

## Department of Water Resources

	FY 2025 ACTUAL	FY 2026 ESTIMATE	FY 2027 BASELINE
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	204.0	210.0	210.0
Personal Services	8,537,500	9,564,200	9,564,200
Employee Related Expenditures	3,115,100	3,522,900	3,522,900
Professional and Outside Services	868,600	1,064,800	1,064,800
Travel - In State	104,200	104,400	104,400
Travel - Out of State	64,100	65,900	65,900
Other Operating Expenditures	1,961,200	1,885,700	1,885,700
Equipment	35,100	35,400	35,400
<b>OPERATING SUBTOTAL</b>	<b>14,685,800</b>	<b>16,243,300</b>	<b>16,243,300</b>
<b>SPECIAL LINE ITEMS</b>			
Adjudication Support	1,916,500	1,957,900	1,957,900 <sup>1/</sup>
Assured and Adequate Water Supply Administration	2,386,500	2,591,200	2,591,200 <sup>2/</sup>
Automated Groundwater Monitoring	405,300	427,000	427,000
Arizona Water Protection Fund Deposit	750,000	750,000	750,000
Brackish Groundwater Study	9,400	0	0
Colorado River Legal Expenses	107,000	500,000	500,000 <sup>3/ 4/</sup>
Colorado River Litigation Fund Deposit	0	1,000,000	0
Conservation and Drought Program	413,300	443,300	443,300
Rural Water Studies	1,291,400	1,317,700	1,317,700 <sup>5/</sup>
Santa Rosa Canal Groundwater Delivery	8,124,600	0	0
Statewide Water Resources Planning	2,174,500	0	0
Water Supply and Demand Assessment	3,507,800	3,614,400	3,614,400
<b>AGENCY TOTAL</b>	<b>35,772,100</b>	<b>28,844,800</b>	<b>27,844,800 <sup>6/</sup></b>
<b>FUND SOURCES</b>			
General Fund	34,280,700	25,077,500	25,077,500
<u>Other Appropriated Funds</u>			
Assured and Adequate Water Supply Administration Fund	191,600	301,300	301,300
Long-Term Water Augmentation Fund	0	1,741,100	741,100
Water Resources Fund	1,299,800	1,724,900	1,724,900
SUBTOTAL - Other Appropriated Funds	1,491,400	3,767,300	2,767,300
<b>SUBTOTAL - Appropriated Funds</b>	<b>35,772,100</b>	<b>28,844,800</b>	<b>27,844,800</b>
Other Non-Appropriated Funds	6,726,500	7,432,000	7,432,000
Federal Funds	5,126,000	24,160,100	513,500
<b>TOTAL - ALL SOURCES</b>	<b>47,624,600</b>	<b>60,436,900</b>	<b>35,790,300</b>

**AGENCY DESCRIPTION** — The Department of Water Resources administers and enforces Arizona’s groundwater and surface water law, as well as legally representing the state’s water rights. The department also participates in surveying water level and quality and planning flood control.

### FOOTNOTES

- 1/ Monies in the adjudication support line item may be used only for the exclusive purposes prescribed in section 45-256, Arizona Revised Statutes, and section 45-257, subsection B, paragraph 4, Arizona Revised Statutes. The department of water resources may not transfer any monies into or out of the adjudication support line item. (General Appropriations Act footnote)
- 2/ Monies in the assured and adequate water supply administration line item may be used only for the exclusive purposes prescribed in sections 45-108, 45-576, 45-577, 45-578 and 45-579, Arizona Revised Statutes. The department of water

resources may not transfer any monies into or out of the assured and adequate water supply administration line item. (General Appropriations Act footnote)

- 3/ This appropriation is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. (General Appropriations Act footnote)
- 4/ The department of water resources may not transfer any monies from the Colorado River legal expenses line item without prior review by the joint legislative budget committee. (General Appropriations Act footnote)
- 5/ The legislature intends that monies in the rural water studies line item be spent only to assess local water use needs and to develop plans for sustainable future water supplies in rural areas outside this state's active management areas and not be made available for other department operating expenditures. (General Appropriations Act footnote)
- 6/ General Appropriations Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

**Operating Budget**

The Baseline includes \$16,243,300 and 111 FTE Positions in FY 2027 for the operating budget. These amounts consist of:

	<u>FY 2027</u>
General Fund	\$14,277,300
Water Resources Fund	1,224,900
Long-Term Water Augmentation Fund	741,100

These amounts are unchanged from FY 2026.

The FY 2026 budget included an ongoing increase of \$741,100 and 6 FTE Positions from the Long-Term Water Augmentation Fund (LTWAF) in FY 2026 for additional technical and legal support to protect Arizona's groundwater and the state's Colorado River water rights.

**Adjudication Support**

The Baseline includes \$1,957,900 and 21 FTE Positions from the General Fund in FY 2027 for Adjudication Support. These amounts are unchanged from FY 2026.

A.R.S. § 45-256 requires the Department of Water Resources (DWR) to provide technical and administrative support to judicial proceedings involving water rights claims in the Gila River and Little Colorado River watersheds, which include approximately two-thirds of the land within the state.

**Assured and Adequate Water Supply Administration**

The Baseline includes \$2,591,200 and 25 FTE Positions in FY 2027 for Assured and Adequate Water Supply (AAWS) Administration. These amounts consist of:

General Fund	2,289,900
AAWS Administration Fund	301,300

These amounts are unchanged from FY 2026.

Within the state's 7 Active Management Areas (AMAs), all new subdivisions must either obtain a Certificate of Assured Water Supply from the Department of Water Resources or obtain a commitment of water service from a municipal provider designated as having an Assured Water Supply. An applicant for a Certificate of Assured Water Supply or a Designation of Assured Water Supply must demonstrate the availability of water for the next 100 years.

The state has 7 AMAs, which cover the following general regions: Douglas, Prescott, Phoenix, Pinal, Tucson, Santa Cruz, and Willcox.

New developers outside the 7 AMAs may obtain a commitment of water service from a municipal water provider designated as having an Adequate Water Supply or developers must obtain from the department a report of the water available to the new subdivision for 100 years before any lots may be sold. In most areas outside the AMAs, if the water supply report determined the water supply to be inadequate, lots may still be sold, but buyers must be notified of the determination. In certain areas outside the AMAs, lots may not be sold unless the water supply is determined to be adequate for 100 years.

**Automated Groundwater Monitoring**

The Baseline includes \$427,000 and 3 FTE Positions from the General Fund in FY 2027 for Automated Groundwater Monitoring. These amounts are unchanged from FY 2026.

This line item funds automated measuring instruments, which provide daily measurements of groundwater levels. This information is used to support the administration of all the department's water management programs.

**Arizona Water Protection Fund Deposit**

The Baseline includes \$750,000 from the General Fund in FY 2027 for the Arizona Water Protection Fund Deposit line item. This amount is unchanged from FY 2026.

This line item funds an annual deposit to the Arizona Water Protection Fund. The fund provides grants for projects that protect water quality and quantity, as well as to maintain, enhance and restore rivers, streams, and associated riparian habitats. The Water Protection Fund Commission reviews grants and determines annual recipients. The FY 2025 budget reduced the annual deposit from the General Fund to the Arizona Water Protection Fund from \$1,250,000 to \$750,000.

#### ***Brackish Groundwater Study***

The budget includes no funding in FY 2027 for a Brackish Groundwater Study. This amount is unchanged from FY 2026.

The FY 2024 budget allocated \$100,000 of one-time funding from the General Fund and directed DWR to review and update studies on the availability of brackish groundwater in this state. The monies in this line item are non-lapsing. As of November 2025, \$200 remains from this appropriation.

#### ***Colorado River Legal Expenses***

The Baseline includes \$500,000 from the Water Resources Fund in FY 2027 for Colorado River Legal Expenses. This amount is unchanged from FY 2026.

This line item is for the Department of Water Resources to use for legal expenses related to the Colorado River. The monies in this line item are non-lapsing. The FY 2026 budget transferred prior year unexpended and unencumbered appropriations totaling \$1,964,900 to the new Colorado River Litigation Fund. *(See the Colorado River Litigation Fund Deposit line item below and the Department of Water Resources narrative in the FY 2026 Appropriations Report.)*

#### ***Colorado River Litigation Fund Deposit***

The Baseline includes no funding in FY 2027 for the Colorado River Litigation Fund Deposit line item. Adjustments are as follows:

##### **One- Time Deposit**

The Baseline includes a decrease of \$(1,000,000) from the Long-Term Water Augmentation Fund in FY 2027 for the removal of a one-time deposit to a new Colorado River Litigation Fund.

The FY 2026 Environment Budget Reconciliation Bill established a non-appropriated Colorado River Litigation Fund to be used by DWR for the sole purpose of participating in litigation defending the state's apportionment.

Section 125 of the FY 2026 General Appropriations Act transferred prior year unexpended and unencumbered appropriations for Colorado River Legal Expenses and Lower Colorado River Litigation Expenses to the new fund, which included remaining monies from the FY 2016, FY 2017, FY 2021 and FY 2022 appropriations. The remaining monies transferred totaled \$1,964,900. Of this amount, \$964,900 was from the General Fund and \$1,000,000 from the Water Resources Fund. With these resources, the fund will have \$2,964,900 in available monies.

#### ***Conservation and Drought Program***

The Baseline includes \$443,300 and 5 FTE Positions from the General Fund in FY 2027 for the Conservation and Drought Program. These amounts are unchanged from FY 2026.

This line item funds assistance to local communities to assess conservation needs and assists rural communities in the development of conservation programs. This also includes the Community Water Systems program, including but not limited to annual water use reporting (mailings, electronic notification, and submittals), improvements to increase efficiencies of reporting and data collection, data analysis, and compliance.

#### ***Rural Water Studies***

The Baseline includes \$1,317,700 and 11 FTE Positions from the General Fund in FY 2027 for Rural Water Studies. These amounts are unchanged from FY 2026

This line item funds the department's administration, data collection, and evaluation of rural water studies. Local communities use these funds to assess local water use needs and to develop plans for sustainable future water supplies in rural areas outside the state's AMAs. The studies are primarily conducted and administered by local and federal partners, with the department providing technical support as needed or financial assistance.

#### ***Santa Rosa Canal Groundwater Delivery***

The budget includes no funding in FY 2027 for the Santa Rosa Canal Groundwater Delivery line item. This amount is unchanged from FY 2026.

The FY 2024 budget allocated \$25,000,000 of one-time funding from the General Fund to distribute monies for the construction of alternative infrastructure to deliver groundwater to the Ak-Chin Indian Community by means other than the Santa Rosa Canal.

An alternative delivery method is needed due to a settlement between the Maricopa-Stanfield Irrigation and

Drainage District (MSIDD), the Central Arizona Irrigation and Drainage District (CAIDD) and the Ak-Chin Indian community related to water quality and water salinity issues. Pursuant to a FY 2024 budget footnote, the monies are to be distributed equally between the MSIDD and the CAIDD. The monies in this line item are non-lapsing. As of November 2025, \$13,880,300 remains from this appropriation.

### **Statewide Water Resources Planning**

The Baseline includes no funding in FY 2027 for statewide water resources planning. This amount is unchanged from FY 2026.

The FY 2024 budget included \$5,000,000 of one-time funding from the General Fund for additional support for statewide water resources planning. The monies in this line item are non-lapsing. The agency has spent \$2,379,500 from this appropriation as of November 2025. As of November 2025, \$2,620,500 remains from this appropriation.

### **Water Supply and Demand Assessment**

The Baseline includes \$3,614,400 and 34 FTE Positions from the General Fund in FY 2027 for the Water Supply and Demand Assessment line item. These amounts are unchanged from FY 2026.

The monies in this line item provide funding for the Department of Water Resources to meet the statutory requirement to prepare, issue and submit water supply and demand assessments for at least 6 of the 51 groundwater basins and initial AMAs established in statute on or before December 1 of each year. An assessment is to be completed for all the groundwater basins at least once every 5 years. The Department of Water Resources may contract with outside entities to perform some or all of the assessments.

DWR completed studies in 2023 and 2024 for the following 21 groundwater basins: Agua Fria, Big Sandy, Butler Valley, Cienega Creek, Donnelly Wash, Douglas AMA, Gila Bend, Harquahala INA, Lower San Pedro, McMullen Valley, Prescott AMA, Ranegras Plain, San Bernardino Valley, Santa Cruz AMA, San Rafael, Tiger Wash, Tonto Creek, Upper Hassayampa, Upper San Pedro, Verde River and Willcox. In FY 2025, the Department of Water Resources plans to conduct 13 studies: Aravaipa Canyon, Bill Williams, Bonita Creek, Coconino Plateau, Dripping Springs Wash, Duncan Valley, Hualapai Valley, Little Colorado Plateau, Morenci, Sacramento Valley, Safford, Salt River, and San Simon Wash.

## **Other Issues**

### **Statutory Changes**

The Baseline would:

- As session law, continue to allow the department's Water Protection Fund Commission to spend up to \$336,000 on administrative functions out of their unobligated balances in FY 2027.

### **Colorado River Usage Reductions**

The Colorado River system supplies water to 7 states and to Mexico. The use of water from the river was established by a compact between the states signed in 1922 and subsequent agreements about the delivery, storage, and use of water.

A 2007 agreement mandated a series of reductions to the state's allocation as the water levels decrease in the Colorado River system, measured by the water level in Lake Mead. Subsequently, the Drought Contingency Plan (DCP) signed in May 2019 by all the relevant states and federal government institutes more immediate reductions at amounts higher than the 2007 agreement to preserve water in Lake Mead.

Due to current declines, the federal government deemed additional usage reductions would be necessary through the end of 2026. After negotiations, Arizona, California, and Nevada agreed to reduce their combined water use by 3,000,000 acre-feet through the end of 2026. This agreement has been submitted and recognized as the preferred approach by the federal Bureau of Reclamation.

These agreements expire in 2026. Before the end of 2026, the US Department of Interior will develop new guidelines in consultation with the states and water users. Consultation and negotiations are currently occurring.

SUMMARY OF FUNDS	FY 2025 Actual	FY 2026 Estimate
<b>Arizona System Conservation Fund (WCA9900/A.R.S. § 45-118)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations and grants and contributions from private and public entities.		
<b>Purpose of Fund:</b> Reduce Colorado River water use by funding conservation measures, water diversions, and forgoing water deliveries. The fund is repealed from and after March 31, 2027.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	9,463,400	9,853,400
<b>Arizona Water Banking Fund (WCA2110/A.R.S. § 45-2425)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> General Fund appropriations and fees associated with the purchase, lease, storage, accreditation, and delivery of Colorado River water to municipalities and industrial water users. Revenue also comes from a portion of the 4% property tax collected by CAWCD to pay for water storage. By law, each Active Water Management Area (AMA) has its own subaccount within the fund. This fund operates on the calendar year. Because fees and taxes are collected at the end of the fiscal year, the Year-End Fund Balances are not reflective of the calendar year-end balances.		
<b>Purpose of Fund:</b> To purchase and store the unused portion of Arizona's Colorado River water allotment. The department provides administrative support for this fund, but control of expenditures is vested with AWBA.		
<b>Funds Expended</b>	2,744,600	2,744,800
<b>Year-End Fund Balance</b>	1,434,500	767,300
<b>Arizona Water Protection Fund (WCA1302/A.R.S. § 45-2111)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> From purchases or leases of CAP water and legislative appropriations.		
<b>Purpose of Fund:</b> To provide grants for projects that protect water quality and quantity, as well as to maintain, enhance, and restore rivers, streams, and associated riparian habitats. The Water Protection Fund Commission reviews grant applications and determines annual recipients. The department provides administrative support for this fund, but control of expenditures is vested with the commission.		
<b>Funds Expended</b>	777,800	778,100
<b>Year-End Fund Balance</b>	3,050,300	3,149,300
<b>Arizona Water Quality Fund (WCA2304/A.R.S. § 45-618)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> From annual Water Quality Assurance Revolving Fund (WQARF) transfers negotiated with the Arizona Department of Environmental Quality (ADEQ), as well as from legislative appropriations, grants, and contributions from other public agencies.		
<b>Purpose of Fund:</b> To inspect wells for groundwater contamination and to take appropriate remedial action on contaminated wells. Inspections are done in conjunction with the ADEQ WQARF program.		
<b>Funds Expended</b>	172,300	172,600
<b>Year-End Fund Balance</b>	117,300	91,500
<b>Assured and Adequate Water Supply Administration Fund (WCA2509/A.R.S. § 45-580)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Fees for applications relating to adequate and assured water supply regulations for newly-created subdivisions.		
<b>Purpose of Fund:</b> To support the costs and expenses incurred when determining and declaring compliance with assured and adequate water supply regulations.		
<b>Funds Expended</b>	191,600	301,300
<b>Year-End Fund Balance</b>	84,200	(62,100)
<b>Augmentation and Conservation Assistance Fund (WCA2213/A.R.S. § 45-615)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> A portion of fees for groundwater withdrawal in Active Water Management Areas (AMA).		
<b>Purpose of Fund:</b> Generally, to support water supply augmentation projects, such as groundwater recharge, as well as AMA conservation programs. By law, each AMA has its own subaccount within the fund.		
<b>Funds Expended</b>	733,200	733,200
<b>Year-End Fund Balance</b>	2,314,500	2,342,300

SUMMARY OF FUNDS	FY 2025 Actual	FY 2026 Estimate
<b>Colorado River Litigation Fund (WCA2533/A.R.S. § 45-119)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Monies appropriated to the fund by the Legislature.		
<b>Purpose of Fund:</b> For initiating, defending or participating in litigation related to Arizona's apportionment of Colorado River water or any other rights of Arizona regarding Colorado River under the Compact of 1922, Boulder Canyon Project Act of 1928, Colorado River Decree of 1964, Colorado River Basin Project Act of 1968 or any other federal law that affects this state's apportionment or the right to divert water controlled by the United States or to exercise this state's entitlement to water. Monies may not be used to initiate litigation against any entity holding an entitlement to this state's apportionment of Colorado River water.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	2,964,900
<b>Colorado River Water Use Fee Clearing Account (WCA2538/A.R.S. § 45-333)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Fees assessed to those who divert and consume water from the mainstream of the Colorado River.		
<b>Purpose of Fund:</b> Monies are transferred to the Lower River Multispecies Conservation Program.		
<b>Funds Expended</b>	24,000	24,000
<b>Year-End Fund Balance</b>	0	0
<b>Coronavirus State and Local Fiscal Recovery Fund (WCA2985/P.L. 117-2)</b>		<b>Federal Funds</b>
<b>Source of Revenue:</b> Federal monies appropriated in the American Rescue Plan Act (P.L. 117-2).		
<b>Purpose of Fund:</b> To provide emergency support to households, small businesses, nonprofits, workers performing essential work, and certain industries negatively impacted by the COVID-19 pandemic. To extend government services that received a reduction in revenue as a result of the COVID-19 pandemic. To make investments in water, sewer, and broadband infrastructure.		
<b>Funds Expended</b>	4,610,100	23,646,600
<b>Year-End Fund Balance</b>	1,006,600	0
<b>Dam Repair Fund (WCA2218/A.R.S. § 45-1212.01)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, dam safety inspection fees, and filing fees.		
<b>Purpose of Fund:</b> Generally, to offer loans and grants for private dam owners to make non-emergency repairs, and for program operations.		
<b>Funds Expended</b>	42,700	43,000
<b>Year-End Fund Balance</b>	8,787,400	9,519,400
<b>Employee Recognition Fund (WCA2449/A.R.S. § 41-709)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Gifts and donations from a public entity, a private entity, or any person.		
<b>Purpose of Fund:</b> To be used for the agency's employee recognition program.		
<b>Funds Expended</b>	2,900	3,300
<b>Year-End Fund Balance</b>	3,000	1,700
<b>Federal Grants (WCA2000/A.R.S. § 45-105)</b>		<b>Federal Funds</b>
<b>Source of Revenue:</b> Grants from the federal government.		
<b>Purpose of Fund:</b> To support water protection, rural water studies, and water banking initiatives, as well as certain operating expenses.		
<b>Funds Expended</b>	515,900	513,500
<b>Year-End Fund Balance</b>	519,300	475,800
<b>Flood Warning System Fund (WCA1021/A.R.S. § 45-1503)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, grants, and contributions from other public agencies.		
<b>Purpose of Fund:</b> To develop a flood warning system, purchase flood warning equipment, and provide assistance to local entities on a cost sharing basis for the planning, design, installation, operation, and maintenance of flood warning systems.		
<b>Funds Expended</b>	14,400	15,000
<b>Year-End Fund Balance</b>	364,000	364,000

SUMMARY OF FUNDS	FY 2025 Actual	FY 2026 Estimate
<b>General Adjudication Personnel and Support Fund (SPA1098/A.R.S. § 12-117)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Monies appropriated to the fund by the Legislature.		
<b>Purpose of Fund:</b> For the Supreme Court to provide additional personnel for general adjudication, case management, and other support equipment and the Department of Water Resources for additional personnel, equipment, and services related to general adjudication. The fund is exempt from A.R.S. § 35-190, relating to lapsing of appropriations. Expenditures from this fund are not displayed to avoid double counting General Fund monies.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>General Adjudication Fund (WCA2191/A.R.S. § 45-260)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Court fees paid by water claimants and from legislative appropriations.		
<b>Purpose of Fund:</b> To cover postage and other costs of serving legal notices to water rights claimants and of publicizing court proceedings. Also to remit filing fees to the courts.		
<b>Funds Expended</b>	14,600	14,600
<b>Year-End Fund Balance</b>	38,600	39,800
<b>Indirect Cost Recovery Fund (WCA9000/A.R.S. § 45-104)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Cost allocation transfers of federal and other non-appropriated funds.		
<b>Purpose of Fund:</b> To provide various indirect administrative services.		
<b>Funds Expended</b>	585,500	706,000
<b>Year-End Fund Balance</b>	1,004,800	514,800
<b>Interagency Service Agreement Fund (WCA2500/A.R.S. § 35-142)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Collections from other state and local agencies.		
<b>Purpose of Fund:</b> To pay for projects based upon interagency service agreements with other agencies.		
<b>Funds Expended</b>	399,200	305,800
<b>Year-End Fund Balance</b>	75,600	41,000
<b>Long-Term Water Augmentation Fund (WCA6100/A.R.S. § 49-1302)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, federal monies, interest, gifts, grants, donations, and any other monies received for the purpose of the fund. The fund may also receive revenues from the sale of long-term water augmentation bonds and from public-private partnership agreements.		
<b>Purpose of Fund:</b> To fund water supply development projects, including those that import water from outside of Arizona and other related expenses such as water studies, assessments, and environmental reviews. The FY 2026 budget appropriated \$1,000,000 for a deposit to the Colorado River Litigation Fund and \$741,100 for water protection funding in DWR's operating budget.		
<b>Funds Expended</b>	0	1,741,100
<b>Year-End Fund Balance</b>	0	0
<b>Production and Copying Fund (WCA2411/A.R.S. § 45-115)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> From monies received for department publications and for copies of department records. Any amount in excess of \$20,000 at the end of each fiscal year reverts to the Water Resources Fund.		
<b>Purpose of Fund:</b> To produce and distribute department publications, as well as to copy department records.		
<b>Funds Expended</b>	0	1,000
<b>Year-End Fund Balance</b>	4,900	3,900
<b>Publication and Mailing Fund (WCA2410/A.R.S. § 45-116)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> From monies received for the publication and mailing of legal notices as required by law. Any amount in excess of \$20,000 at the end of each fiscal year reverts to the Water Resources Fund.		
<b>Purpose of Fund:</b> To publish and mail legal notices.		
<b>Funds Expended</b>	0	3,000
<b>Year-End Fund Balance</b>	8,600	5,600

SUMMARY OF FUNDS	FY 2025 Actual	FY 2026 Estimate
<b>Purchase and Retirement Fund (WCA2474/A.R.S. § 45-615)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> A portion of fees for groundwater withdrawal in AMAs.		
<b>Purpose of Fund:</b> To purchase and retire grandfathered groundwater rights, those entitlements legally owned or used before the creation of an AMA in a given area. By law, each AMA has its own subaccount within the fund.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	160,600	160,600
<b>Statewide Donations Fund (WCA2025/A.R.S. § 45-105)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Grants, gifts or donations of money or other property from any source.		
<b>Purpose of Fund:</b> Funds may be used for any purpose consistent with the duties and powers of the Director of the Department of Water Resources as described in statute.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	177,500	177,500
<b>Temporary Groundwater and Irrigation Efficiency Projects Fund (WCA9901/A.R.S. § 45-615.01)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> General Fund monies, groundwater withdrawal fees collected in the Pinal Active Management Area (AMA), grants from federal agencies, and monies deposited in the fund by qualified irrigation districts in the Phoenix AMA, the Pinal AMA and the Harquahala Irrigation Non-expansion Area (INA).		
<b>Purpose of Fund:</b> Funding projects for the construction and rehabilitation of wells and related infrastructure for the withdrawal and efficient delivery of groundwater by qualified irrigation districts in the Phoenix AMA, the Pinal AMA, and the Harquahala INA. This fund is repealed from and after March 31, 2028. On June 30, 2027, any unencumbered monies in the fund shall be proportionally distributed to fund contributors by December 31, 2027 according to the total amount of monies deposited in the fund by each contributor. For the Pinal AMA, the proportion of the unencumbered monies attributable to groundwater withdrawal fees collected for groundwater and irrigation efficiency projects from December 31, 2019 to December 31, 2026 shall be deposited in the Arizona Water Banking Fund only for use in the Pinal AMA for water banking purposes including replenishment		
<b>Funds Expended</b>	39,000	1,400,000
<b>Year-End Fund Balance</b>	5,819,800	5,810,800
<b>Water Resources Fund (WCA2398/A.R.S. § 45-117)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Consists of monies from legislative appropriations, donations, and fees collected by the Department of Water Resources to carry out its statutory functions, as well as existing fees that had been deposited into the General Fund.		
<b>Purpose of Fund:</b> Fees deposited in the Water Resources Fund are to be held in trust and only used to carry out its statutory responsibilities including management of the state's water supplies, enforcing groundwater laws, and representing the state's water rights.		
<b>Funds Expended</b>	1,299,800	1,724,900
<b>Year-End Fund Balance</b>	1,669,900	(81,700)
<b>Well Administration and Enforcement Fund (WCA2491/A.R.S. § 45-606)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Well-drilling filing and permit fees.		
<b>Purpose of Fund:</b> To monitor, investigate, and enforce regulations concerning the construction, replacement, deepening, and abandonment of wells, as well as the capping of open wells.		
<b>Funds Expended</b>	1,176,300	487,600
<b>Year-End Fund Balance</b>	287,500	319,900