

# Financial Sustainability in Parks Budgets



## Historic funding sources today

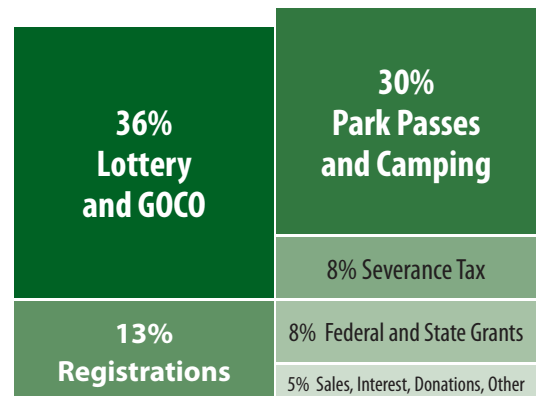
Historically, Colorado's state parks were supported not only through user fees, but also through general tax dollars. After the economic downturn of 2008, the general tax funding was reallocated to more immediate priorities in the state budget. The change in funding meant fee increases for our dedicated users and restrictions in spending that are still in place.

Today, Colorado parks and outdoor recreation programs are funded through a variety of mechanisms. Park entrance passes, camping fees and registration fees provide almost half of the budget on an annual basis. Lottery and Great Outdoors Colorado (GOCO) provide an additional third. The remaining funds come from project specific grants from federal and state sources, severance tax funding and other smaller sources of revenue.

Each of these sources has very specific requirements, ensuring that all park fees, grants and funding are spent for parks purpose and not used for unrelated activities. For example, severance taxes pay for the Aquatic Nuisance Species (ANS) program to prevent the spread of invasive species that damage both ecosystems and infrastructure. Although CPW is a merged agency, the funding sources remain separate.

CPW faces significant financial challenges - our revenues are growing more slowly than our costs. Parks budgets suffered multi-million dollar deficits that were addressed through fee increases and budget cuts. Park programs reduced the number of full-time employees by 5%, seasonal employees by 10% and the closing of Bonny State Park.

## Parks Funding Sources\*



\*4 year average; 2011-2014

## Spending where it matters

The vast majority of parks funding is spent on the ground for park and natural resource management, including management of recreation, law enforcement, and maintenance of park facilities. Our visitor centers, trails and campgrounds see over 12 million visitors a year, requiring continuous effort to maintain a high quality experience for all.

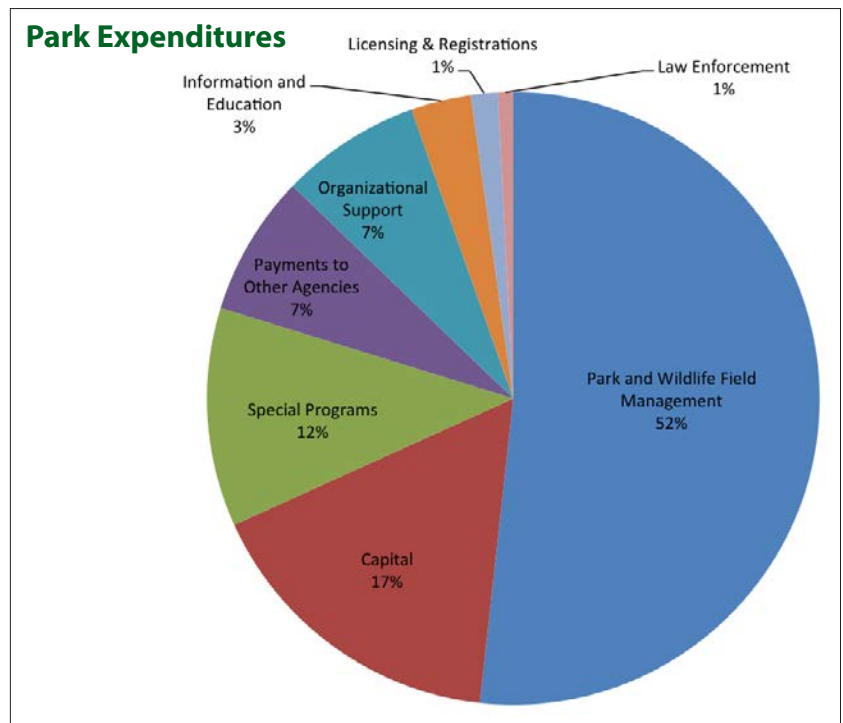
Significant funds are also spent on capital development – building new centers for education, roads and trails throughout the parks system.

Special programs encompass the trails, boating and ANS programs.

Programs like licensing, customer service and law enforcement help you interact with your wildlife resources. Our education programs teach kids about wildlife and natural landscapes and teach new skills to Coloradans of every age.

CPW works hard to use your money effectively and is constantly looking for new ways to become more efficient.

## Park Expenditures

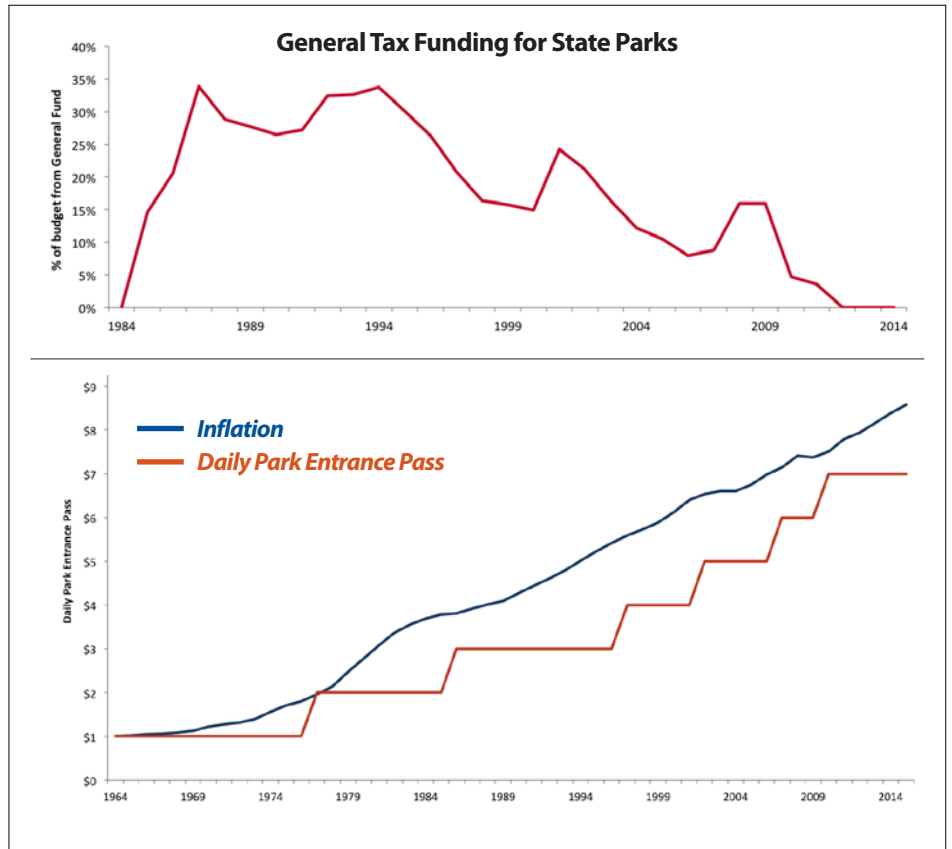


## Park Entrance and Camping Fees

As noted above, Colorado State Parks used to receive almost 30% of general operating dollars from the general fund. As this funding fell to zero, fees have been raised to ensure the continued funding of state parks and outdoor recreation programs. The Colorado Parks and Wildlife Commission currently has the ability to raise park entrance and camping fees. This ability has allowed us to instill periodic increases and not fall too far behind inflation.

The Consumer Price Index (CPI) measures the change in costs over time by tracking a specific market basket of goods. Based on the Denver-Boulder-Greeley CPI which started in 1964, prices in 2015 are about 8 times the amount they were in the 1960's.

CPW has identified a number of expenses that will be required in coming years to maintain operations at their current level. The total is still being assessed, and many of the projections were wide ranges of potential costs. These expenses are above and beyond our normal operating budgets and will cause strain among park budgets and potentially require additional fee increases.



Among the future potential expenses identified over the next decade are:

- **Dam Repairs** – CPW is the largest dam owner in the state. Our dams protect fisheries and outdoor recreation along with preventing flooding in developed areas. Several of our dams need upgrades or repairs to stay safe.
- **Chatfield Reallocation** – CPW has been working with partners to increase the storage capacity of Chatfield Reservoir. This change will improve opportunities for recreation and aquatic conditions in the South Platte River but does require extensive changes to the infrastructure at Chatfield State Park.
- **Radio Replacement** – Although this may seem small, CPW must spend over \$5 million to ensure that our law enforcement officers can communicate with other agencies across the state. Our current radios do not work with the upgraded servers used by Colorado State Patrol and local law enforcement.

As we move forward, estimates and projections will be refined, some investments may be pushed back, others may be stretched out over longer periods, and still others may be scaled back. But this preliminary list of items shows the breadth, and the depth, of higher expenses on the horizon that will impact CPW's program budgets and the ability of the agency to meet public demands to maintain outdoor recreation programs.

To learn more, visit:

[cpw.state.co.us/FinancialSustainability](http://cpw.state.co.us/FinancialSustainability)

