



Department of Agriculture  
Line Item Descriptions

FY 09-10 Budget Request

**NOVEMBER 1, 2008**

## Line Item Description FY 2009-10 Budget Request

### TABLE OF CONTENTS

Commissioner's Office and Administrative Services	
Personal Services	Page 3
Health, Life and Dental	Page 3
Short Term Disability	Page 3
SB 04-257 Amortization Equalization Disbursement	Page 3
SB 06235 Supplemental Amortization Equalization Disbursement	Page 4
Salary Survey and SES	Page 4
Performance Based Pay	Page 4
Worker's Compensation	Page 4
Operating Expenses	Page 4
Legal Services	Page 5
Purchase of Service from Computer Center	Page 5
Multiuse Network Payments	Page 5
Payment to Risk Management and Property Funds	Page 5
Vehicle Lease Payments	Page 5
Information Technology Asset Maintenance	Page 5
Lease Space	Page 6
Capitol Complex Lease Space	Page 6
Communication Services Payments	Page 6
Utilities	Page 6
Agriculture Statistics	Page 6
Grants	Page 6
Indirect Cost Assessment	Page 6
Agricultural Services Division	
Personal Services	Page 7
Operating Expenses	Page 7
Noxious Weed Management Grant Program	Page 7
Diseased Livestock Fund	Page 7
Cervidae Disease Revolving Fund	Page 7

Department of Agriculture

## Line Item Description FY 2009-10 Budget Request

Operating Expenses for Aquaculture	Page 8
Lease Purchase Lab Equipment	Page 8
Indirect Cost Assessment	Page 8
Agricultural Markets Division	
Personal Services	Page 8
Operating Expenses	Page 8
Economic Development Grants	Page 8
Agricultural Development Board	Page 8
Indirect Cost Assessment	Page 9
Brand Board	
Brand Inspection	Page 9
Alternative Livestock	Page 9
Indirect Cost Assessment	Page 9
Special Purpose	
Wine Promotion Board	Page 9
Vaccine and Service Fund	Page 10
Brand Estray Fund	Page 10
Indirect Cost Assessment	Page 10
Colorado State Fair	
Program Costs	Page 10
Conservation Board	
Personal Services	Page 10
Operating Expenses	Page 10
Distributions to Soil Conservation Districts	Page 11
Matching Grants to Districts	Page 11
Salinity Control Grants	Page 11

## **Line Item Description FY 2009-10 Budget Request**

### **Commissioner's Office and Administrative Services**

#### **Personal Services:**

This appropriation supports the personal service costs associated with 18.7 FTE associated with administrative and business support functions of the department, which include human resources, information technology, budget, and administrative services. The Commissioner's Office is responsible for identifying emerging issues and opportunities to involve agricultural interests as appropriate; serving as a conduit for the exchange of information regarding current issues; and identifying existing state programs and resources to achieve successful solutions. This line item was increased from 18.7 FTE to 19.7 FTE for FY 2006-07 and \$65K to provide additional IT support to the Animal Industry Division with their disease tracking and premise registration database efforts. This line item was decreased by 1.0 FTE, with the FTE moving to OIT as part of SB 08-155. This line item has received increased spending authority associated with salary survey and performance pay increase.

#### **Health, Life and Dental:**

This appropriation covers the State's contribution for the premium on each employee's HLD insurance policy. The State offers four categories of coverage for medical and dental insurance: Employee Only, Employee plus Children, Employee plus Spouse, and Family. The Total Compensation Report includes recommendations on the amount of the State's contribution toward HLD premiums and the associated contributions for each coverage level. This appropriation is annually adjusted to accommodate policy changes to this coverage.

#### **Short-term Disability:**

Short-Term Disability (STD) is insurance coverage that provides partial payment of an employee's salary in the event that individual becomes disabled and cannot perform his or her work duties. All employees have this employer-paid, payroll-based benefit. STD rates are calculated on a fiscal-year basis.

#### **SB 04-257 Amortization Equalization Disbursement:**

During the 2004 legislative session, the General Assembly passed S.B. 04-257, which increased employer payments to the PERA Trust Fund via the AED beginning in January 2006. During the 2005 legislative session, the General Assembly created a separate line item to fund the AED. AED is calculated on all salary components including the Base Salary, Salary Survey, Performance-based Pay and Shift Differential. The following table outlines the current statutory increases for this line item which change on a calendar year basis, and calculates the effective percentage on a fiscal year basis. The step increase will grow incrementally up to 3.00% by January, 2013.

## Line Item Description FY 2009-10 Budget Request

### Supplemental Amortization Equalization Disbursement (SAED) :

During the 2006 legislative session the General Assembly passed S.B. 06-235, which added Supplemental AED payments. The supplemental AED began January 2008. SAED is calculated on all salary components including the Base Salary, Salary Survey, Performance-based Pay and Shift Differential. The following table outlines the current statutory increases for this line item which change on a calendar year basis, and calculates the effective percentage on a fiscal year basis:

### Salary Survey:

Salary Survey is equal to the recommended base salary increases for State employees. Often, the percentage increase is relational to private sector salary growth for similar positions / occupational groups. The Department of Personnel and Administration produces this report twice each fiscal year, once in August (as required per statute) and an update in December to provide the most current market information.

### Performance-based Pay:

The Total Compensation Survey includes recommendations on Performance-based Pay (historically called Performance-based Pay), as required per 24-50-104 (1) (c), C.R.S. (2007). Beginning in FY 2007-08, Performance-based Pay was revised to include two specific components: a) a 1.0% salary increase of all employees that receive an overall rating higher than “needs improvement” to continue an employee through the pay grade of his/her job class (this amount is base-building to an employee’s salary); and b) a 2.0% one-time payment for any employee that receives an overall performance rating of “exceptional” (a non base-building pay increase).

### Workers’ Compensation:

This item provides funding for payments made by departments to the Department of Personnel and Administration to support the State’s self-insured workers’ compensation program. In addition, this line item supports common resources for the Colorado State Employee Assistance Program (C-SEAP). Costs are allocated to affected agencies based on workers’ compensation claims.

### Operating Expenses:

This appropriation supports the Commissioner’s Office efforts with providing service to the department as well as addressing the policy needs of the industry. This line item was increased by \$13,585 for FY 2008-09 to accommodate increases in postage, operating costs on vehicles, printing costs, and travel requirements, through DI 1, FY 2008-09, “Operating Decision Item”.

## Line Item Description FY 2009-10 Budget Request

### Legal Services for 4,648 hours:

This item includes funding for the purchase of attorney and paralegal services from the Attorney General's Office. The total hours for this line item have increased recently for two reasons: 398 GF hours through FY 2008-09 BA 4A, "Agriculture GF Legal Appropriation". This request decreased the GF personal services line for Agriculture Services by \$28,652, with a similar increase in the Legal Services Line. Additionally, this line item had an increase in CF spending authority associated with the legal needs for Private Pesticide Applicator responsibilities garnered through HB 06-1274. The CF legal needs increased by \$76,051 through this bill.

### Purchase of Services from Computer Center:

This item provides funding for payments to the Governor's OIT for its support of the State's Data Center. With this funding, the Governor's OIT provides management and oversight of centralized databases, application and web servers infrastructure support, mainframe computer and tape, disk and printing resources to many State agencies. Costs are allocated to affected agencies based on historical utilization of services.

### Payment to Risk Management and Property Funds:

The State's Risk Management process consists of two programs: the Liability Program and the Property Program. This line item pays for premiums related to these insurance coverages, broker services, third party administration fees, legal services related to these programs, and deductibles.

### Vehicle Lease Payments:

This line item includes the costs agencies experience from vehicle lease-purchase loan payments, plus a small management fee collected by the Department of Personnel and Administration. These costs represent *fixed costs* for State vehicles. Depending on the length of the lease-purchase agreement and the replacement policy for State fleet vehicles, an agency's Vehicle Lease Payments appropriation adjusts annually. The department received an additional permanent vehicle for the Animals Division associated with DI #4, "Animal Field Technician", in the FY 2008-09 budget request,

### Information Technology Asset Maintenance:

This appropriation supports the department's computer infrastructure, thereby allowing periodic replacement of department information technology, thereby providing the appropriate business tools to each department program and minimizing lost productivity of IT staff and program staff with decreased downtime of equipment. This line item was increased by \$41,626 for FY 2008-09 through DI #3, "Asset Maintenance", to allow the department to replace of quarter of its infrastructure as well as to provide the Brand Board the means to outfit its inspection staff.

## **Line Item Description FY 2009-10 Budget Request**

### **Leased Space:**

The department leases space at seven sites throughout Colorado. This line item covers the annual lease costs for each of these sites.

### **Capitol Complex Lease Space:**

The department occupies 13,553 sq/ft of space at 700 Kipling #4000. This building is owned by the state and the department is assessed an annual per sq/ft charge to cover the state's obligations with accommodating the operating costs of the building through the Department of Personnel and Administration.

### **Communication Services Payments:**

In FY 2003-04, the JBC established the Communications Services common policy. The appropriation for this line item is used for payments to support the statewide secure Digital Trunked Radio system.

### **Utilities:**

This line item covers the utility costs associated with the Insectary in Palisade, the Inspection and Consumer Services buildings at 2331 W. 31<sup>st</sup> Ave and 3125 Wyandot in Denver, and the warehouses at 5041 Lafayette in Denver. This line item was increased during an FY 2005-06 Supplemental and FY 2006-07 Budget Amendment #2, "Utilities Increase Request", to accommodate additional utility expenses.

### **Agriculture Statistics:**

This appropriation covers the annual contract the department has with the United States Department of Agriculture, National Agriculture Statistics Service, Colorado, to compile county level data on agriculture commodities. Additionally, this appropriation helps cover some fee for services surveys.

### **Grants:**

This appropriation accommodates all federal grants that the department garners on an annual basis, not including the United States Environmental Protection Agency grants the department receives for pesticide efforts and that require a cash match.

### **Indirect Cost Assessment:**

This appropriation accommodates the indirect (overhead) charges on the federal grants in the previous line to help pay for the overhead within the department provided by the Commissioner's Office.

## Line Item Description FY 2009-10 Budget Request

### Agriculture Services Division:

#### Personal Services:

This line item accommodates the personal service costs associated with the Animal Industry Division, Plant Industry Division, and the Inspection and Consumer Services Division. Recent modifications to this line item include:

- A \$28,652 reduction for FY 2008-09: BA 4A, "Agriculture GF Legal Appropriation"
- A \$349,554 increase through HB 06-1274 Private Pesticide Applicator;
- A \$1,915,763 CF increase with a like decrease in GF due to HB 07-1198, the ICS funding bill;
- A \$41,433 GF increase in FY 2008-09 for Decision Item #4, "Animal Field Technician".

#### Operating:

This line item provides the spending authority to accommodate the operating needs of the Animal Industry Division, Plant Industry Division, and the Inspection and Consumer Services Division. This appropriation has been modified by:

- \$194,061 CF increase with a like decrease in GF due to HB 07-1198, the ICS Funding bill;
- \$8,000 CF from HB 06-1132; Disposition of Impounded Animals bill;
- \$106,211 CF from HB 06-1274, the Private Pesticide Applicator bill;
- \$115,610 TF for increases in operating expenses through FY 2008-09 Decision Item #1, "Operating Increases".
- \$45,697 TF for Measurement Standards calibration and equipment through FY 2008-09 Decision Item #2; "Measurement Standards Calibration and Equipment".
- \$11,678 GF for operating costs associated with a new FTE through FY 2008-09 Decision Item #4, "Animal Field Technician".

#### Noxious Weed Management Grant Program:

This line item is appropriated \$15,000 CF from the Noxious Weed Management Fund for on ground noxious weed mitigation and elimination grants to local districts.

#### Diseased Livestock Fund:

This \$25,000 appropriation is used to compensate livestock owners when the department must take their livestock to control contagious and infectious diseases.

#### Cervidae Disease Revolving Fund:

This \$25,000 appropriation is used to compensate elk owners when the department must take their livestock to control contagious and infectious diseases.



## **Line Item Description FY 2009-10 Budget Request**

### Operating Expenses for the Aquaculture:

There are 42 licensed aquaculture facilities in Colorado. The department manages aquaculture facility licensing and inspections within a specific cash fund line. The department received an additional \$18,437 CF spending authority through FY 2008-09 Budget Amendment #7, "Aquaculture Increase".

### Lease Purchase Lab Equipment:

The department received \$85,992 TF spending authority to accommodate a 5-year lease purchase agreement to provide for the periodic replacement of lab equipment through FY 2007-08 Decision Item #2, "Lease Purchase Lab Equipment".

### Indirect Cost Assessment:

This appropriation accommodates the indirect (overhead) charges on the EPA federal grants and Agriculture Services related cash funds to help pay for the overhead within the department provided by the Commissioner's Office.

## **Agricultural Markets Division:**

### Personal Services:

This appropriation supports the personal service costs for 4.7 FTE associated with marketing the states agriculture products. This line item has received increased spending authority associated with salary survey and performance pay increase.

### Operating Expenses:

This line item provides the spending authority to accommodate the operating needs of the 4.7 FTE associated with the Markets Division. This appropriation was modified by FY 2008-09 DI #1 with a \$2,379 TF increase, "Operating Increase".

### Economic Development Grants:

This line item accommodates any grants the department may receive through a competitive application process from the Governor's Office of Economic Development.

### Agricultural Development Board:

This appropriation was created by the legislature HB 01-1086 to assist in the development of agricultural processing facilities in Colorado. In 2006 the legislature allocated to the Board \$500,000 a year for three years to promote agricultural energy related projects, including research projects via HB 06-1322.

## **Line Item Description FY 2009-10 Budget Request**

### **Indirect Cost Assessment:**

This appropriation accommodates the indirect (overhead) charges on the Agriculture Value Added Development Fund to help pay for the overhead within the department provided by the Commissioner's Office.

### **Brand Board:**

#### **Brand Inspection:**

This is a program line that accommodates the expenses of the 66.3 FTE associated with:

- Records and administers livestock brands;
- Inspects livestock and verifies ownership before sale, transportation, or slaughter;
- Inspects and licenses livestock sale-rings and inspects all consignments before sale to verify valid ownership;
- Facilitates the return of strayed or stolen livestock; investigates reports of lost or stolen livestock;
- Licenses alternative livestock facilities, inspects alternative livestock as required by statute, maintains inventory of all alternative livestock for change of ownership and animal disease traceback ;
- Licenses slaughter houses, inspects all consignments before slaughter to verify valid ownership and the Board is trustee on all surety.

This line item has traditionally made an annual request to replace a portion of the vehicles utilized by the division. The Brand Board is exempt from State Fleet. During FY 2008-09 through DI #6, "Brand Trucks", the division received ongoing spending authority of \$140,000 to replace trucks. Additionally, the line item received a \$608 operating increase associated with FY 2008-09 DI #1, "Operating Increase".

#### **Alternative Livestock:**

This line item accommodates the costs associated with the inspection and licensing of the state's alternative livestock ranches.

### **Indirect Cost Assessment:**

This appropriation accommodates the indirect (overhead) charges on the Agriculture Value Added Development Fund to help pay for the overhead within the department provided by the Commissioner's Office.

### **Special Purpose:**

#### **Wine Promotion Board:**

This line item was created by the legislature in 1990 to help in the development of the wine industry in Colorado. The Colorado Wine Industry Development Board is to use, at least one-third toward research and development and at least one-third toward promotion and

## **Line Item Description FY 2009-10 Budget Request**

marketing. This appropriation was modified with a 0.5 FTE and associated personal service costs through FY 2008-09 DI #5, “Wine Part Time FTE”, and \$1,400 through FY 2008-09 DI #1, “Operating Increase”.

### **Vaccine and Service Fund:**

This line item accommodates the operating expenses of the Rocky Mountain Regional Animal Health Laboratory. This line item is continuously appropriated and spends roughly \$250K annually.

### **Brand Estray Fund:**

This line item supports an escrow fund that the Brand Board keeps in trust for the owners of estray animals sold by the Brand Board. If the Brand Board takes possession of a stray animal and cannot find the owner, the Brand Board will sell that animal and hold the proceeds, (money after paying for advertising and care for the animal). These funds are held for six years in the event the owner of the sold animal steps forward with suitable proof of ownership and claims the proceeds. Payments from this fund are reimbursements to owners and for the advertising and care of animals held by the Brand Board.

### **Agriculture Management Fund:**

HB 08-1399 Redirects the interest derived from the deposit and investment of moneys in the Unclaimed Property Tourism Promotion Trust Fund that would otherwise be credited to the Colorado Travel and Tourism Promotion Fund and allocates the moneys based on the following percentages: 25 percent to the Colorado State Fair Authority Cash Fund; 65 percent to the newly created Agriculture Management Fund; and 10 percent to Colorado Travel and Tourism Promotion Fund. The department will utilize the funds to support efforts approved by the Commissioner. Such efforts are envisioned to include: Conservation District support, noxious weed, agriculture marketing enhancements, homeland security efforts, and animal disease mitigation efforts.

### **Indirect Cost Assessment:**

This appropriation accommodates the indirect (overhead) charges on the Wine Promotion Board Fund to help pay for the overhead within the department provided by the Commissioner’s Office.

## **Colorado State Fair**

### **Program Costs:**

This line item funds all of the personal services, contracts, and operating needs of the Colorado State Fair facilities. Activities on the Fair grounds include the annual State Fair, concerts, graduations, weddings, sporting events, and other entertainment. This line item was increased to accommodate debt payoff to the State Treasurer and to Wachovia for debt on the Enent Center. The Fair is projected

## Line Item Description FY 2009-10 Budget Request

to be debt free during FY 2008-09. Once debt free the requirements of HB 08-13399 will be implemented with 25% fo the Unclaimed interest coming to the Fair to support the educational efforts of the Fair.

### Conservation Board

#### Personal Services:

As specified in C.R.S. 35-70-102, the Conservation Board has the responsibility of establishing a constructive method of land use providing for the conservation and preservation of Colorado's natural resources, which include:

- a) reducing soil erosion caused by wind and water;
- b) reduction in the damages resulting from flooding; and
- c) protecting the quality and quantity of the underground water reserves.

The nine-member Board is comprised of eight landowners elected from the statutorily articulated areas of the state and one qualified elector appointed by the Governor, with their decisions directing the actions of the employees. Board employees are stationed in Lakewood and Grand Junction.

The Board coordinates and manages its program through 77 conservation districts, encompassing 93% of the private land area in Colorado and 58,000 landowners. Each district is managed by a minimum of five elected volunteer supervisors, pursuant to the state statutes and direction from the Board. The districts identify natural resource issues through a locally led process which includes citizen and landowner input. Long range planning for land stewardship, priority setting and implementation of strategic actions are also used by the conservation districts to address natural resource concerns. The Board's primary responsibility is to provide administrative and technical assistance to the 77 local districts in the areas of planning, program delivery, project installation, finances and budgets, grant application, elections, audits and annual reporting. A secondary responsibility is the distribution of financial assistance to the districts with funds derived from federal and state sources. This line item supports the 5.5 FTE's personal service costs that support the efforts of the board.

#### Operating Expenses:

This line item provides the spending authority to accommodate the operating needs of the 5.5 FTE and Board associatre associated with the Conservation Board Division. This appropriation was modified by FY 2008-09 DI #1 with a \$4,886 TF increase, "Operating Increase".

## **Line Item Description FY 2009-10 Budget Request**

### Distributions to Soil Conservation Districts:

During FY 2007-08 State Conservation Board distributed \$391,714 to 76 of the 77 conservation districts. These funds authorized by the State Legislature were awarded through a competitive grant process. Districts use the funds for board member mileage and expenses, secretarial and technical assistance, office expense, and district elections.

### Matching Grants to Districts:

The Natural Resources Conservation Matching Grants program provides funds for conservation districts to address on-the-ground conservation problems identified at the local level. Funds are appropriated annually through the Colorado State legislature and districts apply through the Colorado State Conservation Board (CSCB) to fund an important conservation project or program in their community. The district must provide a dollar-for-dollar match from local, private or federal cash or in-kind sources for program awards. This line item is funded via \$225,000 in GF and \$450,000 from the operational account of the Severance Tax Trust Fund (HB 06-1393). This bill's requirements are repealed effective July 1, 2011.

### Salinity Control Grants:

The Bureau of Reclamation allocates funding through the Colorado State Conservation Board to five conservation districts who provide cost-share assistance to landowners. This funding is approved for the Bookcliff, Delta, Dolores, Mancos, Mesa, and Shavano Conservation Districts in the Upper Colorado River Basin. By improving the efficiency of irrigation systems in this area, landowners can reduce the amount of salts entering the Colorado River. This benefits water users in the Lower Colorado River Basin States and Mexico. A treaty between the United States and Mexico requires that a certain level of water quality be maintained.