

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



FY 2010-11 STAFF FIGURE SETTING

DEPARTMENT OF LOCAL AFFAIRS

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

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**FY 2010-11 Staff Figure Setting
DEPARTMENT OF LOCAL AFFAIRS**

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
DEPARTMENT OF LOCAL AFFAIRS					
Executive Director: Susan Kirkpatrick					
(1) EXECUTIVE DIRECTOR'S OFFICE					
This section provides funding for management and administration of the Department, including human resources, accounting, and budgeting. This section also includes funding for the Moffat Tunnel Improvement District. Significant Reappropriated Funds sources include: the transfer of severance tax and federal mineral lease tax revenues from the Division of Local Government, and indirect cost recoveries.					
Personal Services	1,120,483	1,178,763	1,245,439	1,245,439	
FTE	<u>12.7</u>	<u>13.2</u>	<u>13.7</u>	<u>13.7</u>	
General Fund	39,785	0	(177,743)	0	
FTE	0.5	0.0	0.0	0.0	
Cash Funds	0	0	43,984	0	
Reappropriated Funds	1,080,698	1,178,763 S	1,237,345	1,245,439	NP-1
FTE	12.2	13.2	13.7	13.7	NP-1
Federal Funds	0	0	141,853	0	
Health, Life and Dental	<u>1,075,731</u>	<u>1,023,585</u>	<u>932,457</u>	<u>889,952</u>	
General Fund	562,973	442,756 S	397,855 A	397,855	NP-1
Cash Funds	139,277	132,526 S	115,027 A	109,410	
Reappropriated Funds	172,119	256,703 S	218,099 A	193,905	NP-1
Federal Funds	201,362	191,600 S	201,476 A	188,782	NP-1
*RF: Mineral & Energy Impact	172,119	256,703 S	218,099	193,905	

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Short-term Disability	<u>15,738</u>	<u>18,032</u>	<u>16,797</u>	<u>16,785</u>	
General Fund	5,241	5,902 S	4,751 A	5,052	NP-1
Cash Funds	2,129	2,857 S	2,554 A	2,757	
Reappropriated Funds	4,238	5,287 S	4,653 A	5,310	NP-1
Federal Funds	4,130	3,986 S	4,839 A	3,666	NP-1
*RF: Mineral & Energy Impact	4,238	5,287 S	4,653	5,310	
S.B. 04-257 Amoritization Equalization	<u>193,694</u>	<u>243,456</u>	<u>260,076</u>	<u>259,884</u>	
General Fund	64,510	80,307 S	73,560 A	78,218	NP-1
Cash Funds	26,498	38,341 S	39,543 A	42,692	
Reappropriated Funds	51,858	70,289 S	72,052 A	82,208	NP-1
Federal Funds	50,828	54,519 S	74,921 A	56,766	NP-1
*RF: Mineral & Energy Impact	51,858	70,289 S	72,052	82,208	
S.B. 06-235 Supplemental Amortization Equalization					
Disbursements	<u>90,794</u>	<u>152,115</u>	<u>189,639</u>	<u>189,500</u>	
General Fund	30,239	50,147 S	53,638 A	57,034	NP-1
Cash Funds	11,663	23,963 S	28,833 A	31,130	
Reappropriated Funds	25,066	43,931 S	52,538 A	59,944	NP-1
Federal Funds	23,826	34,074 S	54,630 A	41,392	NP-1
*RF: Mineral & Energy Impact	25,066	43,931 S	52,538	59,944	
Salary Survey and Senior Executive Service	<u>458,469</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	161,726	0	0	0	
Cash Funds	68,068	0	0	0	
Reappropriated Funds	94,235	0	0	0	
Federal Funds	134,440	0	0	0	
*RF: Mineral & Energy Impact	94,235	0	0	0	

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Performance-based Pay	<u>184,590</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	92,714	0	0	0	0
Cash Funds	18,125	0	0	0	0
Reappropriated Funds	26,488	0	0	0	0
Federal Funds	47,263	0	0	0	0
<i>*RF: Mineral & Energy Impact</i>	26,488	0	0	0	0
Workers' Compensation	<u>34,064</u>	<u>48,462</u>	<u>53,586</u>		<u>Pending</u>
General Fund	31,674	45,061 S	49,826		
Cash Funds	1,073	1,527 S	1,617		
Reappropriated Funds	1,317	1,874 S	2,143		
<i>*RF: Mineral & Energy Impact</i>	1,317	1,874 S	2,143		
Operating Expenses	<u>144,625</u>	<u>144,175</u>	<u>144,175</u>		<u>144,175</u>
General Fund	34,493	0	0		0
Reappropriated Funds	97,525	132,413	132,413		132,413
Federal Funds	12,607	11,762	11,762		11,762
Legal Services	<u>74,871</u>	<u>134,930</u>	<u>134,930</u>		<u>Pending</u>
General Fund	74,740	122,425	122,425		
Cash Funds	131	6,336	6,336		
Reappropriated Funds	0	1,272	1,272		
Federal Funds	0	4,897	4,897		
<i>Hours</i>	993.2	1,790.0	1,790.0		1,790.0
<i>*RF: Mineral & Energy Impact</i>	0	1,272	1,272		

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	Actual	Appropriation	Request	Recommendation	
Purchase of Services from Computer Center - GF	<u>40,303</u>	<u>38,639</u>			<u>Pending</u>
General Fund	40,303	38,639 S	235,963		NP-1
Reappropriated Funds	0	0	148,687		NP-1
Federal Funds	0	0	306,054		NP-1
Multi-use Network Payments	<u>67,409</u>	<u>67,409</u>	<u>122,636</u>		<u>Pending</u>
General Fund	37,835	37,835	15,456		
Cash Funds	3,241	3,241	1,324		
Reappropriated Funds	4,777	4,777	1,951		
Federal Funds	21,556	21,556	103,905		NP-1
<i>*RF: Mineral & Energy Impact</i>	<i>4,777</i>	<i>4,777</i>	<i>1,951</i>		
Management and Administration of OIT	<u>13,682</u>	<u>12,324</u>	<u>73,855</u>		<u>Pending</u>
General Fund	5,671	4,541 S	5,943		
Reappropriated Funds	0	0	57,726		NP-1
Federal Funds	8,011	7,783 S	10,186		
<i>*RF: Mineral & Energy Impact</i>	<i>0</i>	<i>0</i>	<i>57,726</i>		
Payment to Risk Management and Property Funds	<u>17,928</u>	<u>17,730</u>	<u>6,275</u>		<u>Pending</u>
General Fund	16,673	16,489 S	5,836		
Cash Funds	1,122	1,110 S	299		
Reappropriated Funds	133	131 S	140		
<i>*RF: Mineral & Energy Impact</i>	<i>133</i>	<i>131 S</i>	<i>140</i>		
Vehicle Lease Payments	<u>89,085</u>	<u>112,115</u>	<u>132,945</u>		<u>132,945</u>
General Fund	77,430	90,483 S	102,349 A	102,349	NP-2, BA
Reappropriated Funds	11,655	21,632 S	30,596 A	30,596	NP-2, BA
Federal Funds	0	0	0	0	
<i>*RF: Mineral & Energy Impact</i>	<i>11,655</i>	<i>21,632 S</i>	<i>30,596</i>	<i>30,596</i>	

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	Actual	Appropriation	Request	Recommendation	
Information Technology Asset Maintenance	<u>127,913</u>	<u>104,793</u>	<u>104,793</u>	<u>104,793</u>	
General Fund	29,913	29,913	29,913	29,913	
Cash Funds	13,049	13,049	13,049	13,049	
Reappropriated Funds	37,507	37,507	37,507	37,507	
Federal Funds	47,444	24,324	24,324	24,324	
<i>*RF: Mineral & Energy Impact</i>	37,507	37,507	37,507	37,507	
Leased Space	<u>79,685</u>	<u>99,561</u>	<u>107,661</u>	<u>105,801</u>	
General Fund	16,692	22,376	22,574	22,376	
Reappropriated Funds	11,127	12,626	19,064	18,866	DI #1
Federal Funds	51,866	64,559	66,023	64,559	
<i>*RF: Mineral & Energy Impact</i>	11,127	12,626	19,064	18,866	
Capitol Complex Leased Space	<u>473,484</u>	<u>477,888</u>	<u>470,185</u>	<u>Pending</u>	
General Fund	346,132	168,970 S	160,064		
Cash Funds	24,391	24,673 S	24,279		
Reappropriated Funds	55,408	236,638 S	236,366		
Federal Funds	47,553	47,607 S	49,476		
<i>Square Feet</i>	0.0	53,770.0	53,770.0		
<i>*RF: Mineral & Energy Impact</i>	55,408	236,638 S	236,366		
Communication Services Payments	<u>27,788</u>	<u>27,788</u>	<u>26,623</u>	<u>Pending</u>	
General Fund	6,947	6,947	6,364		
Federal Funds	20,841	20,841	20,259		
Moffat Tunnel Improvement District - CF	0	137,444	137,444	137,444	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
Workforce Development Council - CFE FTE		Transferred to Department of Labor and Employment pursuant to S.B. 08-231			
Workforce Improvement Grants - FF FTE		Transferred to Department of Labor and Employment pursuant to S.B. 08-231			
(1) SUBTOTAL - EXECUTIVE DIRECTOR'S OFFICE	4,330,336	4,039,209	4,850,220	4,874,405	
FTE	<u>12.7</u>	<u>13.2</u>	<u>13.7</u>	<u>13.7</u>	
General Fund	1,675,691	1,162,791	1,108,774	1,354,356	
FTE	0.5	0.0	0.0	0.0	
Cash Funds	308,767	385,067	414,289	387,004	
Reappropriated Funds	1,674,151	2,003,843	2,252,552	2,271,346	
FTE	12.2	13.2	13.7	13.7	
Federal Funds	671,727	487,508	1,074,605	861,699	
FTE	0.0	0.0	0.0	0.0	
<i>*Mineral & Energy Impact - RF</i>	<i>495,928</i>	<i>692,667</i>	<i>734,107</i>	<i>744,807</i>	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
(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. Cash funds are from the Property Tax Exemption Fund. Significant Reappropriated Funds sources include the transfer of severance tax and federal mineral lease tax revenues from the Division of Local Government, and indirect cost recoveries.					
Division of Property Taxation	2,604,356	2,780,720	2,673,076	2,669,319	
FTE	<u>36.0</u>	<u>38.5</u>	<u>36.7</u>	<u>36.7</u>	
General Fund	1,303,831	1,324,537 S	1,285,693	1,281,936	NP-1
FTE	15.7	15.7	14.9	14.9	NP-1
Cash Funds	598,843	687,883 S	690,877	690,877	
FTE	11.1	11.1	11.1	11.1	
Reappropriated Funds	701,682	768,300 S	696,506	696,506	NP-1
FTE	9.2	11.7	10.7	10.7	NP-1
<i>*RF: Mineral & Energy Impact</i>	701,682	768,300 S	696,506	696,506	
State Board of Equalization - GF	12,856	12,856	12,856	12,856	
Board of Assessment Appeals	657,059	670,742	548,198	546,623	
FTE	<u>14.8</u>	<u>15.0</u>	<u>13.2</u>	<u>13.2</u>	
General Fund	657,059	304,656	297,831	192,071	
FTE	14.8	7.0	7.0	7.0	
Reappropriated Funds	0	366,086 S	250,367	354,552	NP-1
FTE	0.0	8.0	6.2	6.2	NP-1

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
Indirect Cost Assessment	<u>66,718</u>	<u>102,526</u>	<u>102,526</u>	<u>128,008</u>	
Cash Funds	0	0	0	0	
Reappropriated Funds	66,718	102,526	102,526	128,008	
<i>*RF: Mineral & Energy Impact</i>	66,718	102,526	102,526	128,008	
(2) SUBTOTAL - PROPERTY TAXATION	3,340,989	3,566,844	3,336,656	3,356,806	
FTE	<u>50.8</u>	<u>53.5</u>	<u>49.9</u>	<u>49.9</u>	
General Fund	1,973,746	1,642,049	1,596,380	1,486,863	
FTE	30.5	22.7	21.9	21.9	
Cash Funds	598,843	687,883	690,877	690,877	
FTE	11.1	11.1	11.1	11.1	
Reappropriated Funds	768,400	1,236,912	1,049,399	1,179,066	
FTE	9.2	19.7	16.9	16.9	
<i>*Mineral & Energy Impact - RF</i>	768,400	870,826	799,032	824,514	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
(3) DIVISION OF HOUSING					
This division assists local communities in meeting their housing goals, administers various state and federal affordable housing programs, and regulates the manufacture of factory-built residential and commercial buildings. Cash funds are from certification and registration fees paid by the producers and installers of manufactured homes. Significant Reappropriated Funds sources include: TANF passthrough moneys specifically for homelessness prevention, and from severance tax and federal mineral lease tax revenues transferred from the Division of Local Government.					
(A) Administration					
Personal Services	1,600,553	1,448,034	1,302,369	1,301,344	
FTE	<u>22.2</u>	<u>23.3</u>	<u>21.4</u>	<u>21.4</u>	
General Fund	341,403	363,615 S	367,276	367,276	
FTE	4.6	4.6	4.6	4.6	
Cash Funds	75,915	75,522 S	76,884	76,884	
FTE	0.9	0.9	0.9	0.9	
Reappropriated Funds	144,997	151,010	150,166	150,166	
FTE	1.7	1.7	1.7	1.7	
Federal Funds	1,038,238	857,887 S	708,043	707,018	NP-1
FTE	15.0	16.1	14.2	14.2	NP-1
<i>*RF: Mineral & Energy Impact</i>	<i>144,997</i>	<i>151,010</i>	<i>150,166</i>	<i>150,166</i>	
Operating Expenses	<u>331,089</u>	<u>324,928</u>	<u>324,928</u>	<u>324,140</u>	
General Fund	25,903	25,903	25,903	25,903	
Federal Funds	305,186	299,025	299,025	298,237	
Manufactured Buildings Program - CF	844,115	1,173,968 S	1,184,509	1,183,372	
FTE	10.8	11.7	11.7	11.7	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
Colorado Affordable Housing Construction Grants & Loans - GF	2,225,000	2,225,000	2,225,000	100,000	
Federal Affordable Housing Construction Grants & Loans - FF	9,655,524	45,290,931	45,000,000	45,000,000	
Homeless Prevention and Rapid Re-Housing Program		<u>12,904,036</u>	<u>0</u>	<u>0</u>	
Reappropriated Funds		4,750,000 S	0	0	
Federal Funds		8,154,036 S	0	0	
Emergency Shelter Program - FF	906,070	923,376	965,000	965,000	
Private Activity Bond Allocation Committee - CF	1,460	2,500	2,500	2,500	
Low Income Rental Subsidies - FF	18,349,217	17,193,000	18,000,000	18,000,000	
Foreclosure Prevention Grant Fund - GF	100,000	0	0	0	
Foreclosure Prevention Grants - Reappropriated Funds	0	100,000	0	0	
Indirect Cost Assessment	<u>354,611</u>	<u>430,431</u>	<u>430,431</u>	<u>252,579</u>	
Cash Funds	134,113	218,801	218,801	47,498	
Reappropriated Funds	23,542	48,884	48,884	61,462	
Federal Funds	196,956	162,746	162,746	143,619	
*RF: Mineral & Energy Impact	23,542	48,884	48,884	61,462	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
(3) SUBTOTAL - DIVISION OF HOUSING	34,367,639	82,016,204	69,434,737	67,128,935	
FTE	<u>33.0</u>	<u>35.0</u>	<u>33.1</u>	<u>33.1</u>	
General Fund	2,692,306	2,614,518	2,618,179	493,179	
FTE	4.6	4.6	4.6	4.6	
Cash Funds	1,055,603	1,470,791	1,482,694	1,310,254	
FTE	11.7	12.6	12.6	12.6	
Reappropriated Funds/Cash Funds Exempt	168,539	5,049,894	199,050	211,628	
FTE	1.7	1.7	1.7	1.7	
Federal Funds	30,451,191	72,881,001	65,134,814	65,113,874	
FTE	15.0	16.1	14.2	14.2	
<i>*Mineral & Energy Impact - RF</i>	<i>168,539</i>	<i>199,894</i>	<i>199,050</i>	<i>211,628</i>	

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	Actual	Appropriation	Request	Recommendation	
(4) DIVISION OF LOCAL GOVERNMENT					
The Division of Local Government provides information and training for local governments in budget development, purchasing, demographics, land use planning, and regulatory issues; manages federal and state funding programs to support infrastructure and local services development; and assists local, state, and private organizations in disaster preparedness, response, recovery, and impact mitigation. Cash funds are predominantly from the Local Government Severance Tax Fund, Local Government Mineral Impact Fund, the State Lottery Fund, and waste tire recycling fees.					
(A) Local Government and Community Services					
(1) Administration					
Personal Services	1,430,470	1,572,511	1,288,148	1,288,148	
FTE	<u>18.7</u>	<u>20.4</u>	<u>17.7</u>	<u>17.7</u>	
General Fund	851,354	736,914 S	598,005	598,005	NP-1
FTE	10.3	8.3 S	9.0	7.0	NP-1
Reappropriated Funds	470,718	654,245 S	560,305	560,305	NP-1
FTE	7.0	9.0 S	6.1	8.1	NP-1
Federal Funds	108,398	181,352 S	129,838	129,838	NP-1
FTE	1.4	3.1	2.6	2.6	NP-1
*RF: Mineral & Energy Impact	470,718	654,245 S	560,305	560,305	
Operating Expenses	<u>94,010</u>	<u>131,351</u>	<u>131,351</u>	<u>131,351</u>	
General Fund	42,178	42,178	42,178	42,178	
Reappropriated Funds	25,146	25,146	25,146	25,146	
Federal Funds	26,686	64,027	64,027	64,027	
*RF: Mineral & Energy Impact	25,146	25,146	25,146	25,146	

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	Actual	Appropriation	Request	Recommendation	
(2) Local Government Services					
Local Utility Management Assistance - CF	151,817	154,018 S	154,709	154,709	
FTE	2.0	2.0	2.0	2.0	
Conservation Trust Fund Disbursements - CF	47,790,781	47,995,763 S	51,396,557	51,400,000	
FTE	1.9	2.0	2.0	2.0	
Volunteer Firefighter Retirement Plans - GF	4,009,590	4,111,912	4,114,363	4,114,363	
‡GF: General Fund Exempt Account	4,009,590	0	0	0	
Volunteer Firefighter Death and Disability Insurance - GF	25,500	30,000	30,000	30,000	
‡GF: General Fund Exempt Account	25,500	0	0	0	
Environmental Protection Agency Water/Sewer File Project - FF	50,000	49,118 S	49,890	49,890	
FTE	0.4	0.5	0.5	0.5	
Federal Disability Program Navigator - FF	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	
United Health Rural Health Care Grants - CF	<i>Administration of this program transferred to the Colorado Rural Health Center</i>				
(3) Community Services					
Community Services Block Grant - FF	5,886,541	14,184,648 S	6,000,000	6,000,000	

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	Actual	Appropriation	Request	Recommendation	
(4) Waste Tire Fund					
Waste Tire Recycling, Reuse and Removal Grants	4,919,602	4,198,257	4,198,584	4,200,000	
FTE	<u>0.4</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	
Cash Funds	3,382,634	4,198,257 S	4,198,584	4,200,000	
FTE	0.4	0.7	0.7	0.7	
Reappropriated Funds	1,536,968	0	0	0	
Subtotal: (A) Local Government and Community					
Services	64,358,311	72,427,578	67,363,602	67,368,461	
FTE	<u>23.4</u>	<u>25.6</u>	<u>22.9</u>	<u>22.9</u>	
General Fund	4,928,622	4,921,004	4,784,546	4,784,546	
FTE	10.3	8.3	9.0	7.0	
Cash Funds	51,325,232	52,348,038	55,749,850	55,754,709	
FTE	4.3	4.7	4.7	4.7	
Reappropriated Funds	2,032,832	679,391	585,451	585,451	
FTE	7.0	9.0	6.1	8.1	
Federal Funds	6,071,625	14,479,145	6,243,755	6,243,755	
FTE	1.8	3.6	3.1	3.1	
†General Fund Exempt Account	4,035,090	0	0	0	
*RF: Mineral & Energy Impact	495,864	679,391	585,451	585,451	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
(B) Field Services					
Program Costs	2,510,639	2,394,936	2,362,418	2,360,874	
FTE	<u>25.9</u>	<u>28.5</u>	<u>27.9</u>	<u>27.9</u>	
General Fund	461,436	0 S	0	0	DI #2
FTE	4.9	0.0 S	0.0	0.0	
Cash Funds	97,308	105,315	105,289	105,289	
FTE	1.0	1.0	1.0	1.0	
Reappropriated Funds	1,348,240	1,953,095 S	1,959,388	1,957,844	DI #2
FTE	15.3	22.6 S	22.6	22.6	
Federal Funds	603,655	336,526 S	297,741	297,741	NP-1
FTE	4.7	4.9	4.3	4.3	NP-1
*RF: Mineral & Energy Impact	1,348,240	1,953,095 S	1,959,388	1,957,844	
Community Development Block Grant (Business and Infrastructure Development) - FF	12,412,618	9,881,627 S	9,697,000	9,697,000	
Local Government Mineral and Energy Impact Grants and Disbursements	<u>211,857,880</u>	<u>192,000,000</u>	<u>124,000,000</u>	<u>129,000,000</u>	
Cash Funds	125,900,000	192,000,000	124,000,000	129,000,000	
Reappropriated Funds	85,957,880	0	0	0	
<i>For Information Only, Non-add</i>					
State Severance Tax	119,099,971	119,000,000	70,000,000	84,000,000	
Federal Mineral Lease	92,757,909	73,000,000	54,000,000	45,000,000	
Local Government Limited Gaming Impact Grants -	5,855,103	6,308,674	5,700,000	6,000,000	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
Search and Rescue Program	423,683	613,349	613,658	615,000	
FTE	<u>1.3</u>	<u>1.3</u>	<u>1.3</u>	<u>1.3</u>	
Cash Funds	423,683	613,349 S	613,658	615,000	
FTE	1.3	1.3	1.3	1.3	
Reappropriated Funds/Cash Funds Exempt	0	0	0	0	
Colorado Heritage Communities Grant Fund - GF	62,000	0	0	0	
Colorado Heritage Communities Grants - Reappropriated Funds	200,000	200,000	200,000	200,000	
Subtotal: (B) Field Services	233,321,923	211,398,586	142,573,076	147,872,874	
FTE	<u>27.2</u>	<u>29.8</u>	<u>29.2</u>	<u>29.2</u>	
General Fund	523,436	0	0	0	
FTE	4.9	0.0	0.0	0.0	
Cash Funds	132,276,094	199,027,338	130,418,947	135,720,289	
FTE	2.3	2.3	2.3	2.3	
Reappropriated Funds/Cash Funds Exempt	87,506,120	2,153,095	2,159,388	2,157,844	
FTE	15.3	22.6	22.6	22.6	
Federal Funds	13,016,273	10,218,153	9,994,741	9,994,741	
FTE	4.7	4.9	4.3	4.3	
<i>*RF: Mineral & Energy Impact</i>	<i>1,348,240</i>	<i>1,953,095</i>	<i>1,959,388</i>	<i>1,957,844</i>	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
(C) Indirect Cost Assessment	<u>690,293</u>	<u>1,031,316</u>	<u>1,031,316</u>	<u>1,033,715</u>	
Cash Funds	125,645	171,115	171,115	150,631	
Reappropriated Funds/Cash Funds Exempt	432,143	726,672 S	726,672	769,750	
Federal Funds	132,505	133,529	133,529	113,334	
*RF: Mineral & Energy Impact	432,143	726,672	726,672	769,750	
(4) SUBTOTAL - DIVISION OF LOCAL GOVERNMENT	298,370,527	284,857,480	210,967,994	216,275,050	
FTE	<u>50.6</u>	<u>55.4</u>	<u>52.1</u>	<u>52.1</u>	
General Fund	5,452,058	4,921,004	4,784,546	4,784,546	
FTE	15.2	8.3	9.0	7.0	
Cash Funds	183,726,971	251,546,491	186,339,912	191,625,629	
FTE	6.6	7.0	7.0	7.0	
Reappropriated Funds	89,971,095	3,559,158	3,471,511	3,513,045	
FTE	22.3	31.6	28.7	30.7	
Federal Funds	19,220,403	24,830,827	16,372,025	16,351,830	
FTE	6.5	8.5	7.4	7.4	
†General Fund Exempt Account	4,035,090	0	0	0	
*RF: Mineral & Energy Impact	2,276,247	3,359,158	3,271,511	3,313,045	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
(5) Division of Emergency Management					
This division assists local, state, and private organizations in disaster preparedness, response, recovery, and impact mitigation. The Division is 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. Cash funds are nearly entirely from the Disaster Emergency Fund, with a small amount received from fees paid for emergency training programs. Reappropriated funds are from severance tax revenues and federal mineral lease revenues transferred from the Division of Local Government. Federal funds are from grant moneys received from the Department of Homeland Security for emergency preparedness, chemical stockpile readiness, and other programs.					
Administration	2,637,283	2,751,007	2,601,949	2,599,828	
FTE	<u>23.6</u>	<u>29.4</u>	<u>27.9</u>	<u>27.9</u>	
General Fund	501,027	572,559 S	571,685	571,685	
FTE	7.2	8.1	8.2	8.2	
Reappropriated Funds	63,302	65,065	65,392	65,392	
FTE	0.1	1.0	1.0	1.0	
Federal Funds	2,072,954	2,113,383 S	1,964,872	1,962,751	NP-1
FTE	16.3	20.3	18.7	18.7	NP-1
<i>*RF: Mineral & Energy Impact</i>	63,302	65,065	65,392	65,392	
Disaster Response and Recovery	<u>537,905</u>	<u>4,950,000</u>	<u>4,950,000</u>	<u>4,950,000</u>	
Cash Funds	448,750	4,500,000	4,500,000	4,500,000	
Federal Funds	89,155	450,000	450,000	450,000	
Preparedness Grants and Training	<u>13,242,730</u>	<u>12,010,988</u>	<u>12,010,988</u>	<u>12,010,988</u>	
Cash Funds	0	10,988	10,988	10,988	
Federal Funds	13,242,730	12,000,000	12,000,000	12,000,000	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
Indirect Cost Assessment	<u>192,931</u>	<u>237,478</u>	<u>237,478</u>	<u>220,182</u>	
Cash Funds	0	0	0	0	
Reappropriated Funds	6,421	13,383	13,383	15,399	
Federal Funds	186,510	224,095	224,095	204,783	
*RF: Mineral & Energy Impact	6,421	13,383	13,383	15,399	
(5) SUBTOTAL - DIVISION OF EMERGENCY					
MANAGEMENT	16,610,849	19,949,473	19,800,415	19,780,998	
FTE	<u>23.6</u>	<u>29.4</u>	<u>27.9</u>	<u>27.9</u>	
General Fund	501,027	572,559	571,685	571,685	
FTE	7.2	8.1	8.2	8.2	
Cash Funds	448,750	4,510,988	4,510,988	4,510,988	
Reappropriated Funds	69,723	78,448	78,775	80,791	
FTE	0.1	1.0	1.0	1.0	
Federal Funds	15,591,349	14,787,478	14,638,967	14,617,534	
FTE	16.3	20.3	18.7	18.7	
*RF: Mineral & Energy Impact	69,723	78,448	78,775	80,791	

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	FY 2008-09	FY 2009-10	FY 2010-11		Change Requests
	Actual	Appropriation	Request	Recommendation	
TOTAL: DEPARTMENT OF LOCAL AFFAIRS	357,020,340	394,429,210	308,390,022	311,416,194	
FTE	<u>170.7</u>	<u>186.5</u>	<u>176.7</u>	<u>176.7</u>	
General Fund	12,294,828	10,912,921	10,679,564	8,690,629	
FTE	58.0	43.7	43.7	41.7	
Cash Funds	186,138,934	258,601,220	193,438,760	198,524,752	
FTE	29.4	30.7	30.7	30.7	
Reappropriated Funds	92,651,908	11,928,255	7,051,287	7,255,876	
FTE	45.5	67.2	62.0	64.0	
Federal Funds	65,934,670	112,986,814	97,220,411	96,944,937	
FTE	37.8	44.9	40.3	40.3	
†GF: General Fund Exempt Account			0	0	
*RF: Mineral & Energy Impact	3,778,837	5,200,993	5,152,334	5,200,993	

**DEPARTMENT OF LOCAL AFFAIRS
FY 2010-11 STAFF FIGURE SETTING**

JBC Working Document: Decisions Subject to Change
Staff Recommendation Does Not Represent Committee Decision

FORMAT NOTES: Individual line items appear in **bold underlined** font, decision items appear in ***bold italic*** font, and summary descriptions of staff recommendations appear in **bold** font.

General Note Regarding a Statewide Change Request. This figure setting document assumes that an introduced bill which would modify contributions to and benefits paid from the Public Employees' Retirement Association (PERA) for all eligible employees will be enacted into law (S.B. 10-001). Thus, Staff has included reductions to all personal services line items affected by this bill. In the event that the bill changes, necessitating changes to the recommended adjustments included in this staff document, staff requests permission to make any an all changes necessary to accommodate this possibility.

(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.

Personal Services

Description: This line item funds the 13.2 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 (especially for the fiscal staff). While the number and complexity of grants and contracts has increased in recent years, the Department has not requested additional resources in this area to address the increasing workload.

Position	FY 2008-09 Actuals	FY 2009-10 Approp.	FY 2010-11 Request	FY 2010-11 Recomm.
Executive	1.0	1.0	1.0	1.0
Deputy Director	1.0	1.0	1.0	1.0
Fiscal	8.0	8.0	8.0	8.0
Human Resources	1.7	2.0	2.0	2.0
IT Support	0.0	0.0	0.0	0.0
Support/Clerical	<u>1.0</u>	<u>1.2</u>	<u>1.7</u>	<u>1.7</u>
TOTAL	12.7	13.2	13.7	13.7

**DEPARTMENT OF LOCAL AFFAIRS
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Request: The Department requests \$1,245,439 in total funds for this line item. The budget request reflects an increase of \$66,676 and 0.5 FTE and includes two statewide change requests consisting of a change related to the consolidation of the State's information technology resources and changes related to the State's contribution to PERA.

Recommendation: **Staff recommends \$1,245,439 reappropriated funds and 13.7 FTE for FY 2010-11.** For FY 2010-11, total Department indirect cost recoveries are sufficient to offset all of the General Fund expenditures in this line item (as was the case in FY 09-10, but not in FY 08-09). Thus, staff's recommendation reflects only indirect cost recoveries for this line item. The following table summarizes indirect cost assessments, by fund source, and the application of those assessments in this line item.

Executive Director's Office, Personal Services				
Item	Total Funds	General Fund	Indirect Cost Recoveries	FTE
FY 2009-10 Long Bill	\$1,207,606	\$0	\$1,207,606	13.2
Supplemental adjustments (H.B. 10-1307)	<u>(28,843)</u>	<u>0</u>	<u>(28,843)</u>	<u>0.0</u>
<i>Subtotal: FY 2009-10 Appropriation</i>	1,178,763	0	1,178,763	13.2
Salary survey awarded in FY 09-10	0	0	0	0.0
Performance-based pay awarded in FY 09-10	0	0	0	0.0
Restore reduction related to FY 09-10 furloughs	28,843	0	28,843	0.0
Modify contributions to PERA	(26,307)	0	(26,307)	0.0
Statewide consolidation of information technology ¹	64,140	0	64,140	0.5
Recommended FY 2010-11 Appropriation	\$1,245,439	\$0	\$1,245,439	13.7

¹ When S.B. 08-155 (Statewide Information Technology Consolidation) was enacted, it inadvertently reduced the number of full time equivalent employees in the Executive Director's Office by 0.8 FTE, when only 0.3 FTE were allocated for information technology purposes. This adjustment corrects for this error.

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Indirect Cost Assesment Recommendations for FY 2010-11			
Decription	Total Funds	Cash Fund Sources	Federal Fund Sources
<i>Indirect Cost Assessments:</i>			
Division of Property Taxation	<u>\$128,008</u>	<u>\$128,008</u>	<u>\$0</u>
State severance tax revenues	96,359	96,359	0
Federal mineral lease revenues	31,649	31,649	0
Division of Housing	<u>252,579</u>	<u>108,960</u>	<u>143,619</u>
HUD Programs	143,619	0	143,619
Manufactured Buildings Program	47,498	47,498	0
State severance tax revenues	46,266	46,266	0
Federal mineral lease revenues	15,196	15,196	0
Division of Local Government	<u>1,033,715</u>	<u>920,381</u>	<u>113,334</u>
State severance tax revenues	579,436	579,436	0
Federal mineral lease revenues	190,314	190,314	0
Community Development Block Grant	72,743	0	72,743
Community Services Block Grant	40,591	0	40,591
Local Utility Management	36,907	36,907	0
Conservation Trust Fund	55,501	55,501	0
Gaming revenues	24,134	24,134	0
Search and Rescue fees	30,102	30,102	0
Waste tire fees	3,987	3,987	0
Division of Emergency Management	<u>220,182</u>	<u>15,399</u>	<u>204,783</u>
Various federal grants	204,783	0	204,783
State severance tax revenues	11,592	11,592	0
Federal mineral lease revenues	3,807	3,807	0
Total Indirect Cost Assessments	<u>\$1,634,484</u>	<u>\$1,172,748</u>	<u>\$461,736</u>

**DEPARTMENT OF LOCAL AFFAIRS
FY 2010-11 STAFF FIGURE SETTING**

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Indirect Cost Assessment Recommendations for FY 2010-11			
Description	Total Funds	Cash Fund Sources	Federal Fund Sources
<i>Appropriations of Indirect Cost Recoveries (Division, Line Item):</i>			
Total Indirects Available	<u>\$1,634,484</u>		
EDO, Personal Services	1,245,439		
EDO, Operating	34,493		
Property Taxation, Board of Assessment Appeals	354,552		

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 \$932,457 (including \$397,855 General Fund) for FY 2010-11. This amount is based on updated enrollment data, and is anticipated to set state contributions at the following prevailing market conditions: 90 percent for health insurance, 85 percent for dental insurance, and 72 percent for life insurance.

***Recommendation:* Staff recommends the JBC approve \$889,952 (including \$397,855 General Fund) for FY 2010-11, pursuant to Committee common policy.**

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 \$16,797 for this purpose for FY 2010-11.

***Recommendation:* Staff recommends appropriating \$16,785 (including \$5,052 General Fund) for FY 2010-11, based on the Committee policy of applying a rate of 0.155 percent to FY 08-09 base salaries.**

**DEPARTMENT OF LOCAL AFFAIRS
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S.B. 04-257 Amoritization 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 a total of \$260,076 (including \$73,560 General Fund).

Recommendation: **Pursuant to Committee policy** [2.2 percent of FY 08-09 base salaries for CY 2010 and 2.6 percent of FY 08-09 base salaries for CY 2011], **staff recommends an appropriation of \$259,887 (including \$78,218 General Fund) for FY 2010-11.**

S.B. 06-235 Supplemental Amoritization 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 a total of \$189,639 (including \$53,638 General Fund).

Recommendation: **Pursuant to Committee policy** [1.5 percent of FY 08-09 base salaries for CY 2010 and 2.0 percent of FY 08-09 base salaries for CY 2011], **staff recommends an appropriation of \$189,500 (including \$57,034 General Fund) for FY 2010-11.**

Salary Survey and Senior Executive Service

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

Request: The Department has requested no annual increase for this purpose.

Recommendation: **Consistent with Committee policy, staff recommends the Department's request.**

Performance-based Pay Awards

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

Request: The Department has requested no annual increase for this purpose.

Recommendation: **Consistent with Committee policy, staff recommends the Department's request.**

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Staff Recommendation Does Not Represent Committee Decision

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. This program is administered by the Department of Personnel and Administration.

Request: The Department requests a total of \$53,586 (including \$49,826 General Fund).

Recommendation: **The staff recommendation is pending a Committee common policy for this line item.** Staff requests permission to make any necessary adjustments to accommodate action taken by the Committee at later point in time that impacts this line item.

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 data-processing services for the entire Department.

Request: The Department requests continuation funding.

Recommendation: **Staff recommends \$144,175 total funds for FY 2010-11, which reflects no increase, consistent with Committee policy.** The operating expenses in this line item are primarily driven by the number of Department employees. Staff is not anticipating a significant change in the number of employees. For FY 2010-11, total Department indirect cost recoveries will be sufficient to offset all of the General Fund expenditures for this line item (\$34,493).

Legal Services

Description: This line item provides funding for the Department to purchase legal services from the Department of Law. While all of the various divisions within the Department may use legal services, 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.

Recommendation: **Staff recommends approving the Department's request for funding sufficient to purchase 1,790 hours of services.** The dollar amount of staff's recommendation is **pending** the determination of the hourly rate for legal services.

DEPARTMENT OF LOCAL AFFAIRS
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Purchase of Services from Computer Center

Description: This item provides funding for the Department's share of statewide computer services provided by the Department of Personnel and Administration, Division of Information Technology.

Request: The Department requests \$690,704 (including \$235,963 General Fund) for this purpose for FY 2010-11. This increase is approximately 17 times the amount appropriated in FY 2009-10 and reflects the costs associated with the non-prioritized statewide request to consolidate information technology resources.

Recommendation: **The staff recommendation is pending a Committee common policy for this line item.** Staff requests permission to make any necessary adjustments to accommodate action taken by the Committee at later point in time that impacts this line item.

Multiuse Network Payments

Description: This line item is used to pay the Department's share of the statewide multi-use network.

Request: The Department requests funding of \$122,636 (including \$15,456 General Fund) for multi-use network payments for FY 2010-11. This increase reflects the costs associated with the non-prioritized statewide request to consolidate information technology resources.

Recommendation: **The staff recommendation is pending a Committee common policy for this line item.** Staff requests permission to make any necessary adjustments to accommodate action taken by the Committee at later point in time that impacts this line item.

Management and Administration of OIT

Description: Senate Bill 08-155 consolidated the responsibility for information technology (IT) oversight for most of the state's executive branch in the Governor's Office of Information Technology (OIT). This line item reflects the Department's share of the costs incurred to support the centralized functions of OIT.

Request: The Department requests funding of \$73,855 (including \$5,943 General Fund) for multi-use network payments for FY 2010-11. This increase reflects the costs associated with the non-prioritized statewide request to consolidate information technology resources.

Recommendation: **The staff recommendation is pending a Committee common policy for this line item.** Staff requests permission to make any necessary adjustments to accommodate action taken by the Committee at later point in time that impacts this line item.

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Staff Recommendation Does Not Represent Committee Decision

Payment to Risk Management and Property Funds

Description: This line item provides funding for the Department's share of the statewide costs for two programs operated by the Department of Personnel and Administration: (1) the liability program (which provides coverage related to liability claims); and (2) the property program (which provides insurance coverage for state buildings and their contents).

Request: The Department requests a total of \$6,275 (including \$5,836 General Fund) for this purpose for FY 2010-11.

Recommendation: **The staff recommendation is pending a Committee common policy for this line item.** Staff requests permission to make any necessary adjustments to accommodate action taken by the Committee at later point in time that impacts this line item.

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 [see Section 24-30-1117, C.R.S.].

Request: The Department's request for \$132,945 (including \$102,349 General Fund) for FY 2010-11 and includes funding to replace 5 additional vehicles in 2010 to be in use by the Department's fleet pool. The pool vehicles are used by all of the divisions within the Department to carry out required workload.

Recommendation: **Staff recommends the JBC approve the Department's dollar request for FY 2010-11.** However, staff only recommends replacing one vehicle (2005 Dodge Durango Lic #:239DHU), for health/life/safety concerns, as provided by the Department of Personnel and Administration. This vehicle will likely be replaced with a Ford Escape Hybrid or equivalent.

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 (including \$29,913 General Fund) for this purpose for FY 2010-11.

Recommendation: **Staff recommends approving the Department's request.**

DEPARTMENT OF LOCAL AFFAIRS
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Staff Recommendation Does Not Represent Committee Decision

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.

Request: The Department requests a total of \$476,126 (including \$346,132 General Fund).

Recommendation: **Staff recommends providing funding sufficient to cover the leased space costs for a total of 53,770 square feet**, including 33,228 square feet in the building located at 1313 Sherman Street in Denver, 17,084 square feet in Camp George West, and 3,458 square feet in Grand Junction. **Staff's dollar recommendation is pending a determination of lease rates.** Staff requests permission to make any changes depending on action taken by the Committee in other figure setting presentations that impact this line item.

Leased Space

Description: This line item funds leased space needs for the Department.

Request: The Department requests a total of \$107,661 (including \$22,574 General Fund) for leased space for FY 2010-11. This amount reflects an increase of \$6,240 reappropriated funds associated with **Decision Item #1 (South Central Office Lease)**. The Department is requesting spending authority to acquire leased office space for the purposes of accommodating a move of the Department's Central Region office from Monte Vista to Alamosa. Moneys will be furnished from an internal transfer of severance and federal mineral lease tax revenues appropriated to the Local Government Mineral and Energy Impact Grants and Distribution line item in the Division of Local Government. Prior to FY 1997-98, the Central Region office was located in Alamosa, however in FY 1998-99 when the lease was terminated, the office was moved to Monte Vista where office space was procured. In 2002, it was determined that the regional office would be moved to the Central Region's field staff's private home. Per the Department's request, due to the necessity to have files more accessible to the public and the need for professional meeting space, the request is being made to acquire office space in Alamosa, which the Department believes at this time is a more centralized location for the Central Region office than is Monte Vista.

Recommendation: **Staff recommends the Department's request.** The recommendation reflects increased spending authority to provide office space to Field Staff for the purposes of assisting the public and to make available space to accommodate the storage of files and documentation. Staff's recommendation is influenced by population trends affecting the cities of Monte Vista and Alamosa. The population for Monte Vista is estimated by the State Demographer's Office (SDO) to be 4,357 in 2008. For the same year, the SDO estimates the population of Alamosa to be 8,502, or nearly twice the size of Monte Vista. Further, population trends over the last nine available years indicate that the population has *increased* nearly seven percent in Alamosa, whereas there has been a

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decrease of nearly four percent in Monte Vista's population. Staff believes that the requested office would provide better service delivery to more of the public now and in the future by providing spending authority for acquiring office space in Alamosa.

Communication Services Payments

Description: This line item provides funding to pay to the Department of Personnel and Administration the Department of Education's share of the costs associated with operating the public safety communications infrastructure.

Request: The Department requests funding of \$26,623 (including \$6,364 General Fund) for this purpose for FY 2010-11.

Recommendation: **The staff recommendation is pending a Committee common policy for this line item.** Staff requests permission to make any necessary adjustments to accommodate action taken by the Committee at later point in time that impacts this line item.

Moffat Tunnel Improvement District

Description: This line item funds the Department of Local Affairs' expenditures for administration of the Moffat Tunnel Improvement District. The Department is provided custodial authority of the Moffat Tunnel Improvement District, pursuant to Section 32-8-124.7 (3), C.R.S. Cash funds are received from annual lease revenues and the appropriation provides spending authority from reserves in the Moffat Tunnel Cash Fund in case funds are needed to protect the right-of-way from legal challenges.

Request: The Department requests continuation funding of \$137,444 for this purpose for FY 2010-11.

Recommendation: **Staff recommends approving the Department's request.**

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(2) PROPERTY TAXATION

The staff funded through this section are responsible for ensuring that property tax laws are implemented in a fair and equitable manner across all political subdivisions.

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]. This position is exempt from the state personnel system. Pursuant to Section 39-2-101, C.R.S., the Property Tax Administrator is head of the Division of Property Taxation.

The key statutory responsibilities that drive the Division's workload include: (1) valuing multi-county companies in Colorado, including railroads, pipelines, and other utilities; (2) granting exemptions from taxation for charities, churches, and other eligible entities to assure a standardization of exemptions; (3) assuring property tax equity by issuing appraisal standards and training county assessors; and, (4) investigating allegations that a class or subclass of property has not been appraised or valued as required by law, and conducting reappraisals as ordered by the State Board of Equalization.

This line item currently supports 38.5 FTE, detailed in the following table. In addition to General Fund, the Division is supported by fees charged for approving property tax exemptions and mineral and energy impact funds.

Position	FY 2008-09 Actuals	FY 2009-10 Approp.	FY 2010-11 Request	FY 2010-11 Recomm.
Property Tax Administrator	1.0	1.0	1.0	1.0
Property Tax Exemptions	9.0	9.0	9.0	9.0
<u>Training and Technical Assistance:</u>				
Appraisal Standards	7.4	8.0	8.0	8.0
Administrative Responsibilities	7.4	8.0	8.0	8.0
State-assessed Property	3.5	4.5	4.5	4.5
IT Support	1.9	2.0	0.0	0.0
Administrative/Clerical	<u>5.8</u>	<u>6.0</u>	<u>6.2</u>	<u>6.2</u>
TOTAL	36.0	38.5	36.7	36.7

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Request: The Department requests \$2,673,076 in total funds for this program line. The budget request includes three statewide change requests, including a change related to the consolidation of the State's information technology resources, changes related to the State's contribution to PERA, and mail equipment upgrades.

Recommendation: **Staff recommends \$2,669,319 (including \$1,281,936 General Fund) and 36.7 FTE for FY 2010-11. Staff's recommendation for this line item, detailed in the following table, is calculated in accordance with Committee policy.** Staff's recommendation includes \$2,493,295 are for personal services and \$176,024 for operating expenses. Cash funds shall be from the Property Tax Exemption Fund created in Section 39-2-117, C.R.S. Reappropriated funds shall be transferred from the Local Government Mineral Impact Grants and Disbursements line item. Staff requests permission to make adjustments to this line item depending on action taken by the Committee in other figure setting presentations.

Property Taxation, Personal Services					
Item	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2009-10 Long Bill	\$2,797,074	\$1,335,345	\$692,010	\$769,719	38.5
Supplemental adjustments (H.B. 10-1307)	(16,354)	(10,808)	(4,127)	(1,419)	0.0
<i>Subtotal: FY 2009-10 Appropriation</i>	2,780,720	1,324,537	687,883	768,300	38.5
Salary survey awarded in FY 09-10	0	0	0	0	0.0
Performance-based pay awarded in FY 09-10	0	0	0	0	0.0
Restore reduction related to FY 09-10 furloughs	14,349	8,803	4,127	1,419	0.0
Restore 1.82 percent personal services reduction made in FY 09-10 Long Bill	48,071	21,251	12,757	14,063	0.0
Modify contributions to PERA (NP)	(58,533)	(19,078)	(13,890)	(25,565)	0.0
Modify contributions to PERA adjustment (NP)	2,604	1,195	0	1,409	0.0
Mail equipment upgrade (NP)	548	548	0	0	0.0
Annualize FY 09-10 mail equipment upgrade	(1,752)	(1,752)	0	0	0.0
Statewide consolidation of information technology (NP)	(116,688)	(53,568)	0	(63,120)	(1.8)
Recommended FY 2010-11 Appropriation	\$2,669,319	\$1,281,936	\$690,877	\$696,506	36.7

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Section 39-2-106, C.R.S., states that compensation of the Property Tax Administrator and employees of the Division of Property Taxation shall be paid from annual appropriations made to the Division by the General Assembly¹.

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 designee);
- The Speaker of the House of Representatives (or his designee);
- The President of the Senate (or his designee); and
- 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 (\$12,856 General Fund).

Recommendation: **Staff recommends approving the Department's request.**

¹ Please note, however, that any costs incurred in implementing assessment and levy procedures required by Section 39-5-132, C.R.S., shall be paid by the local taxing authorities.

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Board of Assessment Appeals

Description: The Board of Assessment Appeals is a quasi-judicial body that operates as a "type 1²" agency within the Department of Local Affairs [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. The Board offers a lower-cost alternative to the courts, and the Board members have expertise in property valuation. Pursuant to statute, Board members must be registered, certified, or licensed as an appraiser.

Under current law, the Board must consist of at least three members, and an additional six members may be appointed. Thus, the General Assembly may appropriate funds for up to six additional members 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 15.0 FTE, including Board members, as detailed in the following table.

Position	FY 2008-09 Actuals	FY 2009-10 Approp.	FY 2010-11 Request	FY 2010-11 Recomm.
Board Members	7.0	7.0	7.0	7.0
Staff Director	0.8	1.0	1.0	1.0
Hearing Reporters	2.0	2.0	2.0	2.0
IT Support	2.0	2.0	0.0	0.0
Administrative/ Clerical	<u>3.0</u>	<u>3.0</u>	<u>3.2</u>	<u>3.2</u>
TOTAL	14.8	15.0	13.2	13.2

This line item currently provides funding based on 615 board-days per year (one board-day = one member for one day), assuming that at least two members will attend each hearing. The source of reappropriated funds is indirect cost recoveries.

Request: The Department requests \$548,198 in total funds for this line item. The budget request reflects an decrease of \$122,544 and 1.8 FTE and includes two statewide change requests consisting of a change related to the consolidation of the State's information technology resources and changes related to the State's contribution to PERA.

² Pursuant to Section 24-1-105 (1), C.R.S., a type 1 agency exercises its prescribed powers and duties independently of the head of the department.

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Recommendation: Staff recommends \$546,623 (including \$192,071 General Fund) and 13.2 FTE in FY 2010-11. Staff's recommendation for this line item, detailed in the following table, is calculated in accordance with Committee policy. Staff's recommendation includes \$459,962 for personal services and \$86,661 for operating expenses. In FY 2010-11, total Department indirect cost recoveries will be sufficient to offset a portion of this line item (\$354,552). Reductions in this line item would significantly impede the Department's ability to provide appellants with a fair and timely hearing. The Board provides a less costly alternative to the court system in settling property tax disputes and the Board members are trained appraisers. Appropriate levels of funding facilitates the Board being able to hear cases in a more timely manner, and allows the Board to travel to more parts of the state to increase appellant accessibility. Staff requests permission to make adjustments to this line item depending on action taken by the Committee in other figure setting presentations.

Property Taxation: Board of Assessment Appeals, Personal Services				
Item	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2009-10 Long Bill	\$683,148	\$304,656	\$378,492	15.0
Supplemental adjustments (H.B. 10-1307)	<u>(12,406)</u>	<u>0</u>	<u>(12,406)</u>	<u>0.0</u>
<i>Subtotal: FY 2009-10 Appropriation</i>	670,742	304,656	366,086	15.0
Salary survey awarded in FY 09-10	0	0	0	0.0
Performance-based pay awarded in FY 09-10	0	0	0	0.0
Restore reduction related to FY 09-10 furloughs	12,406	0	12,406	0.0
Modify contributions to PERA (NP)	(18,562)	(6,825)	(11,737)	0.0
Modify contributions to PERA adjustment (NP)	2,676	0	2,676	0.0
Annualize FY 09-10 mail equipment upgrade	(1,575)	(1,575)	0	0.0
Statewide consolidation of information technology (NP)	(119,064)	0	(119,064)	(1.8)
Indirect cost recoveries increase ¹	0	(104,185)	104,185	0.0
Recommended FY 2010-11 Appropriation	\$546,623	\$192,071	\$354,552	13.2

¹ The indirect cost recoveries generated from eligible fund sources within the Department were greater than in FY 2009-10, thus decreasing the necessary General Fund to cover programmatic expenditures. If any additional changes are made to the Department's indirect cost recovery plan and more moneys can be collected from additional cash revenues, these additional indirect cost recoveries will be applied to this line item.

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Indirect Cost Assessment

Description: This line reflects the amount of indirect cost assessments made against cash and reappropriated funds funding sources within this 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 request includes increases to the collection rate applied to divisions for indirect cost recoveries.

Recommendation: **The staff recommends \$128,008 reappropriated funds based on the revised indirect cost plan.** Overall, indirect cost recoveries from the Department will increase \$13,893 compared to FY 2009-10 appropriations. Reappropriated funds are from severance tax and federal mineral leasing revenues received by the Department. Staff requests permission to make adjustments to this line item depending on action taken by the Committee that may impact the funding the indirect cost assessment for this division.

(3) DIVISION OF 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. To help educate decision-makers and the public about these issues, DOH develops and updates various studies on the availability and affordability of housing in Colorado. Finally, the DOH works with local governments to reform local development and building regulations in ways which lower housing production costs.

Personal Services

Description: This line item supports 23.3 FTE, as detailed in the following table. In addition to General Fund, the Division is supported by mineral and energy impact funds, private activity bond fees, and various sources of federal funds.

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Position	FY 2008-09 Actuals	FY 2009-10 Approp.	FY 2010-11 Request	FY 2010-11 Recomm.
Director	1.0	1.0	1.0	1.0
Program Staff	1.0	1.0	1.0	1.0
State Revolving Loan Fund	1.0	1.0	1.0	1.0
IT Support	0.9	1.0	0.0	0.0
Support/Clerical	2.4	2.3	2.3	2.3
Private Activity Bond Program	0.9	0.9	0.9	0.9
Federal Programs	<u>15.0</u>	<u>16.1</u>	<u>14.0</u>	<u>14.0</u>
TOTAL	22.2	23.3	20.2	20.2

Request: The Department requests \$1,302,369 in total funds for this line item. The budget request reflects a decrease of \$145,665 and 1.9 FTE from the current appropriation and includes two statewide change requests consisting of a change related to the consolidation of the State's information technology resources and changes related to the State's contribution to PERA.

Recommendation: **Staff recommends \$1,301,344 (including \$367,276 General Fund) and 21.4 FTE for FY 2010-11. Staff's recommendation for this line item, detailed in the following table, is calculated in accordance with Committee policy.** Cash funds shall be from Private Activity Bond Allocations Fund, pursuant to Section 24-32-1707, C.R.S. Reappropriated funds shall be transferred from the Local Government Mineral Impact Grants and Disbursements line item. Staff requests permission to make adjustments to this line item depending on action taken by the Committee in other figure setting presentations.

Division of Housing: Administration, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reappro- priated Funds	Federal Funds	FTE
FY 2009-10 Long Bill	\$1,469,220	\$366,706	\$76,046	\$151,010	\$875,458	23.3
Supplemental adjustments (H.B. 10-1307)	<u>(21,186)</u>	<u>(3,091)</u>	<u>(524)</u>	<u>0</u>	<u>(17,571)</u>	<u>0.0</u>
<i>Subtotal: FY 2009-10 Appropriation</i>	1,448,034	363,615	75,522	151,010	857,887	23.3
Salary survey awarded in FY 09-10	0	0	0	0	0	0.0
Performance-based pay awarded in FY 09-10	0	0	0	0	0	0.0
Restore reduction related to FY 09-10 furloughs	20,161	3,091	524	0	16,546	0.0

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Division of Housing: Administration, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Restore 1.82 percent personal services reduction made in FY 09-10 Long Bill	27,196	6,788	1,408	2,795	16,205	0.0
Modify contributions to PERA (NP)	(34,397)	(6,218)	(570)	(3,639)	(23,970)	0.0
Modify contributions to PERA adjustment (NP)	3,457	0	0	0	3,457	0.0
Statewide consolidation of information technology (NP)	(163,107)	0	0	0	(163,107)	(1.9)
Recommended FY 2010-11 Appropriation	\$1,301,344	\$367,276	\$76,884	\$150,166	\$707,018	21.4

Operating Expenses

Description: This line item funds the operating expenses of the Division.

Request: The Department is requesting continuation funding of \$324,928 (including \$25,903 General Fund) for FY 2010-11.

Recommendation: **Staff recommends \$324,140 total funds (including \$25,903 General Fund) for FY 2010-11.**

Manufactured Buildings Program - Program Costs

Description: This program regulates the manufacture and installation of factory-built residential and commercial buildings, and promotes the use of factory-built housing as a cost-effective housing option. The Department has the authority to: provide education and training to manufacturers, dealers, installers, building department employees, elected officials, and others regarding building codes and state requirements; to provide consumer training; and to make grants that will address safety issues that affect mobile, manufactured, and factory-built structures. This line item supports 11.7 FTE, as detailed in the following table. The source of cash funds is fees charged for inspections and plan reviews that are deposited in the Building Regulation Fund, pursuant to Section 24-32-3309, C.R.S.

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Position	FY 2008-09 Actuals	FY 2009-10 Approp.	FY 2010-11 Request	FY 2010-11 Recomm.
Director	0.9	1.0	1.0	1.0
Engineer	1.0	1.0	1.0	1.0
IT Support	0.1	0.0	0.0	0.0
Inspectors	5.9	6.0	6.0	6.0
Training and Grant Administration	1.0	1.7	1.7	1.7
Support/Clerical	<u>1.9</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
TOTAL	10.8	11.7	11.7	11.7

Request: The Department requests \$1,184,509 in total funds for this program line. The budget request reflects an increase of \$10,541 from the FY 2009-10 appropriation and includes changes related to the State's contribution to PERA and restores the cuts made related to the statewide furlough of eligible employees.

Recommendation: **Staff recommends \$1,183,372 cash funds and 11.7 FTE for FY 2010-11. Staff's recommendation for this line item, detailed in the following table, is calculated in accordance with Committee policy.** Staff's recommendation includes \$1,096,846 for personal services and \$86,526 for operating expenses. Staff requests permission to make adjustments to this line item depending on action taken by the Committee in other figure setting presentations.

Division of Housing, Manufactured Buildings Program, Program Costs		
Item	Cash Funds	FTE
FY 2009-10 Long Bill	\$1,199,423	11.7
Supplemental adjustments (H.B. 10-1307)	<u>(25,455)</u>	<u>0.0</u>
<i>Subtotal: FY 2009-10 Appropriation</i>	1,173,968	11.7
Salary survey awarded in FY 09-10	0	
Performance-based pay awarded in FY 09-10	0	
Restore reduction related to FY 09-10 furloughs	24,812	
Annualize FY 09-10 mail equipment upgrade	(494)	
Modify contributions to PERA (NP)	(14,914)	
Recommended FY 2010-11 Appropriation	\$1,183,372	11.7

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Colorado Affordable Housing Construction Grants and Loans

Description: This line item provides state funding for grants and loans for the rehabilitation, acquisition, and maintenance of affordable, safe, sanitary housing for low-income households at or below 30 percent of area median income (AMI). The 2009 statewide AMI was \$55,276 thus the Division of Housing seeks to serve households with annual incomes at or below \$16,580. The Division uses the General Fund appropriation in part to match federal moneys available through the Federal Affordable Housing Grants and Loans line item as well as to leverage other public and private funds. This includes the leveraging of tax exempt private activity bond allocations, federal Low Income Housing Tax Credits, and private loans. In this capacity, the Division requires a dollar match for every dollar granted out of this line item. Pursuant to H.B. 09-1213 (Housing Development Grants), moneys appropriated for this purpose in the Long Bill will be transferred to the Colorado Affordable Housing Construction Grants and Loan Fund. Moneys in this fund are continuously appropriated to the Division. The bill requires that not more than \$250,000 may be appropriated from the General Fund in any one state fiscal year for any uses not related to construction grants or loans.

Request: The Department requests continuation level funding of \$2,250,000 General Fund.

Staff Analysis: This line item receives the Department's single biggest appropriation of General Fund. Prior to FY 2008-09, this line item had been appropriated as much as \$4.57 million in FY 2002-03, however mid-year funding was eliminated due to the state's economic downturn. Funding returned to this line item in FY 2004-05, however at a reduced level of \$100,000. The following table summarizes recent General Fund appropriations for this line item.

Recent History of State Appropriations			
Fiscal Year	General Fund Appropriation	Annual Change	
		Dollar	Percent
1997-98	\$600,000		
1998-99*	4,000,000	3,400,000	566.7%
1999-00	2,600,000	(1,400,000)	-35.0%
2000-01	2,600,000	0	0.0%
2001-02**	2,508,933	(91,067)	-3.5%
2002-03***	0	(2,508,933)	-100.0%
2003-04	0	0	-100.0%
2004-05	100,000	100,000	100.0%
2005-06	100,000	0	0.0%

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Recent History of State Appropriations			
Fiscal Year	General Fund Appropriation	Annual Change	
		Dollar	Percent
2006-07	1,100,000	1,000,000	1,000.0%
2007-08	1,223,324	123,324	11.2%
2008-09	2,225,000	1,001,676	81.9%
2009-10	2,225,000	0	0.0%
2010-11 Request	2,225,000	0	0.0%

* 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.

When assessing the need for affordable housing, there are many factors involved including income, housing costs, vacancy rates, and population growth. The Department uses various measurements to help gauge the availability of affordable housing and the number of households that spend more than 30 percent of their income on housing. Two key metrics are employed by the Division. One which estimates the number of "rent burdened households" and then also another which estimates the availability of affordable housing by income grouping.

Rent Burdened Households. Rent burdened households spend more than 35 percent of their income on rent. Based on 2008 Division of Housing data, approximately 227,000 households are rent burdened out of roughly 1.8 million households (12.6 percent, or 1 in every 8 households). In general, spending more than 30 percent of income on housing can negatively impact a household's spending on food, clothing, transportation, daycare, and medical insurance.

Mismatch Ratio. The "mismatch ratio" compares the number of available housing units affordable to specific income levels to the number of households at that income level and indicates the gap between the supply and the demand for affordable housing. An affordable rental unit is defined as a unit whose rent does not exceed 30 percent of a renter's monthly salary. The ratio highlights the gap between the number of households at a given household income level. The lower the ratio, the more scarce affordable housing is. When applying this ratio to the rental market for a household making between 30 and 80 percent of AMI (between \$16,500 and \$44,000), in Colorado, a scarcity of available units is revealed by the lowest income earners, especially those in the 50 percent AMI category (\$27,638 per annum) where there are nearly 2 families competing for each available unit, as is shown in the following table:

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Available Rental Units (Statewide)				
Income Level - AMI	30% AMI	50% AMI	60% AMI	80% AMI
Income Level - per annum	\$16,583	\$27,638	\$33,166	\$44,221
Income Level - per month	\$1,382	\$2,303	\$2,764	\$3,685
Maximum affordable rental rate (30 percent of monthly income)	\$415	\$691	\$829	\$1,106
Available Rental Units per 100 households	65	55	104	140
Ratio of Households to Available Rental Units	1.5 : 1	1.8 : 1	1 : 1	1 : 1.4

Given this shortage of available housing, many lower income households are forced to rent more expensive units, thus negatively impacting a rent burdened household's spending on food, clothing, transportation, daycare, and medical insurance.

Alternative Funding Sources. This line item, as described above, seeks to provide affordable housing by leveraging federal and local moneys to the greatest extent possible, however it also serves to assist in funding affordable housing projects that can not be covered through other available means. For example, entitlement areas (areas defined by HUD and are of substantial size to accommodate the administration of the funds, such as cities and other large scale municipalities) receive moneys for affordable housing directly from HUD. However HUD also provides the state moneys for affordable housing as well (next line item). Federal moneys received by the state can not also be used to supplement federal moneys received by entitlement areas, thus if there is additional need by an entitlement area, the state can only backfill this demand with General Fund dollars or other qualifying sources, but not federal moneys.

Staff Recommendation: Based on the assessment of factors contributing to the need for affordable housing, and the indicators that low-income earning households face a scarcity of affordable housing, which in turn, forces these households to rent more expensive housing that impacts their ability to purchase other necessities including food, clothing, transportation, daycare, and medical insurance, staff believes there is a need to fund this line item. However, staff has reservations about recommending funding the full amount requested by the Department given the budgetary difficulty of the State due to the insufficient revenues forecasted in FY 2010-11. Given these circumstances, staff requests guidance from the Joint Budget Committee related to this request and has suggested three options which the JBC could consider related to an appropriate appropriation for affordable housing.

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Staff Recommendation Does Not Represent Committee Decision

Option	Description
1	<i>Fully fund</i> the Department's request of \$2,225,000 General Fund.
2	<i>Partially fund</i> the line item. In light of the revenue shortfall, the line item could be reduced to levels set when the state was still recovering from its revenue shortfall, which was \$100,000 General Fund. Staff recommends funding of at least \$100,000 General Fund due to the evidence supporting the need for affordable housing.
3	<i>Eliminate funding.</i> During the last revenue shortfall, the JBC did not fund this line item.

Federal Affordable Housing Construction Grants and Loans

Description: This line item reflects anticipated federal affordable housing moneys, including funding from the HOME Investment Partnership Program, the Permanent Housing for Homeless Disabled Program, and a portion of the Community Development Block Grants (CDBG) allocated to the State (historically one-third of the total State CDBG allocation is used for affordable housing purposes). With the exception of CDBG funding, the majority of this funding requires matching money from state, local, or private financing sources.

It is important to note that there are two iterations of the Neighborhood Stabilization Plan. The first iteration (NSP1), was established by the Housing and Economic Recovery Act (HERA) of 2008, which provided \$3.92 billion in funding for emergency assistance to states and local governments. Moneys were distributed on a formula distribution. Colorado was the recipient of \$53.1 million, of which the State was authorized to be custodian of \$36.2 million. The second iteration (NSP2) is a competitive program established by the American Recovery and Reinvestment Act (ARRA) of 2009 which provides \$1.93 billion to stabilize property values and prevent neighborhood blight. The State of Colorado, as an entity, did not receive any NSP2 allocation from the U.S. Department of Housing and Urban Development (HUD). However, the following entities received funding in Colorado: Chicanos Por La Causa, Inc. (\$23,433,236) and the City & County of Denver, Office of Economic Development (\$18,994,444).

Request: The Department's request reflects a total of \$45 million in federal funds anticipated to be available to the State. This amount includes a one-time allocation of \$36.2 million from HUD for the NSP1 program to provides emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities.

Recommendation: **Staff recommends approving the Department's request.**

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Homeless Prevention and Rapid Re-housing Program

Description: The American Recovery and Reinvestment Act of 2009 (ARRA), provided \$12.9 million to the Department of Local Affairs for the Homeless Prevention and Rapid Re-housing Program. Of this amount, \$8,154,036 was provided to Colorado from the U.S. Department of Housing and Urban Development (HUD). The moneys can specifically be used for financial assistance including short- and medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance, motel vouchers, case management, outreach, housing search and placement, legal services, mediation, and credit repair. The remaining \$4,750,000 reappropriated funds are transferred from additional Temporary Assistance for Needy Families Emergency Fund (TANF) provisions of the American Recovery and Reinvestment Act of 2009 (ARRA) which were provided to the Department of Human Services. These moneys are to be used in collaboration with the Colorado Community and Interagency Council on Homelessness to leverage federal funds for the Homeless Prevention and Rapid Re-Housing Program. The entire program, including any HUD funding, is administered by the Department of Local Affairs. It is estimated that these moneys will support services for 1,440 families at an average cost of \$3,300 per family. The TANF dollars would allow for wrap-around services for families that cannot be covered by the HUD grant, such as childcare and substance abuse treatment. An estimated 50 percent of homeless individuals are families with children, according to the Colorado Coalition for the Homeless.

Department Request: The Department did not submit a request for this new line item.

Staff Recommendation: No recommendation as the funds were one-time in nature impacting FY 2009-10.

Emergency Shelter Program

Description: This line item reflects anticipated federal moneys that the Division of Housing will administer on behalf of local communities and non-profit groups for homeless prevention activities, including the operation of shelters and assistance to families who have received eviction notices or notices of termination of utility services. The request does not include entitlement moneys that are granted on a formula basis directly to the cities of Denver and Colorado Springs.

Request: The Department requests \$965,000 federal funds, which reflects an increase of \$41,624 and is based on estimates of federal funds that will be available to the State.

Recommendation: **Staff recommends approving the Department's request.**

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Private Activity Bond Allocation Committee

Description: This line item provides statutory funding to reimburse expenses associated with the Bond Allocations Committee, which consists of the Executive Director of the Department of Local Affairs, four municipal and county officials, three citizens at large, and one representative of state issuing authorities. This Committee assists the Department and the Executive Director with determining priorities for the allocation of private activity bond allocations for the State. The Committee meets three times per year, and its activities are coordinated by DOH. The source of cash funds is fees charged to entities accessing the state's bond cap.

Federal law limits the total amount of tax-exempt private activity bonds which may be issued by any state and its political subdivisions. A state is allowed to allocate its capped amount among the issuing authorities of the state and is codified in Sections 24-32-1702 to 1715, C.R.S. The 2009-10 "volume capacity" was set at \$90 per person in the state, or \$444,551,040 in total (population est. = 4,939,456). Of this amount, 50 percent is allocated to Statewide Issuing Authorities in amounts established by the Department. These authorities include the Colorado Housing and Finance Authority (CHFA), CollegeInvest, Colorado Agriculture Development Authority, Colorado Health Facilities Authority, and Colorado Educational and Cultural Facilities. The remaining 50 percent is to be allocated to Local Issuing Authorities (e.g., city, town, county, or city and county) based on population. Any excess bonding authority is to be relinquished to the Statewide Balance (SWB), for which the Department has put in place a competitive application process to maximize the allocation of all tax-exempt private activity bonds.

2009 Private Activity Bond Allocation		
Issuing Authority	Allocation	Percent of Total
Local Issuing Authorities (42 count)	\$206,155,440	46.4%
Colorado Housing and Financing Authority (CHFA)	95,200,000	21.4%
CollegeInvest	89,350,000	20.1%
Colorado Agriculture Development Authority (CADA)	37,725,520	8.5%
Statewide Balance*	16,120,080	3.6%
Total	\$444,551,040	100.0%

* The Department estimates that 3.6 percent will be relinquished by the end of the year.

Request: The Department requests continuation level funding of \$2,500 cash funds from the Private Activity Bond Allocations Fund, created in Section 24-32-1707 (6)(b), C.R.S. to reimburse Committee members for qualified expenditures.

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Recommendation: **Staff recommends approving the Department's request.** Pursuant to Section 24-32-1707 (3), C.R.S., members of the Bond Allocations Committee serve without compensation but they are entitled to reimbursement of actual and necessary expenses.

Low Income Rental Subsidies

Description: This line item includes federal Section 8 certificate and voucher funding from the U.S. Department of Housing and Urban Development (HUD). Section 8 certificates pay the difference between fair market rental rates and 30 percent of an individual's income; rents are capped by HUD. In the Voucher program, individual property owners set rental rates with HUD via contracts, and renters receive a voucher for a specific amount of rental assistance based on income level. If rents are higher than the amount of the voucher, the individual is responsible for the difference. Numerous local entities administer Section 8 certificates and vouchers directly.

Request: The Department requests \$18 million federal funds, which reflects an increase of \$807,000 and is based on estimates of federal funds that will be available to the State.

Recommendation: **Staff recommends approving the Department's request.**

Foreclosure Prevention Grant Fund

Foreclosure Prevention Grants

Description: These lines authorize the Division of Housing to use moneys in the Foreclosure Prevention Grant Fund to make grants for the purpose of providing outreach and notice of foreclosure prevention assistance to persons in danger of foreclosure and to communities with high foreclosure rates, pursuant to H.B. 08-1402. The fund is authorized to consist of moneys appropriated by the general assembly as well as gifts, grants, and donations. Statute requires that any unexpended and unencumbered moneys remaining in the fund as of June 30, 2010, shall revert to the General Fund.

The first line item ("Foreclosure Prevention Grant Fund") provides a transfer of General Fund moneys to the Foreclosure Prevention Grant Fund. The second line item provides spending authority for the Department to use monies in the Fund for grant awards.

Request: The Department is not requesting an appropriation for this line item.

Recommendation: **Staff recommends approving the Department's request.**

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Indirect Cost Assessment

Description: This line reflects the amount of indirect cost assessments made against cash, cash exempt, and federal funding sources within this division (including cash funds from the manufactured buildings program, reappropriated funds from federal mineral leasing and severance tax revenues that are appropriated to support a portion of this division's activities, and federal housing fund sources). 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 request includes increases to the collection rate applied to divisions for indirect cost recoveries.

Recommendation: **The staff recommends \$252,579 total funds based on the revised indirect cost plan for FY 2010-11.** Of this amount, \$143,619 are federal funds from U.S. Housing and Urban Development programs, \$61,462 are reappropriated funds from federal mineral leasing and severance tax revenues, and \$47,498 are cash funds from the manufactured buildings program. Staff requests permission to make adjustments to this line item depending on action taken by the Committee that may impact the funding the indirect cost assessment for this division.

(4) DIVISION OF LOCAL GOVERNMENT

(A) Local Government and Community Services

(1) 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).

The table below details the 20.4 FTE currently supported by this line item. The Division's responsibilities and the duties performed by these staff are described following the table. The source of reappropriated funds is mineral and energy impact funds.

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Position	FY 2008-09 Actuals	FY 2009-10 Approp.	FY 2010-11 Request	FY 2010-11 Recomm.
Director & Section Head	1.0	1.0	1.0	1.0
IT Support	0.3	0.7	0.0	0.0
Support/Clerical	4.3	2.2	4.1	4.1
Special District Compliance (Section 32-1-101 et. sec., C.R.S.)	1.5	1.2	1.2	1.2
Enforce 5.5% Limit on Levies (Sections 29-1-301 and 302, C.R.S.)	1.0	1.0	1.0	1.0
Local Government Financial Compendium (Sections 29-1-113 and 505, C.R.S.)	2.0	2.0	2.0	2.0
IT Support	0.5	1.7	0.0	0.0
Demography	3.1	3.6	3.6	3.6
Cartography	2.0	2.0	2.0	2.0
IT Support	1.5	1.9	0.0	0.0
Community Services Block Grant Admin. - FF	<u>1.4</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>
TOTAL	18.6	20.4	18.0	18.0

With regard to special district compliance, the Division is a repository for data such as the names of board members, the boundaries, and the service plan or purpose of special districts. The Division must certify the creation of certain municipal special districts like water and sewer districts. The Division may investigate consolidating, restructuring, or making other changes to special districts to benefit residents or lower costs, and may order the special district to hold public hearings on the Division's findings. The Division must confer with county commissioners or municipal leaders and special district boards if the State Auditor identifies a decrease in the special districts' ability to discharge indebtedness. Finally, the Division has responsibility to dissolve special districts under certain conditions concerning elections compliance, budget preparation and reporting, and the provision of services, or if the special district has completed it's original intended purpose.

According to Section 32-1-102, C.R.S., special districts are local governments (quasi-municipal corporations and political subdivisions) that may provide services to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the districts. The geographic boundaries of a special district may be included in a single municipality or county or may span several municipalities and could extend into unincorporated county land. As with other local governments, special districts have the authority to issue debt and to levy and collect property taxes.

Local governments -- with the exception of school districts -- are subject to a 5.5 percent growth limitation on mill levies. The 5.5 percent levy limitation is in addition to TABOR restrictions.

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Effectively, local governments are held to the lesser of the two limits in any given year. The Division enforces the 5.5 percent limit on mill levy increases, and the Division may approve exemptions for increased valuation or assessments from new oil and gas production, for bridges and roads, for capital construction, or for financial distress (after considering public awareness and support). If a local government's revenues exceed the 5.5 percent growth limit, the Division is responsible for ordering a reduction in revenue for the next fiscal year.

To help implement the Division's regulatory duties with regard to special districts and the 5.5 percent levy limit, the Division is required to compile and publish a compendium of local government financial information. The data is also used by the State Auditor, bond rating companies, researchers, and legislative staff (for fiscal notes).

The Demography and Cartography unit is instrumental in providing data to implement numerous statutory and constitutional provisions of the state and federal government (e.g. calculating TABOR, establishing election districts, and distributing mineral impact and CDBG funds).

Finally, the Division administers the federal Community Services Block Grant (CSBG) program. The state receives an allocation of funds to distribute to community service providers who provide a variety of services to clients who meet eligibility guidelines.

Request: The Department requests \$1,288,148 in total funds and 17.7 FTE for this line item. The budget request reflects a decrease of \$284,363 and 2.7 FTE and includes two statewide change requests consisting of a change related to the consolidation of the State's information technology resources and changes related to the State's contribution to PERA.

Recommendation: **Staff recommends \$1,288,148 (including \$598,005 General Fund) and 17.7 FTE for FY 2010-11. Staff's recommendation for this line item, detailed in the following table, is calculated in accordance with Committee policy.** Funding in this line item is directly tied to key constitutional and statutory duties of the Department. Without the demography and cartography staff the Department would not be able to make distributions of the funds that it administers, such as the Conservation Trust Fund or mineral and energy impact funds, according to the required constitutional and statutory formulas. As for the regulation of local government finances, many of the political subdivisions that the Department 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. Mismanagement of local government finances can erode citizen confidence in all levels of government and, in some cases, create a burden on state government if the state has to intervene. For these reasons, staff believes that the state has a vested interest in ensuring minimum standards in local finance are met. The information collected by the Department also becomes a significant part of how the state identifies the impact of state legislation on local governments. Staff requests permission to make

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adjustments to this line item depending on action taken by the Committee in other figure setting presentations.

(4) Division of Local Government, (A) Local Government and Community Services (1) Administration, Personal Services					
Item	Total Funds	General Fund	Reappro- priated Funds	Federal Funds	FTE
FY 2009-10 Long Bill	\$1,584,117	\$893,182	\$503,910	\$187,025	20.4
Supplemental adjustments (H.B. 10-1307)	(11,606)	(156,268)	150,335	(5,673)	0.0
<i>Subtotal: FY 2009-10 Appropriation</i>	1,572,511	736,914	654,245	181,352	20.4
Salary survey awarded in FY 09-10	0	0	0		0.0
Performance-based pay awarded in FY 09-10	0	0	0	0	0.0
Restore reduction related to FY 09-10 furloughs	11,606	2,272	3,661	5,673	0.0
Restore 1.82 percent personal services reduction made in FY 09-10 Long Bill	29,323	16,533	9,328	3,462	0.0
Modify contributions to PERA (NP)	(32,895)	(15,268)	(14,324)	(3,303)	0.0
Modify contributions to PERA adjustment (NP)	5,230	2,548	1,656	1,026	0.0
Statewide consolidation of information technology (NP)	(297,627)	(144,994)	(94,261)	(58,372)	(2.7)
Recommended FY 2010-11 Appropriation	\$1,288,148	\$598,005	\$560,305	\$129,838	17.7

Operating Expenses

Description: This line item funds the operating expenses of the Division of Local Government's administration. The source of reappropriated funds is mineral and energy impact funds.

Request: The Department requests a continuation level of funding of \$131,351 (including \$42,178 General Fund) for FY 2010-11.

Recommendation: **Staff recommends approving the Department's request.**

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(2) 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. The Department advises local governments about the mechanics of the loans and their potential eligibility. Further, the Department reviews about 50 loan applications per year and analyzes their economic feasibility (can the applicant pay back the loan, are the fees proposed by a local government too high or too low, etc.). The Department provides this support because it already has a variety of 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 a continuation level of funding of \$157,705 cash funds and 2.0 FTE.

Recommendation: **Staff recommends \$154,709 cash funds and 2.0 FTE for FY 2010-11.** If the General Assembly discontinued authorizing this service it would cost the Water Resources and Power Authority significantly more to duplicate the expertise and resources of the staff at the Department of Local Affairs that contribute portions of their time. Staff's recommendation includes \$148,428 for personal services and \$6,281 for operating expenses.

Div. of Local Govt., Local Govt. and Community Services, Local Govt. Services, Local Utility Management Assistance		
Item	Cash Funds	FTE
FY 2009-10 Long Bill	\$157,705	2.0
Supplemental adjustments (H.B. 10-1307)	<u>(3,687)</u>	<u>0.0</u>
<i>Subtotal: FY 2009-10 Appropriation</i>	154,018	2.0
Salary survey awarded in FY 09-10	0	
Performance-based pay awarded in FY 09-10	0	
Restore reduction related to FY 09-10 furloughs	3,687	
Modify contributions to PERA (NP)	(2,996)	
Recommended FY 2010-11 Appropriation	\$154,709	2.0

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Conservation Trust Fund Disbursements

Background Information - Distribution of Lottery Proceeds. Net lottery proceeds (*i.e.*, 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, Department of Natural Resources, 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 (this cap is required to be adjusted annually since FY 1998-99 based on the Denver metro consumer price index) 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 provide funding for 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 the purpose of providing financial assistance for public school capital construction.

Net lottery proceeds are excluded from the definition of "fiscal year spending" and are thus not subject to TABOR. Thus, 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. Thus, this line item appropriation is included in the annual Long Bill for informational purposes.

Description. This line item represents the lottery proceeds anticipated to be transferred to the Conservation Trust Fund each fiscal year. Pursuant to Section 29-21-101 (2), C.R.S., moneys in the Conservation Trust Fund are primarily distributed among eligible local entities based on population. Moneys may be used by local governments for acquiring and developing interests in land and/or water for parks, open space, historic, recreation, scenic, aesthetic, or similar purposes. Moneys may

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also be used for maintenance of recreational facilities. These funds are received and distributed quarterly by the Department. 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.

Request: The Department's request reflects projected revenues and expenditures.

Recommendation: **Staff recommends reflecting \$51.4 million cash funds and 2.0 FTE for FY 2010-11.** Staff's recommendation includes \$146,837 for personal services and \$51,253,163 for operating expenses. Staff's recommendation for this line item, detailed in the following table, is calculated in accordance with Committee policy.

Div. of Local Govt., Local Govt. and Community Services, Local Govt. Services, Conservation Trust Fund Disbursements		
Item	Cash Funds	FTE
FY 2009-10 Long Bill	\$48,000,000	2.0
Supplemental adjustments (H.B. 10-1307)	<u>(4,237)</u>	<u>0.0</u>
<i>Subtotal: FY 2009-10 Appropriation</i>	47,995,763	2.0
Salary survey awarded in FY 09-10	0	
Performance-based pay awarded in FY 09-10	0	
Restore reduction related to FY 09-10 furloughs	4,237	
Modify contributions to PERA (NP)	(3,443)	
Anticipated revenue	3,400,000	
Staff adjustment to anticipated revenue for operating	3,443	
Recommended FY 2010-11 Appropriation	\$51,400,000	2.0

Volunteer Firefighter Retirement Plans

Volunteer Firefighter Death and Disability Insurance

Description: These two line items report the state's contribution to local volunteer firefighter retirement plans, and death and disability insurance, respectively, as authorized by Section 31-30-1112 (2), C.R.S. These amounts are not subject to the six percent limit on General Fund appropriations. Pursuant to Section 31-30-1112 (2) (i), C.R.S., **they are included in the Long Bill for informational purposes.** The state's contribution to retirement plans are funded with moneys from the tax on insurance premiums outlined in Section 10-3-209, C.R.S., and is not subject to the six percent limit on General Fund appropriations. Since FY 2005-06, the General Assembly has

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identified as least a portion of this appropriation as coming from the General Fund Exempt account. However in FY 2009-10, no portion of this appropriation was identified as coming from the General Fund Exempt account as a result of General Fund revenues falling below the TABOR revenue limit.

Pursuant to Section 31-30-1112 (2), C.R.S., state contributions to any municipality or district for volunteer firefighter pension plans must equal ninety percent of all amounts contributed by the municipality or district. Municipalities with populations of less than 100,000 may levy a tax of not more than one mill on the taxable property in the municipality, county, or district to fund their individual volunteer firefighter pension funds. Due to the variability of local governments' annual property valuation and actuarial need for contributions to their volunteer firefighter pension fund, the amount requested by the Department is an estimate, however historically the Department's estimate has been within one percent of the amount actually distributed.

Request: The Department's requests are based on projected expenditures. The Department anticipates contributing \$4,114,363 General Fund to local volunteer firefighter retirement plans and \$30,000 General Fund to disability insurance for FY 2010-11. Of the amount allocated for retirement accounts, \$2,451 reflects an increase required by statute.

Recommendation: **Staff recommends approving the Department's request.** Staff has reflected the full amounts as coming from the General Fund account. 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. Staff will ultimately reflect the amounts approved by the Committee. It should be noted that assessed property values lag two years behind. Thus, the actual collections of property taxes by counties will be realized two calendar year after when valuations are calculated. This in turn impacts the subsequent state budget fiscal year (FY 2011-12), at which time it is anticipated by staff that the state's contribution will decrease as a result of the anticipated adjustment to property values.

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 \$49,890 federal funds and 0.5 FTE based on projected federal revenues.

Recommendation: **Staff recommends approving the Department's request based on expected federal revenues.** Staff's recommendation includes \$38,245 for personal services and \$11,645 for operating expenses. Staff's recommendation for this line item, detailed in the following table, is calculated in accordance with Committee policy.

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Div. of Local Govt., Local Govt. and Community Services, Local Govt. Services, Environmental Protection Agency Water/Sewer File Project		
Item	Federal Funds	FTE
FY 2009-10 Long Bill	\$50,000	0.5
Supplemental adjustments (H.B. 10-1307)	(882)	0.0
<i>Subtotal: FY 2009-10 Appropriation</i>	49,118	0.5
Salary survey awarded in FY 09-10	0	
Performance-based pay awarded in FY 09-10	0	
Restore reduction related to FY 09-10 furloughs	882	
Modify contributions to PERA (NP)	(110)	
Recommended FY 2010-11 Appropriation	\$49,890	0.5

United Health Rural Health Care Grants

United Health Group committed \$7.5 million in grant moneys to provide to help the State address deficiencies in access to health care for rural and under served Coloradans from 2008-2012. Initially, the Department administered the program, however the Colorado Rural Health Center (CRHC) has since been assigned to manage this grant program.

(3) Community Services

Community Services Block Grant

Description: The federal Community Services Block Grant provides funding to local communities via a formula allocation. Funds are used to provide a wide range of services that address the causes of poverty in communities, including employment assistance, education, affordable housing, emergency services, nutrition, self sufficiency, counseling, health, community needs assessments, transportation, elderly projects, summer youth recreation, and community development projects. Service recipients must be at or below 125 percent of the federal poverty guidelines. Ninety percent of the funds are allocated by formula to 43 grantees. Five percent is for administration and five percent is reserved for the Governor's discretion.

In FY 2009-10, the Department received a one-time increase of \$8,684,648 from additional federal funds from the U.S. Department of Health and Human Services, Office of Community Service, made available by the American Recovery and Reinvestment Act (ARRA) of 2009 for the reduction of poverty, revitalization of low-income communities, and to assist low-income families and individuals to be come fully self-sufficient.

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Further, in accordance with the federal Community Services Block Grant Act, in order for the State to be eligible to receive a grant or allotment for mitigating poverty in communities under the CSDG program, the State shall 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 January 6, 2010.

Request: The Department's request reflects \$6 million in federal funding that is anticipated to be available for FY 2010-11.

Recommendation: **Staff recommends approving the Department's request, based on projected federal funds.**

(4) Waste Tire Fund

Waste Tire Recycling, Reuse and Removal Grants

Background Information. A total of \$1.50 in fees are to be collected for each tire purchased in Colorado, pursuant to Section 25-17-202, C.R.S. This fee includes the following:

- Recycling development fee (\$0.75): These fee revenues are credited to the *Waste Tire Recycling Development Cash Fund*. Two-thirds of revenues are allocated to the *Waste Tire Cleanup Fund*, which is administered by the Department, pursuant to Section 24-32-114, C.R.S. Of the remaining revenues, 60 percent is transferred to the *Advanced Technology Fund* (moneys in this fund are now continuously appropriated to the Pollution Prevention Advisory Board through the Department of Public Health and Environment), and 40 percent is transferred to the *Innovative Higher Education Research Fund* (moneys in this fund are subject to annual appropriation for use by the Higher Education Competitive Research Authority).
- Surcharge (\$0.25): These surcharge revenues are credited to the *Processors and End Users of Waste Tires Cash Fund* and appropriated to the Department of Local Affairs annually.
- Additional Fee (\$0.50): One-half of these fee revenues is credited to the *Recycling Resources Economic Opportunity Fund* (administered through the Department of Public Health and Environment), and the remainder is credited to the *Waste Tire Cleanup Fund* (administered by the Department of Local Affairs).

Overall, of the \$1.50 in fees paid on each waste tire, \$1.00 is made available to the Department of Local Affairs, \$0.40 is made available to the Department of Public Health and Environment, and

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\$0.10 is made available to the Department of Higher Education. The amounts made available to the Department of Local Affairs are used to make grants to local governments to clean up dump sites or to use recycled tires in public projects, as well as to reimburse processors and end users to make recycling more economically viable.

Request: The Department's request for this line item is based on the projected revenues.

Recommendation: **Staff recommends appropriating \$4,200,000 cash funds and 0.7 FTE for FY 2010-11 to allow the Department of Local Affairs to allocate waste tire fees as authorized by statute.** Staff's recommendation, detailed in the following table, is calculated in accordance with Committee policy. Staff's recommendation includes \$45,621 for personal services and \$4,154,379 for operating expenses.

Div. of Local Govt., Local Govt. and Community Services, Waste Tire Fund, Waste Tire Recycling, Reuse and Removal Grants		
Item	Federal Funds	FTE
FY 2009-10 Long Bill	\$4,200,000	0.7
Supplemental adjustments (H.B. 10-1307)	(1,743)	0.0
<i>Subtotal: FY 2009-10 Appropriation</i>	4,198,257	0.7
Salary survey awarded in FY 09-10	0	
Performance-based pay awarded in FY 09-10	0	
Restore reduction related to FY 09-10 furloughs	1,743	
Modify contributions to PERA (NP)	(1,416)	
Staff adjustment to anticipated revenue for operating	1,416	
Recommended FY 2010-11 Appropriation	\$4,200,000	0.7

(B) Field Services

Program Costs

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 (the remaining half are in the Administration, Personal Services line item). It also includes associated operating expenses. The table below details the 28.5 FTE supported by this line item. The Division's responsibilities and the duties performed by these staff are described following the table.

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Position	FY 2008-09 Actuals	FY 2009-10 Approp.	FY 2010-11 Request	FY 2010-11 Recomm.
Director	1.0	1.0	1.0	1.0
Support/Clerical	1.0	1.0	1.0	1.0
IT Support	0.7	0.5	0.0	0.0
Field Staff	7.0	6.0	6.0	6.0
Office of Smart Growth	1.0	1.0	1.0	1.0
Energy and Mineral Impact Grants Administration	7.2	11.1	11.1	11.1
Limited Gaming Grant Administration	1.0	1.0	1.0	1.0
CDBG Admin. - GF (required to match FF)	2.4	2.0	2.0	2.0
CDBG Admin. - FF	<u>4.7</u>	<u>4.9</u>	<u>4.9</u>	<u>4.9</u>
TOTAL	26.0	28.5	28.0	28.0

Field staff provide education and customized assistance for local governments on issues such as budget review, property tax limitations, the Taxpayers Bill of Rights (TABOR), water and sewer financing, election rules, purchasing, and land use planning. Each staff member is responsible for working with the local governments in their region. Part of their duties include helping local governments identify and apply for federal and state grant funds.

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 (particularly regarding cooperative planning); and coordinating mediation of disputes between local governments -- when requested to do so by the local governments, and 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.

Finally, the Division administers the federal Community Development Block Grant program. Federal funds are used to support staff who manage the 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 approximately 2.0 FTE more specifically to administer the program.

Request: The Department requests \$2,362,936 in total funds and 27.9 FTE for this program line item. The budget request reflects a decrease of \$32,518 and 0.6 FTE and includes a technical correction (**Decision Item #2**) required to accommodate refinancing changes included in the Department's FY 2009-10 supplemental bill (H.B. 10-1307) as well as two statewide change requests

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consisting of a change related to the consolidation of the State's information technology resources and changes related to the State's contribution to PERA.

Recommendation: Staff recommends \$2,360,874 total funds and 27.9 FTE for FY 2010-11. Staff's recommendation for this line item, detailed in the following table, is calculated in accordance with Committee policy. Staff's recommendation includes \$2,100,159 for personal services and \$260,715 for operating expenses. Staff requests permission to make adjustments to this line item depending on action taken by the Committee in other figure setting presentations.

(4) Division of Local Government, (B) Field Services, Program Costs						
Item	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2009-10 Long Bill	\$2,405,692	\$493,011	\$105,315	\$1,463,136	\$344,230	28.5
Supplemental adjustments (H.B. 10-1307)	(10,756)	(493,011)	0	489,959	(7,704)	0.0
<i>Subtotal: FY 2009-10 Appropriation</i>	2,394,936	0	105,315	1,953,095	336,526	28.5
Salary survey awarded in FY 09-10	0	0	0	0	0	0.0
Performance-based pay awarded in FY 09-10	0	0	0	0	0	0.0
Restore reduction related to FY 09-10 furloughs	9,883	0	0	2,179	7,704	0.0
Restore 1.82 percent personal services reduction made in FY 09-10 Long Bill	35,326	9,126	1,949	23,365	886	0.0
Technical correction related to the refinancing included in H.B. 10-1307	0	(9,126)	0	9,126	0	0.0
Modify contributions to PERA (NP)	(37,716)	0	(1,975)	(29,250)	(6,491)	0.0
Modify contributions to PERA adjustment (NP)	3,362	0	0	0	3,362	0.0
Annualize FY 09-10 mail equipment upgrade	(671)	0	0	(671)	0	0.0
Statewide consolidation of information technology (NP)	(44,246)	0	0	0	(44,246)	(0.6)
Recommended FY 2010-11 Appropriation	\$2,360,874	\$0	\$105,289	\$1,957,844	\$297,741	27.9

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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 the U.S. Department of Housing and Urban Development (HUD). While the Department of Local Affairs administers the funds for smaller, "non-entitlement" communities, large metro areas receive their funding directly from the federal government on an entitlement basis.

In FY 2009-10, the Department received a one-time increase of \$2,832,608 from additional federal funds from HUD, made available by the American Recovery and Reinvestment Act (ARRA) of 2009 for critical infrastructure projects. Three projects were awarded these additional ARRA moneys, including \$1,295,000 for wastewater systems improvements in Boone (Pueblo County), \$1,122,608 for wastewater systems improvements in Red Cliff (Eagle County), and \$415,000 to expand services at a medical facility in Las Animas (Bent County).

Historically, the Executive Branch has elected to divide total CDBG funds in equal thirds for the following purposes:

- *Business development* - used primarily 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.
- *Public facilities/infrastructure development* - used to provide discretionary grants to local governments for local infrastructure development such as roads, water treatment facilities, and public buildings.
- *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 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 impacted by the growth and decline of mineral and energy industries. This line item combines two statutory programs for administrative efficiency and applicant convenience into the Local Government Mineral and Energy

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Impact Assistance Program. In this regard, the grant line item includes 50 percent of the total state severance tax revenues (the other half goes to the Department of Natural Resources) and 40 percent of the state's share of payments to the federal government for mineral and mineral fuel production on federal lands. 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 (30 percent of severance tax revenues and approximately 50 percent of federal mineral lease revenues). The remaining portion of these funds are distributed through discretionary grants to local jurisdictions.

In administering this 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, with priority given to schools and local governments socially or economically impacted by the mineral extraction industry on federal lands. Funded projects include water and sewer improvements, road projects, construction of fire protection buildings, purchase of fire protection equipment, local government planning, and construction of/ improvements to recreation centers, senior centers, hospitals, local government administrative buildings, K-12 school classrooms, and other public infrastructure.

Request: The Department's request of \$124 million reflects expected expenditures and encumbrances based on anticipated revenues. Some of the expenditures will be for grants awarded in prior years.

Recommendation: **Staff recommends \$129 million based on more recent revenue projections for FY 2010-11.** Please note that the recommended amount does not necessarily relate to the number or dollar amount of grants that will be offered in a given year. The Department offers grants but then negotiates a contract with each local government. Most contracts are signed within one year, but the negotiation process can sometimes take up to four years. Even once a contract is signed, not all of the money may be encumbered by the Department if there are conditions in the contract. This line item relates to what will be entered in the state's accounting system in a particular fiscal year and tracks closer to cash flow than the number of new grants that will be awarded. 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 by the executive branch that these funds are continuously appropriated.

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Local Government Limited Gaming Impact Grants

Description: The Local Government Limited Gaming Impact Fund receives 6.5 percent of the total gross receipts realized from the state tax levied on the adjusted gross proceeds of limited gaming. Of the moneys deposited into the fund, 2 percent is set aside for the provision of gambling addiction counseling, with the bulk of the moneys to be used to provide financial assistance to designated local governments for documented gaming impacts.

Eligible recipients include Teller and Gilpin counties, and an eight county area contiguous to these counties, which includes Boulder, Clear Creek, Grand, Jefferson, El Paso, Fremont, Park, and Douglas counties. Archuleta, La Plata, and Montezuma counties are also eligible because they are contiguous to tribal lands where gaming activities are being conducted. Further municipalities within gaming counties (except for gaming cities of Black Hawk, Central City, and Cripple Creek), and special districts which provide emergency services within eligible counties are permitted to apply.

Based on recent revenue projections made by the Department of Revenue, for FY 2010-11, the Local Government Limited Gaming Impact Fund will receive approximately \$6 million. It should be noted that the reoccurrence of grants distributed are generally to the same impacted counties, cities, and special districts, which could be attributable to the limited number of qualified recipients of these moneys.

In FY 2008-09, the Department awarded \$6.9 million to 50 projects related to the impact that gambling has on the communities in which it operates, including projects related to law enforcement, judicial system impacts, gambling addiction, rescue, child neglect, alcoholism, and public safety equipment and training [see Section 12-47.1-1601 et seq., C.R.S.]. The General Assembly is required to appropriate moneys that are transferred at the end of each fiscal year to the above funds for use in the following fiscal year.

Pursuant to Section 12-47.1-1601 (4) (a), C.R.S., all unexpended and unencumbered moneys in the Local Government Limited Gaming Impact Fund remains available for expenditure in subsequent fiscal years without further appropriation by the General Assembly.

Request: The Department's request reflects expected revenues of approximately \$5.7 million cash funds.

Recommendation: **Staff recommends \$6.0 million based on estimates provided by the Department of Revenue of funds that will be transferred to the Fund at the end of FY 2009-10.** Several state agencies receive a portion of gaming funds including economic development programs in the Office of the Governor, the Governor's Energy Office, Higher Education, and the Colorado Department of Transportation.

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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 the purchase of search and rescue equipment. The cash funded portion of 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, mountain bikers, cross country skiers, climbers, and kayakers 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 \$613,658 cash funds and 1.3 FTE, based on projected revenues.

Recommendation: **Staff recommends appropriating \$615,000 cash funds and 1.3 FTE for FY 2010-11.** Staff's recommendation, detailed in the following table, is calculated in accordance with Committee policy. Staff's recommendation includes \$85,784 for personal services and \$529,216 for operating expenses.

Division of Local Government, Field Services, Search and Rescue Program		
Item	Federal Funds	FTE
FY 2009-10 Long Bill	\$615,000	1.3
Supplemental adjustments (H.B. 10-1307)	(1,651)	0.0
<i>Subtotal: FY 2009-10 Appropriation</i>	613,349	1.3
Salary survey awarded in FY 09-10	0	
Performance-based pay awarded in FY 09-10	0	
Restore reduction related to FY 09-10 furloughs	1,651	
Modify contributions to PERA (NP)	(1,342)	
Staff adjustment to anticipated revenue for operating	1,342	
Recommended FY 2010-11 Appropriation	\$615,000	1.3

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Colorado Heritage Communities Grant Fund

Colorado Heritage Communities Grants

Description: House Bill 00-1427 created the Office of Smart Growth in the Department of Local Affairs. The original legislation included \$735,485 General Fund for grants to communities to address critical planning/growth issues and to develop master plans. Applicants are judged on a number of criteria, including: (1) the extent of existing/projected growth-related impacts; (2) the extent to which the growth-related problems were regional (multi-jurisdictional) in nature; (3) the extent to which the project was multi-objective in nature; (4) the extent to which the project was innovative; (5) the involvement of private and public partners; (6) the amount of funding leveraged by the project; (7) the consistency of the project with local/regional plans, and; (8) the overall feasibility of the project. 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.

From FY 2003-04 to FY 2005-06 the General Fund for grants was eliminated as part of efforts to address the budget shortfall, but the Department continued to spend down the fund balance on grants awarded and encumbered in prior years. In FY 2006-07, the General Assembly appropriated \$200,000 General Fund for new grants. The same amount was appropriated for FY 2007-08 and FY 2008-09. However, due to the current budgetary shortfall, the FY 2008-09 appropriation was reduced by the Department's supplemental bill (S.B. 09-193) by \$138,000. In FY 2009-10, funding for this line item was eliminated.

The first line item ("Colorado Heritage Communities Fund") provides a transfer of General Fund moneys to the Colorado Heritage Communities Fund. The second line item provides spending authority for the Department to use monies in the Fund for grant awards.

Request: The Department has requested only spending authority to expend funds from the Colorado Heritage Communities Fund.

Recommendation: **Staff recommends approving the Department's request.**

(C) Indirect Cost Assessment

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, waste tire fees, 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

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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 for FY 2010-11.

Recommendation: **The staff recommends \$1,033,715 based on the revised indirect cost plan.** Of this amount, \$769,750 is from reappropriated funds, \$150,631 is from cash funds, and \$133,334 is from federal funds. Staff requests permission to make adjustments to this line item depending on action taken by the Committee that may impact the funding the indirect cost assessment for this division.

(5) DIVISION OF EMERGENCY MANAGEMENT

Administration

Description: This line item includes the personal services and operating expenses for the employees of the Division of Emergency Management. The source of reappropriated funds from the Local Government Mineral and Energy Impact Grants and Disbursements line item.

Position	FY 2008-09 Actuals	FY 2009-10 Approp.	FY 2010-11 Request	FY 2010-11 Recomm.
Director	0.9	1.0	1.0	1.0
Support/Clerical	6.5	7.0	6.2	6.2
Preparedness/Disaster Staff	<u>16.3</u>	<u>21.4</u>	<u>20.7</u>	<u>20.7</u>
TOTAL	23.7	29.4	27.9	27.9

Request: The Department requests \$2,601,949 in total funds and 27.9 FTE for this program line item. The budget request reflects a decrease of \$149,058 and 1.5 FTE and includes the annualization of FY 2009-10 Decision Item #1 (Pre-Disaster Mitigation Matching Funds), as well as two statewide change requests consisting of a change related to the consolidation of the State's information technology resources and changes related to the State's contribution to PERA.

Recommendation: **Staff recommends \$2,599,828 (including \$571,685 General Fund) and 27.9 FTE for FY 2010-11. Staff's recommendation for this line item, detailed in the following table, is calculated in accordance with Committee policy.** Staff's recommendation includes \$1,824,980 for personal services and \$774,848 for operating expenses. Staff requests permission to make adjustments to this line item depending on action taken by the Committee in other figure setting presentations.

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Division of Emergency Management, Administration					
Item	Total Funds	General Fund	Reappropriated Funds	Federal Funds	FTE
FY 2009-10 Long Bill	\$2,775,712	\$575,611	\$65,065	\$2,135,036	29.4
Supplemental adjustments (H.B. 10-1307)	(24,705)	(3,052)	0	(21,653)	0.0
<i>Subtotal: FY 2009-10 Appropriation</i>	2,751,007	572,559	65,065	2,113,383	29.4
Salary survey awarded in FY 09-10	0	0	0	0	0.0
Performance-based pay awarded in FY 09-10	0	0	0	0	0.0
Restore reduction related to FY 09-10 furloughs	23,506	3,052	0	20,454	0.0
Restore 1.82 percent personal services reduction made in FY 09-10 Long Bill	31,002	9,243	1,204	20,555	0.0
Modify contributions to PERA (NP)	(44,817)	(10,968)	(877)	(32,972)	0.0
Modify contributions to PERA adjustment (NP)	2,435	0	0	2,435	0.0
Annualization - personal services	4,347	4,347	0	0	0.1
Annualization - operating	(23,962)	(6,548)	0	(17,414)	0.0
Annualize FY 09-10 mail equipment upgrade	(922)	0	0	(922)	0.0
Statewide consolidation of information technology (NP)	(142,768)	0	0	(142,768)	(1.6)
Recommended FY 2010-11 Appropriation	\$2,599,828	\$571,685	\$65,392	\$1,962,751	27.9

Disaster Response and Recovery

Background: Section 24-32-2106, C.R.S., asserts the "policy of the state that funds to meet disaster emergencies shall always be available." This provision indicates that first recourse shall be funds regularly appropriated to state and local agencies. In addition, the Governor may (with the concurrence of the Disaster Emergency Council) make funds available from the Disaster Emergency Fund. This Fund consists of moneys appropriated thereto by the General Assembly; and unexpended moneys remain in the Fund at fiscal year-end. If moneys in the Fund are insufficient, the Governor may (again, with the concurrence of the Council) "transfer and expend moneys appropriated for other purposes".

When the Governor transfers funds in order to reimburse local governments or citizens for costs associated with disasters, or to match federal disaster aid, such transfers generally flow through the Disaster Emergency Fund. The following table details authorized transfers of state moneys to the Fund in FY 2008-09. All of the transfers have been from funds that were designated by the General

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Assembly as part of the Taxpayer's Bill of Rights (TABOR) reserve³. Please note that the actual amounts transferred may be lower than the amounts authorized. In addition, transfers to the Fund and expenditures from the Fund often occur in two or more fiscal years.

As is shown in the following table, in FY 2008-09, there were four declared emergencies where \$3.7 million was authorized for transfer into the Disaster Emergency Fund by executive order however, to date \$600,000, or 16.2 percent of the total authorized amount has been expended as of the date of this briefing. The balance of the Disaster Emergency fund is \$5,086,501 (as of December 8, 2009).

Authorized Transfers to the Disaster Emergency Fund in FY 2008-09					
Executive Order	Nature of Disaster	Authorized Transfer	Total Expenses	Balance	Funding Source
D 016 08 (7/30/08)	Housetop Fire in Mesa County	\$250,000	\$0	\$250,000	Major Medical Insurance Fund
D 003 09 (1/16/09)	Wildfire Preparedness Plan	3,250,000	600,000	2,650,000	Wildfire Preparedness Fund carryover
D 005 09 (3/26/09)	Severe Statewide Blizzard	200,000	0	200,000	Disaster Emergency Fund
D 009 09 (4/21/09)	Severe Spring Snowstorm (Front Range, I-70 between Vail and Golden)	15,000	0	15,000	Disaster Emergency Fund
Total		\$3,715,000	\$600,000	\$3,115,000	

Description: This line item reflects expected payments to local responders for their work in reacting to disasters and expected assistance to communities and individuals to help them recover from disasters. The source of reappropriated funds is the state Disaster Emergency Fund, and the federal funds are generally from the Federal Emergency Management Agency. This appropriation is included for informational purposes and for purposes of tracking actual expenditures.

Request: The Department has requested a continuation appropriation of \$5,950,000 for FY 2010-11, including \$4.5 million cash funds from the Disaster Emergency Fund and \$450,000 federal funds. However, the request for funding from the Disaster Emergency Fund is largely just a place-holder, since the Department cannot predict when a disaster might occur.

³ Moneys in the State's TABOR reserve may only be used for declared emergencies; "emergency" *excludes* economic conditions or revenue shortfalls.

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Recommendation: **Staff recommends approving the Department's request.**

In addition, staff believes it is important for the Joint Budget Committee to be apprised of transfers authorized by the Governor, as well as actual transfers and expenditures. **Staff recommends that the Committee continue a written request for information requesting an annual summary related to the Disaster Emergency Fund, including the amount of state funds actually transferred into the Fund and the expenditure of such moneys:**

N Governor - Lieutenant Governor - State Planning and Budgeting, Office of State Planning and Budgeting; and Department of Local Affairs, Division of Emergency Management, Disaster Response and Recovery -- The Division of Emergency Management is requested to work with the Office of State Planning and Budgeting and provide a report to the Joint Budget Committee by November 1, 2010, concerning revenues credited to and expenditures made from the Disaster Emergency Fund in fiscal years 2008-09 and 2009-10 year to date. The report is requested to include the following: (a) amounts authorized to be transferred to the Disaster Emergency Fund, by Executive Order and fund source; (b) amounts actually transferred to the Fund, by date and fund source; and (c) actual expenditures from the Fund, by date and declared disaster emergency.

Preparedness Grants and Training

Description: This line item reflects federal grants received by the Department for equipment, prevention efforts, and training to better prepare the state to respond to disasters. The line item also includes a small amount of cash funds from registration fees paid by participants for conferences and other events sponsored by the Division. The majority of federal funds are from the Homeland Security Grant program, although the line item also includes spending authority for miscellaneous other federal grant programs.

Request: The Department requests \$12,010,988 total funds and includes \$12 million federal funds and \$10,988 cash funds.

Recommendation: **Staff recommends approving the Department's request.**

Indirect Cost Assessment

Description: Staff recommends adding a separate line item to include the amount of indirect cost assessments made against reappropriated and federal funding sources within this division (rather than including these those associated with those for the Division of Local Government). Reappropriated funds fund sources include federal mineral leasing and severance tax revenues that are appropriated to support a portion of this division's activities; the remainder is assessed on various sources of federal funds administered by this division. The funds collected through this line item are used to

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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 for FY 2010-11.

Recommendation: **Staff recommends \$220,182 total funds based on the revised indirect cost plan.** Of this amount, \$204,783 is from federal funds and \$15,399 is from reappropriated funds. Staff requests permission to make adjustments to this line item depending on action taken by the Committee that may impact the funding the indirect cost assessment for this division.
