



Water Development Coordinating Council

Status of Funds Report 2024

Prepared for the governor; Legislative Management Committee; Natural Resources, Agriculture and Environment Interim Committee and the Natural Resources, Agriculture, and Environmental Quality Appropriations Subcommittee

**Water
Development
Coordinating
Council**

Funding Utah's Water Future

Executive Summary

According to Utah Code [73-10c-3](#), the Water Development Coordinating Council shall:

- Coordinate the use and application of the funds available to the state to give financial assistance to political subdivisions of this state so as to promote the conservation, development, treatment, restoration and protection of the waters of this state
- Promote the coordination of the financial assistance programs administered by the state and the use of the financing alternative most economically advantageous to the state and its political subdivisions
- Promote the consideration by the Board of Water Resources, Drinking Water Board and Water Quality Board of regional solutions to the water and wastewater needs of individual political subdivisions of this state
- Assess the adequacy and needs of the state and its political subdivisions with respect to water-related infrastructures and advise the governor and the Legislature on those funding needs

Looking into the future, Utah water providers have a significant need to repair and replace aging water infrastructure as well as construct new water infrastructure to meet our growing population. The 2020 American Society of Civil Engineers Report Card for America's Infrastructure graded Utah's water infrastructures from a B- to D- (depending on category). It is estimated that \$38.2 billion in drinking water infrastructure projects and another \$15 billion in water quality infrastructure projects will be needed by 2060. This staggering price tag is one of the many challenges we face regarding our water needs for the future. Many of these expenses will be covered by the water providers themselves and a portion will come from federal and state funding sources. The Agricultural Water Optimization Task Force estimated that agricultural and irrigation projects cost over \$6 billion to address canal improvements, quantification and metering, and on-farm irrigation conversions.

In 2024, the Legislature passed HB 280, which updated the State Water Plan statute (73-10-15), modified the Water Development Coordinating Council, created a new Water Infrastructure Fund, required the creation of a Unified Water Infrastructure Plan that ranks and prioritizes water infrastructure projects in the state and requires the Division of Water Resources to do two studies. One is on analysis and consolidation recommendations of existing funds available for water infrastructure projects; the second is on a new fee to fund the projects identified in the Unified Water Infrastructure Plan. The bill also requires the Water Development Coordinating Council to submit a report concerning the funds or accounts that the relevant agency administers by October 1 annually.

Although federal grants from the Bipartisan Infrastructure Law have helped, long-term planning is essential to ensure that Utah can meet its growing water infrastructure needs, especially as large-scale projects become more common and funding requests outpace available resources.

Division of Water Quality – Water Quality Board

The Utah Water Quality Board administers its financial assistance programs through the Division of Water Quality (DWQ). DWQ serves as staff for the board and manages the day-to-day operation of the funds. Financial assistance is provided in the form of low-interest loans, principal forgiveness, hardship grants and advances for the planning, design and construction of wastewater infrastructure. DWQ provides regular financial status reports during Water Quality Board meetings. The report provides critical information regarding fund balances, projected revenues and project obligations. During the August 2024 Water Quality Board meeting, DWQ reported \$50.1 million of obligated funds (bonds or other agreements have been executed) and \$27.8 million of authorized funds, of these funds \$15.1 million obligated and \$3.1 million authorized were principal forgiveness. Principal forgiveness is a loan where the principal is forgiven having a result equivalent to a grant. DWQ presented an additional \$101.7 million of requested funds from six communities; however, available funds are approximately \$31 million. Fund balances have benefited overall from Bipartisan Infrastructure Law (BIL/IIJA) federal grants and state match appropriations. However, the base program for the Clean Water State Revolving Fund (CWSRF) has decreased due to congressionally directed spending programs. DWQ continues to coordinate with state and federal partners on opportunities to co-fund projects to meet the demand of water infrastructure funding needs.

Water Quality Board Status of Funds FY24

| FY24 Actuals | Federal WQ SRF Fund 5255 | WQ State Fund 5260 | Federal Hardship Fund 5250 | State Hardship Fund 5265 | State Originati on Fees Fund 5266 | Fed Originatio n Fees Fund 5267 | Total Water Quality |
|--|--------------------------------|-----------------------|----------------------------------|--------------------------------|---|--|------------------------|
| Beginning Balance | \$50,967,941 | \$29,587,357 | \$3,694,533 | \$17,254,692 | \$770,154 | \$1,962,567 | \$101,504,523 |
| Revenue | | | | | | | |
| <i>Dedicated Credits</i> | | | | | | | |
| 1600 Interest Income | \$1,185,232 | | \$166,064 | \$2,895,212 | | | \$4,246,508 |
| 1601 Interest/Fees on Loans | \$2,201,726 | \$1,457 | \$765,471 | \$262,513 | | | \$3,231,167 |
| 1606 Investment Fair Value Adjustment | | | | | | | |
| 1531/2260 Late Fees | \$24,882 | | | | | | \$24,882 |
| 2935 Grants Recovery | | | | | | | |
| 2324 Facility Loan Fees | | | | | \$336,700 | | |
| <i>Federal Revenue</i> | | | | | | | |
| <i>Program Grants</i> | | | | | | | |
| <i>IIJA</i> | | | | | | | |
| 4744 Operating Transfers | | \$5,801,700 | | | | | \$5,801,700 |
| 4990 Adjustment to Beginning Fund Balance | | | -\$95,000 | | | | |
| Principal Repayments | \$15,307,998 | \$2,442,738 | \$129,156 | \$17,872 | | | \$17,897,764 |
| 1998 Restricted Sales Tax | | \$3,587,500 | | | | | \$3,587,500 |
| Total Revenue - All Sources | \$18,719,838 | \$11,833,395 | \$965,691 | \$3,175,597 | \$336,700 | | \$34,694,521 |
| Ending Balance | \$42,087,556 | \$39,968,389 | \$2,678,215 | \$20,430,289 | \$1,042,354 | \$1,899,867 | \$108,106,670 |

Water Quality Board Projected Funds FY25 – Revenue

| FY25 Projections | Federal WQ SRF Fund 5255 | WQ State Fund 5260 | Federal Hardship Fund 5250 | State Hardship Fund 5265 | State Originati on Fees Fund 5266 | Fed Originatio n Fees Fund 5267 | Total Water Quality |
|--|--------------------------------|-----------------------|----------------------------------|--------------------------------|---|--|------------------------|
| Revenue | | | | | | | |
| <i>Dedicated Credits</i> | | | | | | | |
| 1600 Interest Income | \$1,185,232 | - | \$166,064 | \$2,895,212 | | | \$4,246,508 |
| 1601 Interest/Fees on Loans | \$2,200,210 | | \$780,765 | \$260,446 | | | \$3,241,420 |
| 1606 Investment Fair Value Adjustment | | | | | | | |
| 1531/2260 Late Fees | | | | | | | |
| 2935 Grants Recovery | | | | | | | |
| 2324 Facility Loan Fees | | | | | \$14,700 | \$120,530 | |
| <i>Federal Revenue</i> | | | | | | | |
| Program Grants | \$3,900,000 | | | | | | \$3,900,000 |
| ARPA | \$7,920,354 | | | | | | \$7,920,354 |
| IIJA | \$9,002,880 | | | | | | \$9,002,880 |
| 4744 Operating Transfers | | | | | | | |
| Principal Repayments | \$ 14,991,165 | \$2,596,779 | \$202,877 | | | | \$17,790,821 |
| 1998 Restricted Sales Tax | | \$3,587,500 | | | | | \$3,587,500 |
| Total Revenue - All Sources | \$ 39,199,841 | \$6,184,279 | \$1,149,706 | \$3,155,658 | \$14,700 | \$120,530 | \$49,689,484 |

Water Quality Board Projected Funds FY25 –Expenses

| FY25 Projections | Federal WQ SRF Fund 5255 | WQ State Fund 5260 | Federal Hardship Fund 5250 | State Hardship Fund 5265 | State Originati on Fees Fund 5266 | Fed Originatio n Fees Fund 5267 | Total Water Quality |
|--|--------------------------------|-----------------------|----------------------------------|--------------------------------|---|--|------------------------|
| Expenses | | | | | | | |
| <i>Project Disbursements</i> | \$55,822,121 | \$11,173,000 | \$2,236,800 | \$17,575,632 | | | \$86,807,553 |
| <i>Administrative Appropriations</i> | | \$2,035,000 | | | \$66,300 | \$66,300 | \$2,167,600 |
| <i>Other</i> | | | | | | | |
| Total Expenses | \$55,822,121 | \$13,208,000 | \$2,236,800 | 17,575,632 | \$66,300 | \$66,300 | \$88,975,153 |

Division of Drinking Water – Drinking Water Board

The data shows that the state's revolving fund programs are healthy. The Division of Drinking Water continues to work with recipients to close authorized financial assistance packages to improve drinking water infrastructure and protect public health. For the time being, funding provided through the Bipartisan Infrastructure Law is compensating for decreased appropriations to the BASE Drinking Water State Revolving Fund (DWSRF) Program. The decreased appropriations to the BASE DWSRF program are a direct result of how Congress has chosen to fund projects through the Congressionally Directed Spending program. Cash flow to meet existing project reimbursement demands is strong for the next few years. However, DWSRF staff and the Drinking Water Board need to remain cognizant of any changes to the current trends.

Drinking Water Board Status of Funds FY24

| FY24 Actuals | DWSRF Fund 5210 | Drinking Water State Fund 5235 | Federal Hardship Fund 5215 | State Hardship Fund 5240 | State Origination Fees Fund 5245 | Fed Origination Fees Fund 5246 | Total Drinking Water |
|---------------------------------------|---------------------|--------------------------------|----------------------------|--------------------------|----------------------------------|--------------------------------|----------------------|
| Beginning Balance | \$74,560,611 | \$21,926,603 | \$2,226,458 | \$2,737,676 | \$77,725 | \$456,899 | \$101,451,348 |
| Revenue | | | | | | | |
| <i>Dedicated Credits</i> | | | | | | | |
| 1600 Interest Income | \$3,682,419 | | -\$121,674 | \$1,661,313 | | | \$5,222,058 |
| 1601 Interest/Fees on Loans | \$1,302,458 | | \$1,192,072 | \$650,444 | | | \$3,144,974 |
| 1606 Investment Fair Value Adjustment | | | | | | | |
| 1531/2260 Late Fees | \$21,924 | \$17,467 | \$5,694 | | | | \$45,085 |
| 2935 Grants Recovery | | | | | | | |
| 2324 Facility Loan Fees | | | | | \$6,450 | \$30,700 | |
| Federal Revenue | \$5,006,800 | \$17,467 | \$1,076,092 | \$2,311,758 | \$6,450 | \$30,700 | \$8,412,117 |
| Program Grants | \$3,227,308 | | | | | | \$3,227,308 |
| ARPA | | | \$17,925,000 | | | | \$17,925,000 |
| IIJA | | | | | | | |
| 4744 Operating Transfers | \$3,093,100 | \$12,730,000 | | | | | \$15,823,100 |
| Principal Repayments | \$12,458,370 | \$2,643,948 | \$148,200 | | | | \$15,250,518 |
| 1998 Restricted Sales Tax | | \$3,587,500 | | | | | \$3,587,500 |
| Total Revenue - All Sources | \$28,792,379 | \$18,996,382 | \$20,225,384 | \$4,623,515 | \$12,900 | \$61,400 | \$72,711,960 |
| Ending Balance | \$61,497,689 | \$32,042,126 | \$3,027,570 | \$3,881,077 | \$35,075 | \$238,299 | \$100,448,462 |

Drinking Water Board Projected Funds FY25 – Revenue

| FY25 Projections | DW SRF Fund 5210 | DW State Fund 5235 | Federal Hardship Fund 5215 | State Hardship Fund 5240 | State Origination Fees Fund 5245 | Fed Origination Fees Fund 5246 | Total Drinking Water |
|--|---------------------|-----------------------|----------------------------------|--------------------------------|---|---|----------------------------|
| Revenue | | | | | | | |
| <i>Dedicated Credits</i> | | | | | | | |
| 1600 Interest Income | \$3,700,000 | | \$3,000 | \$72,000 | | | \$3,775,000 |
| 1601 Interest/Fees on Loans | \$900,000 | | \$1,200,000 | \$650,000 | | | \$2,750,000 |
| 1606 Investment Fair Value Adjustment | | | | | | | |
| 1531/2260 Late Fees | | | | | | | |
| 2935 Grants Recovery | | | | | | | |
| 2324 Facility Loan Fees | | | | | \$40,000 | | |
| Federal Revenue | \$4,600,000 | | \$1,203,000 | \$722,000 | \$40,000 | | \$6,525,000 |
| GY23 Base + GY22 Supp Draws | \$15,725,320 | | | | | | \$15,725,320 |
| ARPA Draws | | | \$15,000,000 | | | | \$15,000,000 |
| Emerging Contaminants (GY22 Draws) | \$6,885,000 | | | | | | |
| Lead Svc Line Replace (LSLR - GY22) | \$20,979,000 | | | | | | \$20,979,000 |
| 4744 Operating Transfers | \$3,200,800 | | | | | | \$3,200,800 |
| Principal Repayments | \$15,000,000 | \$3,000,000 | \$150,200 | | | | \$18,150,200 |
| 1998 Restricted Sales Tax | | \$3,587,500 | | | | | \$3,587,500 |
| Total Revenue - All Sources | \$70,990,120 | \$6,587,500 | \$17,556,200 | \$1,444,000 | \$80,000 | | \$96,657,820 |

Drinking Water Board Projected Funds FY25 – Expenses

| FY25 Projections | DW SRF Fund 5210 | DW State Fund 5235 | Federal Hardship Fund 5215 | State Hardship Fund 5240 | State Origination Fees Fund 5245 | Fed Origination Fees Fund 5246 | Total Drinking Water |
|--|---------------------|-----------------------|----------------------------------|-----------------------------------|---|---|----------------------------|
| Expenses | | | | | | | |
| <i>Project Disbursements</i> | \$53,589,320 | \$5,000,000 | \$15,500,000 | | | | \$74,089,320 |
| <i>Administrative Appropriations</i> | | | | | | | |
| <i>Other</i> | | | | | | | |
| Total Expenses | \$53,589,320 | \$5,000,000 | \$15,500,000 | | | | \$74,089,320 |

Division of Water Resources – Board of Water Resources

The Board of Water Resources funds various water projects through its revolving funds, each with its restrictions.

The Revolving Construction Fund (RCF) funds projects where the board's share is \$1,000,000 or less and provides grants to bring high-hazard dams up to current minimum standards. Only funds appropriated by the legislature as dam safety grant funds can be used for that purpose. While the RCF balance has benefited from large, one-time appropriations for dam safety grants in the last few years, the need still outweighs the funding available.

The City Water Loan fund (CWL) can only be used for municipal projects and has not been used much recently as many municipalities focused on secondary meter projects necessary to comply with new secondary metering requirements. However, with secondary projects nearing completion, municipalities are moving forward with other needed projects and seeking more board assistance.

The Conservation and Development (C&D) fund has grown over the last few years, but so have large funding requests. All secondary meter loans are being provided from the C&D, in accordance with board guidelines. In addition, the need for funding large projects is growing. In recent years, we've had several requests for funding ranging from \$30,000,000 to \$65,000,000. As Utah continues to grow, and grant funds diminish, the board's funds are being requested at a higher rate than in the past. And while the C&D fund balance is currently high, there is a portion of those funds (\$50M) that can only be used for water reuse projects in the Colorado River Basin, so the full balance is not available for regular board projects.

Board of Water Resources Status of Funds FY24 – Revenue

| FY24 Actuals | Revolving Construction Fund (RCF) 5270* | Cities Water Loans Fund (CWL) 5280 | Conservation & Development Fund (C&D) 5275 | Water Infrastructure Restricted Account (WIRA) 1180 | Total Water Resources |
|---|--|--|---|---|--------------------------|
| Beginning Balance | \$20,467,485 | \$7,147,719 | \$145,596,107 | \$224,633,064 | \$397,844,374 |
| Revenue | | | | | |
| <i>Dedicated Credits</i> | | | | | |
| 1600 Interest Income | \$1,451,590.71 | \$952,085.76 | \$9,991,039.03 | \$12,756,719.54 | \$25,151,435.04 |
| 1601 Interest/Fees on Loans | | \$109,635.59 | \$4,308,903.40 | | \$4,418,538.99 |
| 1531/2260 Late Fees | \$368.38 | \$655.89 | -\$5,689.84 | | -\$4,665.57 |
| 2538 Trust Lands Admin. Dist. Income | \$467,500.77 | | | | \$467,500.77 |
| 4744/4745 Operating Transfers In | \$28,800,000.00 | \$12,164,729.55 | \$216,894,799.27 | | \$257,859,528.82 |
| 4990 Adjustment to Beginning Fund Balance | | | \$39,615.32 | \$46,606.26 | |
| Principal Repayments | \$1,433,518.48 | \$651,000.00 | \$8,786,556.98 | | \$10,871,075.46 |
| 1998 Restricted Sales Tax | | | \$46,105,319.08 | \$63,950,375.38 | \$110,055,694.46 |
| Total Revenue - All Sources | \$32,152,978.34 | \$13,878,106.79 | \$286,120,543.24 | \$76,753,701.18 | \$408,905,329.55 |

*The Revolving Construction Fund includes dam safety grant funds, which cannot be used for other projects.

Board of Water Resources Status of Funds FY24 – Expenses

| FY24 Actuals | Revolving Construction Fund (RCF) 5270* | Cities Water Loans Fund (CWL) 5280 | Conservation & Development Fund (C&D) 5275 | Water Infrastructure Restricted Account (WIRA) 1180 | Total Water Resources |
|--|--|--|---|---|--------------------------|
| Beginning Balance | \$20,467,485 | \$7,147,719 | \$145,596,107 | \$224,633,064 | \$397,844,374 |
| Expenses | | | | | |
| <i>8000/8100 Operating Transfers Out</i> | | | \$8,405,700.00 | \$49,700,000.00 | \$58,105,700.00 |
| <i>6137 Prof. & Tech. Services</i> | | | \$311,185.09 | | \$311,185.09 |
| <i>7512 Special Grants</i> | \$12,794,188.29 | | | | \$12,794,188.29 |
| <i>Project Disbursements</i> | \$616,424.86 | | \$141,196,370.60 | | \$141,812,795.46 |
| <i>Administrative Appropriations</i> | | | | | |
| <i>Other</i> | | | | | |
| Total Expenses | \$13,410,613.15 | | \$149,913,255.69 | \$49,700,000.00 | \$213,023,868.84 |

*The Revolving Construction Fund includes dam safety grant funds, which cannot be used for other projects.

Board of Water Resources Status of Funds FY24 – Summary

| FY24 Actuals | Revolving Construction Fund (RCF) 5270* | Cities Water Loans Fund (CWL) 5280 | Conservation & Development Fund (C&D) 5275 | Water Infrastructure Restricted Account (WIRA) 1180 | Total Water Resources |
|--|--|--|---|---|--------------------------|
| Beginning Balance | \$20,467,485 | \$7,147,719 | \$145,596,107 | \$224,633,064 | \$397,844,374 |
| <i>Total Revenue – All Sources</i> | \$32,152,978.34 | \$13,878,106.79 | \$286,120,543.24 | \$76,753,701.18 | \$408,905,329.55 |
| <i>Total Expenses</i> | \$13,410,613.15 | | \$149,913,255.69 | \$49,700,000.00 | \$213,023,868.84 |
| Ending Balance | \$36,915,095.67 | \$18,771,596.09 | \$275,386,442.84 | \$251,765,504.77 | \$593,725,835.71 |

*The Revolving Construction Fund includes dam safety grant funds, which cannot be used for other projects.

Board of Water Resources Projected Funds FY25 – Revenue

| FY25 Projections | Revolving Construction Fund (RCF) 5270* | Cities Water Loans (CWL) Fund 5280 | Conservation & Development (C&D) Fund 5275 | Water Infrastructure Restricted Account (WIRA) 1180 | Total Water Resources |
|---|--|--|--|---|--------------------------|
| Revenue | | | | | |
| <i>Dedicated Credits</i> | | | | | |
| 1600 Interest Income | \$1,300,000.00 | \$500,000.00 | \$6,000,000.00 | \$12,000,000.00 | \$19,800,000.00 |
| 1601 Interest/Fees on Loans | | \$114,962.30 | \$5,262,902.98 | | \$5,377,865.28 |
| 1531/2260 Late Fees | | | | | |
| 2538 Trust Lands Admin. Dist. Income | \$400,000.00 | | | | \$400,000.00 |
| 4744/4745 Operating Transfers | \$3,800,000.00 | | \$50,000,000.00 | | \$53,800,000.00 |
| Principal Repayments | \$2,297,726.00 | \$799,000.00 | \$13,385,292.37 | | \$16,482,018.37 |
| 1998 Restricted Sales Tax | | | \$45,000,000.00 | \$62,000,000.00 | \$107,000,000.00 |
| Total Revenue - All Sources | \$7,797,726.00 | \$1,413,962.30 | \$119,648,195.35 | \$74,000,000.00 | \$202,859,883.65 |

*The Revolving Construction Fund includes dam safety grant funds, which cannot be used for other projects.

Board of Water Resources Projected Funds FY25 – Expenses

| FY25 Projections | Revolving Construction Fund (RCF) 5270* | Cities Water Loans (CWL) Fund 5280 | Conservation & Development (C&D) Fund 5275 | Water Infrastructure Restricted Account (WIRA) 1180 | Total Water Resources |
|-----------------------------------|---|------------------------------------|--|---|-------------------------|
| Expenses | | | | | |
| 8000/8100 Operating Transfers Out | | | \$8,500,000.00 | \$50,000,000.00 | \$58,500,000.00 |
| 6137 Prof. & Tech. Services | | | \$300,000.00 | | \$300,000.00 |
| 7512 Special Grants | \$10,000,000.00 | | | | \$10,000,000.00 |
| Project Disbursements | \$2,500,000.00 | \$13,000,000.00 | \$85,000,000.00 | | \$100,500,000.00 |
| Administrative Appropriations | | | | | |
| Other | | | | | |
| Total Expenses | \$12,500,000.00 | \$13,000,000.00 | \$93,800,000.00 | \$50,000,000.00 | \$169,300,000.00 |

*The Revolving Construction Fund includes dam safety grant funds, which cannot be used for other projects.

Department of Agriculture and Food – Utah Conservation Commission

The Utah Conservation Commission oversees the Water Optimization Account and the Agriculture Resources Development Loan (ARDL) Fund. The Water Optimization Account funds agricultural irrigation infrastructure projects that help producers optimize water use throughout the state. Projects are funded at a 50% cost share. On-farm projects can request up to \$500,000 and canal/irrigation company projects can request up to \$1,000,000 for each funding cycle from the program. Funds are used to implement various projects, including canal piping, pivot irrigation, subsurface drip irrigation systems, pipe and riser systems and many more. Every project receiving funds from the water optimization account must install a real-time measurement device which allows for greater accountability of agricultural water use. Each year, applications to the Agricultural Water Optimization Program have increased with no signs of slowing down. The Water Optimization Account is vital in assisting producers with the cost of implementing optimized irrigation projects. In most instances, agricultural producers are not financially able to implement the irrigation infrastructure upgrades on their own. Account dollars can often be matched with other funding opportunities as well. As water resources become more scarce in Utah, ongoing funding of the Water Optimization Program would allow agricultural producers to continue optimizing their water use.

The ARDL account is used to provide low-interest (currently 2.75-3.25%) loans to farmers and ranchers for projects that meet the program's conservation and pollution control goals. Operations of five or more acres with annual sales of at least \$1,000 are eligible to apply. The planned projects must be applied to farmland or ranchland. The goals of the program are to conserve soil resources, conserve water resources, increase agricultural yields, maintain and improve water quality, conserve and improve wildlife habitat, prevent flooding, conserve and/or develop on-farm energy and mitigate damages to agriculture as a result of flooding, droughts or other natural disasters.

Utah Conservation Commission Status of Funds FY24 – Revenue

| | Agriculture Resource Development Loan Fund 5460 | Water Optimization Account 1135 | |
|------------------------------------|---|--|----------------------|
| FY24 Actuals | | | Total UDAF |
| Beginning Balance | \$32,372,244 | \$3,042,765 | \$35,415,009 |
| Revenue | | | |
| <i>Dedicated Credits</i> | | | |
| 1600 Interest Income | \$1,226,367 | | \$1,226,367 |
| 1601 Interest/Fees on Loans | \$478,564 | | \$478,564 |
| 1802 Contracts for Services | \$2,300 | | \$2,300 |
| 1531 Late Fees | \$4,133 | | \$4,133 |
| 2539 Loan Administration Fee | \$54,838 | | \$54,838 |
| 1998 Restricted Sales Tax | \$525,000 | | \$525,000 |
| 4744/4745 Operating Transfers In | \$25,000,000 | \$170,000,000 | \$195,000,000 |
| Total Revenue - All Sources | \$27,291,201 | \$170,000,000 | \$197,291,201 |

Utah Conservation Commission Status of Funds FY24 – Expenses

| FY24 Actuals | Agriculture Resource Development Loan Fund 5460 | Water Optimization Account 1135 | Total UDAF |
|--|---|--|---------------|
| Beginning Balance | \$32,372,244 | \$3,042,765 | \$35,415,009 |
| Expenses | | | |
| <i>8000/8100 Operating Transfers Out</i> | | \$125,042,000 | \$125,042,000 |
| <i>Operating Expenses</i> | \$342,664 | | \$342,664 |
| Total Expenses | \$342,664 | \$125,042,000 | \$125,384,664 |

Utah Conservation Commission Status of Funds FY24 – Summary

| FY24 Actuals | Agriculture Resource Development Loan Fund 5460 | Water Optimization Account 1135 | Total UDAF |
|------------------------------------|---|--|---------------|
| Beginning Balance | \$32,372,244 | \$3,042,765 | \$35,415,009 |
| <i>Total Revenue - All Sources</i> | \$27,291,201 | \$170,000,000 | \$197,291,201 |
| <i>Total Expenses</i> | \$342,664 | \$125,042,000 | \$125,384,664 |
| Ending Balance | \$59,320,781 | \$48,000,765 | \$107,321,546 |

Utah Conservation Commission Projected Funds FY25 – Revenue

| FY25 Projections | ARDL Fund 5460 | Water Optimization Fund 1135 | Total UDAF |
|------------------------------------|--------------------|---------------------------------------|--------------------|
| Revenue | | | |
| <i>Dedicated Credits</i> | | | |
| 1600 Interest Income | \$1,226,367 | | \$1,226,367 |
| 1601 Interest/Fees on Loans | \$478,564 | | \$478,564 |
| 1802 Contracts for Services | \$2,300 | | \$2,300 |
| 1531 Late Fees | \$4,133 | | \$4,133 |
| 2539 Loan Administration Fee | \$54,838 | | \$54,838 |
| 1998 Restricted Sales Tax | \$525,000 | | \$525,000 |
| 4744/4745 Operating Transfers In | | | |
| Total Revenue - All Sources | \$2,291,201 | | \$2,291,201 |

Utah Conservation Commission Funds FY25 – Expenses

| FY25 Projections | ARDL Fund 5460 | Water Optimization Fund 1135 | Total UDAF |
|------------------------------|-------------------|---------------------------------------|------------------|
| Expenses | | | |
| <i>Project Disbursements</i> | | | |
| Operating Expenses | \$342,664 | | \$342,664 |
| Other | | | |
| Total Expenses | \$342,664 | | \$342,664 |

Department of Workforce Services – Division of Housing and Community Development

Housing and Community Development Boards

The Department of Workforce Services oversees the following four funds to facilitate housing and community development, which may sometimes include a water element. The Division of Housing and Community Development manages day-to-day operations for each of these funds and serves as staff for each funding board.

Permanent Community Impact Fund Board

The Permanent Community Impact Fund Board (CIB) provides loans and grants to counties, cities and towns that are impacted by mineral resource development on federal lands. Because local communities cannot collect taxes from federal lands, their ability to provide necessities like roads, municipal buildings, water and sewer service is diminished. To reduce that burden, a portion of the federal lease fees are returned to the Community Impact Board to distribute to the impacted communities.

Financial assistance is provided in the form of grants, 0% loans and interest bearing loans to public entities for public infrastructure (not limited to water/sewer). The board provides regular financial status reports during its meetings. The report provides critical information regarding fund balances, and if possible, projected revenues. The board receives applications for funding three times per fiscal year: June 1, October 1 and February 1.

In FY24, The board awarded \$7,947,692 in water funding. (\$5,161,692 grant and \$2,786,000 loan). FY2024 Annual Report is on the website: [Jobs.utah.gov/housing/community/cib/index](https://jobs.utah.gov/housing/community/cib/index).

Community Development Block Grant Policy Board

The Community Development Block Grant (CDBG) program is a federally funded national program that grants federal funds to assist with community development in primarily moderate to low-income areas. The funds are allocated nationally formulaically to eligible entities, including the state of Utah, depending entirely on the spending authorized in the federal budget. The state, through the division, in turn, grants the funds to eligible entities that are primarily in rural areas of the state. The division supports the state CDBG Policy Board, which outlines state-wide program priorities and oversees seven local area rating and ranking committees. Each of these local committees has the flexibility to establish the funding priorities in their areas based on local needs and priorities and oversee the process of rating and prioritizing applications based on established criteria.

Division staff process requests for funds, manage contract agreements between the state and local grantees and perform all necessary federal reporting and compliance measures. The seven associations of governments across the state have contracted staff who act as local liaisons for the program and help

local cities, towns and counties apply for funding. CDBG funds are allocated on a competitive basis once a year in the spring based upon applications for funding brought by local eligible entities. Given the nature of these block grant funds, local grantees have great flexibility in determining what they will apply for, which can include funding for projects that will impact water systems.

In FY24, the state of Utah received from the federal government approximately \$5.5 million, of which \$427,000 was granted to two communities for water-related projects.

Uintah Basin Revitalization Fund Board

The Uintah Basin Revitalization Fund Board (UBRF) administers its financial assistance program through the division. Financial assistance is provided in the form of loans or grants (historically only grants) to the Ute Tribe as well as Uintah and Duchesne Counties. UBRF can fund water capital projects and infrastructure, however funding goes towards a wide variety of projects. At each UBRF board meeting, the division provides regular fund balance status reports which include the amount each entity has available to allocate for projects.

During FY2024, UBRF received approximately \$7.87 million total in new oil and gas severance taxes and funded \$997,869 toward one infrastructure project for an affordable housing subdivision which included water infrastructure. This was one of ten projects totaling approximately \$6.99 million in funding allocated. UBRF funds are regularly saved up and matched with local funds on projects.

Navajo Revitalization Fund Board

The Navajo Revitalization Fund Board (NRF) administers its financial assistance program through the the division. Financial assistance is provided within the Navajo lands in the form of loans or grants (historically only grants). NRF can fund water capital projects and infrastructure, however most funding goes towards housing projects. At each NRF board meeting, the division provides regular fund balance status reports which include the amount each Utah Navajo Chapter has available to allocate for projects. During FY2024, NRF received approximately \$1.19 million total in new oil and gas severance taxes but did not fund any water projects as part of the 20 projects funded at a total of approximately \$1.16 million. NRF regularly coordinates with the Utah Navajo Trust Fund Board and jointly funds most projects, including any water infrastructure projects.

Housing and Community Development Status of Funds FY24 – Revenue

| FY24 Actuals | CIB Mineral Lease Funds Fund 5285 | CIB Bonus Funds Fund 5290 | CDBG | NRF Fund 2115 | UBRF Fund 2135 |
|--|---|---------------------------------|--------------------|--------------------|---------------------|
| Beginning Balance | \$132,124,802 | \$157,320,278 | | \$9,271,328 | \$25,386,854 |
| Revenue | | | | | |
| <i>Dedicated Credits</i> | | | | | |
| 1600 Interest Income | \$10,572,515 | \$6,903,383 | | | |
| 1601 Interest/Fees on Loans | \$270,028 | \$6,959,382 | | | |
| 1606 Investment Fair Value Adjustment | \$219,533 | \$220,811 | | | |
| 1531/2260 Late Fees | \$58,504 | \$52,605 | | | |
| 2601 Interest Income | | | | \$518,766 | \$828,841 |
| 2935 Grants Recovery | \$420,118 | | | | |
| <i>Federal Revenue</i> | | | | | |
| Program Grants | | | \$6,807,141 | | |
| ARPA | | | -\$4,974 | | |
| 4745 Operating Transfers | \$36,102,623 | \$753,616 | | | |
| Principal Repayments | \$10,652,496 | \$23,029,449 | | | |
| Mine Occupation Taxes - Oil & Gas | | | | \$642,317 | \$8,465,368 |
| Total Revenue - All Sources | \$58,295,816 | \$37,919,246 | \$6,802,167 | \$1,161,083 | \$9,294,209 |
| Ending Balance | \$146,235,119 | \$147,086,478 | \$0 | \$9,500,397 | \$31,219,226 |

Housing and Community Development Projected Funds FY25 – Revenue

| FY25 Projections - Mineral Lease Deposits are monthly; amount varies. | CIB Mineral Lease Funds Fund 5285* | CIB Bonus Funds Fund 5290 | CDBG | NRF Fund 2115 | UBRF Fund 2135 |
|--|--|---------------------------------|--------------------|--------------------|--------------------|
| Revenue | | | | | |
| <i>Dedicated Credits</i> | | | | | |
| 1600 Interest Income | \$10,018,253 | \$6,030,419 | | | |
| 1601 Interest/Fees on Loans | \$253,744 | \$6,375,360 | | | |
| 1606 Investment Fair Value Adjustment | \$279,200 | \$219,342 | | | |
| 1531/2260 Late Fees | \$37,628 | \$43,215 | | | |
| 2601 Interest Income | | | | \$428,452 | \$689,685 |
| 2935 Grants Recovery | \$350,872 | | | | |
| Federal Revenue | | | | | |
| Program Grants | | | \$8,121,320 | | |
| ARPA | | | | | |
| 4745 Operating Transfers | \$42,447,235 | \$403,798 | | | |
| Principal Repayments | \$10,627,418 | \$26,525,637 | | | |
| Mine Occupation Taxes - Oil & Gas | | | | \$942,270 | \$8,247,314 |
| Total Revenue - All Sources | \$64,014,350 | \$39,597,771 | \$8,121,320 | \$1,370,721 | \$8,936,999 |

*Mineral Lease Deposits are monthly; amount varies.

Housing and Community Development Projected Funds FY25 – Expenses

| FY25 Projections - Mineral Lease Deposits are monthly; amount varies. | CIB Mineral Lease Funds Fund 5285* | CIB Bonus Funds Fund 5290 | CDBG | NRF Fund 2115 | UBRF Fund 2135 |
|--|--|---------------------------------|--------------------|--------------------|--------------------|
| Expenses | | | | | |
| Project Disbursements | \$36,053,500 | \$53,800,000 | \$7,721,320 | \$1,500,000 | \$5,000,000 |
| Administrative Appropriations | \$550,000 | \$400,000 | \$400,000 | \$74,000 | \$52,400 |
| Other | | | | | |
| Total Expenses | \$36,603,500 | \$54,200,000 | \$8,121,320 | \$1,574,000 | \$5,052,400 |

*Mineral Lease Deposits are monthly; amount varies.