



**COLORADO**  
**Colorado Water Conservation Board**  
Department of Natural Resources

1313 Sherman Street, Room 718  
Denver, CO 80203  
P (303) 866-3441  
F (303) 866-4474

Jared Polis, Governor  
Dan Gibbs, DNR Executive Director  
Rebecca Mitchell, CWCB Director

**TO:** Colorado Water Conservation Board Members

**FROM:** Kirk Russell, P.E., Finance Section Chief

**DATE:** May 17-18, 2023 Board Meeting

**AGENDA ITEM:** 17b. Financial Matters - Construction Fund and Severance Tax PBF  
2024 Projects Bill Funding Projections

---

**Introduction (This is for information only and no action is necessary)**

This agenda item provides the Board and the public an update on the unreserved cash available for the upcoming NonReimbursable Project Investment Grants (NRI) application deadline. Projects approved by the Finance Committee in September and the full Board in November will be recommended to the General Assembly for inclusion in the 2024 CWCB Projects Bill.

Every year the CWCB accepts applications for NRIs on August 1. These applications are vetted by staff to ensure the project fits CWCB's statutory authority for funding and per Policy 14 is of "statewide impact or importance". Policy 14 also provides a guide to prioritize projects in the event applications exceed funds available.

In previous years, the determination of 'funds available' was provided to the Board at the Finance Committee which is after applications are submitted. Due to several changes in funding sources, including: Prop DD (Water Plan Grant funding); WSRF's annual distribution from SevTax PBF; Funding set aside for Recovery Programs; etc., staff is better prepared to estimate funding availability for NRIs at the May Board Meeting annually.

Staff determines the available funding based on fund balances; funds currently reserved for use; revenue from interest, Federal Mineral Lease (FML), Severance Tax (SevTax), and a target growth of the fund to stay up with construction inflation per Policy 13. Staff is estimating \$25M to be available for NRI's this year. This estimate will be impacted by changes in revenue; however, it is not expected to have a significant impact on this number.

Its important to note that traditionally the CWCB funds several projects annually. This includes projects such as: Satellite Monitoring, Floodplain Risk Management, Weather Modification Permitting Program, Litigation Fund, and Colorado Mesonet Enhancements. These NRI's total about \$4 to \$5M annually.

In summary, \$25M is available for applications on August 1, 2023. The following table is a high level look at how this is determined.



**Estimation of available NRI funds for the 2024 Projects Bill**

	CF (\$M)	ST (\$M)	Total (\$M)	
Current Unreserved Fund Equity	\$ 551	\$ 437	\$ 988	
FY2023 Revenue (Non-Principal)				
Interest earnings	\$ 13	\$ 12	\$ 25	(+)
FML	\$ 15		\$ 15	(+)
SevTax (10yr Avg)		\$ 40	\$ 40	(+)
Total			\$ 80	
FY2023				
Operations, Statute, WSRF	\$ 12	\$ 3	\$ 15	(-)
Fund Growth @ 4%	\$ 40		\$ 40	(-)
Total			\$ 55	(-)
Available for NRI applications			\$ 25	