

Schedule 13 Budget Balancing Proposal for the 2012 Budget Cycle						
Department:		Agriculture				
Request Title:		Permanent Refinance of Inspection and Consumer Services Programs				
Priority Number:		Non-Prioritized				
Dept. Approval by:		Tom Lipshy 10-17-11 Date			<input type="checkbox"/> Decision Item FY 2012-13 <input checked="" type="checkbox"/> Base Reduction Item FY 2012-13 <input type="checkbox"/> Supplemental FY 2011-12 <input type="checkbox"/> Budget Amendment FY 2012-13	
OSPB Approval by:		Gail N. Egan 10/17/11 Date				
Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	6
Fund		Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
Total of All Line Items	Total	8,323,832	-	9,329,095	76,250	76,250
	FTE	60.3	-	61.3	-	-
	GF	994,708	-	2,482,702	(1,262,642)	(1,262,642)
	GFE	-	-	-	-	-
	CF	6,199,820	-	5,362,339	1,262,642	1,262,642
	RF	997,342	-	886,742	76,250	76,250
	FF	131,962	-	597,312	-	-
(1) Commissioner's Office and Administrative Services, Personal Services	Total	1,282,140	-	1,421,352	-	-
	FTE	14.7	-	15.7	-	-
	GF	266,767	-	405,225	(76,250)	(76,250)
	GFE	-	-	-	-	-
	CF	18,031	-	18,031	-	-
	RF	997,342	-	886,742	76,250	76,250
	FF	-	-	111,354	-	-
(1) Commissioner's Office and Administrative Services, Health, Life and Dental	Total	1,631,507	-	2,026,239	-	-
	FTE	-	-	-	-	-
	GF	285,788	-	462,659	(78,068)	(78,068)
	GFE	-	-	-	-	-
	CF	1,284,766	-	1,478,003	78,068	78,068
	RF	-	-	-	-	-
	FF	60,953	-	85,577	-	-
(1) Commissioner's Office and Administrative Services, Short-Term Disability	Total	25,447	-	25,366	-	-
	FTE	-	-	-	-	-
	GF	5,387	-	7,355	(1,270)	(1,270)
	GFE	-	-	-	-	-
	CF	18,358	-	16,307	1,270	1,270
	RF	-	-	-	-	-
	FF	1,702	-	1,704	-	-

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	6
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
(1) Commissioner's Office and Administrative Services, Amortization Equalization Disbursement	Total	403,551	-	458,594	-	-
	FTE	-	-	-	-	-
	GF	86,230	-	132,967	(22,955)	(22,955)
	GFE	-	-	-	-	-
	CF	290,403	-	294,819	22,955	22,955
	RF	-	-	-	-	-
	FF	26,918	-	30,808	-	-
(1) Commissioner's Office and Administrative Services, Supplemental Amortization Equalization Disbursement	Total	324,736	-	394,105	-	-
	FTE	-	-	-	-	-
	GF	69,745	-	114,269	(19,727)	(19,727)
	GFE	-	-	-	-	-
	CF	233,360	-	253,360	19,727	19,727
	RF	-	-	-	-	-
	FF	21,631	-	26,476	-	-
(1) Commissioner's Office and Administrative Services, Legal Services	Total	352,279	-	352,279	-	-
	FTE	-	-	-	-	-
	GF	105,770	-	112,622	(6,852)	(6,852)
	GFE	-	-	-	-	-
	CF	246,509	-	239,657	6,852	6,852
	RF	-	-	-	-	-
	FF	-	-	-	-	-
(1) Commissioner's Office and Administrative Services, Vehicle Lease Payments (as requested by R-3 rather than base budget)	Total	208,951	-	246,519	-	-
	FTE	-	-	-	-	-
	GF	73,377	-	113,005	(24,564)	(24,564)
	GFE	-	-	-	-	-
	CF	133,521	-	129,721	24,564	24,564
	RF	-	-	-	-	-
	FF	2,053	-	3,793	-	-
(1) Commissioner's Office and Administrative Services, IT Asset Maintenance	Total	153,031	-	153,031	-	-
	FTE	-	-	-	-	-
	GF	34,705	-	42,041	(7,336)	(7,336)
	GFE	-	-	-	-	-
	CF	118,326	-	110,990	7,336	7,336
	RF	-	-	-	-	-
	FF	-	-	-	-	-
(1) Commissioner's Office and Administrative Services, Utilities	Total	146,318	-	146,318	-	-
	FTE	-	-	-	-	-
	GF	66,939	-	91,051	(24,112)	(24,112)
	GFE	-	-	-	-	-
	CF	79,379	-	55,267	24,112	24,112
	RF	-	-	-	-	-
	FF	-	-	-	-	-

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	6
		Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
	Fund					
(2) Agricultural Services Division, Inspection and Consumer Services	Total	3,174,952	-	3,494,527	-	-
	FTE	45.6	-	45.6	-	-
	GF	-	-	978,738	(978,738)	(978,738)
	GFE	-	-	-	-	-
	CF	3,174,952	-	2,259,789	978,738	978,738
	RF	-	-	-	-	-
	FF	-	-	256,000	-	-
(2) Agricultural Services Division, Lease Purchase Laboratory Equipment <i>(as requested by R-2 rather than base budget)</i>	Total	85,992	-	99,360	-	-
	FTE	-	-	-	-	-
	GF	-	-	22,770	(22,770)	(22,770)
	GFE	-	-	-	-	-
	CF	85,992	-	76,590	22,770	22,770
	RF	-	-	-	-	-
	FF	-	-	-	-	-
(2) Agricultural Services Division, Indirect Costs	Total	534,928	-	511,405	76,250	76,250
	FTE	-	-	-	-	-
	GF	-	-	-	-	-
	GFE	-	-	-	-	-
	CF	516,223	-	429,805	76,250	76,250
	RF	-	-	-	-	-
	FF	18,705	-	81,600	-	-
Letternote Text Revision Required? Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/> If yes, describe the Letternote Text Revision:						
Cash or Federal Fund Name and COFRS Fund Number: Inspection and Consumer Services Cash Fund (16R)						
Reappropriated Funds Source, by Department and Line Item Name: Indirect Cost Recoveries						
Approval by OIT? Yes: <input type="checkbox"/> No: <input type="checkbox"/> Not Required: <input checked="" type="checkbox"/>						
Schedule 13s from Affected Departments: N/A						
Other Information: Statutory adjustments are required to eliminate future reference to General Fund support for ICS programs. Multiple edits are necessary to Title 35, Articles 12, 14, 60 and Title 12, Article 16.						



DEPARTMENT OF AGRICULTURE

John W. Hickenlooper
Governor

*FY 2012-13 Budget Balancing Proposal
November 1, 2011*

John Salazar
Commissioner

Permanent Refinance of Inspection and Consumer Services Programs

Summary of Incremental Funding Change for FY 2012-13	Total Funds	General Fund	FTE
Permanent Refinancing of ICS – Various Line Items	\$76,250	(\$1,262,642)	0.0

Proposal:

This proposal requests continuation of the statutory change adopted in H.B. 10-1377, to permanently refinance programs within the Inspection and Consumer Services division, with 100% cash funds. As current refinancing was scheduled to sunset at the end of FY 2011-12, this refinancing will result in a General Fund savings of \$1,262,642 beginning in FY 2012-13.

Request Summary:

Prior to FY 2003-04, the Fertilizer, Feed, Metrology Laboratory, Measurement Standards and Large Scale, Farm Products, and Commodity Handlers programs were all funded entirely by the General Fund. However, due to the impacts of the 2001 recession, the Legislature passed S.B. 03-297 which fully cash funded these programs for two years and first established the Inspection and Consumer Services Cash Fund.

Scheduled to return to General Fund, the above noted Inspection and Consumer Services programs were again refinanced for another two years with the passage of S.B. 05-176, and a new sunset date of July 1, 2007 was established.

Beginning FY 2007-08 and with the passage of H.B. 07-1198, the above mentioned programs were refinanced for a third time, but this time they all received some level of General Fund support as these programs all include a

component of general consumer safety (see following table).

ICS Program Fund Splits in H.B. 07-1198	General Fund	Cash Fund
Fertilizer Program	50%	50%
Feed Program	50%	50%
Large Scales Program	25%	75%
Measurements Standards Lab	75%	25%
Farm Products Program	25%	75%
Commodity Handlers Program	25%	75%

Most recently, with significant fiscal pressures weighing on the State again from the 2008 recession, the Legislature passed H.B. 10-1377 which refinanced all of the above mentioned programs with 100% Inspection and Consumer Services Cash Fund (16R) resources. This refinancing was to last two years, with a new sunset date of July 1, 2012.

With fiscal pressures extending beyond previous expectations, the Executive Branch is requesting a permanent refinancing of the Inspection and Consumer Services programs to 100% cash funds, resulting in a savings of \$1,262,642 General Fund into perpetuity. As fee levels already support these programs, no new fee increases will result from this request.

Current Statutory Authority or Needed Statutory Change:

Within the Department's statutory language for these Inspection and Consumer Services

programs (Title 35, Articles 12, 14, 60 and Title 12, Article 16), current language relative to the existing sunsets on refinancing should be revised to eliminate all references to General Fund beginning July 1, 2012.

Line Item Detail	TF	GF	CF	RF
(1) Commissioner's Office, Personal Services	\$0	(\$76,250)	\$0	\$76,250
(1) Commissioner's Office, HLD	\$0	(\$78,068)	\$78,068	\$0
(1) Commissioner's Office, STD	\$0	(\$1,270)	\$1,270	\$0
(1) Commissioner's Office, AED	\$0	(\$22,955)	\$22,955	\$0
(1) Commissioner's Office, SAED	\$0	(\$19,727)	\$19,727	\$0
(1) Commissioner's Office, Workers' Compensation	\$0	\$0	\$0	\$0
(1) Commissioner's Office, Legal Services	\$0	(\$6,852)	\$6,852	\$0
(1) Commissioner's Office, Risk Management and Property Funds	\$0	\$0	\$0	\$0
(1) Commissioner's Office, Vehicle Lease Payments	\$0	(\$24,564)	\$24,564	\$0
(1) Commissioner's Office, IT Asset Maintenance	\$0	(\$7,336)	\$7,336	\$0
(1) Commissioner's Office, Utilities	\$0	(\$24,112)	\$24,112	\$0
Total Commissioner's Office Impact	\$0	(\$261,134)	\$184,884	\$76,250
(2) Agricultural Services, Inspection and Consumer Services	\$0	(\$978,738)	\$978,738	\$0
(2) Agricultural Services, Lease Purchase Lab Equipment	\$0	(\$22,770)	\$22,770	\$0
(2) Agricultural Services, Indirect Costs	\$76,250	\$0	\$76,250	\$0
Total Agricultural Services Impact	\$76,250	(\$1,001,508)	\$1,077,758	\$0
Grand Total	\$76,250	(\$1,262,642)	\$1,262,642	\$76,250

ICS allocation requested as 100% CF in base budget for Workers' Comp. and Risk Management and Property Funds, therefore no impact POTS adjustments are based on GF payroll (excluding PERA/Medicare) of \$717,350

Vehicle lease payments and Lease Purchase Lab Equipment impacts revise other FY 2012-13 Decision Items