

Financial Sustainability in Wildlife Budgets



AUGUST 2017

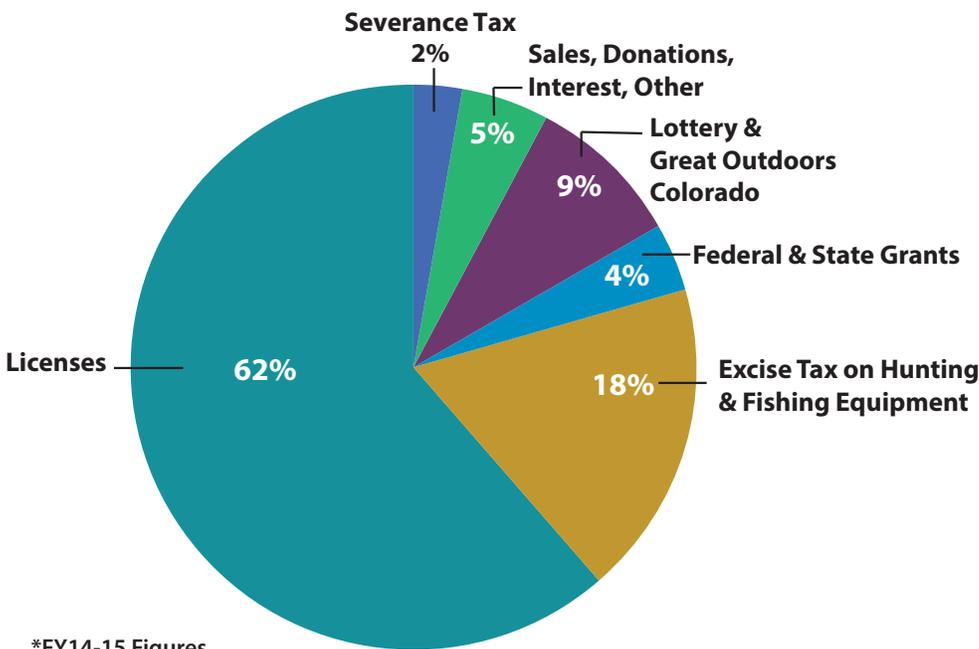
More than a century ago, hunters and anglers helped pioneer current methods of wildlife management and still provide the foundation for wildlife funding. Hunters and anglers contribute 78% of CPW's wildlife funding between license fees and excise taxes on hunting and fishing equipment through the Pittman-Robertson (PR) and Dingell-Johnson (DJ) Acts.

Federal and state laws require that all license fees are spent on wildlife purposes only. Therefore, although CPW is a merged agency, the funding sources for wildlife and parks remain separate.

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

CPW currently faces significant financial challenges—our revenues are growing more slowly than our costs. We have experienced multi-million dollar deficits that are predicted to continue. CPW cut \$40 million and 50 positions from our wildlife budget in the past 8 years. We have acted within the authority of the Commission to increase revenues wherever we can. By increasing some non-resident fees, the 'pay to play' fee, and offering a non-resident big game/fishing combo license, we increased revenue by approximately \$2.4 million annually. However, this is not sufficient revenue to meet current demands.

Wildlife Funding Sources*



*FY14-15 Figures



WAYNE D. LEWIS/CPW

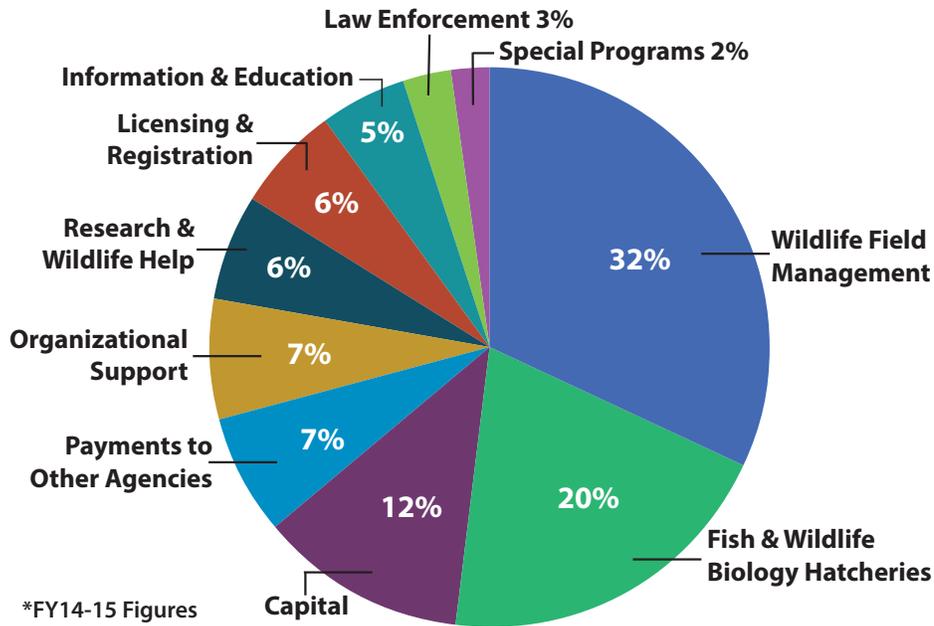
Spending where it matters

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

Programs such as licensing, customer service and law enforcement help you interact with your wildlife resources. Our education programs teach kids about wildlife, natural landscapes, and stewardship. CPW teaches 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*



TONY GURZICK/CPW

Consumer Price Index and Inflation

The last time resident license fees increased in Colorado was in 2006. Based on the Denver-Boulder-Greeley Consumer Price Index (CPI), which measures the change in costs over time, overall prices in 2017 are almost 30% more than they were in the 2006. Between 2006 and 2016, CPW has forgone an estimated \$39 million in lost opportunity because resident license prices have not increased with inflation over that time period.

Looking forward

With your support, we can adjust license fees with inflation in order to provide additional revenue to support effective wildlife management into the future. Otherwise, we will fall farther and farther behind and will need to continue cutting programs to the detriment of our wildlife resources.

CPW has identified a number of expenses that will be required in the coming years in order to maintain operations at their current level. 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 and prevent flooding in developed areas. Several of our dams need upgrades or repairs in order to safely operate.
- **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 increased funding in order to be fully implemented in the 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 a small concern, 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 illustrates the breadth and 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 for maintaining wildlife programs.

To learn more, visit:
cpw.state.co.us/FinancialSustainability

