

Water Efficiency Grant Fund Notice
Availability of Funds for the Period July 1, 2008-June 30, 2009

A recent interpretation of Colorado's statutes authorizing and appropriating money for water conservation planning and implementation grants, has resulted in a determination that less than \$50,000 is available to meet Water Efficiency Grant Fund (WEGF) purposes in the current fiscal year.

This means that little or no money is available to meet the need for new grants. Therefore, the Office of Water Conservation and Drought Planning will not be processing new grant applications until this fiscal problem is resolved.

The CWCB will be working hard to resolve this issue as soon as possible, but because legislation is required to remedy the problem, it is likely that no money will be available before March 1, 2009 at the earliest.

The CWCB is working with the Governor's office to draft legislation to remedy the following statutory fiscal issues:

(1) The WEGF authorization (37-60-126 C.R.S.) must be amended to add terms allowing prior fiscal year encumbrances, which carry forward into future fiscal years, to be charged against the appropriation from the year in which the funds were originally encumbered. Without such an amendment, the CWCB must meet its past contractual obligations with this year's money. This reduces the amount of funds available because previous fiscal "encumbrance/obligations" are carried forward without the prior year's appropriation.

(2) The WEGF statute must be amended to allow unspent funds from the prior fiscal year, that are reverted to the WEGF, to be spent because there is currently no authority to spend this money. As a result, the remaining funds in the WEGF (well over \$1 million) cannot be utilized.

(3) The statute also needs to be clarified so that the Section (Section 12 (a)) appropriating money for operational expenses matches the bill's (SB 07-008) appropriation clause (Section 4) that also provided on-going FTE. Therefore, statutory appropriation needs to be increased to cover both the operational and FTE costs.

We regret to inform you of this fiscal problem and we urge you to prepare your grant applications to correspond with the availability of funds in March 2009 or beyond.

If you have questions, please email them to Ben Wade at ben.wade@state.co.us.