

## Water Infrastructure Finance Authority

	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2017 BASELINE
<b>SPECIAL LINE ITEMS</b>			
Water Supply Development Revolving Fund Deposit	0	0	0
<b>AGENCY TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUND SOURCES</b>			
General Fund	0	0	0
<b>SUBTOTAL - Appropriated Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Non-Appropriated Funds	154,204,000	238,938,500	238,938,500
Federal Funds	25,904,100	37,020,100	37,020,100
<b>TOTAL - ALL SOURCES</b>	<b>180,108,100</b>	<b>275,958,600</b>	<b>275,958,600</b>

**AGENCY DESCRIPTION** — The Water Infrastructure Finance Authority (WIFA) finances the construction, rehabilitation, and/or improvement of drinking water, waste water, waste water reclamation, and other water quality facilities/projects. The agency also provides general administrative support to the Greater Arizona Development Authority (GADA). The Chairman of the WIFA board is the Director of the Arizona Department of Environmental Quality (ADEQ) or the Director's representative.

### **Water Supply Development Revolving Fund Deposit**

The Baseline includes no funding from the General Fund in FY 2017 for the non-appropriated Water Supply Development Revolving Fund. This amount is unchanged from FY 2016.

The FY 2015 General Appropriation Act (Laws 2014, Chapter 18, Section 135) included a one-time \$1,000,000 FY 2015 General Fund appropriation to the Water Supply Development Revolving Fund. This appropriation was repealed in the FY 2016 General Appropriation Act (Laws 2015, Chapter 8).

Laws 2007, Chapter 226 established the Water Supply Development Revolving Fund. Prior to FY 2015, however, no funding had been previously appropriated for the purpose of community lending. Monies in the fund were to be used to provide financial assistance to construct water supply projects to water providers in Arizona, particularly in rural areas, lacking sufficient water supplies to meet their long-term water demands. Financial assistance for water supply development projects as defined in statute includes support for the planning or design of projects, direct loans for projects, or using funds as security for bonded projects.

<b>SUMMARY OF FUNDS</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Estimate</b>
<b>Clean Water Revolving Fund (WFA2254/A.R.S. § 49-1221)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, federal capitalization grants, loan repayments, loan servicing fees, donations, and interest.		
<b>Purpose of Fund:</b> To make loans for capital improvements at wastewater treatment facilities of political subdivision and Indian tribes. The fund is also used for debt refinancing, bond insurance related to wastewater treatment plants, and for fund administration.		
<b>Funds Expended</b>	104,157,900	171,371,400
<b>Year-End Fund Balance</b>	67,202,600	160,654,700
<b>Drinking Water Revolving Fund (WFA2307/A.R.S. § 49-1241)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, federal capitalization grants, loan repayments, loan servicing fees, donations, and interest.		
<b>Purpose of Fund:</b> To make loans to drinking water facilities, including forgivable principal, of political subdivisions and Indian tribes. The fund is also used for debt refinancing, bond insurance related to drinking water plants, and for fund administration.		
<b>Funds Expended</b>	49,927,000	67,353,900
<b>Year-End Fund Balance</b>	78,857,700	45,284,600

SUMMARY OF FUNDS	FY 2015 Actual	FY 2016 Estimate
<b>Federal Funds (WFA2000/A.R.S. § 49-1203)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal grants related to water supply management, and other programs.		
<b>Purpose of Fund:</b> To be used as specified by federal law.		
<b>Funds Expended</b>	25,904,100	37,020,100
<b>Year-End Fund Balance</b>	43,600	43,600
<b>Greater Arizona Development Authority Revolving Fund (WFA2311/A.R.S. § 41-2254)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, federal monies, gifts, grants, donations, loan repayments, administrative fees and penalties, and interest.		
<b>Purpose of Fund:</b> To help rural communities meet their infrastructure needs. The Greater Arizona Development Authority (GADA) may issue bonds, guarantee debt obligations, and provide technical and financial assistance to political subdivisions, special districts, and Indian tribes. Legislative appropriations to the GADA Revolving Fund may only be used to secure bonds. The state funding only serves as collateral for the loans and is not directly loaned out. The fund was capitalized with \$20,000,000 from the General Fund between FY 1998 and FY 2000. Other revenue to the fund may be used for GADA's operating costs, as well as technical and financial assistance to communities.		
<b>Funds Expended</b>	111,000	213,200
<b>Year-End Fund Balance</b>	13,344,100	13,290,900
<b>Small Water Systems Fund (WFA2225/A.R.S. § 49-355)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations and interest.		
<b>Purpose of Fund:</b> To provide emergency grants to repair or replace water infrastructure.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Water Supply Development Revolving Fund (WFA2336/A.R.S. § 49-1271)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, federal monies, gifts, grants, donations, loan repayments, administrative fees and penalties, and interest. The FY 2015 General Appropriation Act (Laws 2014, Chapter 18) made a one-time General Fund appropriation to the fund in FY 2015, but this was ex-appropriated by the FY 2016 General Appropriation Act (Laws 2015, Chapter 8).		
<b>Purpose of Fund:</b> To provide financial assistance to construct water supply projects for water providers in Arizona, particularly in rural areas, lacking sufficient water supplies to meet their long-term water demands. Financial assistance for water supply development projects as defined in statute includes support for the planning or design of projects, direct loans for projects, or using funds as security for bonded projects.		
<b>Funds Expended</b>	8,100	0
<b>Year-End Fund Balance</b>	0	0