

STATE OF COLORADO

Colorado Water Conservation Board

Department of Natural Resources

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TO: Colorado Water Conservation Board Members

John W. Hickenlooper
Governor

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

Mike King
DNR Executive Director

DATE: September 13, 2013

James Eklund
CWCB Director

SUBJECT: **Agenda Item 27a, September 24-25, 2013 Board Meeting**
Finance – Construction Fund and Severance Tax Perpetual Base Fund
Projections and Cash Balance Report

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 Perpetual Base Fund for non-reimbursable project investments, new loans and increases to existing loan authorizations. A Financial Projections and Cash Balance 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. The Report typically shows ample cash available for loans recommended for approval; however, if the Funds do 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 show 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.