

# 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: Steve Biondo, Finance Manager  
Kirk Russell, P. E., Chief  
Finance & Administration Section

DATE: November 8, 2013

SUBJECT: **Agenda Item 26a, November 19-20, 2013, Board Meeting**  
**Finance – Construction Fund and Severance Tax Trust Fund Perpetual Base Account Annual Financial Statements**

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John W. Hickenlooper  
Governor

Mike King  
DNR Executive Director

James Eklund  
CWCB Director

*This is an informational item only. No Board action is required.*

The Colorado Water Conservation Board (CWCB) has contracted with a responsible independent accounting firm for the purpose of preparing Compilation Reports (Reports) of the CWCB Construction Fund (CF) and Severance Tax Trust Fund Perpetual Base Account (STTFPBA) Financial Statements.

CWCB entered into a contract with CliftonLarsonAllen, LLP in July 2011 to complete the work outlined in the Scope of Work for the Reports during the 2011 bidding process.

The CF and STTFPBA Financial Statements Update will be presented and questions will be addressed for the Fiscal Year ending June 30, 2013 at the November 2013 Board Meeting. CWCB Executive Summaries and Comparative Financial Statements for the Fiscal Years 2013, 2012, and 2011 are attached for informational purposes only.

#### Attachments:

1. CWCB Construction Fund Executive Summary
2. CWCB Construction Fund Financial Statements
3. CWCB Severance Tax Trust Fund Executive Summary
4. CWCB Severance Tax Trust Fund Financial Statements

## CWCB CONSTRUCTION FUND EXECUTIVE SUMMARY

The Construction Fund (CF) for the year ended June 30, 2013 saw an increase of approximately \$43 million in the net assets of the CF. The balance in the net assets is comprised of those assets that are restricted for loans and those that are unrestricted. Overall the restricted balance at year-end was \$393,093,486; this is a \$66,458,267 increase in restricted assets from the prior year.

During 2013, the CF disbursed approximately \$17.6 million to entities in the form of low interest rate loan contracts to aid in the protection and development of the waters of the State of Colorado. The largest three of these loan contracts were to the Tri-County Water Conservancy District for approximately \$7,752,000 (a portion of the \$13,130,000 loan), Ordway Feedyard, LLC for approximately \$1,406,000 (a portion of the \$2,525,000 loan), and Fort Morgan Reservoir and Irrigation Company for approximately \$1,192,000 (100% of the loan). These three contracts account for approximately 60% of the loan disbursements for the year ended June 30, 2013. The loan disbursements made during the year ended June 30, 2013 were offset by an increase in new projects under contract, causing the net asset component of "Restricted for authorized projects under contract" to increase by approximately \$2.5 million from \$35,301,685 at June 30, 2012 to \$37,796,458 at June 30, 2013. The CF received \$21,567,917 in principal repayments from participating entities for the fiscal year ending June 30, 2013 as compared to \$17,726,445 for the year ended June 30, 2012.

**NET POSITION at June 30, 2013**



Restricted for loans * =	\$226 M	( 53.7%)
Restricted for water rights =	\$ 36 M	( 8.5%)
Restricted for authorized projects ** =	\$131 M	( 31.3%)
Unrestricted (Available Cash) =	\$ 27 M	( 6.5%)
Total Fund Equity =	<u>\$420 M</u>	(100.0%)

**Note:** \* This includes loans in repayment and disbursements for loan projects in progress.

\*\* This includes both loan and non-reimbursable water projects in progress.

Interest revenue and other revenue increased by \$20,220,605 from \$38,228,992 at June 30, 2012 to \$58,449,597. Much of that related to a \$21 million dollar increase in transfers from the STTFPBA, which was \$32,000,000 during the year ended June 30, 2013. Mineral Lease income that is allocated to the Fund was \$11,570,160. Under Senate Bill 12S-002, Animas La Plata, Rio Grande and Chatfield Reservoir received funds for projects.

Operating expenses remained relatively stable, increasing by \$481,258, from the year ended June 30, 2012 to the year ended June 30, 2013. Non-reimbursable expenses increased \$3,705,184, due primarily to the disbursement of a Natural Resource Damage Settlement Program grant of approximately \$2,000,000 for the Terrace Reservoir Spillway Replacement Project.

In July 2009, \$60,000,000 of the funds transferred to the State of Colorado general fund were returned to the CF. The State of Colorado did not return any additional transfers to the CF during the years ended June 30, 2013 and 2012. However, Senate Bill 13-236 provides for an amount up to \$30 million that could be transferred to the CF if a surplus in the General Fund is determined for the Fiscal Year 2013-14.

Prepared by Steve Biondo, CWCB Finance Manager, with the assistance of CliftonLarsonAllen.

**COLORADO WATER CONSERVATION BOARD  
CONSTRUCTION FUND  
Denver, Colorado**

**FINANCIAL STATEMENTS  
June 30, 2013, 2012 and 2011**

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## **Accountants' Compilation Report**

Board of Directors  
Colorado Water Conservation Board  
Denver, Colorado

We have compiled the accompanying statements of net position of Colorado Water Conservation Board, Construction Fund as of June 30, 2013, 2012 and 2011 and the related statements of revenue, expenses and changes in net position for the years then ended, and the accompanying supplementary information, which is presented only for additional analysis purposes. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements and supplementary schedules in accordance with accounting principles generally accepted in the United States of America, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary schedules.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements and supplementary schedules without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and supplementary schedules.

Generally accepted accounting principles require that loan origination fees received from borrowers, net of certain direct loan origination costs, if any, be deferred and recognized as an adjustment of the related loan yield using the interest method. Management has informed us that the Construction Fund has recognized loan origination fees as income in the year received. The effect of this departure from generally accepted accounting principles on financial position and results of operations has not been determined.

The financial statements of the Colorado Water Conservation Board, Construction Fund are intended to present the financial position of only that portion of the funds of the Colorado Water Conservation Board that is attributable to the transactions of the Colorado Water Conservation Board, Construction Fund.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Colorado Water Conservation Board, Construction Fund's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has elected to omit the management's discussion and analysis information that is required to be presented for additional analysis. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
October 31, 2013

**COLORADO WATER CONSERVATION BOARD**  
**CONSTRUCTION FUND**  
**STATEMENTS OF NET POSITION**  
**June 30, 2013, 2012 and 2011**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 151,983,838	\$ 127,725,050	\$ 103,667,367
Interest receivable on loans	3,594,536	4,122,768	3,391,944
Loans receivable	6,005,369	6,270,577	5,142,056
Prepaid items	43,132	8,441	58,074
	<u>161,626,875</u>	<u>138,126,836</u>	<u>112,259,441</u>
<b>NONCURRENT ASSETS</b>			
Loans receivable - long-term - net of allowance for uncollectible account of \$211,771 in 2013, \$220,129 in 2012 and \$377,522 in 2011	222,491,774	226,218,571	237,440,563
Interest receivable - long term	3,317,545	3,607,350	3,894,855
Water rights	35,868,420	12,000,000	-
Total noncurrent assets	<u>261,677,739</u>	<u>241,825,921</u>	<u>241,335,418</u>
 Total assets	 <u>\$ 423,304,614</u>	 <u>\$ 379,952,757</u>	 <u>\$ 353,594,859</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 3,039,764	\$ 2,507,989	\$ 2,936,010
Total liabilities	<u>3,039,764</u>	<u>2,507,989</u>	<u>2,936,010</u>
<b>NET POSITION</b>			
Restricted			
Restricted for water rights	35,868,420	12,000,000	-
Restricted for loans	225,809,319	229,825,921	241,335,418
Restricted for authorized projects under contract	37,796,458	35,301,685	20,755,477
Restricted for authorized projects not under contract	93,619,289	49,507,613	58,091,851
Unrestricted	27,171,364	50,809,549	30,476,103
Total net position	<u>420,264,850</u>	<u>377,444,768</u>	<u>350,658,849</u>
 Total liabilities and net position	 <u>\$ 423,304,614</u>	 <u>\$ 379,952,757</u>	 <u>\$ 353,594,859</u>

See accountants' compilation report.



**COLORADO WATER CONSERVATION BOARD  
CONSTRUCTION FUND  
STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
Years Ended June 30, 2013, 2012 and 2011**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>OPERATING REVENUE</b>			
Interest revenue			
Net investment income	\$ 1,486,607	\$ 1,453,298	\$ 1,808,901
Interest earnings - loans	<u>8,998,555</u>	<u>8,698,209</u>	<u>9,046,024</u>
Total interest revenue	<u>10,485,162</u>	<u>10,151,507</u>	<u>10,854,925</u>
Other revenue			
Mineral lease income	11,570,160	15,748,096	14,722,345
Transfer from Severance Tax Trust Fund	33,000,000	12,000,000	12,000,000
Service charge on loans	908,851	135,808	252,717
Other	<u>2,485,424</u>	<u>193,581</u>	<u>267,685</u>
Total other revenue	<u>47,964,435</u>	<u>28,077,485</u>	<u>27,242,747</u>
Total operating revenue	<u>58,449,597</u>	<u>38,228,992</u>	<u>38,097,672</u>
<b>OPERATING EXPENSE</b>			
Interdepartmental operations			
CWCB - Operations	5,966,201	5,405,849	5,409,274
Division of Water Resources	431,019	380,261	433,967
Satellite monitoring	273,015	335,029	295,575
Executive Director's office	710,797	763,642	661,700
Attorney General's office	471,573	486,566	404,570
Nonreimbursable investments	<u>7,776,910</u>	<u>4,071,726</u>	<u>4,068,919</u>
Total operating expense	<u>15,629,515</u>	<u>11,443,073</u>	<u>11,274,005</u>
<b>OPERATING INCOME/CHANGE IN NET POSITION</b>	42,820,082	26,785,919	26,823,667
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>377,444,768</u>	<u>350,658,849</u>	<u>323,835,182</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 420,264,850</u>	<u>\$ 377,444,768</u>	<u>\$ 350,658,849</u>

See accountants' compilation report.

## **SUPPLEMENTARY INFORMATION**

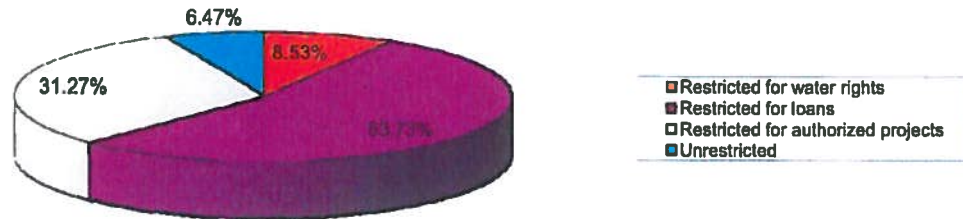
**COLORADO WATER CONSERVATION BOARD**  
**CONSTRUCTION FUND**  
**SCHEDULES OF CASH SOURCES AND USES**  
**Years ended June 30, 2013, 2012 and 2011**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>CASH SOURCES</b>			
Mineral lease income	\$ 11,570,160	\$ 15,748,096	\$ 14,722,345
Interest received on investments	1,486,607	1,453,298	1,808,901
Interest received on loans	9,816,592	8,254,890	8,674,705
Principal received on loans	21,567,917	17,726,445	5,461,920
Service charge on loans	908,851	135,808	252,717
Transfer from Severance Tax Trust Fund	33,000,000	12,000,000	12,000,000
Other revenue	2,485,424	193,581	267,685
	<u>80,835,551</u>	<u>55,512,118</u>	<u>43,188,273</u>
<b>CASH USES</b>			
Loan disbursements to borrowers	17,567,554	7,475,581	9,088,851
Nonreimbursable investments	7,279,826	4,450,114	3,608,860
Interdepartmental operations	7,860,963	7,528,740	6,984,956
Water rights acquisition	23,868,420	12,000,000	-
	<u>56,576,763</u>	<u>31,454,435</u>	<u>19,682,667</u>
<b>CASH SOURCES IN EXCESS OF CASH USES</b>	24,258,788	24,057,683	23,505,606
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>127,725,050</u>	<u>103,667,367</u>	<u>80,161,761</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 151,983,838</u>	<u>\$ 127,725,050</u>	<u>\$ 103,667,367</u>

See accountants' compilation report

**COLORADO WATER CONSERVATION BOARD  
CONSTRUCTION FUND  
Graphs of Components of Net Position  
June 30, 2013, 2012 and 2011**

**NET POSITION at June 30, 2013**



**NET POSITION at June 30, 2012**



**NET POSITION at June 30, 2011**



	2013	2012	2011
Restricted for water rights	\$ 35,868,420	\$ 12,000,000	\$ -
Restricted for loans	225,809,319	229,825,921	241,335,418
Restricted for authorized projects	131,415,747	84,809,298	78,847,328
Unrestricted	27,171,364	50,809,549	30,476,103
Total net position	<u>\$ 420,264,850</u>	<u>\$ 377,444,768</u>	<u>\$ 350,658,849</u>

See accountants' compilation report

## CWCBS SEVERANCE TAX TRUST FUND EXECUTIVE SUMMARY

The Severance Tax Trust Fund Perpetual Base Account (STTFPBA) for the year ended June 30, 2013 saw an increase of approximately \$3.5 million in net assets. The balance in the net assets is comprised of those assets that are restricted for loans, those restricted for transfers, and those that are unrestricted. Overall the restricted balance for loans and authorized projects at June 30, 2013 was \$235,292,649 which is a \$12,208,634 decrease in restricted assets from June 30, 2012. This decrease is primarily related to the early repayment of outstanding loans. In addition, the STTFPBA disbursed \$1,522,560 of new loans for the year ended June 30, 2013. The two largest loans disbursed during the year ended June 30, 2013 were to the Republican River Water Conservation District for approximately \$916,000 (a portion of the \$60,600,000 loan) and the Penrose Water District for approximately \$466,000 (a portion of the \$8,844,570 loan) which account for approximately 91% of the total loan disbursements from the STTFPBA for the year ended June 30, 2013.

House Bill 10-1250 authorized the State Treasurer to transfer \$36,000,000 from the STTFPBA to the CF for the purchase of all or a portion of Colorado's allotment of the Animas-La-Plata project water. The final transfer of \$12,000,000 was made on July 1, 2012. If, on June 30, 2015, any monies appropriated to the Construction Fund have not been fully expended, the unexpended money would be de-authorized and returned to the STTFPBA.

### NET POSITION at June 30, 2013



Restricted for loans * =	\$150 M	( 48.2%)
Restricted for authorized projects ** =	\$ 85 M	( 27.2%)
Restricted for transfer to CF =	\$ 17 M	( 5.4%)
Unrestricted (Available Cash) =	<u>\$ 60 M</u>	<u>( 19.2%)</u>
Total Fund Equity =	<u>\$312 M</u>	<u>(100.0%)</u>

**Note:** \* This includes loans in repayment and disbursements for loan projects in progress.

\*\* This includes both loan and non-reimbursable water projects in progress.

Revenue for the year ended June 30, 2013 decreased from \$57 million during the year ended June 30, 2012 to \$38 million during the year ended June 30, 2013. This is due primarily to a significant decrease in the amount of severance tax revenue that was earned on oil and gas production.

Operating expenses decreased over the prior year as a result of the decrease in funds transferred by the STTFPBA.

In fiscal year 2013, Senate Bill 13-181 approved transfers from the STTFPBA to the CF, including \$15,000,000 for the Rio Grande Cooperative Project and \$2,000,000 for the Windy Gap Reservoir Bypass Channel Project. These transfers were scheduled during the first half of fiscal year 2014 and accordingly, have been removed from unrestricted net assets at June 30, 2013 and placed as restricted under amounts being transferred to the CF. Senate Bill 13-181 authorized other amounts to be transferred from the STTFPBA. However, such amounts are not scheduled to be transferred until after July 1, 2014, and have therefore not been reflected as a restriction on June 30, 2013 net assets.

Prepared by Steve Biondo, CWCB Finance Manager, with the assistance of CliftonLarsonAllen.

**COLORADO WATER CONSERVATION BOARD  
SEVERANCE TAX TRUST FUND  
Denver, Colorado**

**FINANCIAL STATEMENTS  
June 30, 2013, 2012 and 2011**

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## **Accountants' Compilation Report**

Board of Directors  
Colorado Water Conservation Board  
Denver, Colorado

We have compiled the accompanying statements of net position of Colorado Water Conservation Board, Severance Tax Trust Fund - Perpetual Base Account as of June 30, 2013, 2012 and 2011, and the related statements of revenue, expenses and changes in net position for the years then ended and the accompanying supplementary information, which is presented only for additional analysis purposes. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements and supplementary schedules in accordance with accounting principles generally accepted in the United States of America, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary schedules.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements and supplementary schedules without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and supplementary schedules.

The financial statements of the Colorado Water Conservation Board, Severance Tax Trust Fund - Perpetual Base Account are intended to present the financial position of only that portion of the funds of the Colorado Water Conservation Board that is attributable to the transactions of the Colorado Water Conservation Board, Severance Tax Trust Fund - Perpetual Base Account.

In fiscal year 2013, Senate Bill 13S-181 approved transfers from the Severance Tax Fund to the Construction Fund, including \$15,000,000 for the Rio Grande cooperative project and \$2,000,000 for the Windy Gap project. These transfers are scheduled during the first half of fiscal year 2014 and accordingly, have been removed from unrestricted net position at June 30, 2013 and placed as restricted under amounts being transferred to the Construction Fund. Senate Bill 12S-002 authorized other amounts to be transferred from the Severance Tax Trust Fund. However, such amounts are not scheduled to be transferred until after July 1, 2014, and have therefore not been reflected as a restriction on June 30, 2013 net position.

House Bill 10-1250 authorized the State Treasurer to transfer \$36,000,000 from the Severance Tax Trust Fund to the Construction Fund for the purchase of all or a portion of Colorado's allotment of the Animas-La-Plata project water. The first two installment transfers of \$12,000,000 to the Construction Fund account were made on June 30, 2011 and June 30, 2012. On July 1, 2013, \$12,000,000 was transferred into the Construction Fund. If, on June 30, 2015, any monies appropriated to the Construction Fund have not been fully expended, the unexpended money would be deauthorized and returned to the Severance Tax Trust Fund.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Colorado Water Conservation Board, Severance Tax Trust Fund - Perpetual Base Account financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has elected to omit the management's discussion and analysis information that is required to be presented for additional analysis. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
October 31, 2013

**COLORADO WATER CONSERVATION BOARD**  
**SEVERANCE TAX TRUST FUND - PERPETUAL BASE ACCOUNT**  
**STATEMENTS OF NET POSITION**  
**June 30, 2013, 2012 and 2011**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 152,977,023	\$ 134,923,682	\$ 127,927,951
Interest receivable on loans	2,765,024	4,660,512	4,536,687
Loans receivable	6,208,336	3,725,486	4,297,845
Due from the State of Colorado	-	6,089,621	-
Total current assets	<u>161,950,383</u>	<u>149,399,301</u>	<u>136,762,483</u>
<b>NONCURRENT ASSETS</b>			
Loans receivable - long-term	<u>150,407,923</u>	<u>159,469,689</u>	<u>175,553,093</u>
Total noncurrent assets	<u>150,407,923</u>	<u>159,469,689</u>	<u>175,553,093</u>
 Total assets	 <u>\$ 312,358,306</u>	 <u>\$ 308,868,990</u>	 <u>\$ 312,315,576</u>
<b>LIABILITIES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>NET POSITION</b>			
Restricted			
Restricted for loans	\$ 150,408,233	\$ 159,469,689	\$ 175,552,046
Restricted for authorized projects under contract	18,472,949	21,115,121	38,227,599
Restricted for authorized projects not under contract	66,411,467	66,916,473	66,941,715
Restricted for transfer to construction fund	17,000,000	32,000,000	-
Restricted for transfer to general fund	-	-	25,000,000
Unrestricted	<u>60,065,657</u>	<u>29,367,707</u>	<u>6,594,216</u>
Total net position	<u>312,358,306</u>	<u>308,868,990</u>	<u>312,315,576</u>
 Total liabilities and net position	 <u>\$ 312,358,306</u>	 <u>\$ 308,868,990</u>	 <u>\$ 312,315,576</u>

See accountants' compilation report

**COLORADO WATER CONSERVATION BOARD**  
**SEVERANCE TAX TRUST FUND - PERPETUAL BASE ACCOUNT**  
**STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION**  
**Years Ended June 30, 2013, 2012 and 2011**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>OPERATING REVENUE</b>			
Interest revenue			
Net investment income	\$ 1,439,707	\$ 1,697,551	\$ 2,597,026
Interest earnings - loans	<u>4,286,271</u>	<u>5,164,410</u>	<u>5,475,195</u>
Total interest revenue	<u>5,725,978</u>	<u>6,861,961</u>	<u>8,072,221</u>
Other revenue			
Severance tax	<u>32,354,809</u>	<u>49,859,296</u>	<u>35,011,669</u>
Total operating revenue	<u>38,080,787</u>	<u>56,721,257</u>	<u>43,083,890</u>
<b>OPERATING EXPENSES</b>			
Transfers to general and other funds	<u>34,591,471</u>	<u>60,167,843</u>	<u>28,012,939</u>
	<u>34,591,471</u>	<u>60,167,843</u>	<u>28,012,939</u>
<b>OPERATING INCOME (LOSS)/CHANGE IN NET POSITION</b>	3,489,316	(3,446,586)	15,070,951
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>308,868,990</u>	<u>312,315,576</u>	<u>297,244,625</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 312,358,306</u>	<u>\$ 308,868,990</u>	<u>\$ 312,315,576</u>

See accountants' compilation report.

## **SUPPLEMENTARY INFORMATION**

**COLORADO WATER CONSERVATION BOARD**  
**SEVERANCE TAX TRUST FUND - PERPETUAL BASE ACCOUNT**  
**SCHEDULES OF CASH SOURCES AND USES**  
**Years Ended June 30, 2013, 2012 and 2011**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>CASH SOURCES</b>			
Severance tax	\$ 38,444,430	\$ 43,769,675	\$ 35,011,669
Interest received on investments	1,439,707	1,697,551	2,597,026
Interest received on loans	6,181,759	5,040,585	3,941,364
Principal received on loans	8,101,476	33,242,996	4,093,484
Special bills	-	-	6,548
	<u>54,167,372</u>	<u>83,750,807</u>	<u>45,650,091</u>
<b>CASH USES</b>			
Loan disbursements to borrowers	1,522,560	16,587,233	16,625,160
Special bills	34,591,471	60,167,843	28,012,939
	<u>36,114,031</u>	<u>76,755,076</u>	<u>44,638,099</u>
<b>CASH SOURCES IN EXCESS OF CASH USES</b>	18,053,341	6,995,731	1,011,992
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>134,923,682</u>	<u>127,927,951</u>	<u>126,915,959</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 152,977,023</u>	<u>\$ 134,923,682</u>	<u>\$ 127,927,951</u>

See accountants' compilation report.

**COLORADO WATER CONSERVATION BOARD**  
**SEVERANCE TAX TRUST FUND - PERPETUAL BASE ACCOUNT**  
**Graphs of Components of Net Position**  
**June 30, 2013, 2012 and 2011**

**NET POSITION at June 30, 2013**



**NET POSITION at June 30, 2012**



**NET POSITION at June 30, 2011**



	2013	2012	2011
Restricted for loans	\$ 150,408,233	\$ 159,469,689	\$ 175,552,046
Restricted for authorized projects	84,884,416	88,031,594	105,169,314
Restricted for transfers	17,000,000	32,000,000	25,000,000
Unrestricted	60,065,657	29,367,707	6,594,216
Total net position	<u>\$ 312,358,306</u>	<u>\$ 308,868,990</u>	<u>\$ 312,315,576</u>

See accountants' compilation report