697,000	9,697,000
Local Government Mineral and Energy Impact					
Grants and Disbursements	<u>86,789,460</u>	<u>68,608,798</u>	<u>150,000,000</u>	<u>150,000,000</u>	<u>150,000,000</u>
Cash Funds	86,789,460	68,608,798	150,000,000	150,000,000	150,000,000

* denotes this line item includes a decision item.

JBC Staff Staff Figure Setting - FY 2014-15
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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Local Government Limited Gaming Impact Grants	<u>4,752,395</u>	<u>4,482,164</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
General Fund	0	1,000,000	0	0	0
Cash Funds	4,752,395	0	5,000,000	5,000,000	5,000,000
Reappropriated Funds	0	3,482,164	0	0	0
Local Government Geothermal Energy Impact Grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u> *
Cash Funds	0	0	0	50,000	50,000
Other Local Government Grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,000</u>	<u>4,000</u> *
Reappropriated Funds	0	0	0	4,000	4,000
Search and Rescue Program	<u>423,681</u>	<u>400,760</u>	<u>613,713</u>	<u>616,295</u>	<u>616,295</u>
FTE	1.1	0.7	1.3	1.3	1.3
Cash Funds	423,681	400,760	613,713	616,295	616,295
Colorado Heritage Communities Grants	<u>0</u>	<u>27,050</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Cash Funds	0	27,050	100,000	100,000	100,000
SUBTOTAL - (B) Field Services	104,584,505	83,768,900	170,755,256	167,887,761	167,885,080
FTE	<u>21.1</u>	<u>0.7</u>	<u>30.2</u>	<u>29.2</u>	<u>29.2</u>
General Fund	0	1,000,000	3,000,000	2,681	0
Cash Funds	92,071,314	69,141,404	155,818,509	155,873,549	155,873,549
Reappropriated Funds	1,962,052	5,652,173	1,945,826	2,000,219	2,000,219
Federal Funds	10,551,139	7,975,323	9,990,921	10,011,312	10,011,312

* denotes this line item includes a decision item.

JBC Staff Staff Figure Setting - FY 2014-15
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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
(C) Indirect Cost Assessments					
Indirect Cost Assessments	855,045	838,818	1,018,950	1,018,950	967,728
Cash Funds	74,741	94,923	147,595	147,595	155,871
Reappropriated Funds	721,137	698,052	795,721	795,721	684,079
Federal Funds	59,167	45,843	75,634	75,634	127,778
SUBTOTAL - (C) Indirect Cost Assessments	855,045	838,818	1,018,950	1,018,950	967,728
<i>FTE</i>	0.0	0.0	0.0	0.0	0.0
Cash Funds	74,741	94,923	147,595	147,595	155,871
Reappropriated Funds	721,137	698,052	795,721	795,721	684,079
Federal Funds	59,167	45,843	75,634	75,634	127,778
TOTAL - (4) Division of Local Government	165,234,366	150,757,226	233,699,041	230,886,751	230,832,848
<i>FTE</i>	41.5	5.1	52.4	51.4	51.4
General Fund	626,365	1,307,883	3,287,235	312,200	309,519
General Fund Exempt	4,379,756	4,196,512	4,294,753	4,294,753	4,294,753
Cash Funds	141,579,560	123,481,782	206,119,335	206,179,816	206,188,092
Reappropriated Funds	3,228,725	7,294,846	3,687,578	3,758,555	3,646,913
Federal Funds	15,419,960	14,476,203	16,310,140	16,341,427	16,393,571

JBC Staff Staff Figure Setting - FY 2014-15
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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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(5) DIVISION OF EMERGENCY MANAGEMENT

This division assists local, state, and private organizations in disaster preparedness, response, recovery, and impact mitigation.

Administration	<u>2,176,214</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	30.1	0.0	0.0	0.0	0.0
General Fund	559,347	0	0	0	0
Reappropriated Funds	65,133	0	0	0	0
Federal Funds	1,551,734	0	0	0	0
Disaster Response and Recovery	<u>6,640,295</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	6,267,233	0	0	0	0
Federal Funds	373,062	0	0	0	0
Preparedness Grants and Training	<u>11,823,158</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	0	0	0	0	0
Federal Funds	11,823,158	0	0	0	0
Indirect Cost Assessment	<u>8,076</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	8,076	0	0	0	0
Federal Funds	0	0	0	0	0

TOTAL - (5) Division of Emergency Management	20,647,743	0	0	0	0
<i>FTE</i>	<u>30.1</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	559,347	0	0	0	0
Cash Funds	6,267,233	0	0	0	0
Reappropriated Funds	73,209	0	0	0	0
Federal Funds	13,747,954	0	0	0	0

JBC Staff Staff Figure Setting - FY 2014-15
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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
TOTAL - Department of Local Affairs	249,142,569	220,095,031	305,218,255	307,943,679	304,024,068
<i>FTE</i>	<u>172.4</u>	<u>92.8</u>	<u>164.3</u>	<u>167.8</u>	<u>165.1</u>
General Fund	6,072,200	6,862,276	13,415,702	15,968,250	11,810,226
General Fund Exempt	4,379,756	4,196,512	4,294,753	4,294,753	4,294,753
Cash Funds	149,406,337	125,542,874	208,920,557	209,039,606	209,070,021
Reappropriated Funds	7,055,812	11,279,405	8,630,903	8,630,806	8,568,019
Federal Funds	82,228,464	72,213,951	69,956,340	70,010,264	70,281,049

APPENDIX B: Indirect Cost Assessments

Description of Indirect Cost Assessment Methodology

The Department of Local Affairs' indirect cost assessment methodology is calculated based on three components: an “Indirect Cost Pool”, an “Indirect Cost Base”, and an “Indirect Cost Rate”.

Indirect Cost Pool

The Indirect Cost Pool is comprised of approved division level costs, including statewide indirect costs, which are used to provide support either to the entire department through the Executive Director’s Office (EDO) or to individual divisions through program and personal services lines. The pool costs are based on the most recent fiscal year actual costs, a two year lag time. The FY 2013-14 pool costs, for example, are based on FY 2011-12 actuals. DOLA is also allocated statewide indirect costs for inclusion into its indirect cost rate proposal. Finally, fixed asset depreciation, leave costs, and indirect cost carry-forward adjustments are also included.

Indirect Cost Base

The Department uses eligible personal services costs to calculate the Indirect Cost Base, which is used in determining the proportional allocation of the Total Recoverable Indirect Cost Pool to divisions.

Indirect Cost Rate

The Indirect Cost Rate is then calculated for each division by dividing the Indirect Cost Pool by the Indirect Cost Base. The Indirect Cost Rate is multiplied by the projected salary and fringe benefits by funding source to determine the estimated indirect cost assessment for each of the divisions. Table 1 shows the FY 2014-15 Department indirect cost assessment for each division.

Table 1: Department of Local Affairs Indirect Cost Assessment Request for FY 2014-15

Indirect Cost Assessment Recommendations for FY 2014-15				
Description	Total Funds	Cash Fund Sources	Reappropriated Fund Sources	Federal Fund Sources
Division of Property Taxation	<u>\$357,244</u>	<u>\$189,628</u>	<u>\$167,616</u>	<u>\$0</u>
Local Government Severance Tax Fund	111,744	0	111,744	0
Local Government Mineral and Energy Impact Fund	55,872	0	55,872	0
Property Tax Exemption Fund	171,628	171,628	0	0
BAA Cash Fund	18,000	18,000	0	0
Division of Housing	<u>\$709,694</u>	<u>\$155,087</u>	<u>\$29,916</u>	<u>\$524,691</u>
Local Government Severance Tax Fund	19,944	0	19,944	0
Local Government Mineral and Energy Impact Fund	9,972	0	9,972	0

JBC Staff Figure Setting – FY 2014-15
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Indirect Cost Assessment Recommendations for FY 2014-15				
Description	Total Funds	Cash Fund Sources	Reappropriated Fund Sources	Federal Fund Sources
Building Regulation Fund & private Activity Bond Fund	152,473	152,473	0	0
Homeless Prevention Activities Program Fund	2,614	2,614	0	0
Federal grants	524,691	0	0	524,691
Division of Local Governments	<u>\$967,728</u>	<u>\$155,871</u>	<u>\$684,079</u>	<u>\$127,778</u>
Local Government Severance Tax Fund	456,053	0	456,053	0
Local Government Mineral and Energy Impact Fund	228,026	0	228,026	0
Colorado Water Resource & Power Development Authority, Water Pollution Control Revolving Fund	44,370	44,370	0	0
Conservation Trust Fund	54,103	54,103	0	0
Local Government Limited Gaming Impact Fund	28,395	28,395	0	0
Search and Rescue Fund	29,003	29,003	0	0
Waste Tire Recycling	0	0	0	0
Colorado Water Resource & Power Development Authority	7,288	0	0	7,288
Community Services Block Grant	56,634	0	0	56,634
Community Development Block Grant	63,856	0	0	63,856
Total Indirect Cost Assessments	<u>\$2,034,666</u>	<u>\$500,586</u>	<u>\$881,611</u>	<u>\$652,469</u>

Current FY 2013-14 Long Bill SB 13-230 with SB 13-210 (Fort Lyon) with reorganization of Spending authority per Long Bill line item

(3) Division of Housing	FTE	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	LB Grouping Indicator- Reorg
Personal Services (40.5 FTE)	40.5	\$2,517,207	\$364,006		\$90,478	\$149,909	\$1,912,814	
Reorganization Movements of Spending Authority								
(A) Community and Non Profit Services								
Administration Personal Services 25.6 FTE	25.6	\$2,127,790	\$261,391		\$12,500	\$79,928	\$1,773,971	3(A)(1)(a)
Difference	14.9	\$389,417	\$102,615		\$77,978	\$69,981	\$138,843	
These Differences in Spending Authority moved to								
(B) Field Services								
Affordable Housing Program Costs (includes CF PAB Program)	14.9	\$248,074	\$102,615		\$75,478	\$69,981	\$0	3(B)(1)(a)
(A) Community and Non Profit Services								
Community Services- Low Income Rental Subsidies		\$138,843					\$138,843	3(A)(2)(a)
(B) Community and Non Profit Services								
Administration- Operating Expense (HPAP statute is P/S and Operating for Admin)	-	\$2,500			\$2,500			3(A)(1)(b)
Remaining Amount in LB Line	-	\$0	\$0		\$0	\$0	\$0	
Operating Expenses		\$324,140	\$25,903		\$0		\$298,237	
Reorganization Movements of Spending Authority								
(A) Community and Non Profit Services								
Administration- Operating Expense		\$324,140	\$25,903		\$0		\$298,237	3(A)(1)(b)
Remaining Amount in LB Line		\$0	\$0		\$0		\$0	
Manufactured Buildings Program	7.3	\$692,830			\$692,830			
Reorganization Movements of Spending Authority								
(B) Field Services								
Affordable Housing Program Costs		\$692,830			\$692,830			3(B)(1)(a)
Remaining Amount in LB Line		\$0			\$0			

	FTE	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	LB Grouping Indicator- Reorg
(3) Division of Housing								
Colorado Affordable Housing Construction Grants and Loans		\$4,310,000	\$4,200,000		\$110,000			
Reorganization Movements of Spending Authority								
(A) Community and Non Profit Services								
Community Services- Homeless Prevention Programs		\$110,000	\$0		\$110,000			3(A)(2)(b)
Difference		\$4,200,000	\$4,200,000		\$0			
These Differences in Spending Authority moved to								
(B) Field Services								
Affordable Housing Grants and Loans	-	\$4,200,000	\$4,200,000		\$0		\$0	3(B)(1)(b)
Remaining Amount in LB Line		\$0	\$0		\$0		\$0	
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Federal Affordable Housing Construction Grants and Loans		\$12,300,000					\$12,300,000	
Reorganization Movements of Spending Authority								
(A) Community and Non Profit Services								
Administration- Operating Expense	-	\$138,843					\$138,843	3(A)(1)(b)
(A) Community and Non Profit Services								
Community Services- Low Income Rental Subsidies		\$1,553,943					\$1,553,943	3(A)(2)(a)
(A) Community and Non Profit Services								
Community Services- Homeless Prevention Programs		\$1,324,449					\$1,324,449	3(A)(2)(b)
Difference		\$9,282,765					\$9,282,765	
These Differences in Spending Authority moved to								
(B) Field Services								
Affordable Housing Grants and Loans	-	\$6,517,338					\$6,517,338	3(B)(1)(b)
Remaining Amount in LB Line		\$2,765,427					\$2,765,427	
(B) Field Services								
Affordable Housing Program Costs	-	\$2,753,132					\$2,753,132	3(B)(1)(a)
Difference		\$12,295					\$12,295	
(A) Community and Non Profit Services								
Administration Operating Expense		\$12,295					\$12,295	3(A)(1)(b)
Remaining Amount in LB Line		\$0					\$0	
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Emergency Shelter Program		\$965,000					\$965,000	
Reorganization Movements of Spending Authority								
(A) Community and Non Profit Services								
Community Services- Low Income Rental Subsidies		\$965,000					\$965,000	3(A)(2)(a)
Remaining Amount in LB Line		\$0					\$0	

	FTE	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	LB Grouping Indicator-Reorg
(3) Division of Housing								
Private Activity Bond Allocation Committee		\$2,500			\$2,500			
Reorganization Movements of Spending Authority								
(B) Field Services								
Affordable Housing Program Costs (PAB Program)		\$2,500			\$2,500			3(B)(1)(a)
Remaining Amount in LB Line		\$0			\$0			
Low Income Rental Subsidies		\$37,329,954	\$445,524				\$36,884,430	
(A) Community and Non Profit Services								
Community Services- Low Income Rental Subsidies		\$37,329,954	\$445,524				\$36,884,430	3(A)(2)(a)
Remaining Amount in LB Line		\$0	\$0				\$0	
Indirect Cost Assessment		\$581,550			\$182,297	\$61,813	\$337,440	
(C) Indirect Cost		\$581,550			\$182,297	\$61,813	\$337,440	3(C)(1)(a)
Remaining Amount in LB Line		\$0			\$0	\$0	\$0	
Ft Lyon Supportive Housing Program (SB 13-210)	-	\$2,788,851	\$2,788,851		\$0	\$0	\$0	
(A) Community and Non Profit Services								
Fort Lyon Supportive Housing Program		\$2,788,851	\$2,788,851		\$0	\$0	\$0	3(A)(3)
Remaining Amount in LB Line		\$0	\$0		\$0	\$0	\$0	

(3) Division of Housing Note:	FTE	TOTAL	GENERAL	GENERAL	CASH FUNDS	REAPPROPRIA	FEDERAL	LB
			FUND	FUND		TED FUNDS		FUNDING
Reconciliation with Changes to FY 13-14 LB with Reorg Amounts		Admin Operating - 3(A)(1)(b)	Community Services Low income Rent Subs- 3(A)(2)(a)	Community Services Homeless Prev Prgm- 3(A)(2)(b)	Field Svcs Affordable Housing Program- 3(B)(1)(a)	Field Svcs Affordable Housing Grants & Loans- 3(B)(1)(b)		
	FY 13-14 Reorg LB Amounts	\$ 449,375	\$ 39,987,740	\$ 1,434,449	\$ 3,696,536	\$ 10,717,338		
	Amount Above	\$ (298,237)	\$ (36,884,430)	\$ (1,324,449)	\$ (2,753,132)	\$ (4,200,000)		
	Difference	\$ 151,138	\$ 3,103,310	\$ 110,000	\$ 943,404	\$ 6,517,338		
	Amount Above	\$ (12,295)	\$ (965,000)	\$ (110,000)	\$ (69,981)	\$ (6,517,338)		
	Difference	\$ 138,843	\$ 2,138,310		\$ 873,423			
	Amount Above	\$ (138,843)	\$ (1,553,943)		\$ (770,808)			
	Difference		\$ 584,367		\$ 102,615			
	Amount Above		\$ (138,843)		\$ (102,615)			
	Difference		\$ 445,524					
	Amount Above		\$ (445,524)					
	Difference	\$ -	\$ -	\$ -	\$ -	\$ -		