

Operational Account of the Severance Tax Trust Fund

- I. Tier 1 versus Tier 2

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**Severance Tax Trust Fund
Operational Account**

August 18, 2009	S.B. 96-170 Allowable %	Actual FY 06-07	Actual FY 07-08	Actual FY 08-09	Request FY 09-10	Estimated FY 10-11	Estimated FY 11-12
FUND STATUS							
Beginning Balance		50,851,612	40,012,876	46,588,101	68,073,848	42,074,221	19,008,777
Revenue		33,312,271	39,457,043	81,216,379 (est.)	11,593,750 (est.)	33,365,750 (est.)	40,638,250 (est.)
Revenue Public School Energy Eff (39-29-109.5)		0	(89,096)	(163,769)	TBD	TBD	TBD
Total Available for Appropriation		84,163,883	79,380,823	127,640,711	79,667,598	75,439,971	59,647,027
APPROPRIATION/REQUEST							
Geological Survey	20.0%	2,291,469	2,193,248	2,451,579	2,510,057	2,560,258	2,611,463
Oil & Gas Conservation	40.0%	2,117,279	2,300,213	2,639,668	3,095,122	3,157,024	3,220,165
Minerals and Geology	25.0%	3,392,252	3,929,536	3,817,071	4,167,386	4,250,734	4,335,748
Water Conservation	5.0%	868,679	1,292,890	1,266,839	1,319,250	1,319,250	1,319,250
Colorado State Parks (S.B. 08-013)	5.0%	0	0	1,234,058	1,324,592	1,324,592	1,324,592
Colorado Division of Wildlife	5.0%	0	0	1,292,059	1,618,264	1,618,264	1,618,264
TOTAL		8,669,679	9,715,887	12,701,274 (est.)	14,034,671 (est.)	14,230,122 (est.)	14,429,482 (est.)
Roll-Forwards							
ARKS River Settlement (SB 05-226)					1,832,635		
CWCB's Litigation Fund (Sect. 17 of HB 06-1313)		1,403,272	0	0	0	0	0
Underground Water Storage (S.B. 06-193)		146,000					0
Tier 2 Programs							
(a) Water Supply Reserve Account (S.B. 06-179 / S.B. 06-180)		10,000,000	6,000,000	7,000,000	5,775,000	10,000,000	8,859,601
(b) Soil Conservn Districts Matching Grants (HB 06-1393)		450,000		450,000	450,000	450,000	0
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)		0	800,000	800,000	0	0	0
S.B. 07-008 Contingent Transfer				1,000,000	0	0	0
(d) & (e) Species Cons Trust Fund (Note #3)		8,800,000		12,513,886	4,500,000	11,000,000	3,543,840
(f) LEAP - HB 06-1200		11,000,000	12,000,000	13,000,000	3,250,000	13,000,000	11,517,481
(g) CO Renewable Energy Auth / Clean Coal (H.B. 06-1182)		2,135,000	2,000,000	2,000,000			
(h) Agriculture Value-Added Cash Fund (HB 06-1322 / SB 06-1322)		500,000	500,000	500,000	500,000	500,000	442,980
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)		547,056	1,626,835	1,145,067	745,067	745,067	660,100
(j) CO Water Research Inst (SB 06-183/HB 07-1096/HB 07-1097)		500,000	150,000	500,000	0	0	0
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)			0	1,000,000	2,500,000	2,500,000	2,214,900
(l) Tamarisk Control Grants (H.B. 08-1346)			0	1,000,000	0	0	0
(m) Aquatic Invasive Species (S.B. 08-226)				5,956,836	4,006,005	4,006,005	3,549,161
Actual Expenditures		44,151,007	32,792,722	59,566,863	37,593,378	56,431,194	45,217,545
Ending Balance after Appr./Exp		40,012,876	46,588,101	68,073,848	42,074,221	19,008,777	14,429,482
2 Yr Reserve / 1 Yr Reserve Starting FY 08-09		18,043,156	10,540,441	12,701,274	14,034,671	14,230,122	14,429,482
LEAP Reserve / 15% Reserve Starting FY 08-09		12,000,000	3,469,157	7,029,838	3,258,911	6,330,161	5,212,661
Total Reserve Requirement		30,043,156	14,009,598	19,731,112	17,293,581	20,560,283	19,642,143
Balance after Reserve		9,969,720	32,578,504	48,342,736	24,780,640	(1,551,505)	(5,212,661)

Note 1: These percentages represent the amount of funding received in comparison to the allowable amount under S.B. 96-170 (Sect. 39-29-109, CRS)

Note 2: Actual Revenues and Expenditures from COFRS;

Note 3: Legislation involving SCTF Transfers have included H.B. 06-1311, H.B. 07-1182, S.B. 08-226, and H.B. 08-1398.

(est.) = estimate. Revenue Estimates based on Legislative Council's Economic Forecast dated June 20, 2009.

Interest earnings are assumed in revenue projections at \$1,250,000 per year

	FY 2009-10	FY 2010-11	FY 2011-12
Base Authorizations:			
(a) Water Supply Reserve Account (S.B. 06-179 / S.B. 09-106)			
New Bill is S.B. 09-106	5,775,000	10,000,000	10,000,000
(b) Soil Consvtn Districts Matching Grants (HB 06-1393)	450,000	450,000	0
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)	0	0	0
(d) & (e) Species Cons Trust Fund (Note #3)	4,500,000	11,000,000	4,000,000
(f) LEAP - HB 06-1200	3,250,000	13,000,000	13,000,000
Governor's Energy Office (Weatherization)	0	6,500,000	6,500,000
Department of Human Services (Direct Bill Assistance)	1,625,000	3,250,000	3,250,000
Energy Outreach Colorado (Direct Bill Assistance)	1,625,000	3,250,000	3,250,000
(g) CO Renewable Energy Auth / Clean Coal (H.B. 06-1322)	0	0	0
(h) Agriculture Value-Added Cash Fund (HB 06-1322 / S.B. 09-124)	New Bill is S.B. 09-124	500,000	500,000
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)	New Bill is S.B. 09-125	745,067	745,067
(j) CO Water Research Inst (SB 06-183/HB 07-1096/HB 08-1405)	0	0	0
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)	New Bill is H.B. 09-1199	2,500,000	2,500,000
(l) Tamarisk Control Grants (H.B. 08-1346)	0	0	0
(m) Aquatic Invasive Species (S.B. 08-226)	4,006,005	4,006,005	4,006,005
Total Tier 2 Authorizations	21,726,072	42,201,072	34,751,072
Amount Off-Balance	26,613,275	(1,551,505)	(9,175,670)
Required Proportional Reductions	0.00%	-3.68%	-26.40%
(a) Water Supply Reserve Account (S.B. 06-179 / S.B. 09-106)	0	-367,646	-2,640,399
(b) Soil Consvtn Districts Matching Grants (HB 06-1393)	0	-16,544	0
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)	0	0	0
(d) & (e) Species Cons Trust Fund (Note #3)	0	-404,411	-1,056,160
(f) LEAP - HB 06-1200	0	-477,940	-3,432,519
(h) Agriculture Value-Added Cash Fund (HB 06-1322 / S.B. 09-124)	0	-18,382	-132,020
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)	0	-27,392	-196,727
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)	0	-91,911	-660,100
(m) Aquatic Invasive Species (S.B. 08-226)	0	-147,279	-1,057,745
Total Tier 2 Reductions	0	-1,551,505	-9,175,670
15 Percent Reserve - Use to Offset Proportional Reductions			
(a) Water Supply Reserve Account (S.B. 06-179 / S.B. 09-106)	866,250	1,500,000	1,500,000
(b) Soil Consvtn Districts Matching Grants (HB 06-1393)	67,500	67,500	0
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)	0	0	0
(d) & (e) Species Cons Trust Fund (Note #3)	675,000	1,650,000	600,000
(f) LEAP - HB 06-1200	487,500	1,950,000	1,950,000
(h) Agriculture Value-Added Cash Fund (HB 06-1322 / S.B. 09-124)	75,000	75,000	75,000
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)	111,760	111,760	111,760
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)	375,000	375,000	375,000
(m) Aquatic Invasive Species (S.B. 08-226)	600,901	600,901	600,901
Total Tier 2 Reductions	3,258,911	6,330,161	5,212,661
Adjusted/Reduced Authorizations:			
(a) Water Supply Reserve Account (S.B. 06-179 / S.B. 09-106)	5,775,000	10,000,000	8,859,601
(b) Soil Consvtn Districts Matching Grants (HB 06-1393)	450,000	450,000	0
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)	0	0	0
(d) & (e) Species Cons Trust Fund (Note #3)	4,500,000	11,000,000	3,543,840
(f) LEAP - HB 06-1200	3,250,000	13,000,000	11,517,481
(g) CO Renewable Energy Auth / Clean Coal (H.B. 06-1322)	0	0	0
(h) Agriculture Value-Added Cash Fund (HB 06-1322 / S.B. 09-124)	500,000	500,000	442,980
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)	745,067	745,067	660,100
(j) CO Water Research Inst (SB 06-183/HB 07-1096/HB 08-1405)	0	0	0
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)	2,500,000	2,500,000	2,214,900
(l) Tamarisk Control Grants (H.B. 08-1346)	0	0	0
(m) Aquatic Invasive Species (S.B. 08-226)	4,006,005	4,006,005	3,549,161
Total Tier 2 Spending After Reductions	21,726,072	42,201,072	30,788,063
Note: The seeming "recovery" of the Operational Account in FY 2011-12 is only due to the sunseting of the Water Supply Reserve Account and the reflection only of statutory transfers related to the Species Conservation Trust Fund. If you included the true need for both programs, there would likely not be enough revenue to fund all of the existing programs.			
Adjusted Appropriation as %	100.0%	100.0%	88.6%
Total Amount of Reduction	0.0%	0.0%	11.4%

Severance Tax Trust Fund Operational Account													
August 18, 2009	S.B. 96-170 Allowable %	Actual FY 06-07		Actual FY 07-08		Actual FY 08-09		Request FY 09-10		Estimated FY 10-11		Estimated FY 11-12	
FUND STATUS													
Beginning Balance		50,851,612		40,012,876		46,588,101		68,073,848		40,074,221		16,230,122	
Revenue		33,312,271		39,457,043		81,216,379 (est.)		11,593,750 (est.)		33,365,750 (est.)		40,638,250 (est.)	
Revenue Public School Energy Eff (39-29-109.5)		0		(89,096)		(163,769)		TBD		TBD		TBD	
Total Available for Appropriation		84,163,883		79,380,823		127,640,711		79,667,598		73,439,971		56,868,372	
APPROPRIATION/REQUEST													
Geological Survey	20.0%	2,291,469	2.7%	2,193,248	2.8%	2,451,579	1.9%	2,510,057	3.2%	2,560,258	3.5%	2,611,463	4.6%
Oil & Gas Conservation	40.0%	2,117,279	2.5%	2,300,213	2.9%	2,639,668	2.1%	3,095,122	3.9%	3,157,024	4.3%	3,220,165	5.7%
Minerals and Geology	25.0%	3,392,252	4.0%	3,929,536	5.0%	3,817,071	3.0%	4,167,386	5.2%	4,250,734	5.8%	4,335,748	7.6%
Water Conservation	5.0%	868,679	1.0%	1,292,890	1.6%	1,266,839	1.0%	1,319,250	1.7%	1,319,250	1.8%	1,319,250	2.3%
Colorado State Parks (S.B. 08-013)	5.0%	0		0		1,234,058	1.0%	3,324,592	4.2%	3,324,592	4.5%	3,324,592	5.8%
Colorado Division of Wildlife	5.0%	0		0		1,292,059	1.0%	1,618,264	2.0%	1,618,264	2.2%	1,618,264	2.8%
TOTAL		8,669,679		9,715,887		12,701,274 (est.)		16,034,671 (est.)		16,230,122 (est.)		16,429,482 (est.)	
Roll-Forwards													
ARKS River Settlement (SB 05-226)								1,832,635					
CWCB's Litigation Fund (Sect. 17 of HB 06-1313)		1,403,272		0		0		0		0		0	
Underground Water Storage (S.B. 06-193)		146,000										0	
Tier 2 Programs													
(a) Water Supply Reserve Account (S.B. 06-179 / S.B.		10,000,000		6,000,000		7,000,000		5,775,000		9,710,589		6,908,969	
(b) Soil Conservn Districts Matching Grants (HB 06-1393)		450,000				450,000		450,000		436,977		0	
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)		0		800,000		800,000		0		0		0	
S.B. 07-008 Contingent Transfer						1,000,000		0		0		0	
(d) & (e) Species Cons Trust Fund (Note #3)		8,800,000				12,513,886		4,500,000		10,681,648		2,763,588	
(f) LEAP - HB 06-1200		11,000,000		12,000,000		13,000,000		3,250,000		12,623,766		8,981,660	
(g) CO Renewable Energy Auth / Clean Coal (H.B. 06-		2,135,000		2,000,000		2,000,000							
(h) Agriculture Value-Added Cash Fund (HB 08-1322 /		500,000		500,000		500,000		500,000		485,529		345,448	
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)		547,056		1,626,835		1,145,067		745,067		723,504		514,764	
(j) CO Water Research Inst (SB 06-183/HB 07-1096/H		500,000		150,000		500,000		0		0		0	
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)		0		0		1,000,000		2,500,000		2,427,647		1,727,242	
(l) Tamarisk Control Grants (H.B. 08-1346)		0		0		1,000,000		0		0		0	
(m) Aquatic Invasive Species (S.B. 08-226)						5,956,636		4,006,005		3,890,067		2,767,736	
Actual Expenditures		44,151,007		32,792,722		59,566,863		39,593,378		57,209,849		40,438,890	
Ending Balance after Appr./Exp		40,012,876		46,588,101		68,073,848		40,074,221		16,230,122		16,429,482	
2 Yr Reserve / 1 Yr Reserve Starting FY 08-09		18,043,156		10,540,441		12,701,274		16,034,671		16,230,122		16,429,482	
LEAP Reserve / 15% Reserve Starting FY 08-09		12,000,000		3,469,157		7,029,838		3,258,911		6,330,161		5,212,661	
Total Reserve Requirement		30,043,156		14,009,598		19,731,112		19,293,581		22,560,283		21,642,143	
Balance after Reserve		9,969,720		32,578,504		48,342,736		20,780,640		(6,330,161)		(5,212,661)	

Note 1: These percentages represent the amount of funding received in comparison to the allowable amount under S.B. 96-170 (Sect. 39-29-109, CRS)

Note 2: Actual Revenues and Expenditures from COFRS;

Note 3: Legislation involving SCTF Transfers have included H.B. 06-1311, H.B. 07-1182, S.B. 08-226, and H.B. 08-1398.

(est.) = estimate. Revenue Estimates based on Legislative Council's Economic Forecast dated June 20, 2009.

Interest earnings are assumed in revenue projections at \$1,250,000 per year

	FY 2009-10	FY 2010-11	FY 2011-12
Base Authorizations:			
(a) Water Supply Reserve Account (S.B. 06-179 / S.B. 09-106)		New Bill is S.B. 09-106	
(b) Soil Conservn Districts Matching Grants (HB 06-1393)	5,775,000	10,000,000	10,000,000
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)	450,000	450,000	0
(d) & (e) Species Cons Trust Fund (Note #3)	0	0	0
(f) LEAP - HB 06-1200	4,500,000	11,000,000	4,000,000
Governor's Energy Office (Weatherization)	3,250,000	13,000,000	13,000,000
Department of Human Services (Direct Bill Assistance)	0	6,500,000	6,500,000
Energy Outreach Colorado (Direct Bill Assistance)	1,625,000	3,250,000	3,250,000
(g) CO Renewable Energy Auth / Clean Coal (H.B. 06-1322)	1,625,000	3,250,000	3,250,000
(h) Agriculture Value-Added Cash Fund (HB 06-1322 / S.B. 09-124)	0	0	0
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)	500,000	500,000	500,000
(j) CO Water Research Inst (SB 06-183/HB 07-1096/HB 08-1405)	745,067	745,067	745,067
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)	0	0	0
(l) Tamarisk Control Grants (H.B. 08-1346)	2,500,000	2,500,000	2,500,000
(m) Aquatic Invasive Species (S.B. 08-226)	0	0	0
Total Tier 2 Authorizations	4,006,005	4,006,005	4,006,005
Total Tier 2 Authorizations	21,726,072	42,201,072	34,751,072
Amount Off-Balance	22,613,275	(7,551,505)	(15,954,325)
Required Proportional Reductions			
	0.00%	-17.89%	-45.91%
(a) Water Supply Reserve Account (S.B. 06-179 / S.B. 09-106)	0	-1,789,411	-4,591,031
(b) Soil Conservn Districts Matching Grants (HB 06-1393)	0	-80,523	0
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)	0	0	0
(d) & (e) Species Cons Trust Fund (Note #3)	0	-1,968,352	-1,836,412
(f) LEAP - HB 06-1200	0	-2,326,234	-5,968,340
(h) Agriculture Value-Added Cash Fund (HB 06-1322 / S.B. 09-124)	0	-89,471	-229,552
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)	0	-133,323	-342,063
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)	0	-447,353	-1,147,758
(m) Aquatic Invasive Species (S.B. 08-226)	0	-716,839	-1,839,169
Total Tier 2 Reductions	0	-7,551,505	-15,954,325
15 Percent Reserve - Use to Offset Proportional Reductions			
(a) Water Supply Reserve Account (S.B. 06-179 / S.B. 09-106)	866,250	1,500,000	1,500,000
(b) Soil Conservn Districts Matching Grants (HB 06-1393)	67,500	67,500	0
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)	0	0	0
(d) & (e) Species Cons Trust Fund (Note #3)	675,000	1,650,000	600,000
(f) LEAP - HB 06-1200	487,500	1,950,000	1,950,000
(h) Agriculture Value-Added Cash Fund (HB 06-1322 / S.B. 09-124)	75,000	75,000	75,000
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)	111,760	111,760	111,760
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)	375,000	375,000	375,000
(m) Aquatic Invasive Species (S.B. 08-226)	600,901	600,901	600,901
Total Tier 2 Reductions	3,258,911	6,330,161	5,212,661
Adjusted/Reduced Authorizations:			
(a) Water Supply Reserve Account (S.B. 06-179 / S.B. 09-106)	5,775,000	9,710,589	6,908,969
(b) Soil Conservn Districts Matching Grants (HB 06-1393)	450,000	436,977	0
(c) Water Efficiency Grants (HB 05-1254 / SB 07-008)	0	0	0
(d) & (e) Species Cons Trust Fund (Note #3)	4,500,000	10,681,648	2,763,588
(f) LEAP - HB 06-1200	3,250,000	12,623,766	8,981,660
(g) CO Renewable Energy Auth / Clean Coal (H.B. 06-1322)	0	0	0
(h) Agriculture Value-Added Cash Fund (HB 06-1322 / S.B. 09-124)	500,000	485,529	345,448
(i) Interbasin Compacts (H.B. 05-1177 / H.B. 06-1400)	745,067	723,504	514,764
(j) CO Water Research Inst (SB 06-183/HB 07-1096/HB 08-1405)	0	0	0
(k) & (n) Forestry Grants / Bark Beetle (S.B. 08-071 / H.B. 09-1199)	2,500,000	2,427,647	1,727,242
(l) Tamarisk Control Grants (H.B. 08-1346)	0	0	0
(m) Aquatic Invasive Species (S.B. 08-226)	4,006,005	3,890,067	2,767,736
Total Tier 2 Spending After Reductions	21,726,072	40,979,727	24,009,408
Note: The seeming "recovery" of the Operational Account in FY 2011-12 is only due to the sunseting of the Water Supply Reserve Account and the reflection only of statutory transfers related to the Species Conservation Trust Fund. If you included the true need for both programs, there would likely not be enough revenue to fund all of the existing programs.			
Adjusted Appropriation as %	100.0%	97.1%	69.1%
Total Amount of Reduction	0.0%	2.9%	30.9%