

Department of Local Affairs
 Summary of Additional Budget Reduction Proposals
 FY 2009-10
 August 24, 2009

Number	Yes or No	Enter One	Division	Title	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	Other Department(s) Affected
	Corresponding FY 2010-11 Impact -- Yes or No?	One Time or Base/Ongoing?									
1	Yes	Ongoing	Local Government	Refinance General Fund in the Division of Local Government and Field Services Division	\$181,162	(\$943,127)	\$0	\$1,124,289	\$0	0.0	No
	Yes	Ongoing	EDO	Building Maintenance Reductions	(\$6,773)	(\$4,171)	(\$294)	(\$1,240)	(\$1,068)	0.0	DPA
	Yes	Ongoing	EDO	Risk Management Reduction of Liability, Property and Workers Compensation Volatility	(\$3,355)	(\$3,120)	(\$143)	(\$92)	\$0	0.0	DPA
	Yes	Ongoing	EDO	Elimination of Noxious Weeds Abatement	(\$2,550)	\$0	\$0	\$0	(\$2,550)	0.0	DPA
	Yes	Ongoing	EDO	Risk Management Contract Review and Reduction	(\$729)	(\$678)	(\$23)	(\$28)	\$0	0.0	DPA
	No	One Time	EDO	FY 2009-10 OIT Management and Administration One-Time Adjustment	(\$2,036)	(\$750)	\$0	\$0	(\$1,286)	0.0	DPA
	No	One Time	EDO	State Fleet Rebates - One-time Refinance	(\$9,281)	(\$7,491)	\$0	(\$1,790)	\$0	0.0	DPA
Total - Reductions					\$156,438	(\$959,337)	(\$460)	\$1,121,139	(\$4,904)	0.0	

Department of Local Affairs
 Summary of Annualizations of Additional Budget Reduction Proposals

As Compared to FY 2010-11 Base Request before Annualizations*

FY 2010-11

August 24, 2009

Number	Yes or No	Enter One	Division	Title	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	Other Department(s) Affected
	Corresponding FY 2009-10 Impact -- Yes or No?	One Time or Base/Ongoing?									
1	Yes	Ongoing	Local Government	Refinance General Fund in the Division of Local Government and Field Services Division	\$181,162	(\$943,127)	\$0	\$1,124,289	\$0	0.0	No
	Yes	Ongoing	EDO	Building Maintenance Reductions	(\$6,773)	(\$4,171)	(\$294)	(\$1,240)	(\$1,068)	0.0	DPA
	Yes	Ongoing	EDO	Risk Management Reduction of Liability, Property and Workers Compensation Volatility	(\$3,355)	(\$3,120)	(\$143)	(\$92)	\$0	0.0	DPA
	Yes	Ongoing	EDO	Elimination of Noxious Weeds Abatement	(\$2,550)	\$0	\$0	\$0	(\$2,550)	0.0	DPA
	Yes	Ongoing	EDO	Risk Management Contract Review and Reduction	(\$729)	(\$678)	(\$23)	(\$28)	\$0	0.0	DPA
Total - Reductions					\$167,755	(\$951,096)	(\$460)	\$1,122,929	(\$3,618)	0.0	

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11	Base Reduction Item FY 2010-11	Supplemental FY 2009-10	Budget Amendment FY 2010-11
Request Title: Refinance General Fund with Reappropriated Funds in the Division of Local Government and Field Services			
Department: Local Affairs		Dept. Approval by: <i>[Signature]</i>	Date: August 18, 2009
Priority Number:		OSPB Approval: <i>[Signature]</i>	Date: 8-19-09

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	0	6,288,342	181,162	6,469,504	0	0	0	0	0	0
	FTE	0.0	48.9	0.0	48.9	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	2,437,295	(943,127)	1,494,168	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	501,021	0	501,021	0	0	0	0	0	0
	CFE/RF	0	2,833,904	1,124,289	3,958,193	0	0	0	0	0	0
	FF	0	1,000,783	0	1,000,783	0	0	0	0	0	0
(1) Executive Director's Office: Health, Life, Dental	Total	0	1,023,585	0	1,023,585	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	535,683	(92,927)	442,756	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	132,526	0	132,526	0	0	0	0	0	0
	CFE/RF	0	163,776	92,927	256,703	0	0	0	0	0	0
	FF	0	191,600	0	191,600	0	0	0	0	0	0
(1) Executive Director's Office: Short Term Disability	Total	0	18,541	0	18,541	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	7,029	(1,003)	6,026	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	2,945	0	2,945	0	0	0	0	0	0
	CFE/RF	0	4,438	1,003	5,441	0	0	0	0	0	0
	FF	0	4,129	0	4,129	0	0	0	0	0	0
(1) Executive Director's Office: Amortization Equalization Disbursement	Total	0	250,029	0	250,029	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	94,850	(12,940)	81,910	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	39,479	0	39,479	0	0	0	0	0	0
	CFE/RF	0	59,334	12,940	72,274	0	0	0	0	0	0
	FF	0	56,366	0	56,366	0	0	0	0	0	0
(1) Executive Director's Office: Supplemental Amortization Equalization Disbursement	Total	0	156,224	0	156,224	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	59,237	(8,088)	51,149	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	24,674	0	24,674	0	0	0	0	0	0
	CFE/RF	0	37,084	8,088	45,172	0	0	0	0	0	0
	FF	0	35,229	0	35,229	0	0	0	0	0	0

Schedule 13
Change Request for FY 2010-11 Budget Request Cycle

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Refinance General Fund with Reappropriated Funds in the Division of Local Government and Field Services

Department: Local Affairs **Dept. Approval by:** _____ **Date:** _____

Priority Number: _____ **OSPB Approval:** _____ **Date:** _____

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
(1) Executive Director's Office: Capitol Complex Leased Space	Total	0	484,661	0	484,661	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	354,303	(181,162)	173,141	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	24,967	0	24,967	0	0	0	0	0	0
	CFE/RF	0	56,716	181,162	237,878	0	0	0	0	0	0
FF	0	48,675	0	48,675	0	0	0	0	0	0	
(4) Division of Local Government (A) (1) Administration	Total	0	1,584,117	0	1,584,117	0	0	0	0	0	0
	FTE	0.0	20.4	0.0	20.4	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	893,182	(153,996)	739,186	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	503,910	153,996	657,906	0	0	0	0	0	0
FF	0	187,025	0	187,025	0	0	0	0	0	0	
(4) (B) Field Services: Program Costs	Total	0	2,405,692	0	2,405,692	0	0	0	0	0	0
	FTE	0.0	28.5	0.0	28.5	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	493,011	(493,011)	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	105,315	0	105,315	0	0	0	0	0	0
	CFE/RF	0	1,463,136	493,011	1,956,147	0	0	0	0	0	0
FF	0	344,230	0	344,230	0	0	0	0	0	0	
(4) (C) Indirect Cost Assessments	Total	0	850,154	181,162	1,031,316	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	171,115	0	171,115	0	0	0	0	0	0
	CFE/RF	0	545,510	181,162	726,672	0	0	0	0	0	0
FF	0	133,529	0	133,529	0	0	0	0	0	0	

Non-Line Item Request: N/A

Letternote Revised Text: The amount of \$1,124,127 RF for FY 09-10 includes \$749,526 from the Local Government Severance Tax Fund and \$374,763 from the Local Government Mineral Impact Fund.

Cash or Federal Fund Name and COFRS Fund Number: RF: Local Government Severance Tax Fund 152; RF: Local Government Mineral Impact Fund 153

Reappropriated Funds Source, by Department and Line Item Name: Internal transfer from the Local Government Mineral and Energy Impact grants and Disbursements line within the department.

Approval by OIT? Yes: No: N/A:

Schedule 13s from Affected Departments: N/A



DEPARTMENT OF LOCAL AFFAIRS

*Budget Reduction Proposal
August 24, 2009*

*Susan E. Kirkpatrick
Executive Director*

1 - Refinance General Fund in the Division of Local Government and Field Services

Proposal:

The Department of Local Affairs (DOLA) analyzed the relationship between the Field Services program, the State Demography Office and the Local Government Energy and Mineral Impact Program and recommends that both the Field Services Program and the State Demography Office costs be allocated to local government impact funds. Changing the source for financing these services provided to impacted areas would result in a reduction of \$943,127 General Fund and an increase of \$1,124,289 in reappropriated funds in FY 2009-10 and FY 2010-11.

Summary of Request:

- The Field Services unit within Division of Local Government at DOLA provides general and technical assistance to local governments in areas “impacted by the development, processing, or energy conversion of fuels and minerals”. In fact, recent reports submitted by severance and Federal Mineral Lease taxpayers indicate that people working in the energy and mineral development industry live in every county in the state. Currently, the Field Services unit does not provide any assistance on General Funded programs. However, 4.9 FTE within the unit are still General Funded. The Department believes that because no General Fund programs are served by the Field Services unit, the funding for FTE in this unit should be adjusted. This proposal would instead fund these FTE from Mineral and Energy Impact program funds, the largest program within the Division of Local Government.
- The State Demography Office is located within the Division of Local Government and currently employs 6.0 FTE. The Office has a close association with the Energy and Mineral Impact program because staff forecasts population growth, energy industry employment trends, housing data, and resultant demand for public facilities and services. This data is used by the Energy and Mineral Impact program to accurately allocate Federal Mineral Lease and Severance Tax revenues to localities through both direct distribution and grants. This proposal would refinance two of the 6.0 FTE in the State Demography Office. These FTE are both lower level classifications, reflecting the assumption the mostly line staff in the office would process the data used by the Mineral and Energy Impact program.
- Local government needs and program revenues from both state severance taxes and federal mineral lease funds have increased dramatically in recent years. Specifically, the amount of grant awards and direct distribution to local governments has more than quadrupled from Fiscal Year 2003 (\$27.8 million) to Fiscal Year 2008 (\$111.4 million). This expanded need is requiring additional staff time that could be charged legitimately to the appropriate Local Government Mineral and Energy cash funds in lieu of General Fund.
- During state fiscal years 1997 through 2002, the average number of Impact grants per year was 162. For fiscal years 2003 through 2008, the average number of grants per year increased to 359. With nearly a 200% increase in workload and forecast data needs, Mineral and Energy Impact Grant assistance now

represents the majority of workload for the Field Services unit. Therefore, a reallocation of how program costs are funded was deemed necessary and appropriate.

- The current cost to administer the Impact program represents 2.2% of the Severance and FML revenues that DOLA manages. This proposal will minimally increase the cost to administer the program by 0.5% for a new total of 2.7%.
- The proposed refinancing will allow the Department to capture additional indirect costs from the Division of Local Government. Based on the FY 2009-10 indirect cost recovery plan for the Department of Local Affairs, this amount will be \$181,162. The Department plans to use the full amount of additional recovery to defray General Fund expenditures in the Executive Directors Office for Capitol Complex Leased Space.

Assumptions and Tables to Show Calculations:

Summary of Request FY 2009-10 and FY 2010-11	Total Funds	General Fund	Reappropriated Funds
Field Services: Program Costs – represents the entire amount of General Fund still left in the line item. This covers both Personal Service and Operating for the 4.9 FTE.	\$0	(\$493,011)	\$493,011
Division of Local Government: Administration – this represents salary amount for 2.0 FTE within the State Demographers Office	\$0	(\$153,996)	\$153,996
Executive Directors Office: Health, Life, Dental	\$0	(\$92,927)	\$92,927
Executive Directors Office: Short term Disability	\$0	(\$1,003)	\$1,003
Executive Directors Office: Amortization Equalization Disbursement	\$0	(\$12,940)	\$12,940
Executive Directors Office: Supplemental Amortization Equalization Disbursement	\$0	(\$8,088)	\$8,088
Executive Directors Office: Capitol Complex Leased Space	\$0	(\$181,162)	\$181,162
Indirect Cost Assessment	\$181,162	\$ -	\$181,162
Total	\$181,162	(\$943,127)	\$1,124,289

Specific calculations for the amounts seen in the table above are:

Description of Calculation	FY 2009-10	Calculation
Field Services: Program Costs – represents the entire amount of General Fund still left to fund 4.9 FTE.	\$493,011	= \$493,011
Div Local Government Administration – this amount is equal to the salaries for 2.0 FTE within the State Demographer’s Office	\$153,996	= (\$6,583*12 months) + (\$6,250*12 months)
Health, Life, Dental – this is calculated using actual HLD costs for the 4.9 FTE from Field Services and the 2.0 FTE from the Demographer’s Office	\$92,927	= \$75,759 + \$17,168
Short term Disability – calculated by multiplying the salaries to be refinanced by 0.155%	\$1,003	= (\$153,996 * 0.00155) + (\$493,011 * 0.00155)
Amortization Equalization Disbursement – calculated by multiplying the salaries to be refinanced by 2% for the FY 2009-10 blended rate.	\$12,940	= (\$153,996 * 0.02 + \$493,011 * 0.02)
Supplemental Amortization Equalization Disbursement - calculated by multiplying the salaries to be refinanced by 1.25% for the FY 2009-10 blended rate	\$8,088	FY09-10 = (\$153,996 * 0.0125) + (\$493,011 * 0.0125)
Indirect Cost Assessment – calculated by multiplying the refinanced amounts by 28%, the approved amount for the Division of Local Government per the Department’s FY 2009-10 Indirect Cost Plan	\$181,162	=((\$153,996 + \$493,011) * 0.28)

Current Statutory Authority or Needed Statutory Change:

Current Statutory Authority:

C.R.S. 39-29-110 (1) (a) (2009) – Local government severance tax fund – creation – administration – definitions. There is hereby created in the department of local affairs a local government severance tax fund. In accordance with section 39-29-108, portions of the state severance tax receipts shall be credited to the local government severance tax fund. Except as otherwise provided in section 39-29-109.5, all income derived from the deposit and investment of the moneys in the local government severance tax fund shall be credited to the local government severance tax fund.

C.R.S. 34-63-102 (5) (a) (I) (2009) – Creation of the mineral leasing fund – distribution. Moneys received pursuant to this section shall be paid into the local government mineral impact fund. Establishes the energy impact assistance advisory committee, chaired by the executive director of the Department of Local Affairs. The committee is charged with continuously reviewing the existing

No statutory change or executive order is required to implement this proposal. The General Fund reduction can be achieved through administrative action; however, in order to effectuate the refinancing portion of this request, an increase in the associated cash fund spending authority will be required through a supplemental bill.

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 <input type="checkbox"/>	Base Reduction Item FY 2010-11 <input type="checkbox"/>	Supplemental FY 2009-10 <input checked="" type="checkbox"/>	Budget Amendment FY 2010-11 <input type="checkbox"/>
---	---	---	--

Request Title: Building Maintenance Reductions
 Department: Local Affairs
 Priority Number: _____

Dept. Approval by: *[Signature]* Date: August 20, 2009
 OSPB Approval: *[Signature]* Date: 8/20/09

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	473,484	484,661	(6,773)	477,888	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	346,132	354,303	(4,171)	350,132	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	24,391	24,967	(294)	24,673	0	0	0	0	0	0
	CFE/RF	55,408	56,716	(1,240)	55,476	0	0	0	0	0	0
	FF	47,553	48,675	(1,068)	47,607	0	0	0	0	0	0
(1) Executive Director's Office: Capitol Complex Leased Space	Total	473,484	484,661	(6,773)	477,888	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	346,132	354,303	(4,171)	350,132	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	24,391	24,967	(294)	24,673	0	0	0	0	0	0
	RF	55,408	56,716	(1,240)	55,476	0	0	0	0	0	0
	FF	47,553	48,675	(1,068)	47,607	0	0	0	0	0	0

Non-Line Item Request: N/A

Letternote Revised Text: _____

Cash or Federal Fund Name and COFRS Fund Number: RF: Local Government Severance Tax Fund 152; RF: Local Government Mineral Impact Fund 153

Reappropriated Funds Source, by Department and Line Item Name: Internal transfer from the Local Government Mineral and Energy Impact grants and Disbursements line within the department.

Approval by OIT? Yes: No: N/A:

Schedule 13s from Affected Departments: N/A DPA

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 <input type="checkbox"/>	Base Reduction Item FY 2010-11 <input type="checkbox"/>	Supplemental FY 2009-10 <input checked="" type="checkbox"/>	Budget Amendment FY 2010-11 <input type="checkbox"/>
Request Title: Risk Management Reduction of Liability, Property, and Workers' Compensation Volatility		Dept. Approval by: <i>[Signature]</i>	Date: August 20, 2009
Department: Local Affairs		OSP Approval: <i>[Signature]</i>	Date: 8/20/09
Priority Number: 1			

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	51,992	70,276	(3,355)	66,921	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	48,347	65,348	(3,120)	62,228	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	2,195	2,803	(143)	2,660	0	0	0	0	0	0
	CFE/RF	1,450	2,125	(92)	2,033	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office: Workers' Compensation	Total	34,064	51,330	(2,139)	49,191	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	31,674	47,728	(1,989)	45,739	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,073	1,617	(67)	1,550	0	0	0	0	0	0
	RF	1,317	1,985	(83)	1,902	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office: Payments to Risk Management and Property Funds	Total	17,928	18,946	(1,216)	17,730	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	16,673	17,620	(1,131)	16,489	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,122	1,186	(76)	1,110	0	0	0	0	0	0
	CFE/RF	133	140	(9)	131	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: N/A

Letternote Revised Text:

Cash or Federal Fund Name and COFRS Fund Number: RF: Local Government Severance Tax Fund 152; RF: Local Government Mineral Impact Fund 153

Reappropriated Funds Source, by Department and Line Item Name: Internal transfer from the Local Government Mineral and Energy Impact grants and Disbursements line within the department.

Approval by OIT? Yes: No: N/A:

Schedule 13s from Affected Departments: ~~N/A~~ DPA

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Elimination of Noxious Weeds Abatement
 Department: Local Affairs
 Priority Number:
 Dept. Approval by: *Bruce Henderson* Date: *August 20, 2009*
 OSPB Approval: *[Signature]* Date: *8/20/09*

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	473,484	484,661	(2,550)	482,111	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	346,132	354,303	0	354,303	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	24,391	24,967	0	24,967	0	0	0	0	0	0
	CFE/RF	55,408	56,716	0	56,716	0	0	0	0	0	0
	FF	47,553	48,675	(2,550)	46,125	0	0	0	0	0	0
(1) Executive Director's Office: Capitol Complex Leased Space	Total	473,484	484,661	(2,550)	482,111	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	346,132	354,303	0	354,303	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	24,391	24,967	0	24,967	0	0	0	0	0	0
	RF	55,408	56,716	0	56,716	0	0	0	0	0	0
	FF	47,553	48,675	(2,550)	46,125	0	0	0	0	0	0

Non-Line Item Request: N/A
 Letternote Revised Text:
 Cash or Federal Fund Name and COFRS Fund Number: RF: Local Government Severance Tax Fund 152; RF: Local Government Mineral Impact Fund 153
 Reappropriated Funds Source, by Department and Line Item Name: Internal transfer from the Local Government Mineral and Energy Impact grants and Disbursements line within the department.
 Approval by OIT? Yes: No: N/A:
 Schedule 13s from Affected Departments: ~~N/A~~ DPA

Schedule 13
Change Request for FY 2010-11 Budget Request Cycle

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Risk Management Contract Review and Reduction
 Department: Local Affairs
 Priority Number:
 Dept. Approval by: *Ben K. ...* Date: *Aug 20, 2009*
 OSPB Approval: *[Signature]* Date: *8/20/09*

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	34,064	51,330	(729)	50,601	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	31,674	47,728	(678)	47,050	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,073	1,617	(23)	1,594	0	0	0	0	0	0
	CFE/RF	1,317	1,985	(28)	1,957	0	0	0	0	0	0
(1) Executive Director's Office: Workers' Compensation	Total	34,064	51,330	(729)	50,601	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	31,674	47,728	(678)	47,050	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,073	1,617	(23)	1,594	0	0	0	0	0	0
	RF	1,317	1,985	(28)	1,957	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	

Non-Line item Request: N/A
 Letternote Revised Text:
 Cash or Federal Fund Name and COFRS Fund Number: RF: Local Government Severance Tax Fund 152; RF: Local Government Mineral Impact Fund 153
 Reappropriated Funds Source, by Department and Line Item Name: Internal transfer from the Local Government Mineral and Energy Impact grants and Disbursements line within the department.
 Approval by OIT? Yes: No: N/A:
 Schedule 13s from Affected Departments: N/A DPA

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 <input type="checkbox"/>	Base Reduction Item FY 2010-11 <input type="checkbox"/>	Supplemental FY 2009-10 <input checked="" type="checkbox"/>	Budget Amendment FY 2010-11 <input type="checkbox"/>
Request Title: FY2009-10 OIT Management and Administration One-time Adjustment			
Department: Local Affairs		Dept. Approval by: <i>Bruce H. ...</i> Date: <i>Aug 20, 2009</i>	
Priority Number:		OSPB Approval: <i>Lana Roche</i> Date: <i>8/26/09</i>	

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	13,682	14,360	(2,036)	12,324	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	5,671	5,291	(750)	4,541	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	8,011	9,069	(1,286)	7,783	0	0	0	0	0	0
(1) Executive Director's Office: Management and Administration of OIT	Total	13,682	14,360	(2,036)	12,324	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	5,671	5,291	(750)	4,541	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	RF	0	0	0	0	0	0	0	0	0	0
	FF	8,011	9,069	(1,286)	7,783	0	0	0	0	0	0

Non-Line Item Request: N/A

Letternote Revised Text:

Cash or Federal Fund Name and COFRS Fund Number:

Reappropriated Funds Source, by Department and Line Item Name:

Approval by OIT? Yes: No: N/A:

Schedule 13s from Affected Departments: Governor's Office

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: State Fleet Rebates - One-time Refinance
 Department: Local Affairs Dept. Approval by: *Brian A. ...* Date: *August 20, 2009*
 Priority Number: OSPB Approval: *Diana Goelke* Date: *8/20/09*

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	95,937	113,634	(9,281)	104,353	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	77,430	91,713	(7,491)	84,222	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	18,507	21,921	(1,790)	20,131	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office: Vehicle Lease Payments	Total	95,937	113,634	(9,281)	104,353	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	77,430	91,713	(7,491)	84,222	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	RF	18,507	21,921	(1,790)	20,131	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: N/A
 Letternote Revised Text:
 Cash or Federal Fund Name and COFRS Fund Number: RF: Local Government Severance Tax Fund 152; RF: Local Government Mineral Impact Fund 153
 Reappropriated Funds Source, by Department and Line Item Name: Internal transfer from the Local Government Mineral and Energy Impact grants and Disbursements line within the department.
 Approval by OIT? Yes: No: N/A:
 Schedule 13s from Affected Departments: ~~N/A~~ DPA



DEPARTMENT OF LOCAL AFFAIRS

Todd Saliman
Director
Office of State Planning and Budgeting

Proposed Cash Fund Transfer

August 24, 2009

Name of Fund: **The Waste Tire Funds**

Purpose of Fund:

The fund was established to provide funding to localities for the cleanup of illegally disposed waste tires and incentives to local governments and private sector to encourage the re-use and recycling of waste tires.

Projected End-of-Year Balance:

	FY 08-09	FY 09-10
Projected End of Year Balance with No Action	\$108,413	
Current Balance YTD FY 2008-09		\$108,413
July 1 Projected Balance Out Years		
Plus Projected Revenue		\$3,800,000
Less Projected Mandatory Expenditures		\$108,412
Less Transfer Pursuant to SB09-208 or SB09-279		\$0
Equals Proposed Projected End of Year Balance		\$3,800,001
Recommended Transfer		\$2,700,000
Projected End of Year Balance with Transfer		\$1,100,001

Impact of Recommended Reduction:

- This proposal would transfer the funds available to the Department of Local Affairs (approximately \$2,700,000) from the Waste Tire program in FY 2009-10 to the General Fund. As a result, grants in FY 2009-10 would not be awarded or distributed. This proposal will eliminate new grant funding in FY 2009-10 for new DOLA grants. It will not affect grants already under contract or encumbered. The Department of Local Affairs (DOLA) should receive approximately \$2,733,333 from the fund in FY 2009-10.
- The proposed transfer will not impact those funds scheduled to be disbursed to the Department of Public Health and Environment or the Colorado Commission of Higher Education. In FY 2009-10, it is estimated the Department of Public Health and Environment will receive approximately \$520,000 and the Colorado Commission of Higher Education approximately \$346,667.

- In addition, both the Departments of Revenue and the Department of Public Health and Environment receive funding to cover the indirect costs of administering its grant program. These allocations are also not affected by the transfer proposal.

Assumptions:

The proposed transfer is based on the following assumptions:

- No new grant funding will be administered through DOLA for FY 2009-10. Transfers will be made to the Departments of Public Health and Environment or Higher Education for FY 2009-10 per current statute. The balance left over after the proposed transfer will cover statutory obligations for the other two programs.
- The portion of funds provided to the Departments of Revenue, Local Affairs, and Public Health and Environment for indirect administrative costs is assumed to occur in full prior to any further distributions from the fund.
- Revenue estimates are prepared by the Department of Local Affairs and are based on prior year actual data.

Current Statutory Authority or Needed Statutory Change:

25-17-202 (1) (a) and (b), C.R.S. (2008) – Waste tire recycling development fee – cash fund created. The statute specifies that the Department of Revenue will collect the surcharges for waste tire disposal and transmit such to the State Treasurer for credit to the fund. This amount is then subject to annual appropriation by the General Assembly.

25-17-202 (3) (a) (I) and (II), C.R.S. (2008) – Directs the General Assembly to make annual appropriations to the Department of Revenue in an amount equal to its' direct and indirect administrative costs, and to the Department of Public Health and Environment for direct and indirect costs but not to exceed \$15,000 in FY 2009-10, 2010-11 and 2011-12.

- To effectuate this cash fund transfer both an executive order and legislation are needed. The executive order is necessary to restrict disbursements by the Department of Treasury to the Department of Local Affairs from the Waste Tire Recycling Fund.
- OSPB intends to clarify spending authority with supplemental revision to the affected line items. These are not included in this packet and will be submitted on September 14, 2009.



DEPARTMENT OF LOCAL AFFAIRS

Todd Saliman
 Director
 Office of State Planning and Budgeting

Proposed Cash Fund Transfer *August 24, 2009*

Name of Fund: **The Local Government Permanent Fund**

Purpose of Fund: To provide a “rainy day” fund accessible by legislative appropriation in the event that federal mineral leasing funds anticipated to be available in any current fiscal year are forecasted to be more than ten percent less than the preceding fiscal year.

Projected End-of-Year Balance:

	FY 08-09	FY 09-10
Projected End of Year Balance with No Action	\$14,305,697	
Current Balance YTD FY 2008-09		
July 1 Projected Balance Out Years		\$14,305,697
Plus Projected Revenue ¹		\$0
Less Projected Mandatory Expenditures		\$0
Less Transfer Pursuant to SB09-208 or SB09-279		\$0
Equals Proposed Projected End of Year Balance		\$14,305,697
Recommended Transfer		\$14,305,697
Projected End of Year Balance with Transfer		\$0

¹ It is possible the fund could receive bonus payments this year, however bonus payments are not estimated for the purposes of this analysis. Currently, these are not forecasted because the Department does not receive information from the Bureau of Land Management (BLM) regarding which lands will be sold until after the fact.

Impact of Recommended Reduction:

The fund receives 50% of all federal mineral lease bonus payments made to the State. The fund was created in S.B.08-208 and consists almost entirely of Roan Plateau lease bonus payments. In the 2009 legislative session, S.B.09-232 transferred \$17 million from the fund to be made available to mineral impacted communities for multi-jurisdictional grant projects. Although the fund will continue to receive 50% of all federal mineral lease bonus payments, this proposed transfer will significantly impact the amount available for future appropriation by the General Assembly.

Assumptions:

- Revenue is not projected because it is near impossible to predict ahead of time what lands the Bureau of Land Management (BLM) will sell and at what price.

Current Statutory Authority or Needed Statutory Change:

Section C.R.S. 34-63-102 (5.3) (a) (I) (A) and (B) (2008) - Fifty percent of federal mineral lease bonus payments shall be transferred to the local government permanent fund, which is hereby created in the state treasury. Interest and income derived from the deposit and investment of moneys in the local government permanent fund shall be credited to the permanent fund and shall not be transferred to the general fund or any other fund at the end of any fiscal year. Except as otherwise provided in sub-subparagraph (B) of this subparagraph (I), moneys in the permanent fund shall not be expended for any purpose.

If, based on the revenue estimate prepared by the staff of the legislative council in March of any fiscal year, it is anticipated that the total amount of moneys that will be deposited into the mineral leasing fund pursuant to subparagraph (II) of paragraph (a) of subsection (1) of this section during the fiscal year will be at least ten percent less than the amount of moneys so deposited during the immediately preceding fiscal year, the general assembly may appropriate moneys from the local government permanent fund to the department of local affairs for the current fiscal year.

Since the General Assembly must appropriate these funds, no restriction on the fund is necessary. However, this proposal will require statutory change to allow the suggested amount to be transferred to the General Fund.



DEPARTMENT OF LOCAL AFFAIRS

Todd Saliman
Director
Office of State Planning and Budgeting

Proposed Cash Fund Transfer

August 24, 2009

Name of Fund: Local Government Limited Gaming Impact Fund

Purpose of Fund:

To provide financial assistance to designated local governments for documented gaming impacts. This assistance is provided in the form of grants under the authority of the executive director of the Department of Local Affairs (DOLA). Eligible recipients are Teller and Gilpin Counties and an eight county area contiguous to these counties (Boulder, Clear Creek, Grand, Jefferson, El Paso, Fremont, Park, and Douglas). Archuleta, La Plata and Montezuma Counties are also eligible because they are contiguous to tribal lands where gaming activities are being conducted. Municipalities within the eligible counties, except for the gaming cities themselves, and special districts providing emergency services within the eligible counties, may also apply for these funds.

The Department of Local Affairs (DOLA) receives 98% of the revenue credited to the fund. These funds are distributed as grants on a competitive, but discretionary basis at the authority of the Executive Director of the DOLA. The remaining 2% of revenue credited to the fund is appropriated to the Department of Human Services to provide gambling addiction services to Colorado residents.

Projected End-of-Year Balance:

	FY 08-09	FY 09-10
Projected End of Year Balance with No Action	\$45,736	
July 1 Projected Balance Out Years		\$45,736
Plus Projected Revenue		\$5,543,270
Less Projected Mandatory Expenditures		\$265,728
Less Transfer Pursuant to SB09-208 or SB09-279		\$0
Equals Proposed Projected End of Year Balance		\$5,323,278
Recommended Transfer		\$5,100,000
Projected End of Year Balance with Transfer		\$223,278

Impact of Recommended Reduction:

This proposed transfer will eliminate new grant funding as administered by DOLA for FY 2009-10. It will not impact previously awarded grants or the gambling addiction services as provided by the Department of Human Services.

Assumptions:

The following assumptions were made when determining the amount available for transfer from this fund:

- This proposed transfer only impacts the DOLA portion of the fund. The full amount of available funding, per statute, for the Department of Human Services to provide gambling addiction services in FY 2009-10 will not be impacted.
- Revenue income for FY 2009-10 are actual amounts transferred at the end of FY 2008-09.

Current Statutory Authority or Needed Statutory Change:

12-47.1-1601, C.R.S. (2008) - Local government limited gaming impact fund - Establishes the fund and designates the local government limited gaming impact account to be managed by the Department of Local Affairs and the gambling addiction account to be managed by the Department of Human Services. Of the 50% share to be transferred to the General Fund from gaming revenue, this fund shall receive 13%. This amount is allocated at 98% to the Department of Local Affairs and 2% to the Department of Human Services.

This proposal will require statutory change to allow the suggested amount to be transferred to the General Fund. OSPB intends to clarify spending authority with supplemental revision to the line item. This is not included in this packet and will be submitted on September 14, 2009.



DEPARTMENT OF LOCAL AFFAIRS

Todd Saliman
 Director
 Office of State Planning and Budgeting

Proposed Cash Fund Transfer

August 24, 2009

Name of Fund: **The Local Government Severance Tax Fund**

Purpose of Fund: To provide direct distribution and grant opportunities for localities affected by mineral development. Such funds shall also be distributed to political subdivisions to compensate them for loss of property tax revenue resulting from the deduction of severance taxes paid in the determination of the valuation for assessment of producing mines.

Projected End-of-Year Balance:

	FY 08-09	FY 09-10
Projected End of Year Balance with No Action	\$78,000,386	
Current Balance YTD FY 2008-09		
July 1 Projected Balance Out Years		\$78,000,386
Plus Projected Revenue ¹		\$27,400,000
Less Transfer Pursuant to SB09-208 or SB09-279		\$109,633,992 ²
Less Projected Mandatory Expenditures		\$141,522,880 ³
Cash Balance Before Future Commitments		\$71,511,498
Future Commitments		\$65,672,000 ⁴
Equals Proposed Projected End of Year "Cash Out" Balance		\$7,839,498
Recommended Transfer		\$7,600,000
Projected End of Year Balance with Transfer		\$239,498

¹Revenue estimates are equal to one-half of the Severance Tax revenue as estimated by Legislative Council in its June 2009 economic forecast.

²This amount represents the restoration of one-day transfers made by the State Controller pursuant to S.B.09-279.

³This amount includes \$46 million estimated to be made available for grants in FY 2009-10.

⁴These amounts include the statutorily mandated set-aside for Uranium Mill Trailing Remediation Action Program fund as well as estimates for the amounts needed to cover encumbered contracts that have not yet been paid in full.

Impact of Recommended Reduction:

This transfer would leave slightly less funding available for grants to local communities in mineral impacted areas of the State. It does not impact the amount scheduled for direct distribution that will be dispersed to eligible counties on August 31, 2009 as directed by law. The suggested transfer also leaves available approximately \$46 million for grants in FY 2009-10.

Per the Governor's direction, \$25 million of the amount estimated available for grants will be withheld from distribution until January 31, 2010 pending further action by the General Assembly. If the General Assembly does not take action to use the funds elsewhere, these will be released and available for grants.

Assumptions:

The proposed transfer is based on the following assumptions:

- Revenue projections per Legislative Councils June 2009 economic forecast.
- A full restoration of the one-day transfer made by the State Controller based upon SB09-279.

Current Statutory Authority or Needed Statutory Change:

39-29-110 (1) (a), C.R.S. (2008) – Local government severance tax fund – creation – administration – definitions. There is hereby created in the department of local affairs a local government severance tax fund. In accordance with section 39-29-108, portions of the state severance tax receipts shall be credited to the local government severance tax fund. Except as otherwise provided in section 39-29-109.5, all income derived from the deposit and investment of the moneys in the local government severance tax fund shall be credited to the local government severance tax fund. After making direct distribution disbursements, the executive director of the department of local affairs shall distribute any remaining moneys and make loans from such fund in accordance with the purposes and priorities provided in paragraph (b) of this subsection (1).

39-29-110 (1) (b) (I) and (II), C.R.S. (2008) - Seventy percent of the funds from the local government severance tax fund shall be distributed to those political subdivisions socially or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels subject to taxation under this article and used for the planning, construction, and maintenance of public facilities and for the provision of public services. The executive director of the department of local affairs shall consider the economic needs of a political subdivision for purposes of making distributions pursuant to this subparagraph (I). The executive director may distribute moneys or make loans, or any combination thereof, to such political subdivisions for the planning, design, construction, erection, building, acquisition, alteration, modernization, reconstruction, improvement, or expansion of domestic wastewater treatment works or potable water treatment facilities.

39-29-110 (1) (c) (I), C.R.S. (2008) Establishes the 30% direct distributions to impacted communities.

C.R.S. 39-29-110 (1) (A) (2008) – Allocates moneys to the uranium mill tailings remedial action program fund in accordance with the provisions of section 39-29-116 (3).

Pursuant to the statutes identified above, the executive director of the Department of Local Affairs has authority to administer these severance tax funds. Therefore, no executive order is necessary to halt disbursements of said funds in FY 2009-10. This proposal will require statutory change to allow the suggested amount to be transferred to the General Fund.