

This document contains two presentations:

1. A JBC staff memo titled "Update to JBC Staff January 13, 2010, Department of Natural Resources Supplemental Presentation on 'Other Balancing Options' Section" dated January 13, 2010;
2. A JBC staff document presenting the Department of Natural Resources Supplemental Requests for FY 2009-10, dated January 13, 2010.

MEMORANDUM

TO: Joint Budget Committee

FROM: Viktor Bojilov, JBC Staff

SUBJECT: Update to JBC Staff January 13, 2010, Department of Natural Resources Supplemental Presentation on "Other Balancing Options" Section

DATE: January 13, 2010

This memorandum presents an update to JBC staff presentation on "Other Balancing Options" from the JBC staff supplemental presentation for the Department of Natural Resources from January 13, 2010. The first table summarized JBC staff estimate based on the Department of Natural Resources Budget Briefing document from December 22, 2009. The second table summarizes JBC staff estimate based on updated information provided by the Department on January 13, 2010.

Options for Transfers to the General Fund (Data From JBC Staff DNR Budget Briefing December 22, 2009)		
	FY 2009-10	FY 2010-11
CWCB Construction Fund	33,900,000	19,100,000
Perpetual Base Account of the Severance Tax Trust Fund	<u>5,200,000</u>	<u>48,300,000</u>
Total	\$39,100,000	\$67,400,000

Options for Transfers to the General Fund (Based on Updated Information Provided by DNR on January 13, 2010)		
	FY 2009-10	FY 2010-11
CWCB Construction Fund	25,000,000	19,000,000
Perpetual Base Account of the Severance Tax Trust Fund	<u>3,900,000</u>	<u>48,300,000</u>
Total	\$28,900,000	\$67,300,000

Other Balancing Options

Colorado Water Conservation Board Construction Fund

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

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

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

During the JBC staff budget briefing for the Department of Natural Resources from December 22, 2009, staff estimated that if the CWCB Construction Fund were to only provide funding for CWCB operations, the General Assembly could transfer additional amounts up to \$33.9 million to the General Fund in FY 2009-10 and up to \$19.1 million in FY 2010-11. **Since that time, staff received a communication from the Department stating that the CWCB Board has already approved \$7,007,885 in small project loans from the Construction Fund through December 2009. In addition, the 2009 Projects Bill (S.B. 09-125) included \$5,530,000 for non-reimbursable investments in FY 2009-10. The Department states that over \$1,000,000 of the S.B. 09-125 non-reimbursable investment funds have been encumbered or expended. JBC staff has adjusted his analysis by reducing the amount of potential transfer to the General Fund from the CWCB Construction fund by \$9,007,885 in FY 2009-10 in order to account for the information provided by the Department. The updated staff estimate for available funds that the General Assembly could transfer out of the CWCB Construction Fund to the General Fund as a budget balancing action are shown in TABLE 3 below and are \$25,000,000 in FY 2009-10 and \$19,000,000 in FY 2010-11.**

In addition, the Department states that the CWCB Construction Fund is set to consider the following: (1) \$4,418,000 in Construction Fund loans at the January 26, 2010, CWCB Board meeting; (2) \$5,000,000 in Construction Fund loans at the March 2010 CWCB Board meeting; (3) \$4,000,000 in Construction Fund loans at the May 2010 CWCB Board meeting.

Any potential transfer in FY 2009-10 could be reduced by expenditures from already obligated funds. Staff notes that if the General Assembly chooses to use the CWCB Construction Fund to balance the General Fund by transferring moneys into the General Fund, available funding will be reduced for any potential one-day transfers into the General Fund as described above. Any potential fund transfer would require statutory changes.

Colorado Water Conservation Board Construction Fund				
TABLE 1	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
Cash Balance - Beginning of Year	\$8,775,717	\$13,282,580	\$19,305,372	\$6,024,025
Revenues	28,884,363	45,300,023	22,160,220	26,662,272
<i>CWCB Operations</i>	<i>(5,790,824)</i>	<i>(6,255,134)</i>	<i>(7,269,359)</i>	<i>(7,438,451)</i>
<i>Non-Reimbursable Investments</i>	<i>(3,828,890)</i>	<i>(4,724,563)</i>	<i>(5,530,000)</i>	<i>(3,700,000)</i>
<i>Loan Issuances</i>	<i>(14,757,786)</i>	<i>(18,047,534)</i>	<i>(22,642,208)</i>	<i>(18,000,000)</i>
<i>Total Expenditures</i>	<i><u>(24,377,500)</u></i>	<i><u>(29,027,231)</u></i>	<i><u>(35,441,567)</u></i>	<i><u>(29,138,451)</u></i>
Ending FY Balance without transfer	\$13,282,580	\$29,555,372	\$6,024,025	\$3,547,846
Transfer to the General Fund in S.B. 09-208	<u>0</u>	<u>(10,250,000)</u>	<u>0</u>	<u>0</u>
Ending Balance after transfers	\$13,282,580	\$19,305,372	\$6,024,025	\$3,547,846

Colorado Water Conservation Board Construction Fund OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11 (From JBC Staff December 22, 2009, Briefing Document)				
TABLE 2	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
Cash Balance - Beginning of Year	\$8,775,717	\$13,282,580	\$19,305,372	\$69,811
Revenues	28,884,363	45,300,023	21,933,798	26,482,272
<i>CWCB Operations</i>	<i>(5,790,824)</i>	<i>(6,255,134)</i>	<i>(7,269,359)</i>	<i>(7,438,451)</i>
<i>Non-Reimbursable Investments</i>	<i>(3,828,890)</i>	<i>(4,724,563)</i>	<i>0</i>	<i>0</i>

Colorado Water Conservation Board Construction Fund OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11 (From JBC Staff December 22, 2009, Briefing Document)				
TABLE 2	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
<i>Loan Issuances</i>	(14,757,786)	(18,047,534)	0	0
<i>Total Expenditures</i>	<u>(24,377,500)</u>	<u>(29,027,231)</u>	<u>(7,269,359)</u>	<u>(7,438,451)</u>
Ending FY Balance without transfer	\$13,282,580	\$29,555,372	\$33,969,811	\$19,113,632
Transfer to the General Fund in S.B. 09-208	0	(10,250,000)	0	0
Options for Additional Transfers to the General Fund	<u>0</u>	<u>0</u>	<u>(33,900,000)</u>	<u>(19,100,000)</u>
Ending Balance after transfers	\$13,282,580	\$19,305,372	\$69,811	\$13,632

Colorado Water Conservation Board Construction Fund OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11 (JANUARY 13, 2010, UPDATED ANALYSIS)				
TABLE 3	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
Cash Balance - Beginning of Year	\$8,775,717	\$13,282,580	\$19,305,372	\$52,005
Revenues	28,884,363	45,300,023	22,023,877	26,482,272
<i>CWCB Operations</i>	(5,790,824)	(6,255,134)	(7,269,359)	(7,438,451)
<i>Non-Reimbursable Investments</i>	(3,828,890)	(4,724,563)	(2,000,000)	0
<i>Loan Issuances</i>	(14,757,786)	(18,047,534)	(7,007,885)	0
<i>Total Expenditures</i>	<u>(24,377,500)</u>	<u>(29,027,231)</u>	<u>(16,277,244)</u>	<u>(7,438,451)</u>
Ending FY Balance without transfer	\$13,282,580	\$29,555,372	\$25,052,005	\$19,095,826
Transfer to the General Fund in S.B. 09-208	0	(10,250,000)	0	0
Options for Additional Transfers to the General Fund	<u>0</u>	<u>0</u>	<u>(25,000,000)</u>	<u>(19,000,000)</u>
Ending Balance after transfers	\$13,282,580	\$19,305,372	\$52,005	\$95,826

Perpetual Base Account of the Severance Tax Trust Fund

The Severance Tax Perpetual Base Account is authorized in Section 39-29-109 (2) (a), C.R.S., to be used for the same purposes as the Colorado Water Conservation Board Construction Fund.

Specifically, to fund directly or provide loans for construction, rehabilitation, enlargement, or improvement of water projects. The Severance Tax Perpetual Base Account receives half of receipts to the severance tax trust fund (one fourth of all severance tax income). This fund is a revolving loan account, as such no permanent programs depend on this fund.

Similar to the analysis above, during the JBC staff budget briefing for the Department of Natural Resources from December 22, 2009, staff estimated that the General Assembly could transfer additional amounts up to \$5.2 million to the General Fund in FY 2009-10 and up to \$48.3 million to the General Fund in FY 2010-11. **Since that time, staff received a communication from the Department stating that the CWCB Board has already approved \$1,288,362 in project loans for FY 2009-10. JBC staff has adjusted his analysis by reducing the amount of potential transfer to the General Fund in FY 2009-10 from the Perpetual Base Account by \$1,288,362 in order to account for the information provided by the Department. The updated staff estimate for available funds that the General Assembly could transfer out of the Perpetual Base Account to the General Fund as a budget balancing action are shown in TABLE 6 below and are \$3,900,000 in FY 2009-10 and \$48,300,000 in FY 2010-11.**

In addition, the Department states that the CWCB Construction Fund anticipates considering an additional \$3.6 million worth of project loans in FY 2009-10.

Any potential transfer in FY 2009-10 could be reduced by expenditures from already obligated funds. Staff notes that if the General Assembly chooses to use the Perpetual Base Account of the Severance Tax Trust Fund to balance the General Fund by transferring moneys into the General Fund, available funding will be reduced for any potential one-day transfers into the General Fund as described above. Any potential fund transfer would require statutory changes.

Perpetual Base Account of the Severance Tax Trust Fund				
TABLE 4	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
Cash Balance - Beginning of Year	\$43,702,079	\$18,058,960	\$40,454,321	\$5,282,563
<i>Receivables/Interest Earnings</i>	<i>10,507,640</i>	<i>11,071,624</i>	<i>6,858,689</i>	<i>7,827,329</i>
<i>Severance Tax</i>	<i>37,868,413</i>	<i>71,253,177</i>	<i>17,911,500</i>	<i>38,264,500</i>
<i>Principal Repayment</i>	<i>2,731,028</i>	<i>3,099,696</i>	<i>3,058,053</i>	<i>3,176,009</i>
<i>Total Revenues</i>	<i>51,107,081</i>	<i>85,424,497</i>	<i>27,828,242</i>	<i>49,267,838</i>
Loan Issuances/Drought Grants	<u>(76,750,200)</u>	<u>(28,029,136)</u>	<u>(1,000,000)</u>	<u>(42,000,000)</u>
Ending FY Balance without transfer	\$18,058,960	\$75,454,321	\$67,282,563	\$12,550,401

Perpetual Base Account of the Severance Tax Trust Fund				
TABLE 4	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
Transfer to the General Fund in S.B. 09-208	0	(20,000,000)	0	0
Transfer to the General Fund in S.B. 09-279*	<u>0</u>	<u>(15,000,000)</u>	<u>(62,000,000)</u>	<u>0</u>
Ending Balance after transfers	\$18,058,960	\$40,454,321	\$5,282,563	\$12,550,401

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

Perpetual Base Account of the Severance Tax Trust Fund OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11 (From JBC Staff December 22, 2009, Briefing Document)				
TABLE 5	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
Cash Balance - Beginning of Year	\$43,702,079	\$18,058,960	\$40,454,321	\$82,563
<i>Receivables/Interest Earnings</i>	<i>10,507,640</i>	<i>11,071,624</i>	<i>6,858,689</i>	<i>7,827,329</i>
<i>Severance Tax</i>	<i>37,868,413</i>	<i>71,253,177</i>	<i>17,911,500</i>	<i>38,264,500</i>
<i>Principal Repayment</i>	<i>2,731,028</i>	<i>3,099,696</i>	<i>3,058,053</i>	<i>3,176,009</i>
<i>Total Revenues</i>	<i>51,107,081</i>	<i>85,424,497</i>	<i>27,828,242</i>	<i>49,267,838</i>
Loan Issuances/Drought Grants	<u>(76,750,200)</u>	<u>(28,029,136)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>
Ending FY Balance without transfer	\$18,058,960	\$75,454,321	\$67,282,563	\$48,350,401
Transfer to the General Fund in S.B. 09-208	0	(20,000,000)	0	0
Transfer to the General Fund in S.B. 09-279	0	(15,000,000)	(62,000,000)	0
Options for Additional Transfers to the General Fund	<u>0</u>	<u>0</u>	<u>(5,200,000)</u>	<u>(48,300,000)</u>
Ending Balance after transfers	\$18,058,960	\$40,454,321	\$82,563	\$50,401

Perpetual Base Account of the Severance Tax Trust Fund OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11 (JANUARY 13, 2010, UPDATED ANALYSIS)				
TABLE 6	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
Cash Balance - Beginning of Year	\$43,702,079	\$18,058,960	\$40,454,321	\$94,201
<i>Receivables/Interest Earnings</i>	<i>10,507,640</i>	<i>11,071,624</i>	<i>6,858,689</i>	<i>7,827,329</i>
<i>Severance Tax</i>	<i>37,868,413</i>	<i>71,253,177</i>	<i>17,911,500</i>	<i>38,264,500</i>
<i>Principal Repayment</i>	<i>2,731,028</i>	<i>3,099,696</i>	<i>3,058,053</i>	<i>3,176,009</i>
<i>Total Revenues</i>	<i>51,107,081</i>	<i>85,424,497</i>	<i>27,828,242</i>	<i>49,267,838</i>
Loan Issuances/Drought Grants	<u>(76,750,200)</u>	<u>(28,029,136)</u>	<u>(2,288,362)</u>	<u>(1,000,000)</u>
Ending FY Balance without transfer	\$18,058,960	\$75,454,321	\$65,994,201	\$48,362,039
Transfer to the General Fund in S.B. 09-208	0	(20,000,000)	0	0
Transfer to the General Fund in S.B. 09-279	0	(15,000,000)	(62,000,000)	0
Options for Additional Transfers to the General Fund	<u>0</u>	<u>0</u>	<u>(3,900,000)</u>	<u>(48,300,000)</u>
Ending Balance after transfers	\$18,058,960	\$40,454,321	\$94,201	\$62,039

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



SUPPLEMENTAL REQUESTS FOR FY 2009-10

DEPARTMENT OF NATURAL RESOURCES

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

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

**Prepared By:
Viktor Bojilov, JBC Staff
January 13, 2010**

For Further Information Contact:

Joint Budget Committee Staff
200 E. 14th Avenue, 3rd Floor
Denver, Colorado 80203
Telephone: (303) 866-2061
TDD: (303) 866-3472

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

TABLE OF CONTENTS

	Narrative Page	Numbers Page
Prioritized Supplementals in Department-Assigned Order		
Supplemental #1 - Additional Legal Services for Instream Flow Program	1	24
Supplemental #2 - Correct Risk Management Funding Methodology	4	24
Supplemental #3 - Leased Space Adjustments	9	25
Supplemental #4 - Increase Severance Tax Allocation to State Parks	12	25
Supplemental #5 - Eliminate NEPA Coordinator Position	14	26
Supplemental #6 - Division of Water Resources Personal Services Reduction	15	27
Supplemental #7 - Increase Fee Revenue for the Satellite Monitoring System	17	29
Supplemental #8 - Non-prioritized - Statewide Furlough Impact	18	29
Non-prioritized Supplementals		
Statewide Common Policy Supplemental Requests	19	30
Other Balancing Options	20	N.A.
Totals for All Supplementals	N.A.	30

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Prioritized Supplementals

**Supplemental #1 - (January 4, 2010, DNR Priority #1)
Additional Legal Services for Instream Flow Program**

	Request	Recommendation
Legal Services	\$70,706	\$70,706
<i>Hours Equivalent</i>	<u>938</u>	<u>938</u>
General Fund	0	0
Cash Funds	70,706	70,706
Reappropriated Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.	

Department Request: The Colorado Water Conservation Board (CWCB) has submitted a supplemental request for FY 2009-10 for \$70,706 cash funds (CWCB Construction Fund) and a budget amendment for FY 2010-11 for \$109,904 cash funds (CWCB Construction Fund) for Legal Services.

The Department states that the CWCB's need for and use of legal services from the Attorney General's Office has exceeded its annual legal services allocation since FY 2004-05. The Department states that the CWCB has been able to meet its needs in the past through reallocation of DNR agencies' legal services funds, however, the Department states that other divisions within DNR will be using up all of their Legal Services line item allocations in FY 2009-10.

The table below shows the current Legal Services appropriation to the Department split by division.

FY 2009-10 Legal Services for 43,952 hours Appropriation in S.B. 09-259						
	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	<i>Legal Hours</i>
Executive Director's Office	\$39,348	\$0	\$0	\$39,348	\$0	522

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

FY 2009-10 Legal Services for 43,952 hours Appropriation in S.B. 09-259						
	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	<i>Legal Hours</i>
Division of Reclamation, Mining, and Safety	497,131	0	446,728	0	50,403	6,595
Geological Survey	1,357	0	1,357	0	0	18
Oil and Gas Conservation Commission	153,097	0	153,097	0	0	2,031
State Board of Land Commissioners	528,263	0	528,263	0	0	7,008
Parks and Outdoor Recreation	294,133	7,062	287,071	0	0	3,902
Colorado Water Conservation Board	358,809	0	358,809	0	0	4,760
Water Resources Division	849,834	819,240	30,594	0	0	11,274
Division of Wildlife	<u>591,130</u>	<u>0</u>	<u>591,130</u>	<u>0</u>	<u>0</u>	<u>7,842</u>
	\$3,313,102	\$826,302	\$2,397,049	\$39,348	\$50,403	43,952

The CWCB holds over 1,800 decreed instream flow (ISF) and natural lake level (NLL) water rights in order to preserve and improve the natural environment of streams and lakes in Colorado. The CWCB is currently party to approximately 198 active water court cases, and is represented by the AG's office in each case. The Department states that with the additional funding, it anticipates to be able to resolve approximately 67 of the 198 cases in FY 2009-10. The remaining 131 cases cannot be resolved immediately because of staff limitations at the CWCB and the AG's Office or because the applicants are not prepared to move forward on their cases at this time.

The CWCB submitted a decision item for FY 2009-10 for 1.5 FTE to work on ISF-related water court matters and acquisitions of water for ISF use. Due to the budget shortfall, this request was not approved. The Department states that coordination between CWCB and AG staff for these cases is essential. One office cannot move forward without the other and staff shortages in one office affect the speed with which cases can be addressed. The CWCB staff provide input on technical issues related to each case and develop language to include in water court decrees that will protect ISF water rights, while the AG's office is the primary contact with applicants' attorneys, files all water court pleadings with input from CWCB staff, and coordinates with CWCB staff on negotiating language for inclusion in water court decrees.

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

The Department states that there are new, more stringent deadlines for resolving water disputes under new Water Court Rules enacted on July 1, 2009, as a result of recommendations from the Supreme Court Water Court Committee. The Department states that these rules require faster resolution of water court cases. The new rules apply to only those cases filed after July 1, 2009. The Department states that the full effect of the new rules is not yet known, but the Department is already seeing the initial effects. The Department states that cases filed 6 months ago are being re-referred to the judge and placed on a trial rack.

The Department points to several negative impacts if CWCB staff and their attorneys fall behind in reviewing water court cases and following up on negotiations:

- If the cases are not resolved within one year while before a water court referee, they are likely to be re-referred to the water court judge and placed on a trial rack. Because of trial deadlines and necessary preparation for trial, a case that is before the judge can take twice as many hours to resolve than a case before a water court referee;
- If the agency is unable to provide water court applicants with comments on proposed court rulings can result in the entry of a ruling that does not contain terms and conditions to protect the CWCB's water rights, which may necessitate filing a protest to the ruling, resulting in more costs for both the State and the applicant;
- If the agency is unable to provide water court applicants with comments on proposed court rulings can result in the need for additional meetings and correspondence regarding contested issues.

The delays described above create additional legal work for both CWCB and private water interests. The table below portrays the CWCB's estimated additional legal and professional services costs for each water court case the CWCB is unable to process in a timely manner:

CWCB Estimate of Average Additional Legal and Professional Costs Due to Delayed Water Court Cases			
	Rate per Hour	Additional Hours	Total Cost
CWCB Attorneys	\$75.38	54	\$4,071
CWCB Engineers	45.00	28	1,260
CWCB Legal Protection Specialist	45.00	28	1,260
Applicant Attorneys	285.00	54	15,390
Applicant Consulting Engineers	225.00	25	5,625
Total Cost			\$27,606

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Due to the new Water Court Rules enacted July 1, 2009, the CWCB estimates that it could potentially not process 35 water court cases in a timely manner. At a total cost of \$27,606 per case, the CWCB estimates \$966,210 in additional costs to state agencies (CWCB and AG's office) as well as private interests.

Staff Analysis: The analysis provided by the CWCB shows that the division knew fully well that it needed additional legal resources funding to address all the water court cases related to instream flow (ISF) and natural lake level (NLL) water rights as early as FY 2004-05. In order to address the need for additional legal and CWCB staff, The CWCB submitted a decision item for FY 2009-10 for 1.5 FTE to work on ISF-related water court matters and acquisitions of water for ISF use. Due to the budget shortfall, this request was not approved. In addition, there are new, more stringent deadlines for resolving water disputes under new Water Court Rules enacted on July 1, 2009, as a result of recommendations from the Supreme Court Water Court Committee.

Staff Recommendation: Staff recommends the Committee approve this department request.

**Supplemental #2 - (January 4, 2010, DNR Priority #2)
Correct Risk Management Funding Methodology**

	Request	Recommendation
Total	<u>(\$98,010)</u>	<u>(\$160,439)</u>
General Fund	(43,873)	(50,070)
Cash Funds	(77,547)	(133,531)
Reappropriated Funds	17,624	17,430
Federal Funds	5,786	5,732

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
JBC staff and the Department agree that this request is the result of a technical error in calculating the original appropriation as well as the result of data that was not available when the original appropriation was made.	

Department Request: The Department requests reducing the appropriation to the FY 2009-10 Health, Life, and Dental line-item appropriation by \$98,010 General Fund and by adjusting the appropriation to the FY 2009-10 Payment to Risk Management and Property Funds line-item

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

appropriation by a net zero amount while adjusting other fund sources as follows: \$54,137 General Fund; (\$77,547) cash funds; \$17,624 reappropriated funds; and \$5,786 federal funds.

The Department states that the reason for the needed adjustment is due to the Department communicating an incorrect methodology to JBC staff which resulted in incorrect fund splits being applied for the FY 2009-10 appropriation to the Payment to Risk Management and Property line item. The Department has also identified excess General Fund in its Health, Life, and Dental appropriation. The net impact of this request is a reduction of \$98,010 total funds [(\$43,873) General Fund; (\$77,547) cash funds; \$17,624 reappropriated funds; and \$5,786 federal funds].

Payment to Risk Management and Property Funds

During the FY 2009-10 budget request cycle the Department provided a single Excel file to JBC staff which contained its methodologies and rationale for calculating fund splits on the Department's POTS. In order to provide the excel file to JBC staff, department staff consolidated many different files where calculations were being made. During this process, only the first part of the Risk methodology was transferred. The Department is requesting that its Risk appropriation be changed to reflect the full methodology as described below.

The Department allocates costs to divisions based on their "risk exposure" to the two elements of the Risk appropriation: Property and Liability. Property is allocated by first allocating the "Flood Zone A" premiums to those divisions that have property in the flood zone (as of 2009, only the Division of Wildlife has properties requiring Flood Zone A coverage). The remainder is distributed by taking each division's percentage share of covered value and averaging it with the division's percentage share of covered square feet (as a proxy for exposure). This is where the calculation provided by the Department stopped and thus was the basis of the appropriation.

Property Allocation Methodology					
	Value	% of Total Value	Square Feet (exposure area)	% of Total Square Feet	Average of Two %
Executive Director's Office	\$1,123,406	0.30%	15,240	0.32%	0.31%
Division of Reclamation, Mining, and Safety	\$1,300,376	0.35%	14,412	0.30%	0.33%
Geological Survey	\$2,474,324	0.66%	7,838	0.17%	0.41%
Oil and Gas Conservation Commission	\$1,065,263	0.28%	13,832	0.29%	0.29%
State Board of Land Commissioners	\$27,980,138	7.47%	190,470	4.01%	5.74%
Parks and Outdoor Recreation	\$156,226,812	41.71%	2,222,420	46.82%	44.27%

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Property Allocation Methodology					
	Value	% of Total Value	Square Feet (exposure area)	% of Total Square Feet	Average of Two %
Colorado Water Conservation Board	\$847,133	0.23%	8,941	0.19%	0.21%
Water Resources Division	\$6,372,177	1.70%	51,253	1.08%	1.39%
Division of Wildlife	<u>\$177,140,148</u>	<u>47.30%</u>	<u>2,221,976</u>	<u>46.81%</u>	<u>47.06%</u>
Total	\$374,529,777	100.00%	4,746,382	100.00%	100.00%

The calculation should have gone on to show that the Department allocates the Liability portion of the appropriation based on the divisions' percentage share of appropriated FTE. This percentage can be combined with the Property allocation to provide a final percentage share of the appropriation. Since this step was not included, division's shares were allocated incorrectly.

Liability Allocation Methodology		
	FY 2008-09 Appropriated FTE	% of Total FTE
Executive Director's Office	59.4	3.84%
Division of Reclamation, Mining, and Safety	73.1	4.73%
Geological Survey	35.4	2.29%
Oil and Gas Conservation Commission	73.0	4.72%
State Board of Land Commissioners	38.0	2.46%
Parks and Outdoor Recreation	294.5	19.04%
Colorado Water Conservation Board	47.7	3.08%
Water Resources Division	274.3	17.73%
Division of Wildlife	<u>651.4</u>	<u>42.11%</u>
	1,546.8	100.00%

Health, Life, and Dental

The Department's Health, Life, and Dental appropriation is set using an estimate of potential costs. As employees choose different plans based on changes in their own life, or employees leave service with the Department and new employees begin service, actual expenses may vary. When employees leave, or there is a delay in hiring planned FTE, savings can also occur. The Department states that

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

based on year-to-date costs, the Division of Water Resources estimates that it has \$98,010 of excess funding in its General Fund Health, Life, and Dental appropriation.

Staff Analysis: Staff notes that subsequent to submittal of this supplemental the Department communicated to staff that their request did not take into account a non-prioritized FY 2009-10 supplemental from August 2009, titled "Risk Management Reduction of Liability, Property and Workers' Compensation Volatility". This supplemental request is submitted by the Department of Personnel and the impact to the Payment to Risk Management and Property Funds line item is a net reduction of \$62,429 total funds. The staff calculation below will take this supplemental impact into account when calculating the necessary adjustment to the Payment to Risk Management and Property Funds line item. The total Property allocation for this calculation is \$463,464 and the total Liability allocation is \$500,356.

Payment to Risk Management and Property Funds (with DPA Risk Management Reduction Supplemental)					
	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
FY 2009-10 Appropriation	\$1,026,249	\$92,559	\$929,996	\$2,895	\$799
FY 2009-10 JBC Staff Recommendation	<u>(62,429)</u>	<u>47,940</u>	<u>(133,531)</u>	<u>17,430</u>	<u>5,732</u>
FY 2009-10 Appropriation with Adjustments	963,820	140,499	796,465	20,325	6,531

FY 2009-10 Payment to Risk Management and Property Funds with Adjustments (with DPA Risk Management Reduction Supplemental)					
	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Executive Director's Office	\$20,362	\$0	\$0	\$20,362	\$0
Division of Reclamation, Mining, and Safety	24,847	0	18,304	0	6,543
Geological Survey	12,977	0	12,977	0	0
Oil and Gas Conservation Commission	24,678	0	24,678	0	0
State Board of Land Commissioners	33,507	0	33,507	0	0
Parks and Outdoor Recreation	258,823	50,212	208,611	0	0

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

FY 2009-10 Payment to Risk Management and Property Funds with Adjustments (with DPA Risk Management Reduction Supplemental)					
	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Colorado Water Conservation Board	16,196	0	16,196	0	0
Water Resources Division	93,868	90,489	3,379	0	0
Division of Wildlife	<u>478,562</u>	<u>0</u>	<u>478,562</u>	<u>0</u>	<u>0</u>
Total	\$963,820	\$140,701	\$796,214	\$20,362	\$6,543

The table below shows the JBC staff calculation for the Payment to Risk Management and Property Funds line item. If the Committee does not approve the non-prioritized FY 2009-10 supplemental from August 2009, titled "Risk Management Reduction of Liability, Property and Workers' Compensation Volatility" submitted by the Department of Personnel. The total Property allocation for this calculation is \$496,091 and the total Liability allocation is \$530,158.

Payment to Risk Management and Property Funds (without DPA Risk Management Reduction Supplemental)					
	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
FY 2009-10 Appropriation	\$1,026,249	\$92,559	\$929,996	\$2,895	\$799
FY 2009-10 JBC Staff Recommendation for Supplemental Adjustments	<u>0</u>	<u>57,576</u>	<u>(82,432)</u>	<u>18,713</u>	<u>6,143</u>
FY 2009-10 Appropriation with Adjustments	1,026,249	150,135	847,564	21,608	6,942

Staff Recommendation: Staff recommendation for the Payment to Risk Management and Property Funds line item is pending the approval of "Risk Management Reduction of Liability, Property and Workers' Compensation Volatility" supplemental that will be presented during the Department of Personnel supplemental presentation. If the Committee approves the DPA supplemental, staff recommendation is for \$963,820 total funds (\$140,701 General Fund, \$796,214 cash funds, \$20,362 reappropriated funds, and \$6,543 reappropriated funds). If the Committee does not approve the DPA supplemental, staff recommendation is

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

for \$1,026,249 total funds (\$150,135 General Fund, \$847,564 cash funds, \$21,608 reappropriated funds, and \$6,942 reappropriated funds).

Staff recommends the Committee approve a reduction by \$98,010 General Fund to the Department's Health, Life, and Dental line item.

**Supplemental #3 - (January 4, 2010, DNR Priority #3)
Leased Space Adjustments**

	Request	Recommendation
Total	<u>(\$58,901)</u>	<u>(\$58,901)</u>
General Fund	(37,070)	(37,070)
Cash Funds	(24,318)	(24,318)
Reappropriated Funds	0	0
Federal Funds	2,487	2,487

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made as well as technical errors in calculating the original appropriation.	

Department Request: The Department requests various changes to its Leased Space line item. The net request is for a reduction of \$58,901 total funds [(\$37,070) General Fund, (\$24,318) cash funds, and \$2,487 federal funds].

The Leased Space line item in the Executive Director's Office is a centrally appropriated line item designated to pay for all commercial office space and storage leases within the Department. The Department has approximately 53 leases across the state totaling approximately 114,000 square feet. Additionally, the Department leases 44 parking spaces.

Leased Space - Square Feet by Division		
	Square Feet	Vehicle Parking Spaces
Division of Reclamation, Mining, and Safety	2,466	25

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Leased Space - Square Feet by Division		
	Square Feet	Vehicle Parking Spaces
Geological Survey	1,581	7
Oil and Gas Conservation Commission	18,603	0
State Board of Land Commissioners	3,066	0
Parks and Outdoor Recreation	5,376	4
Colorado Water Conservation Board	12,464	0
Water Resources Division	37,860	0
Division of Wildlife	<u>32,658</u>	<u>8</u>
Total	114,074	44

The table below summarized the Department supplemental request broken down by request component.

Leased Space - Appropriation and Requested Changes							
	FY 2010 Approp. in SB 09-259	HB 08- 1395 Property Tax Exemption	Escalators on Current Leases	Parks Holdover	DOW Parking	Reconcile Estimates to Actual	FY 2009-10 Suppl. Request
Division of Reclamation, Mining, and Safety	\$59,106	(\$2,079)	\$3,840	\$0	\$0	\$1,133	\$62,000
Geological Survey	12,600	0	0	0	0	0	12,600
Oil and Gas Conservation Commission	332,012	(28,334)	9,299	0	0	0	312,977
State Board of Land Commissioners	50,910	(6,478)	0	0	0	(3,186)	41,246
Parks and Outdoor Recreation	33,735	0	0	8,854	0	0	42,589
Colorado Water Conservation Board	65,221	0	0	0	0	0	65,221
Water Resources Division	557,986	(32,035)	0	0	0	(8,693)	517,258
Division of Wildlife	<u>165,474</u>	<u>(10,231)</u>	<u>0</u>	<u>0</u>	<u>9,120</u>	<u>(111)</u>	<u>164,252</u>

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Leased Space - Appropriation and Requested Changes							FY 2009-10 Suppl. Request
	FY 2010 Approp. in SB 09-259	HB 08- 1395 Property Tax Exemption	Escalators on Current Leases	Parks Holdover	DOW Parking	Reconcile Estimates to Actual	
Total	\$1,277,044	(\$79,157)	\$13,139	\$8,854	\$9,120	(\$10,857)	\$1,218,143

Summary of Leased Space Supplemental Request by Fund Source					
	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
FY 2009-10 Appropriation in S.B. 09-259	\$1,277,044	\$543,969	\$709,620	\$0	\$23,455
H.B. 08-1395 Property Tax Exemption	(79,157)	(32,035)	(46,391)	0	(731)
Escalators on Current Leases	13,139	0	11,054	0	2,085
Parks Holdover	8,854	(1,858)	10,712	0	0
DOW Parking	9,120	0	9,120	0	0
Reconcile Estimates to Actual	<u>(10,857)</u>	<u>(3,177)</u>	<u>(8,813)</u>	<u>0</u>	<u>1,133</u>
Total	\$1,218,143	\$506,899	\$685,302	\$0	\$25,942

H.B. 08-1395 Property Tax Exemption

H.B. 08-1395 created a property tax exemption for certain property leased by governmental entities that use the property for governmental purposes. The Department states that this exemption reduced the Department's payments on nearly all of its leases. The Department states that the savings on each lease was calculated as a percentage of the lessor's property tax equal to the proportion of space occupied by the Department in the building.

Escalators on Current Leases

The Department states that during FY 2009-10 figure setting, the Department had requested increases due to escalators on previously approved leases be rolled into the Department's base leased space budget. This request was lost amongst other changes and was not addressed by JBC staff during FY 2009-10 figure setting.

Parks Holdover

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

During the FY 2009-10 budget figure setting, the Department had requested and the Committee approved a decision item to allow Parks to move out of some of its current leased space and into Capitol Complex Leased Space being vacated by the State Land Board. The Department states that before Parks could complete this move, the Division went through internal reorganization, budget reductions, and workforce planning. During these changes the Division did not move its employees out of the private leased space until they could be certain of their future work location. These decisions have since been made and the employees have been moved. This delay resulted in one-time holdover lease costs of \$8,854.

DOW Parking

The Department omitted to include the funding for the Division of Wildlife parking space lease for the FY 2009-10 budget. The Department states that this is a lease that the Division has held for many years to provide parking to Division staff when they need to travel to the Department or Capitol on business.

Reconcile Estimates to Actual

The Department states that it had numerous leases for which actual lease cost was different than was projected during FY 2009-10 figure setting.

Staff Recommendation: Staff recommends the Committee approve this department request.

**Supplemental #4 - (August 24, 2009, DNR Priority #1)
Increase Severance Tax Allocation to State Parks**

	Request	Recommendation
Total	\$0	\$0
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	(2,147,415)	(2,147,415)
Cash Funds	2,147,415	2,147,415
Reappropriated Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request is the result of data that was not available when the original appropriation was made.	

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

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

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

The FY 2010-11 reduction to \$4.0 million would diminish WSRA's ability to fund "on the ground" infrastructure and restoration projects which tend to require larger amounts of money. Under the proposed reduction, the Department states that the WSRA would continue to be able to fund feasibility studies, studies of human and environmental water needs, and technical assistance for permitting or environmental compliance.

Staff Analysis: Staff notes that the Committee voted unanimously on January 11, 2010 to draft a bill which would refinance General Fund in the Division of Parks and Outdoor Recreation with funding from the Operational Account of the Severance Tax Trust Fund.

Staff Recommendation: Staff recommends that the Committee approve this Department request.

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental #5 - (August 24, 2009, DNR Priority #2)
Eliminate NEPA Coordinator Position**

	Request	Recommendation
Total	(\$96,779)	(\$96,779)
FTE	<u>(1.0)</u>	<u>(1.0)</u>
General Fund	(96,779)	(96,779)
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.	

Department Request: The Department proposes to reduce its Executive Director's Office personal service line by \$96,779 General Fund and 1.0 FTE in FY 2009-10 and FY 2010-11 with the elimination of its National Environmental Policy Act (NEPA) coordinator. This position was added through a change request in the FY 2007-08 budget.

The NEPA coordinator position was approved to coordinate all Department responses to Resource Management Plans, Environmental Impact Statements, Wild and Scenic Designations, and other federal reviews and actions; as well as coordinating with appropriate federal land managers to ensure that Colorado's interests are considered and incorporated into the plans impacting the future of federal lands in Colorado. This position is also responsible for monitoring resource management planning in Colorado and evaluating its implications for resource managers within the Department.

The Department states that this position has recently been vacated and that the Department can realize a full year of savings in FY 2009-10. The functions of this position will be absorbed by other department staff.

The Department states that on issues of major importance to the State, it will often fall to individual agencies within the Department to submit their own positions without coordination. The Department states that this will increase the risk that the agencies put forward conflicting positions that will not have the same force and effect as a single united articulation of DNR policy and perspective. To ensure that Colorado has a voice in major decisions on how federal lands are managed and developed

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

in Colorado, staff and other resources will need to be redirected away from their regular duties on an as needed basis.

Calculation of NEPA Coordinator Position Request	
Salary	\$79,284
PERA	8,047
Medicare	1,150
Short-term Disability	123
AED	1,586
SAED	991
Health, Life, and Dental	4,570
Operating Expenses	<u>1,028</u>
Total	\$96,779

For purposes of calculating the request, the Department assumes that the position is entirely General Funded.

Staff Recommendation: Staff recommends the Committee approve the Department request.

**Supplemental #6 - (August 24, 2009, DNR Priority #3)
Division of Water Resources Personal Services Reduction**

	Request	Recommendation
Total	(\$413,179)	(\$413,179)
FTE	<u>(5.3)</u>	<u>(5.3)</u>
General Fund	(413,179)	(413,179)
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	0

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.	

Department Request: The Division of Water Resources proposes elimination of six currently vacant positions to generate \$413,179 General Fund and 5.3 FTE reductions in FY 2009-10 and FY 2010-11. These currently vacant positions include 1.3 FTE Water Commissioners (2 part-time positions); 1.0 FTE Ground Water Well Commissioner (metering); 2.0 FTE Engineers; and 1.0 FTE IT Developer position. The water and well commissioners are field staff spread throughout the State. The Engineers include: one Assistant Division Engineer (field) and one Engineer-In-Training working on permitting.

The Department states that these positions were selected for reduction because they are currently vacant. The Department determined that eliminating already vacant positions and redistributing these functions to existing staff would be the least disruptive way to decrease General Fund spending in the Division of Water Resources.

The Department states that the reduction of personnel requires the Division to divide additional duties among existing positions, which may already have full workloads. The Department also states that since the primary duty of the Division is water administration, this may lead to an inability to perform existing duties already assigned to these positions.

Calculation of DWR Personal Services Reduction Request	
DWR Personal Services	\$340,061
DWR, Operating Expenses	22,050
Health, Life, and Dental	40,693
Short-term Disability	472
AED	6,094
SAED	<u>3,809</u>
Total	\$413,179

Staff Recommendation: Staff recommends the Committee approve this Department request.

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental #7 - (August 24, 2009, DNR Priority #4)
Increase Fee Revenue for the Satellite Monitoring System**

	Request	Recommendation
Total	\$0	\$0
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	(40,000)	(40,000)
Cash Funds - SMS and CWCB		
Cash Funds	40,000	40,000

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.	

Department Request: This Department proposal is to increase the number of participants in the Satellite Monitoring System to increase cash fund revenue and off-set General Fund support for the program. The Department estimates that the increase in participants would generate a total of \$40,000 cash funds additional revenue and off-set an equal amount of General Fund.

The Satellite Monitoring System is used by the Division of Water Resources to provide "real-time" stream flow information. Stations record stream flow and transmit the information to a database. Once on the database, the information is readily accessible electronically.

The data collected from over 500 stations is used by clients that include the Division of Water Resources personnel, other state and federal agencies including the Colorado Water Conservation Board and the United States Geological Survey, municipalities, ditch companies, attorneys, consulting engineers, consumptive water users such as agricultural users, and other interested persons such as rafters and anglers.

User service and access fees are charged to users to help support the Satellite Monitoring System, whose appropriation is divided between cash and General Fund. Of the 500 operating gaging stations, user and service fees are currently collected on only 146 gages. Division staff has begun working to identify sponsors for additional gages in the system. Division staff estimate that additional cooperators will be found to fund 50 additional gages. For FY 2009-10, the Department estimates that 50 users will begin to pay an additional \$100 monthly access fee. The Department

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

estimates 8 months of payments for the fee in FY 2009-10 translating to \$40,000 of additional cash fund revenue.

Staff Recommendation: Staff recommends the Committee approve this department request.

**Supplemental #8 - (Non-prioritized, January 4, 2010)
Statewide Furlough Impact**

	Request	Recommendation
Total	(\$1,104,301)	(\$1,104,301)
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	(244,708)	(244,708)
Cash Funds	(685,201)	(685,201)
Reappropriated Funds	(8,802)	(8,802)
Federal Funds	(165,590)	(165,590)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.	

Department Request:

The General Assembly included a statewide personal services reduction equivalent to 1.82 percent of each agencies' appropriation in the FY 2009-10 Long Bill (S.B. 09-259). The net FY 2009-10 impact of the one-time reduction was \$26.5 million, of which \$16.1 million was General Fund. The executive branch was given the flexibility to develop and implement a plan to meet the mandated reduction. The Governor requests an adjustment to the personal services reductions within the FY 2009-10 Long Bill to reflect the actual staffing actions taken within each agency to achieve a decrease of 1.82 percent. The impact to the Department of Natural Resources was (\$2,076,360) total funds including (\$505,162) General Fund. With this request, the Department is proposing an additional reduction of (\$1,104,301) total funds including (\$244,708) General Fund.

The Department states that the reductions request of \$3.2 million total funds (\$749,870 General Fund) is due to furloughs. The Department used actual furlough savings (tracked under object codes

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

1112 and 1113) for the first two furlough days of the year and multiplied it by 4 for an estimated 8 total furlough days for FY 2009-10.

FY 2009-10 Personal Services Reductions (various line items)			
	FY 2009-10 1.82 P.S. Reduction	FY 2009-10 Additional Reduction Request	FY 2009-10 Total Personal Services Reduction Calculation
Total	(\$2,076,360)	(\$1,104,301)	(\$3,180,661)
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	(505,162)	(244,708)	(749,870)
Cash Funds	(1,416,831)	(685,201)	(2,102,032)
Reappropriated Funds	0	(8,802)	(8,802)
Federal Funds	(154,367)	(165,590)	(319,957)

Staff Recommendation: Staff recommends the Committee approve this department request.

Statewide Common Policy Supplemental Requests

These requests are not prioritized and are not analyzed in this packet. The JBC will act on these items later when it makes decisions regarding common policies.

Department's Portion of Statewide Supplemental Request	Total	General Fund	Cash Funds	RF	Federal Funds	FTE
Building Maintenance Reductions	(\$11,850)	(\$3,272)	(\$4,821)	(\$2,324)	(\$1,433)	0.0
Statewide - GGCC Supplemental Reduction	(39,560)	(396)	(29,399)	(9,765)	0	0.0
Risk Management Reduction of Liability, Property, and Workers' Compensation Volatility	(137,376)	(16,111)	(119,664)	(1,310)	(291)	0.0
	0					
Risk Management Contract Review and Reduction	(25,527)	(3,377)	(21,689)	(380)	(81)	0.0
FY 2009-10 OIT Management and Administration One Time Adjustment	(33,687)	(7,111)	(24,382)	(1,410)	(784)	0.0

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Department's Portion of Statewide Supplemental Request	Total	General Fund	Cash Funds	RF	Federal Funds	FTE
State Fleet Rebates - One Time Refinance	(16,875)	(2,218)	(14,313)	0	(344)	0.0
Annual Fleet Vehicle Replacements Technical True-up	123,016	18,574	108,244	0	(3,802)	0.0
Mail Equipment Upgrade Supplemental and Budget Amendment	(72,103)	(9,071)	(61,959)	(500)	(573)	0.0
Department's Total Statewide Supplemental Requests	(\$213,962)	(\$22,982)	(\$167,983)	(\$15,689)	(\$7,308)	0.0

Staff Recommendation: The staff recommendation for these requests is pending Committee approval of common policy supplementals. **Staff asks permission to include the corresponding appropriations in the Department's supplemental bill when the Committee approves this common policy supplemental.** If staff believes there is reason to deviate from the common policy, staff will appear before the Committee later to present the relevant analysis.

Other Balancing Options

Colorado Water Conservation Board Construction Fund

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

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

The Construction Fund also pays for the administrative expenses of the Colorado Water Conservation Board (CWCB). For FY 2009-10 the CWCB estimates that it will need \$7.3 million for salaries and

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

operating costs. The CWCB anticipates providing \$5.5 million in non-reimbursable investments (S.B. 09-125) and \$22.6 million in loans.

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

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

Colorado Water Conservation Board Construction Fund OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11				
	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
Cash Balance - Beginning of Year	\$8,775,717	\$13,282,580	\$19,305,372	\$69,811
Revenues	28,884,363	45,300,023	21,933,798	26,482,272
<i>CWCB Operations</i>	<i>(5,790,824)</i>	<i>(6,255,134)</i>	<i>(7,269,359)</i>	<i>(7,438,451)</i>
<i>Non-Reimbursable Investments</i>	<i>(3,828,890)</i>	<i>(4,724,563)</i>	<i>0</i>	<i>0</i>

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Colorado Water Conservation Board Construction Fund OPTIONS FOR TRANSFERS TO GENERAL FUND IN FY 2009-10 and FY 2010-11				
	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
<i>Loan Issuances</i>	(14,757,786)	(18,047,534)	0	0
<i>Total Expenditures</i>	<u>(24,377,500)</u>	<u>(29,027,231)</u>	<u>(7,269,359)</u>	<u>(7,438,451)</u>
Ending FY Balance without transfer	\$13,282,580	\$29,555,372	\$33,969,811	\$19,113,632
Transfer to the General Fund in S.B. 09-208	0	(10,250,000)	0	0
Options for Additional Transfers to the General Fund	<u>0</u>	<u>0</u>	<u>(33,900,000)</u>	<u>(19,100,000)</u>
Ending Balance after transfers	\$13,282,580	\$19,305,372	\$69,811	\$13,632

Perpetual Base Account of the Severance Tax Trust Fund

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

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

Perpetual Base Account of the Severance Tax Trust Fund				
	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
Cash Balance - Beginning of Year	\$43,702,079	\$18,058,960	\$40,454,321	\$5,282,563
<i>Receivables/Interest Earnings</i>	10,507,640	11,071,624	6,858,689	7,827,329
<i>Severance Tax</i>	37,868,413	71,253,177	17,911,500	38,264,500
<i>Principal Repayment</i>	2,731,028	3,099,696	3,058,053	3,176,009

**DEPARTMENT OF NATURAL RESOURCES
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Perpetual Base Account of the Severance Tax Trust Fund				
	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Estimate
<i>Total Revenues</i>	51,107,081	85,424,497	27,828,242	49,267,838
Loan Issuances/Drought Grants	<u>(76,750,200)</u>	<u>(28,029,136)</u>	<u>(1,000,000)</u>	<u>(42,000,000)</u>
Ending FY Balance without transfer	\$18,058,960	\$75,454,321	\$67,282,563	\$12,550,401
Transfer to the General Fund in S.B. 09-208	0	(20,000,000)	0	0
Transfer to the General Fund in S.B. 09-279*	<u>0</u>	<u>(15,000,000)</u>	<u>(62,000,000)</u>	<u>0</u>
Ending Balance after transfers	\$18,058,960	\$40,454,321	\$5,282,563	\$12,550,401

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

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

FY 2009-10 Supplemental Request Numbers Pages
Department of Natural Resources
(EDO, Parks & Outdoor Recreation, Colorado Water Conservation Board, Water Resources Division, Division of Wildlife)

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
DEPARTMENT OF NATURAL RESOURCES					
Executive Director - Jim Martin					
Supplemental #1 - (January 4, 2010, DNR #1) - Additional Legal Services for Instream Flow Program					
(1) EXECUTIVE DIRECTOR'S OFFICE					
Legal Services	3,095,965	3,313,102	70,706	70,706	3,383,808
<i>Hours Equivalent</i>	<u>41,225</u>	<u>43,952</u>	<u>938</u>	<u>938</u>	<u>44,890</u>
General Fund	826,299	826,302	0	0	826,302
Cash Funds	2,219,498	2,397,049	70,706	70,706	2,467,755
Reappropriated Funds	12,500	39,348	0	0	39,348
Federal Funds	37,668	50,403	0	0	50,403
Supplemental #2 - (January 4, 2010, DNR #2) - Correct Risk Management Funding Methodology					
(1) EXECUTIVE DIRECTOR'S OFFICE					
Health, Life, and Dental	<u>7,931,687</u>	<u>9,173,810</u>	<u>(98,010)</u>	<u>(98,010)</u>	<u>9,075,800</u>
General Fund	1,797,593	1,972,381	(98,010)	(98,010)	1,874,371
Cash Funds	5,185,616	6,125,183	0	0	6,125,183
Reappropriated Funds	292,835	330,263	0	0	330,263
Federal Funds	655,643	745,983	0	0	745,983
Payment to Risk Management & Property Funds	<u>1,168,937</u>	<u>1,026,249</u>	<u>0</u>	<u>(62,429)</u>	<u>963,820</u>
General Fund	209,005	92,559	54,137	47,940	140,499

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Cash Funds	924,260	929,996	(77,547)	(133,531)	796,465
Reappropriated Funds	27,698	2,895	17,624	17,430	20,325
Federal Funds	7,974	799	5,786	5,732	6,531
Total for Supplemental #2	<u>9,100,624</u>	<u>10,200,059</u>	<u>(98,010)</u>	<u>(160,439)</u>	<u>10,039,620</u>
General Fund	2,006,598	2,064,940	(43,873)	(50,070)	2,014,870
Cash Funds	6,109,876	7,055,179	(77,547)	(133,531)	6,921,648
Reappropriated Funds	320,533	333,158	17,624	17,430	350,588
Federal Funds	663,617	746,782	5,786	5,732	752,514
Supplemental #3 - (January 4, 2010, DNR #3) - Leased Space Adjustments					
(1) EXECUTIVE DIRECTOR'S OFFICE					
Leased Space	<u>1,196,145</u>	<u>1,277,044</u>	<u>(58,901)</u>	<u>(58,901)</u>	<u>1,218,143</u>
General Fund	489,254	543,969	(37,070)	(37,070)	506,899
Cash Funds	682,766	709,620	(24,318)	(24,318)	685,302
Reappropriated Funds	0	0	0	0	0
Federal Funds	24,125	23,455	2,487	2,487	25,942
Supplemental #4 - (August 24, 2009, DNR #1) - Increase Severance Tax Allocation to State Parks					
(6) PARKS AND OUTDOOR RECREATION					
(A) State Park Operations					
FTE	<u>252.7</u>	<u>260.7</u>	<u>0.0</u>	<u>0.0</u>	<u>260.7</u>
General Fund	5,614,271	3,866,992	(2,147,415)	(2,147,415)	1,719,577
Cash Funds	18,106,950	19,758,961	2,147,415	2,147,415	21,906,376
Reappropriated Funds	0	0	0	0	0

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Federal Funds	359,925	437,295	0	0	437,295
Supplemental #5 - (August 24, 2009, DNR #2) - Eliminate NEPA Coordinator Position					
(1) EXECUTIVE DIRECTOR'S OFFICE					
Personal Services	4,701,517	5,293,525	(88,481)	(88,481)	5,205,044
FTE	<u>54.6</u>	<u>59.8</u>	<u>(1.0)</u>	<u>(1.0)</u>	<u>58.8</u>
General Fund	0	341,706	(96,779)	(96,779)	244,927
Cash Funds	0	50,000	0	0	50,000
Reappropriated Funds	4,701,517	4,901,819	8,298	8,298	4,910,117
Health, Life, and Dental	<u>7,931,687</u>	<u>9,173,810</u>	<u>(4,570)</u>	<u>(4,570)</u>	<u>9,169,240</u>
General Fund	1,797,593	1,972,381	0	0	1,972,381
Cash Funds	5,185,616	6,125,183	0	0	6,125,183
Reappropriated Funds	292,835	330,263	(4,570)	(4,570)	325,693
Federal Funds	655,643	745,983	0	0	745,983
Short-term Disability	<u>129,011</u>	<u>127,930</u>	<u>(123)</u>	<u>(123)</u>	<u>127,807</u>
General Fund	26,620	24,972	0	0	24,972
Cash Funds	86,582	87,566	0	0	87,566
Reappropriated Funds	5,607	5,459	(123)	(123)	5,336
Federal Funds	10,202	9,933	0	0	9,933
S.B. 04-257 Amortization Equalization Disbursement	<u>1,599,591</u>	<u>1,804,624</u>	<u>(1,586)</u>	<u>(1,586)</u>	<u>1,803,038</u>
General Fund	327,083	379,109	0	0	379,109
Cash Funds	1,077,935	1,179,346	0	0	1,179,346
Reappropriated Funds	69,014	90,658	(1,586)	(1,586)	89,072

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Federal Funds	125,559	155,511	0	0	155,511
S.B. 06-235 Supplemental AED	<u>743,881</u>	<u>1,123,874</u>	<u>(991)</u>	<u>(991)</u>	<u>1,122,883</u>
General Fund	147,392	232,927	0	0	232,927
Cash Funds	505,282	737,091	0	0	737,091
Reappropriated Funds	32,351	56,661	(991)	(991)	55,670
Federal Funds	58,856	97,195	0	0	97,195
Operating Expenses	<u>1,190,066</u>	<u>1,251,953</u>	<u>(1,028)</u>	<u>(1,028)</u>	<u>1,250,925</u>
Cash Funds	976,443	1,060,977	0	0	1,060,977
Reappropriated Funds	193,286	185,639	(1,028)	(1,028)	184,611
Federal Funds	20,337	5,337	0	0	5,337
Total for Supplemental #5	16,295,753	18,775,716	(96,779)	(96,779)	18,678,937
FTE	<u>54.6</u>	<u>59.8</u>	<u>(1.0)</u>	<u>(1.0)</u>	<u>58.8</u>
General Fund	2,298,688	2,951,095	(96,779)	(96,779)	2,854,316
Cash Funds	7,831,858	9,240,163	0	0	9,240,163
Reappropriated Funds	5,294,610	5,570,499	0	0	5,570,499
Federal Funds	870,597	1,013,959	0	0	1,013,959
Supplemental #6 - (August 24, 2009, DNR #3) - Division of Water Resources Personal Services Reduction					
(1) EXECUTIVE DIRECTOR'S OFFICE					
Health, Life, and Dental	<u>7,931,687</u>	<u>9,173,810</u>	<u>(40,693)</u>	<u>(40,693)</u>	<u>9,133,117</u>
General Fund	1,797,593	1,972,381	(40,693)	(40,693)	1,931,688
Cash Funds	5,185,616	6,125,183	0	0	6,125,183
Reappropriated Funds	292,835	330,263	0	0	330,263

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Federal Funds	655,643	745,983	0	0	745,983
Short-term Disability	<u>129,011</u>	<u>127,930</u>	<u>(472)</u>	<u>(472)</u>	<u>127,458</u>
General Fund	26,620	24,972	(472)	(472)	24,500
Cash Funds	86,582	87,566	0	0	87,566
Reappropriated Funds	5,607	5,459	0	0	5,459
Federal Funds	10,202	9,933	0	0	9,933
S.B. 04-257 Amortization Equalization Disbursement	<u>1,599,591</u>	<u>1,804,624</u>	<u>(6,094)</u>	<u>(6,094)</u>	<u>1,798,530</u>
General Fund	327,083	379,109	(6,094)	(6,094)	373,015
Cash Funds	1,077,935	1,179,346	0	0	1,179,346
Reappropriated Funds	69,014	90,658	0	0	90,658
Federal Funds	125,559	155,511	0	0	155,511
S.B. 06-235 Supplemental AED	<u>743,881</u>	<u>1,123,874</u>	<u>(3,809)</u>	<u>(3,809)</u>	<u>1,120,065</u>
General Fund	147,392	232,927	(3,809)	(3,809)	229,118
Cash Funds	505,282	737,091	0	0	737,091
Reappropriated Funds	32,351	56,661	0	0	56,661
Federal Funds	58,856	97,195	0	0	97,195
(8) WATER RESOURCES DIVISION ("State Engineer's Office")					
Personal Services	17,706,890	18,926,874	(340,061)	(340,061)	18,586,813
FTE	<u>244.6</u>	<u>261.4</u>	<u>(5.3)</u>	<u>(5.3)</u>	<u>256.1</u>
General Fund	17,544,755	18,411,977	(340,061)	(340,061)	18,071,916
Cash Funds	162,135	514,897	0	0	514,897
Operating Expenses	<u>1,437,146</u>	<u>1,455,484</u>	<u>(22,050)</u>	<u>(22,050)</u>	<u>1,433,434</u>

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
General Fund	932,876	1,015,976	(22,050)	(22,050)	993,926
Cash Funds	504,270	439,508	0	0	439,508
Total for Supplemental #6	29,548,206	32,612,596	(413,179)	(413,179)	32,199,417
FTE	<u>244.6</u>	<u>261.4</u>	<u>(5.3)</u>	<u>(5.3)</u>	<u>256.1</u>
General Fund	20,776,319	22,037,342	(413,179)	(413,179)	21,624,163
Cash Funds	7,521,820	9,083,591	0	0	9,083,591
Reappropriated Funds	399,807	483,041	0	0	483,041
Federal Funds	850,260	1,008,622	0	0	1,008,622
Supplemental #7 - (August 24, 2009, DNR #4) - Increase Fee Revenue for the Satellite Monitoring System					
(8) WATER RESOURCES DIVISION ("State Engineer's Office")					
Satellite Monitoring System	367,614	752,599	0	0	752,599
FTE	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>	<u>0.0</u>	<u>2.0</u>
General Fund	204,834	257,710	(40,000)	(40,000)	217,710
Cash Funds - SMS and CWCB Cash Funds	162,780	494,889	40,000	40,000	534,889
Supplemental #8 - Non-prioritized (Jan. 4, 2010)					
- Statewide Furlough Impact (Various Line Items)					
	N.A.	160,132,762	(1,104,301)	(1,104,301)	159,028,461
FTE	<u>N.A.</u>	<u>1,437.5</u>	<u>0.0</u>	<u>0.0</u>	<u>1,437.5</u>
General Fund		23,836,405	(244,708)	(244,708)	23,591,697
Cash Funds		114,138,391	(685,201)	(685,201)	113,453,190
Reappropriated Funds		6,194,106	(8,802)	(8,802)	6,185,304
Federal Funds		15,963,860	(165,590)	(165,590)	15,798,270

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Totals <i>Excluding</i> Pending Items					
Department of Natural Resources (Selected Division	183,171,580	201,949,255	(1,700,464)	(1,762,893)	200,186,362
FTE	<u>1,302.9</u>	<u>1,325.8</u>	<u>(6.3)</u>	<u>(6.3)</u>	<u>1,319.5</u>
General Fund	30,552,851	29,680,331	(3,023,024)	(3,029,221)	26,651,110
Cash Funds	131,622,349	152,998,182	1,471,055	1,415,071	154,413,253
Reappropriated Funds	6,352,840	6,437,252	8,822	8,628	6,445,880
Federal Funds	14,643,540	12,833,490	(157,317)	(157,371)	12,676,119
Statewide Common Policy Supplementals					
(see narrative for more detail)	<u>N.A.</u>	<u>N.A.</u>	<u>(213,962)</u>	<u>Pending</u>	<u>N.A.</u>
General Fund			(22,982)		
Cash Funds			(167,983)		
Reappropriated Funds			(15,689)		
Federal Funds			(7,308)		
Totals <i>Including</i> Pending Items					
Department of Natural Resources (Selected Division	183,171,580	201,949,255	(1,914,426)	(1,762,893)	200,186,362
FTE	<u>1,302.9</u>	<u>1,325.8</u>	<u>(6.3)</u>	<u>(6.3)</u>	<u>1,319.5</u>
General Fund	30,552,851	29,680,331	(3,046,006)	(3,029,221)	26,651,110
Cash Funds	131,622,349	152,998,182	1,303,072	1,415,071	154,413,253
Reappropriated Funds	6,352,840	6,437,252	(6,867)	8,628	6,445,880
Federal Funds	14,643,540	12,833,490	(164,625)	(157,371)	12,676,119

Key:

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation

N.A. = Not Applicable or Not Available