



## MANAGEMENT BOARD

### *Information Summary*

May 12, 2010

#### **Subject**

Director Herb Guenther, of the Arizona Department of Water Resources (ADWR), will present information regarding the ADWR budget and reorganization.

#### **Policy Question**

What are ADWR's strategic priorities and how should these priorities be funded?

#### **Summary**

Staffing levels at the ADWR have declined from 236 authorized Full Time Equivalents (FTE) at the beginning of FY 2009 to 98 FTE following reorganization of the Department in April 2010.

Funding levels for ADWR have declined from \$21,601,400 in FY 2009 to \$16,879,900 in FY 2010 to \$7,083,300 in FY 2011. Indications are that there will be an effort to eliminate General Fund appropriations for ADWR in FY 2012.

In the 2010 Legislative Session, ADWR anticipated a reduction in General Fund support from the Legislature and began a stakeholder process to revise and increase its existing fee structure. This process resulted in a two-tiered approach with hourly and flat rate fees for permits issued by ADWR. It is anticipated that these fees will generate between \$2 million and \$3 million for the agency.

ADWR was established to manage and implement the Arizona Groundwater Management Code; provide basic hydrologic data and groundwater modeling on a statewide basis; regulate the underground storage of excess Colorado River water and treated wastewater; protect Arizona's allocation of Colorado River water; permit surface water uses; serve as the technical advisor to the Court for the General Stream Adjudications; protect the public through administration of dam safety and floodplain management programs; and provide water resource planning assistance to protect and enhance Arizona's quality of life and economic development.

Director Guenther will present to the Board ADWR's recent reorganization in response to the budget cuts adopted by the Legislature. He will also discuss some of the water issues facing ADWR.

## **Considerations**

ADWR budget reductions are part of the Governor's and the Legislature's efforts to address the State's budget problems.

Adequate funding for ADWR is necessary to achieve the objectives set forth in AMWUA's Water Policy Resolutions.

## **Prior Committee Action**

Director Guenther made a presentation to the AMWUA Board of Directors in November 2009.

## **Recommendation**

This is an informational item. No action is being sought at this time.

## **Attachment**

Power Point Presentation by Herb Guenther dated April 23, 2010.