

Financial Sustainability in Wildlife Budgets



Historic funding sources today

Hunters and anglers helped establish a pioneering form of wildlife management more than a century ago and provide the foundation for wildlife funding. Hunters and anglers contribute 78% of CPW's wildlife funding between license fees and excise taxes through the Pittman-Robertson (PR) and Dingell-Johnson (DJ) Acts.

Federal and state laws require that all license fees are spent on wildlife purpose and cannot be used for unrelated activities. Therefore, although CPW is a merged agency, the funding sources remain separate.

Other funding sources include Great Outdoors Colorado (GOCO) for wildlife, state and federal grants, donations and interest and severance tax.

Many of our revenue sources are allocated to a specific purpose or program. For example, severance taxes pay for the Aquatic Nuisance Species program and the Species Conservation Trust Fund. PR funds hunter education and wildlife restoration projects.

CPW faces significant financial challenges - our revenues are growing more slowly than our costs. We have had multi-million dollar deficits that are predicted to continue. CPW has cut \$40 million and 50 positions out of wildlife budgets in the past 6 years. We have acted within the authority of the Commission to increase revenues where we can. By increasing some non-resident fees, the 'pay to play' fee and offering a non-resident big game/fishing combo license we will increase revenue by approximately \$2.4 million annually. In addition, anticipated changes in the refund/reissue policy estimate to recovery of \$1.1 million.

Wildlife Funding Sources*



*4 year average; 2011-2014

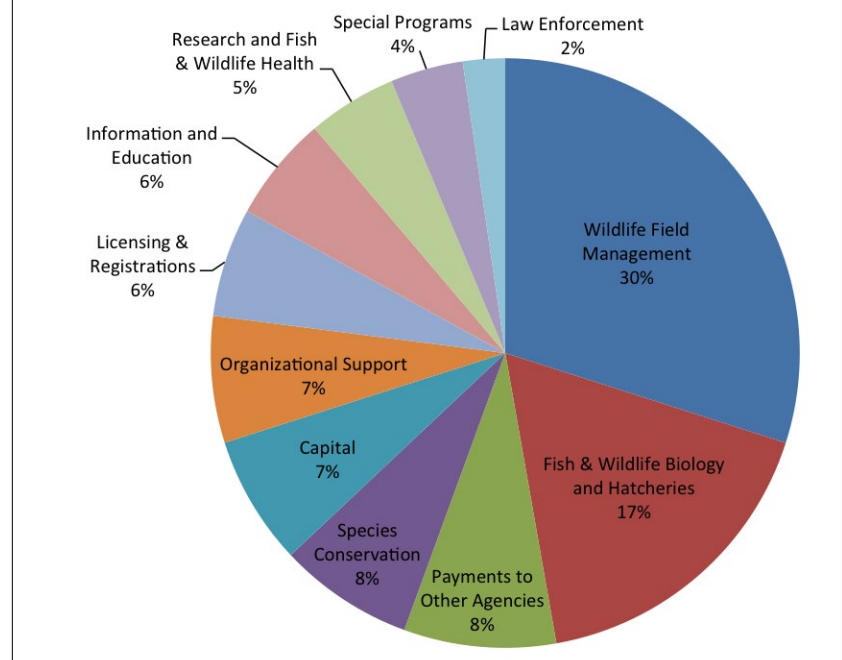
Spending where it matters

The vast majority of wildlife funding is spent on the ground for wildlife management and conservation including implementation of habitat projects, big and small game, sportfish and sensitive species management.

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.

Wildlife Expenditures



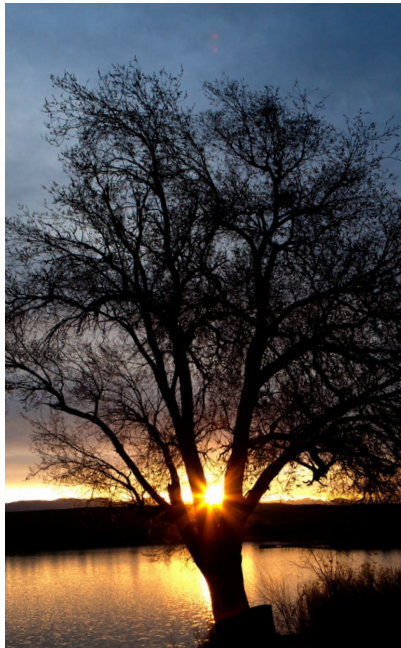
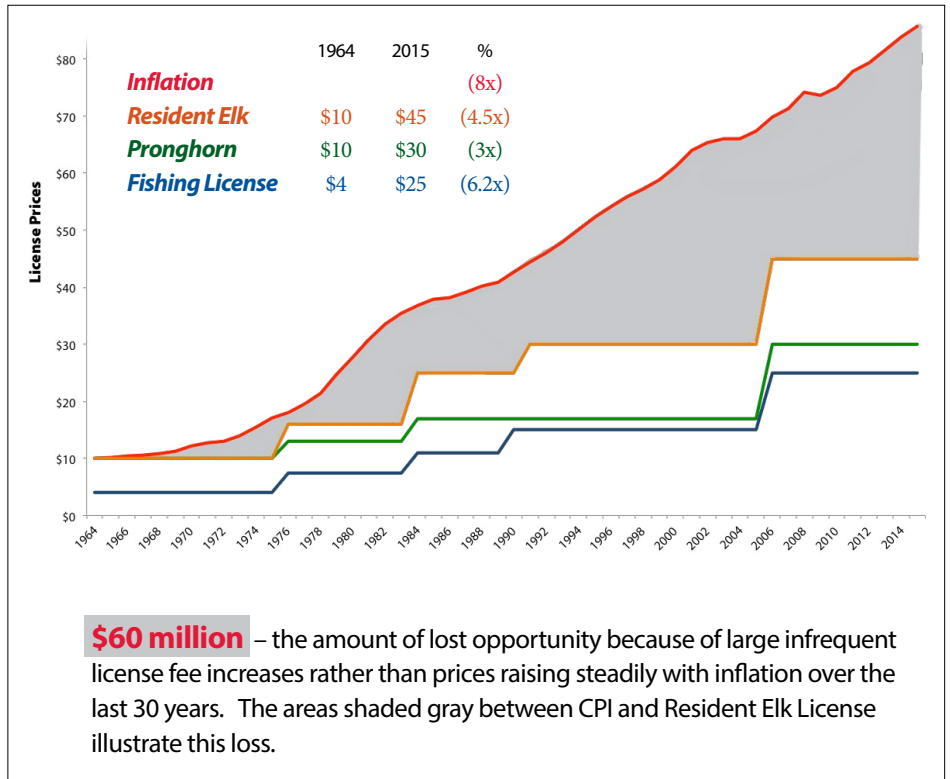
Consumer Price Index (CPI) and Inflation

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.

Although fee increases have occurred in the last 50 years, in many cases the increases have not kept up with inflation. This means that when adjusted for inflation residents are paying less than their fathers or grandfathers did.

Looking forward

Fortunately, there are options. With your support, we can adjust license fees to allow us to manage wildlife effectively into the future. We can implement a small fee increase and delay more cuts, we can dig deeper and increase fees enough to allow for additional programs, we can tie our prices to CPI so our revenue matches our costs, or we can get farther and farther behind and continue cutting programs, to the detriment of our wildlife resources.



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. 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.
- **Mule Deer Strategy Implementation** – CPW has been working with partners across the state to develop a path towards healthier and more robust mule deer populations. The Strategy needs funds in order to be implemented in coming years.
- **Hatchery Renovations** – CPW's continued budget challenges have required that maintenance and improvements to our facilities be delayed. Unfortunately, some of our hatcheries are now at the point where renovations are needed to prevent the closing of failing systems.
- **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 wildlife program budgets and the ability of the agency to meet sportsmen and public demands to maintain wildlife programs.

To learn more, visit:

cpw.state.co.us/FinancialSustainability

