

# STATE OF COLORADO

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## Colorado Water Conservation Board

### Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Kirk Russell, PE, Chief  
Finance & Administration Section

DATE: July 3, 2013

SUBJECT: **Agenda Item 24a, July 16-17, 2013 Board Meeting**  
**Finance – Construction Fund and Sev. Tax Trust Fund Perpetual Base Account**  
**Projections and Cash Balance Report**

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John W. Hickenlooper  
Governor

Mike King  
DNR Executive Director

James Eklund  
CWCB Director

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

This agenda item provides updated financial information for the Board's use in evaluating the availability of funds from the Construction Fund and the Severance Tax Trust Fund Perpetual Base Account for non-reimbursable project investments, new loans and increases to existing loan authorizations. A Cash Balance Report and Financial Projections Report will be distributed at the Board meeting due to the timing of available information. The Report utilizes information prepared by Clifton Larson Allen, LLP, Severance Tax and Federal Mineral Lease projections prepared by the Legislative Council, interest earnings/repayment schedules prepared by CWCB staff.

#### **Finance Staff Statement**

As of the date of this memo, sufficient cash is available to fund the staff recommendations for the new loans and any changes to existing loans that will follow this agenda item.

#### **Description**

The **Cash Balance Report** is used by the Finance Section staff to assure the Board that unreserved cash is available for new loans and revisions to existing loans which are presented to the Board. Historically, the report has shown ample cash available for loans recommended for approval; however, since the cash transfers from the CWCB's two fund/accounts to the General Fund, the Cash Balance Report has become extremely important. If at any time, the CWCB does not have the cash available, the Board will provide direction as to which projects will receive priority when cash becomes available based on Financial Policy #12.

The **Financial Projections** shows the 'big picture' of the annual projection and money available for the CWCB operating expenses, non-reimbursable project investments, modifications to previous loan authorizations and new construction project loans. The Financial Projections provides an estimate of the CWCB revenues during the fiscal year and the anticipated expenditures.

The Finance Section will present a recap the 2012/13 fiscal year and provide the Board with the first projections of fiscal year 2013/14.