



## DEPARTMENT OF NATURAL RESOURCES

November 1, 2012

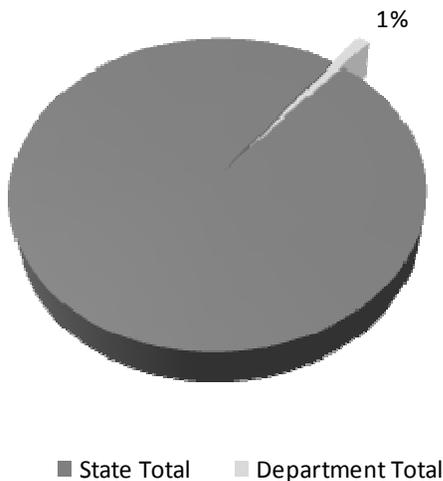
### FY 2013-14 Budget Request

<u>Department of Natural Resources</u>				
	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Change	Percent Change
Total Funds	\$262,617,572	\$242,688,254	(\$19,929,318)	-7.6%
General Fund	\$23,740,163	\$24,089,080	\$348,917	1.5%
Cash Funds	\$209,496,335	\$179,771,768	(\$29,724,567)	-14.2%
Reappropriated Funds	\$8,636,648	\$9,333,473	\$696,825	8.1%
Federal Funds	\$20,744,426	\$29,493,933	\$8,749,507	42.2%
FTE	1,464.1	1,452.1	(12.0)	-0.8%

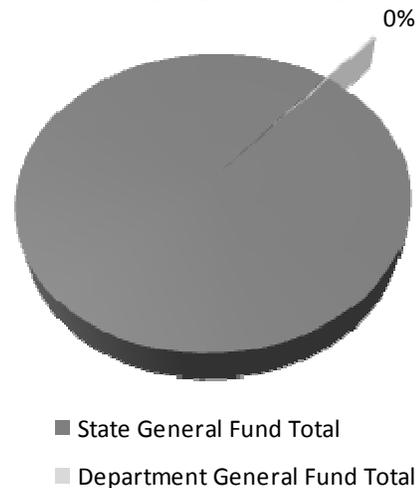
#### Department Description

The Colorado Department of Natural Resources (DNR) is responsible for the management of the water, land, wildlife, minerals and energy, oil & gas, state trust lands, and outdoor recreation resources of the State. Its mission is to develop, preserve, and enhance Colorado's natural resources for the benefit and enjoyment of current and future citizens and visitors. This includes use or access to some resources, promotion of the responsible development of select resources, and the protection or preservation of other resources.

Share of Statewide  
Operating Total



Share of Statewide  
General Fund



### *Major Factors Affecting FY 2013-14 Budget*

The Department of Natural Resources is requesting a net decrease of \$19.9 million total funds (7.6 percent) and an increase of \$0.3 million General Fund in its FY 2013-14 budget. The \$19.9 million total funds decrease is comprised of a \$32.8 million net reduction associated with the annualization of the FY 2012-13 appropriation, offset slightly by \$7.1 million total funds for new initiatives and \$5.8 million total funds for common policy changes.

#### Base Annualization Changes (decrease of \$32.8 million total funds)

- \$32.4 million cash funds is reduced, reflecting the annual funding methodology which appropriates the cash funding for the Colorado Water Board Construction Fund (\$28.4 million) and Species Conservation Trust Fund (\$4.0 million), respectively, through separate legislation. Funding for FY 2013-14 will be addressed through 2013 Session legislation.
- \$0.9 million cash funds from the Water Conservation Board Construction Fund which was appropriated in FY 2012-13 for a study on the South Platte River Basin is not continued in FY 2013-14, as it was one-time in nature.
- \$0.6 million total funds are added for indirect cost assessments throughout the Department's divisions.

#### New Funding Initiatives (increase of \$7.1 million total funds)

- **\$5.6 million total funds for Wildlife Management refinancing.** This technical request provides additional transparency for the Division of Parks and Wildlife Division Operations budget and will accurately align the Long Bill appropriation to the Division's current spending and financing structure. This increase shown does not represent new money expended by the Division; rather, the increase reflects the inclusion in the budget of federal funds that the Division has been receiving and spending.
- **\$0.6 million cash funds for the Colorado Oil and Gas Conservation Commission.** This increase funds 5.0 FTE additional field inspection and environmental staff to do field inspections, environmental assessments, and technical reviews of drilling and completion designs.
- **\$0.4 million cash funds for strategic business initiatives at the State Land Board.** This funding adds 2.0 FTE and will expand existing, and develop new, lines of business to both diversify state trust revenues and make them more sustainable over the long-term.
- **\$0.1 million cash funds for legal services.** These expenditures occur throughout the various divisions in the department.

- **\$0.1 million cash funds for the Division of Water Resources, Satellite Monitoring System.** This funding will help the Division meet increasing operational expenses including maintenance, technological improvements, and possibly an expansion of the system.
- **\$82,382 cash funds for the State Land Board.** This funding will provide for 1.0 FTE mineral field coordinator and allow the State Land Board to respond to workload needs generated by the growth in oil and gas development on state trust land.
- **\$58,844 cash funds for leased space.** This request funds leased space requirements for the Department's various divisions.
- **Reduction of 20.0 FTE at the Colorado Parks & Wildlife Division.** The exact amount of the reduction and number of FTE is still being determined, but will be provided in January, 2013 as part of the annual report to the General Assembly identifying opportunities for efficiencies, disposition of assets, and cost savings per H.B. 12-1317. The Division anticipates a reduction of at least 20.0 FTE and \$1,000,000 to \$2,000,000.

Common Policy Changes (increase of \$5.8 million)

- \$5.8 million (\$2.1 million General Fund) is added to the budget for statewide common policy changes applied to the Department. Note that most of the General Fund impact of this request is offset by the application of cash and federal indirect cost assessments, which is applied against this area and which saves General Fund.