



# Water Supply Reserve Fund Annual Report FY 21-22

Submitted by the Colorado Water Conservation Board to the House of Representatives House Rural Affairs and Natural Resources Committee and the Senate Agriculture and Natural Resources Committee.

October 28, 2022

FY 21-22

## OVERVIEW

The Water Supply Reserve Fund (referred to as WSRF hereafter) is administered by the Colorado Water Conservation Board (CWCB) in collaboration with the Interbasin Compact Committee (IBCC) and the nine basin roundtables which were established under House Bill 05-1177 (the Colorado Water for the 21<sup>st</sup> Century Act). Requests for funding begin at the basin roundtables. Applications which the local basin roundtables have recommended for approval by the CWCB board are submitted to the CWCB and include matching funds.

Monies from the WSRF are distributed according to the WSRF Criteria and Guidelines (guidelines), which were developed by the CWCB in consultation with the *WSRF Criteria & Guidelines Subcommittee*, a group composed of representatives from the IBCC and CWCB Board in collaboration with the basin roundtables. The WSRF guidelines are reviewed annually. The WSRF guidelines, and other application materials are available on the [CWCB website](#).

The annual review of the WSRF guidelines allows for program adjustments. These adjustments have enabled the WSRF to adapt to the changing needs of Colorado's water community and meet the diverse needs of projects throughout the state.

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*WSRF HAS GRANTED OVER \$102 MILLION TO 786 PROJECTS ACROSS COLORADO, LEVERAGING OVER \$283 MILLION IN MATCHING CONTRIBUTIONS (CASH AND IN-KIND) FROM STATE, FEDERAL AND LOCAL PARTNERS.*

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## BACKGROUND

The WSRF was created in 2006 by Senate Bill 06-179. The legislature created the WSRF to help citizens identify and meet their critical water supply and management needs. Funds from the WSRF may be used to:

1. Identify human, environmental, or recreational water needs (also commonly referred to as "Needs Assessments")
2. Evaluate water supplies in each basin
3. Build projects or identify methods to meet the water supply needs of the river basin

**TABLE 1: TOTAL, APPROVED & REMAINING BASIN ACCOUNT FUNDS 2006-JUNE 2022**

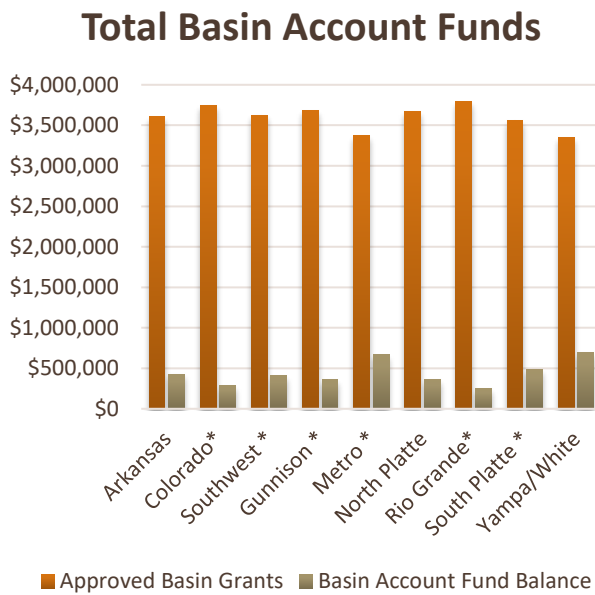
BASIN	TOTAL BASIN FUNDS	APPROVED BASIN FUNDS	BASIN FUND BALANCE
ARKANSAS	\$4,039,395	\$3,612,149	\$427,246
COLORADO	\$4,039,395	\$3,748,529	\$290,866
GUNNISON	\$4,039,395	\$3,676,984	\$362,438
METRO	\$4,039,395	\$3,374,965	\$664,430
NORTH PLATTE	\$4,039,395	\$3,673,945	\$365,450
RIO GRANDE	\$4,039,395	\$3,788,048	\$251,347
SOUTH PLATTE	\$4,039,395	\$3,558,780	\$480,615
SOUTHWEST	\$4,039,395	\$3,626,892	\$412,503
YAMPA/WHITE/GREEN	\$4,039,395	\$3,345,904	\$693,490

**TABLE 2: TOTAL, APPROVED, AND REMAINING 2020 STIMULUS FUNDS 2022-JUNE 2022<sup>1</sup>**

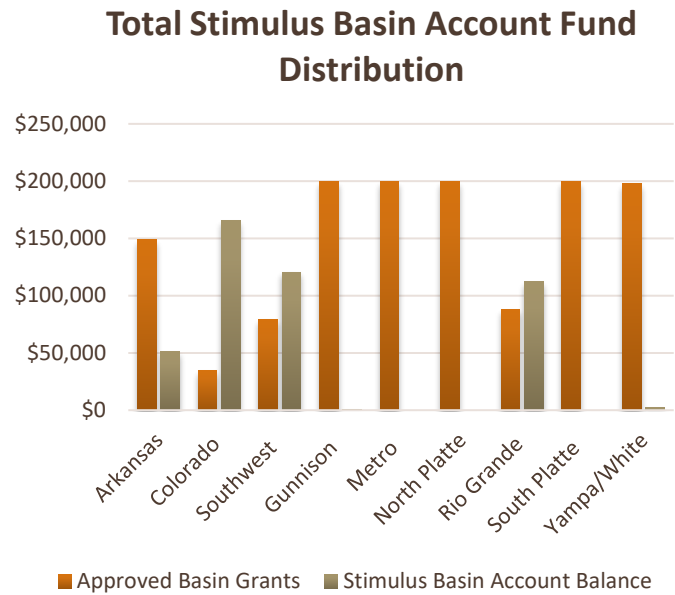
BASIN	TOTAL BASIN STIMULUS FUNDS	APPROVED BASIN GRANTS	BASIN FUND BALANCE
ARKANSAS	\$200,000	\$148,480	\$51,160
COLORADO	\$200,000	\$34,800	\$165,200
GUNNISON	\$200,000	\$199,500	\$500
METRO	\$200,000	\$200,000	\$0
NORTH PLATTE	\$200,000	\$200,000	\$0
RIO GRANDE	\$200,000	\$88,000	\$112,000
SOUTH PLATTE	\$200,000	\$200,000	\$200,000
SOUTHWEST	\$200,000	\$79,423	\$120,577
YAMPA/WHITE/GREEN	\$200,000	\$197,750	\$2,250

<sup>1</sup> Stimulus funds are included in overall WSRF totals. Per House Bill 21-1260 they must be awarded by the end of Fiscal Year '23 which effectively means approval must be made at the May 2023 CWCB Board meeting. Funds must be fully spent by 2025.

**FIGURE 1: TOTAL, APPROVED, AND REMAINING BASIN ACCOUNT FUNDS 2006-JUNE 2022**



**FIGURE 2: TOTAL, APPROVED, AND REMAINING STIMULUS FUNDS 2006-JUNE 2022**



## DISTRIBUTION OF WSRF FUNDING

Historically, the WSRF guidelines split the funds into a Basin Account and a Statewide Account. The Basin Account is divided up between the nine basin roundtables (referred to as Basin Accounts hereafter). Each Basin Account has received \$4,039,395 as of June 30, 2022. The Statewide Account received \$74,910,483 (including interest), with \$68,824,427 in approved grants.

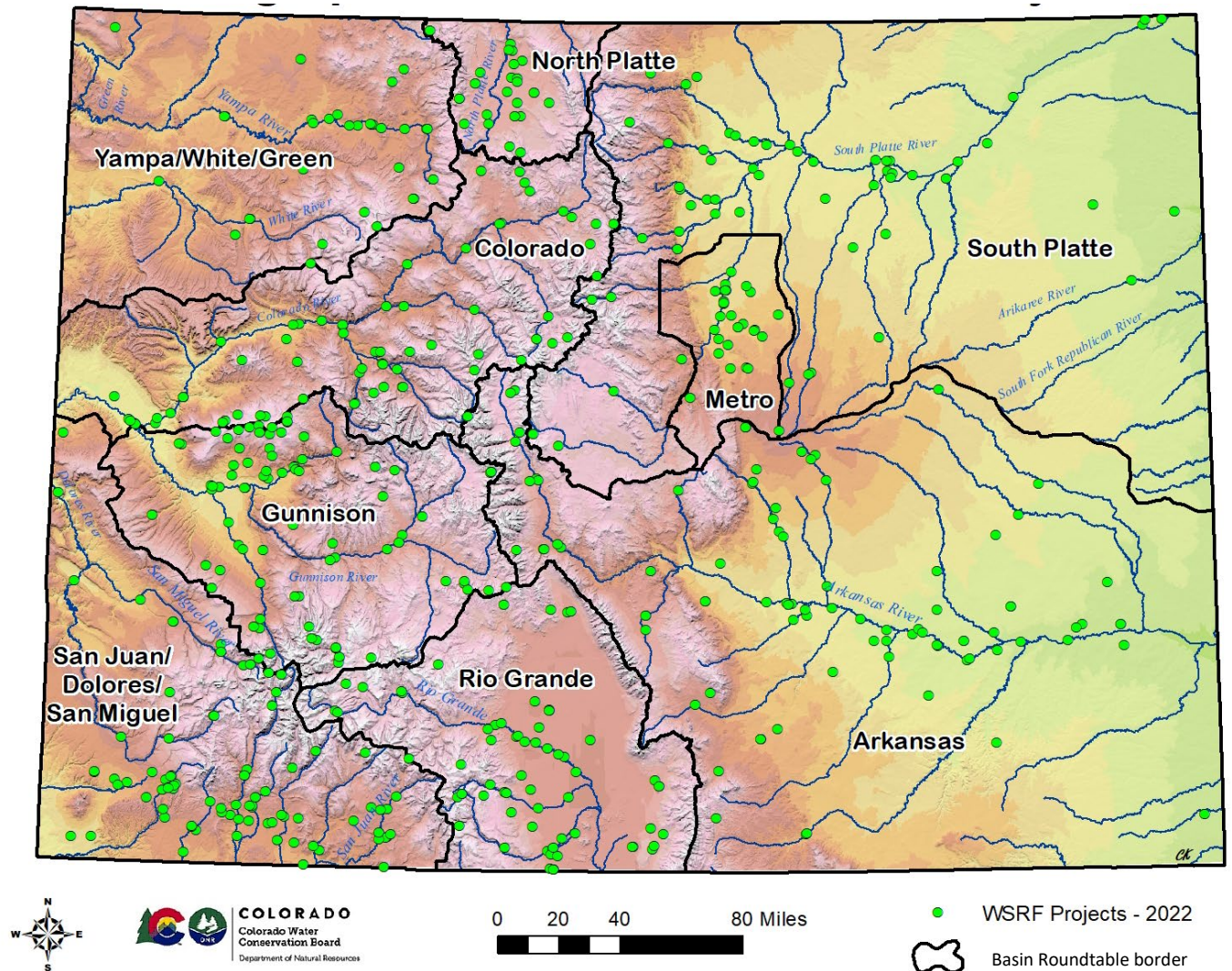
Building on changes made at the November 2021 board meeting in response to the declining severance taxes, the CWCB Board made additional changes to cover cases where a “windfall” severance tax or stimulus funding led to board approval of additional WSRF dollars. This change was made September 2022 CWCB Board meeting. The collective changes create a Statewide Account reserve, bring back a WSRF Statewide Grant, and provide a minimum annual basin distribution of \$300k (and a process for adding more funds in windfall years). As part of this effort, the CWCB created a Public Education, Participation and Outreach (PEPO) grant program that also funds basin roundtable outreach and is funded out of the same severance tax WSRF distribution. This annual report only covers the funding and changes the 2021-2022 fiscal year and does not take into account the September changes. The distribution of WSRF funds by basin is shown in the table below.

TABLE 3: STATEWIDE FUND DISTRIBUTION APPROVED BY BASIN

Basin	Arkansas	Colorado	Gunnison	Metro	North Platte	Rio Grande	South Platte	Southwest	Yampa White Green	Total
Amount Approved (\$)	13,712,267	6,666,075	7,292,843	7,916,032	847,677	13,719,235	8,247,085	9,262,145	1,161,069	68,824,428
# of Projects	90	32	57	13	10	45	63	43	17	403
% Approved	20%	10%	11%	12%	1%	20%	12%	13%	2%	100%

## HISTORICAL GEOGRAPHIC DISTRIBUTION OF WSRF PROJECTS

FIGURE 3: GEOGRAPHIC DISTRIBUTION OF WSRF PROJECTS FROM FY 2006-2007 THROUGH 2021-2022



## PROJECT STATUS SUMMARY

Of the 786 projects WSRF has funded from 2006-2022, 84% (658) have been completed. Another 15% (117) are in progress and 1% (11) are in the contracting process. Taken together, there are 128 active grants (in progress and contracting), involving approximately \$14.6 million. Per the WSRF guidelines, applications for the Basin Account are considered at each of the CWCB’s bi-monthly board meetings following their approval from the appropriate basin roundtable and once supporting documentation has been provided in a letter from the roundtable’s chair. Applications to the Statewide Account were considered at the September 2021 and the March 2022 CWCB board meetings.

## PROJECT IMPLEMENTATION SUMMARY

As recognized in the Colorado Water Plan, projects and implementation can cover a broad spectrum of activities. Some

implementation efforts focus on information gathering, planning, technical studies, or programmatic work, amounting to roughly 29% (\$29,405,084) of efforts, whereas other efforts include infrastructure or other physical outcomes 71% (\$72,102,232).

## DISTRIBUTION AND FUNDING BY PROJECT TYPE

WSRF funded projects have addressed both consumptive (agricultural and municipal) and nonconsumptive (environmental and recreational) needs with most of the projects addressing multiple needs. Table 4 shows the distribution of WSRF funding by primary category.

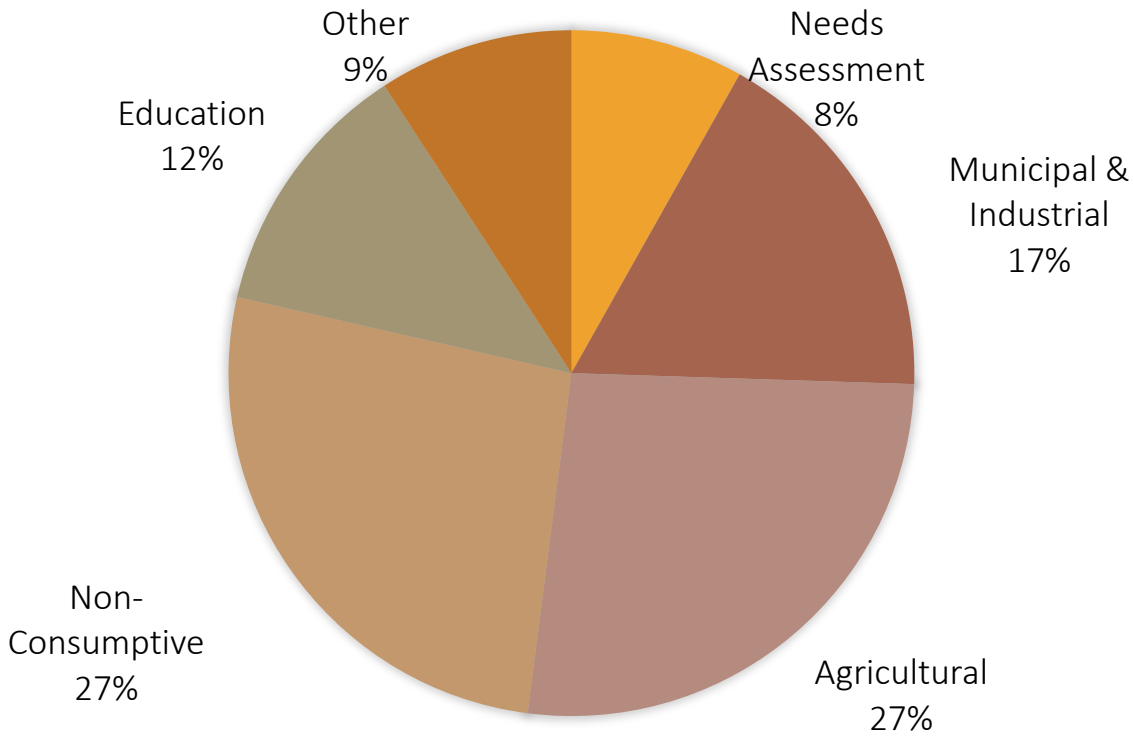
TABLE 4: DISTRIBUTION AND FUNDING BY PROJECT TYPE

Type	Needs Assessment	Municipal & Industrial	Agricultural	Nonconsumptive	Education	Other
Arkansas	\$2,515,349	\$5,092,229	\$5,162,290	\$8,962,908	\$1,239,832	\$5,149,765
Colorado	\$1,243,512	\$1,485,408	\$4,046,872	\$7,663,016	\$759,746	\$1,280,954
Gunnison	\$572,186	\$3,539,115	\$6,069,823	\$4,620,513	\$625,921	\$1,120,242
Metro	\$1,550,084	\$6,886,865	\$736,350	\$2,725,808	\$661,514	\$753,843
North Platte	\$211,986	\$995,000	\$2,920,627	\$3,304,611	\$490,357	\$860,423
Rio Grande	\$783,123	\$530,600	\$11,867,288	\$12,704,798	\$1,047,965	\$1,393,487
South Platte	\$1,611,783	\$1,223,038	\$4,287,356	\$5,073,656	\$1,133,387	\$3,326,227
Southwest	\$510,743	\$5,993,916	\$4,426,409	\$2,494,332	\$734,911	\$887,336
Yampa/White/Green	\$1,071,243	\$1,430,990	\$1,944,466	\$2,176,501	\$1,115,795	\$582,368
<b>Total Funding</b>	<b>\$10,070,009</b>	<b>\$27,147,161</b>	<b>\$41,461,480</b>	<b>\$49,726,143</b>	<b>\$7,809,428</b>	<b>\$15,354,645</b>
NUMBER OF FUNDED IMPLEMENTATION EFFORTS (PROJECTS, STUDIES, ETC.)						
Arkansas	13	37	40	50	15	33
Colorado	14	27	40	49	20	13
Gunnison	8	32	55	51	12	16
Metro	16	34	14	28	21	8
North Platte	2	3	28	20	4	5
Rio Grande	6	6	49	53	11	10
South Platte	20	26	36	41	28	9
Southwest	10	36	50	36	25	11
Yampa/White/Green	12	20	24	27	16	7
<b>Total Number of Grants<sup>2</sup></b>	<b>101</b>	<b>221</b>	<b>336</b>	<b>357</b>	<b>152</b>	<b>112</b>

<sup>2</sup> Grants can be designated into more than one project type. The total number of grants across all categories does not reflect the actual total number of grants.

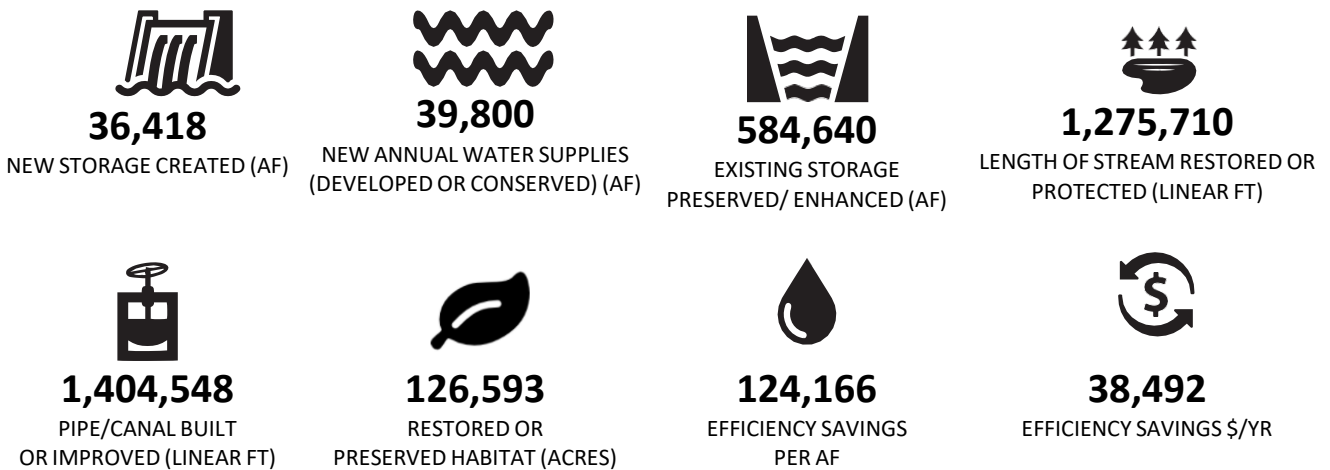
## DISTRIBUTION AND FUNDING BY CATEGORY

FIGURE 4: TOTAL WSRF FUNDING BY CATEGORY 2006-2022



## WSRF IMPACT BY THE NUMBERS

FIGURE 5: CUMULATIVE WSRF GRANT IMPACT 2006-2022:



## FUNDING SUMMARY

The WSRF Program has been very effective in its purpose. The program has provided grants for a mix of consumptive and nonconsumptive water projects and promoted multi-purpose projects throughout Colorado. Projects funded through the WSRF Program help the state meet its water supply needs with money that was not available until the passage of the legislation.

Table 5 below displays the legislative appropriations and actual funds received by the WSRF Program since its inception in 2006. In 2009, the program was reauthorized in perpetuity by SB 09-106. SB 09-106 appropriates \$10,000,000 per year from the Severance Tax Trust Fund, subject to available funding. Due to the lack of revenue from Severance Tax, the WSRF has received reduced funding in some years. In 2021, the Colorado Legislature approved and the Governor signed Senate Bill 21-160 adding \$5 million to the WSRF program from the General Fund. Additionally, the WSRF grant program is subject to amendment by the legislature - most recently by SB21- 281. Lastly, in July 2022, at the request of the Governor, and in consideration of a major increase in severance tax collections the CWCB Board approved the transfer of \$17 million from the Perpetual Base Fund to the Water Supply Reserve Fund. Those funds became available in September of 2022.

Table 5 also shows the breakdown of funds between the Basin and Statewide Accounts as directed by the Criteria and Guidelines. The Basin Account funds are then distributed evenly among the nine basin roundtables.

Table 5: WSRF FUND APPROPRIATION AND RECEIPTS 2006-JUNE 2022

WSRF FUND APPROPRIATION AND RECEIPTS				
Fiscal Year	Legislative Appropriation	Funds Received	Statewide Account	Basin Account
2006/2007	\$10,000,000	\$10,000,000	\$5,500,000	\$4,500,000
2007/2008	\$6,000,000	\$6,000,000	\$4,200,000	\$1,800,000
2008/2009	\$10,000,000	\$7,000,000	\$4,300,000	\$2,700,000
2009/2010	\$5,775,000	\$5,775,000	\$4,215,750	\$1,559,250
2010/2011	\$6,000,000	\$6,000,000	\$4,380,000	\$1,620,000
2011/2012	\$7,000,000	\$7,000,000	\$4,732,000	\$2,268,000
2012/2013	\$10,000,000	\$7,157,724	\$4,580,943	\$2,576,781
2013/2014	\$10,000,000	\$10,091,639	\$6,458,649	\$3,632,990
2014/2015	\$10,000,000	\$10,000,000	\$6,400,000	\$3,600,000
2015/2016	\$10,000,000	\$9,103,590	\$5,826,298	\$3,277,292
2016/2017 (FY2017)	\$0	\$0	\$0	\$0
2017/2018 (FY2018)	\$10,000,000	\$1,455,776	\$931,697	\$524,079
2017/2018 CF (FY2018)	\$0	\$7,000,000	\$4,480,000	\$2,520,000
2018/2019 CF (FY2019)	\$0	\$3,544,884	\$2,268,726	\$1,276,158
2019/2020 (FY2020)	\$10,000,000	\$10,000,000	\$6,400,000	\$3,600,000
2020/2021 (FY2021)	\$2,500,000	\$2,500,000	\$1,600,000	\$900,000
Interest	N/A	\$2,857,935	\$3,541,544	
<small>(Prior Years Interest Adjustment 2007-2014 and FY2015, FY2016, FY2017)</small>				
FY 2018 Interest	N/A	\$ 376,467	\$376,467	\$0
FY 2019 Interest	N/A	\$ 431,589	\$431,589	\$0
FY 2020 Interest	N/A	\$ 558,732	\$558,732	\$0
FY 2021 Interest	N/A	\$ 329,821	\$329,821	\$0
FY 2022 Interest	N/A	\$198,267	\$198,267	\$0
<b>TOTAL</b>	<b>\$107,275,000</b>	<b>\$107,381,424</b>	<b>\$71,710,483</b>	<b>\$36,354,551</b>

## APPROVED APPLICATION LINKS BY BASIN

The following links show WSRF applications approved by the CWCB board by basin:

- [ARKANSAS BASIN](#)
- [COLORADO BASIN](#)
- [GUNNISON BASIN](#)
- [METRO BASIN](#)
- [NORTH PLATTE BASIN](#)
- [RIO GRANDE BASIN](#)
- [SOUTH PLATTE BASIN](#)
- [SOUTHWEST BASIN](#)
- [YAMPA/WHITE/GREEN BASIN](#)

To learn more or if you have questions please email [waterplan.info@state.co.us](mailto:waterplan.info@state.co.us), call 303-866-3441 or visit the Colorado Water Conservation Board website at <https://cwcb.colorado.gov>.