



Center of Colorado Water Conservancy District

"Park County Water for Park County"

P.O. Box 1747 ~ 548 Front Street ~ Fairplay, CO 80440-1747

Tel. 719-836-2120 www.centerofcoloradowater.com Fax: 719-836-2120

Loan Feasibility Report

Applicant: Center of Colorado Water Conservancy District

Project: Chatfield Reservoir Reallocation

Prepared by:

Center of Colorado Water Conservancy District

Felt, Monson & Culichia, LLC
319 North Weber Street
Colorado Springs, CO 80903
James W. Culichia, Esq. (jwc@fmcwater.com)
719-471-1212

Date: March 13, 2014

CCWCD Chatfield Allocation: 131.32 acre feet

Estimated Total Cost of CCWCD Allocation: 131.32 x \$7135.00 per AF estimated costs = \$937,100.00

Loan Amount Requested: **\$600,000.00**

Loan Repayment Term: **Fifteen Years**

Interest Rate: **2.50%**

FEASIBILITY STUDY APPROVAL

Pursuant to Colorado Revised Statutes 37-60-121 & 122, and in accordance with policies adopted by the Board, the CWCB staff has determined this Feasibility Study meets all applicable requirements for approval.

Signed

5/9/2014

Date

Section 2.1. Background.

2.1.1. Purpose.

In 1996, on behalf of fifteen water providers, the Colorado Water Conservation Board (CWCB) formally requested the U.S. Army Corps of Engineers (USACE) consider increasing water supply storage in Chatfield Reservoir (Chatfield) by reallocating existing flood storage. As a result, the federal Feasibility Report and Environmental Impact Statement (FR/EIS) process was initiated in 1999. The FR/EIS process is evaluating the environmental, social, and economic effects of the proposed reallocation now referred to as the Chatfield Reservoir Reallocation Project (Project). The USACE is expected to issue the final FR/EIS in the Spring of 2014.

The Center of Colorado Water Conservancy District (District) is a member of the Chatfield Reallocation group. Out of the 20,600 acre foot proposed reallocation pool, the District's share is 131.32 acre feet, or approximately 0.64% of the Project. As discussed in more detail below, the District owns senior water rights in Park County that are authorized to be stored in Chatfield Reservoir and it co-owns and operates a regional/blanket plan for augmentation in Park County with the Upper South Platte Water Conservancy District. Center will use its storage space in Chatfield Reservoir as an augmentation facility to make releases of augmentation water to downstream senior calling rights, as a facility for storage of its upstream changed senior water rights, as storage for a junior water storage right for Chatfield filed with the Division 1 water court in December, 2013 and as a structure to facilitate adjudicated exchanges of stored water to the District's upstream storage reservoirs located in Park County.

The District is applying for a CWCB loan to finance a portion of its participation in the Project. The overall Project is estimated to cost \$147 million (near-term cost only, does not include long-term operation and maintenance costs) which represents an approximate \$937,000 share to the District. The District is requesting a \$600,000.00 loan to assist with its funding of the Project. The District has spent approximately \$155,000 from its cash reserves to date for Project related costs, including its annual contributions for participant fees. In addition, the District will owe \$10,500.00 to Parker Water & Sanitation District upon completion of the EIS process for the balance due on the purchase by the District of 30 acre feet from Parker's original allocation. When these sums are added to the District's \$937,000.00 share of estimated costs for the Project, total Project costs incurred by the District will be approximately \$1,103,000.00, not including additional costs to be paid by the District as the Project progresses. The \$600,000.00 loan requested amounts to approximately 54% of the District's Project costs.

The balance of the District's costs for the Project will be paid from the District's capital reserves and revenues.

2.2 Project Sponsor. The District is a Title 37 water conservancy district that was formed by the citizens of Park County in 1997. The District is funded by a 1.0 mill levy

on all taxable real property located in Park County. The District owns water rights and storage facilities in Park County and it co-owns and operates a county-wide plan for augmentation with the Upper South Platte Water Conservancy District.

2.3. Water Rights. The District anticipates filling its allocation in the Project with a combination of junior and senior water rights. In December, 2013, the District applied for a junior water storage right for the District's 131.32 acre feet allocation in Chatfield Reservoir. The District anticipates completing the adjudication of the junior storage right in 2014. The District owns changed senior water rights on Tarryall Creek, Michigan Creek and Deer Creek in Park County and its decrees in those cases (Case Nos. 05CW111 and 06CW270) adjudicate Chatfield Reservoir as a place of storage for those changed senior water rights. The average annual yield of the District's changed senior water rights exceeds 700 acre feet. In addition, the District has pending a water court application in Case 12CW50 to include Chatfield Reservoir as a storage location for augmentation water for the District's regional augmentation plan. The District's existing senior water rights are sufficient to fully utilize the District Chatfield Reservoir storage allocation.

2.4 Project Description – Analysis of Alternatives and Selected Alternative.

The FR/EIS used the CWCB's Statewide Water Supply Initiative (SWSI) and other relevant planning studies to identify storage alternatives. A total of 37 Project concepts were initially evaluated before being narrowed to four specific Project alternatives. The development of alternatives and the screening process are described in detail in Chapter 2 of the FR/EIS. The FR/EIS extensively evaluated the environmental, social, and economic impacts of the four prospective alternatives identified below:

Alternative #1 – No Action: Operation of Chatfield Reservoir would remain the same and water providers would use a combination of Penley Reservoir (off channel storage near Chatfield Reservoir), gravel pit storage or other surface storage reservoirs (i.e., reservoirs constructed within Park County) as a means to meet their future needs.

Alternative #2 – Least Cost Alternative to Chatfield Reservoir storage reallocation: Upstream users would continue to rely on non-tributary groundwater through the 50-year study period while downstream providers would be served by the development of gravel pits.

Alternative #3 – Reallocation to allow an additional 20,600 acre-feet of Water Supply Storage: USACE reallocates 20,600 AF of designated flood storage capacity in Chatfield Reservoir to conservation/multi-purpose storage.

Alternative #4 – Reallocation to allow an additional 7,700 acre-feet of Water Supply Storage: USACE reallocates 7,700 AF of designated flood storage capacity in Chatfield

Reservoir to conservation/multi-purpose storage; non-tributary groundwater and gravel pits are used for the remaining yield.

The Project participants' preferred alternative is Alternative # 3 – Reallocation to allow an additional 20,600 acre-feet of Water Supply Storage, redefined as the Chatfield Reservoir Reallocation Project. It is desirable based on its ability to decrease the projected water deficit in the South Platte basin by utilizing an existing structure to enhance the raw water supply of multiple providers without drying up agricultural lands. The alternative is anchored around the conversion of flood storage to conservation/multi-purpose storage. Additional components of the project include the design and implementation of mitigation measures to address the impacts resulting from the increased and fluctuating pool elevation. The following list highlights some of the proposed mitigation measures:

- Compensatory Mitigation Plan (CMP), addressing wetlands, Preble's mouse and bird habitat
- Aquatic mitigation within Chatfield State Park
- Tree management plan
- Stream enhancement downstream of Chatfield Reservoir
- Stream enhancement upstream of Chatfield Reservoir
- Recreational facility mitigation within Chatfield State Park
- CPW revenue mitigation (Financial Plan)
- Shoreline stabilization

Regulatory Process

The Project has undergone significant regulatory scrutiny at federal, state and local levels. At the federal level the USACE performed extensive feasibility and environmental studies pursuant to its regulatory and planning requirements. The culmination of the process is a joint Feasibility Report/Environmental Impact Statement that will serve as the basis for issuance of the Department of the Army Record of Decision (ROD). Following the ROD, the USACE must execute a Water Storage Agreement that permanently conveys the reallocation, granting participants the authority to store water in the conservation/multi-purpose pool. The USACE and Environmental Protection Agency (EPA) have agreed on the appropriate regulatory process. The following is a summary of regulatory approvals required to implement the Project:

Federal – Compliance with the USACE regulations on reallocating storage space in a USACE facility; compliance with NEPA; compliance with Section 404 of the Clean Water Act (CWA) for dredge and fill activities in designated water of the U.S. associated with the recreational facilities modification plan and other mitigation incident to the reallocation; compliance with Section 7 of the Endangered Species Act (ESA) related to

impacts to Preble's mouse and its designated critical habitat; and U.S. Forest Service (USFS) approval for work on USFS land along Sugar Creek.

State – The CPW and the CWCB approved the Fish, Wildlife and Recreation Mitigation Plan pursuant to C.R.S. §37-60-122.2 on January 28, 2014; Colorado Department of Public Health and Environment (CDPHE) construction permits for air quality, water quality certification for any discharge- related mitigation activities, and permits for stormwater and construction dewatering.

Local – Douglas County permits for construction work along Sugar Creek and at Chatfield Reservoir; and Jefferson County permits for construction work at Chatfield Reservoir.

Project Schedule

The general Project schedule is as follows:

Record of Decision signed	2014
Water Supply Agreement execution	2014
Recreational modifications completed	2017
On-site environmental mitigations completed	2017
Storage initiated	2017
Stream enhancements completed	2019
Off-site environmental mitigations completed	2024

2.5 Economic analysis and feasibility.

Estimate of Probable Cost

The estimated total Project cost is approximately \$147 million and includes the reallocation of storage, engineering design and construction of state and federal mitigation measures, and a USACE storage fee based on the pro-rata cost of constructing Chatfield.

Table 1 provides a summarization of the Project cost. The District has a 0.64% share of the Project and its share of the \$147,000,000 cost is approximately \$937,000.00.

TABLE 1: Estimated Total Project Cost

Mitigation Measures Required by the USACE	
Compensatory Mitigation Plan (CMP)	\$74,800,000
Recreational Facilities Modification Plan	\$30,100,000
Marina Plan	\$15,700,000
Tree Management Plan	\$1,600,000
Water Quality Monitoring and Modeling	\$1,300,000

Sub Total	\$123,500,000
CPW Related Mitigation Activities	
Plum Creek Restoration Plan	\$6,258,600
Financial Mitigation Plan	\$1,000,000
Stream Enhancement Downstream of Chatfield Reservoir	\$265,000
Stream Enhancement Upstream of Chatfield Reservoir	\$369,600
CPW Resident Engineer	\$225,000
Shoreline Stabilization Plan	\$716,100
Marketing Plan	\$30,000
Sub Total	\$8,864,300
USACE Storage Cost	\$14,500,000
Project Total	\$146,864,300

District's Financial Resources.

The District's annual revenues from its 1.0 mill levy for 2014 are anticipated to be approximately \$400,000.00. The \$400,000.00 in annual property tax revenues is less than in prior years and the District expects that the amount of 2014 tax collections will be a floor as the primary effects of the reductions in assessed valuations in Park County from the 2008 real estate downturn are already reflected in the 2014 assessments.

In addition to its general fund revenues, the District receives lease income from the Centennial Water & Sanitation District for water derived from the jointly developed Randall and Sessions Ditch project. Commencing in 2014 and continuing through 2107, Centennial will pay the District \$10,000 per year (as adjusted by the CPI) for all of the water in excess of the first 200 annual acre feet of yield, which first 200 AF is allocated to the District. The average annual yield from the Randall and Sessions Ditches is approximately 700 acre feet. To the extent that the District does not need all of the first 200 AF of project yield, it leases that water to Centennial for \$100 per acre foot (as adjusted by the CPI). Center expects that this portion of the lease will generate the full \$20,000 annual lease payment for several more years until the District needs some of the 200 AF. During the proposed 15 year repayment period of the CWCB loan, the District estimates that most of the 200 AF will be leased to Centennial so annual revenues from the Centennial lease will approximate \$30,000 per year during this period. The District also has revenues from the sale of water through its regional augmentation plan but none of that income is included in this analysis for purposes of demonstrating financial feasibility for this Project.

The District currently has approximately \$750,000 in cash reserves (not including escrowed payments for existing CWCB loans as discussed in the following section).

The District will pay the portion of the Project costs not borrowed from the CWCB from its cash reserves.

Existing Debt.

The District has two existing loans with the CWCB as follows:

Loan No. C150276 – James Tingle Reservoir. This loan has an annual payment of \$54,649.70 due on October 1 of each year commencing October 1, 2010 for a 10 year term ending October 1, 2019. The loan is current and the approximate principal balance on the loan is \$291,203.84, plus interest accrued since the last payment made in October, 2013. The District has already escrowed the entire amount of one annual payment for this loan.

Loan No. C150335 – Smelter Pipeline Reservoir. This loan has an annual payment of \$46,160.64 due on February 1 of each year commencing February 1, 2013 for a 10 year term ending February 1, 2023. The loan is current and the approximate principal balance on the loan is approximately \$368,000.00. The District has already escrowed the entire amount of one annual payment for this loan.

The District had another loan to the Bargas family trusts for the purchase of the Randall and Sessions Ditch water rights. However, the District paid those loans in full in 2013. Other than the two CWCB loans, the District has no indebtedness.

The District is requesting a loan from the CWCB in the principal amount of \$600,000.00 for the Chatfield Project with an interest rate of 2.50% and a 15 year repayment term. The proposed loan would have an amortized payment of approximately \$48,460.00 per year.

The annual payment on the District's two existing CWCB loans total approximately \$101,000.00. With annual income of a minimum of approximately \$430,000 during the loan term, the debt/income ratio for the Chatfield Project loan would be approximately 15.7% and the debt/income ratio for the proposed Chatfield Project loan and the existing two CWCB Loans is approximately 35% ($\$150,000 \div \$430,000 = 35\%$). The District anticipates that its existing revenue stream will allow it to pay the 3 loans as well as all of its operating expenses and still continue to contribute to its cash reserves annually.

TABOR Compliance. The voters of Park County authorized the District to borrow monies for the Chatfield Reservoir reallocation project at the November, 2010 general election. The election authorized the District to borrow up to \$1,000,000 for a variety of projects, including Chatfield Reservoir and the Smelter Pipeline Reservoir. The current balance on the Smelter Pipeline Reservoir loan is approximately \$368,000 and with the \$600,000 requested for the Chatfield loan, the total indebtedness is less than the \$1,000,000 debt limit authorized. The loan for the James Tingle Reservoir was separately approved by the voters in 2008 and is not included in the \$1,000,000 debt

limit. The election authorized the District to borrow for up to 15 year terms and the loan requested by the District for the Chatfield Project is for a 15 year term.

In addition, the District has de-Bruced and is authorized to retain and spend all revenues from all sources.

2.5.7. Collateral. As with the two existing loans with the CWCB, the collateral for the Chatfield Project loan will be a pledge of unpledged tax revenues equal to the amount of the annual loan payment. The District traditionally has escrowed the full amount of an annual payment rather than the 10% reserve payment during the first 10 years of the loan term that is the standard requirement for a CWCB loan. The District will follow its customary practice in this case and escrow the full amount of the annual payment within the first year of the loan term.

Attached are copies of the District's budgets for 2011 through 2014.

LETTER OF BUDGET TRANSMITTAL

THIS FORM IS TO BE COMPLETED AND SUBMITTED WITH THE ADOPTED BUDGET NO LATER THAN JANUARY 31.

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Date: December 7, 2011

Attached is a copy of the 2012 budget for CENTER OF COLORADO WATER CONSERVANCY DISTRICT in PARK County, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 7, 2011. If there are any questions on the budget, please contact Nola Knudsen, Administrator at (719) 836-2330, and 548 Front Street, Fairplay, CO 80440.

I, Elizabeth McVicker, President,

hereby certify that the enclosed is a true and accurate copy of the 2012 Adopted Budget.

Elizabeth McVicker, President

Geri Salsig, Secretary

Boundaries: Within Park County, CO

CENTER OF COLORADO WATER CONSERVANCY DISTRICT

2012 Budget Message

The attached budget for Center Of Colorado Water Conservancy District reports expected revenues and expenditures for the 2012 budget year and includes these important features:

We will have no increase in our mill levies for the 2012 budget, which provides for purchases and continuing development of water rights and related storage facilities.

Additional sources of revenue include water lease receipts from Centennial Water & Sanitation District.

The method of accounting used for the Center Of Colorado Water Conservancy District 2012 budget is the modified accrual basis.

The District expects to obtain an annual unqualified audit of its financial statements for the year ended December 31, 2011. The District's annual financial statements are prepared using the accounting principles required under generally accepted accounting principles in the United States.

Center Of Colorado Water Conservancy District provides the services of conserving and defending the water resources of Park County.

RESOLUTION TO ADOPT BUDGET

(Pursuant to 29-1-108, C.R.S.)

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR Center Of Colorado Water Conservancy District, Park County, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2012, AND ENDING ON THE LAST DAY OF DECEMBER, 2012.

WHEREAS, the Board of Directors of Center Of Colorado Water Conservancy District has appointed Nola Knudsen, Budget Officer, to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, Nola Knudsen has submitted a proposed budget to this governing body on October 5, 2011, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 7, 2011, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE Board of Directors of the Center Of Colorado Water Conservancy District, Colorado:

Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Center Of Colorado Water Conservancy District for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by the President and the Secretary and made a part of the public records of the District.

ADOPTED, this 7th day of December, 2011.

Elizabeth McVicker, President

Attest:

Geri Salsig, Secretary

CENTER of COLORADO WATER CONSERVANCY DISTRICT

Statement of Budgetary Comparison-General Fund

Actual vs. Estimated and Budgeted

For the Years Ended December 31, 2010 (Actual), 2011 and 2012

See Accountant's Compilation Report

	ACTUAL 2010	ESTIMATED 2011	BUDGET 2012
ESTIMATED RESOURCES:			
Emergency Reserve	24,590	24,590	24,590
Unreserved	<u>691,904</u>	<u>636,501</u>	<u>716,661</u>
FUND BALANCE January 1	\$716,494	661,091	741,251
REVENUES:			
Property Taxes, incl. abatements and Delinquent Taxes	448,814	450,671	419,195
Water Sales & Lease Revenues	207,806	207,806	207,806
Specific Ownership Taxes	42,256	35,750	36,000
Interest , including property tax interest	3,728	2,035	2,100
Other Receipts and Recoveries	<u>10,932</u>	<u>500</u>	<u>500</u>
Total Revenues	713,536	696,762	665,601
OTHER FINANCING SOURCES			
Net Other Sources	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL AVAILABLE RESOURCES	\$1,430,030	\$1,357,853	\$1,406,852
EXPENDITURES:			
Treasurer's Fees	13,526	13,520	12,576
General Administration:			
Accounting and Auditing	14,331	16,500	23,950
Office Rent and Secretarial	6,533	7,224	7,500
Election Expense	2,685	-	-
Education and Training Expense	-	1,500	1,500
Directors' Fees	1,250	1,625	6,000
Dues & Subscriptions	3,887	2,750	3,250
Operations Mgr	15,629	27,016	30,555
Other expenses	1,541	2,100	2,250
Supplies & Postage	4,322	480	500
Telephone	2,400	2,750	2,900
D&O Insurance	4,715	3,315	3,350
Publications/Website		2,750	1,200
Legal Expense	83,944	45,000	59,000
Leadville Expense	126,125	27,500	15,000
Mileage Reimbursement	6,131	4,950	5,000
Reservoir Mtce & Operating Expense	39,491	8,000	10,000
Administrative & Operating Expense for Jt. Venture	14,646	20,850	-
Debt Service:			
principal	187,753	195,442	203,447
interest	92,820	85,140	77,135
Increase in Restricted Assets	55,842	-	-
Increase in Jt. Venture	20,000	-	-
Capital Expenditures-Successful & Unsuccessful:	<u>74,561</u>	<u>148,190</u>	<u>393,400</u>
Total Expenditures	772,132	616,602	858,513
OTHER FINANCING (USES):			
Decrease in Investment in Fixed Assets	<u>3,193</u>	<u>-</u>	<u>-</u>
Net Other (Uses)	3,193	-	-
EXCESS (deficiency) OF REVENUES AND OTHER SOURCES OVER (under) EXPENDITURES AND OTHER (USES)	(55,403)	80,160	(192,912)
Emergency Reserve	24,590	24,590	24,590
Unreserved	<u>636,501</u>	<u>716,661</u>	<u>523,749</u>
FUND BALANCE, December 31	<u>\$661,091</u>	<u>\$741,251</u>	<u>\$548,339</u>

RESOLUTION TO SET MILL LEVIES

(Pursuant to 39-5-128, C.R.S. and 39-1-111, C.R.S.)

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2012 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR Center Of Colorado Water Conservancy District, Park County, COLORADO, FOR THE 2012 BUDGET YEAR.

WHEREAS, the Board of Directors of the Center Of Colorado Water Conservancy District has adopted the annual budget in accordance with the Local Government Budget Law, on December 7, 2011 and;

WHEREAS, the amount of money necessary to balance the budget for general operation purposes from property tax revenue is \$419,195.00, and;

WHEREAS, the amount of money available through abatements is \$363, and;

WHEREAS, the 2011 valuation for assessment for the Center Of Colorado Water Conservancy District as certified by the County Assessor is \$419,194,754.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE Center Of Colorado Water Conservancy District, COLORADO:

Section 1. That for the purpose of meeting all general operation expenses of the Center Of Colorado Water Conservancy District during the 2012 budget year, there is hereby levied a tax of 1.000 mills upon each dollar of the total valuation for assessment of all taxable property within the Center Of Colorado Water Conservancy District for the year 2011.

Section 2. That for the purpose of receiving abatements of the Center Of Colorado Water Conservancy District during the 2012 budget year, there is hereby levied -0- mills upon each dollar of the total valuation for assessment of all taxable property within the Center Of Colorado Water Conservancy District for the year 2011.

Section 3. That the President is hereby authorized and directed to immediately certify to the County Commissioners of Park County, Colorado, the mill levies for the Center Of Colorado Water Conservancy District as herein above determined and set.

ADOPTED, this 7th day of December, 2011.

Elizabeth McVicker, President

ATTEST:

Geri Salsig, Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL GovernmentsTO: County Commissioners¹ of PARK County, Colorado.On behalf of the CENTER OF COLORADO WATER CONSERVANCY DISTRICT,
(taxing entity)^Athe BOARD OF DIRECTORS
(governing body)^Bof the CENTER OF COLORADO WATER CONSERVANCY DISTRICT
(local government)^C

Hereby officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 419,194,754
assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation
(AV) different than the GROSS AV due to a Tax
Increment Financing (TIF) Area^F the tax levies must be \$ 419,194,754
calculated using the NET AV. The taxing entity's total
property tax revenue will be derived from the mill levy
multiplied against the NET assessed valuation of: (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/07/11 for budget/fiscal year 2012.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>1.000</u> mills	\$ <u>419,195</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>1.000</u> mills	\$ <u>419,195</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>1.000</u> mills	\$ <u>419,195</u>

Contact person: _____ Daytime
(print) Nola Knudsen phone: (719) 836-2330

Signed: _____ Title: President

Elizabeth McVicker

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the
Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form
for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of
Form DLG57 on the County Assessor's final certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: N/A
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

2. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: N/A
 Title: _____
 Date: _____
 Principal Amount: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

4. Purpose of Contract: _____
 Title: _____
 Date: _____
 Principal Amount: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION TO APPROPRIATE SUMS OF MONEY

(Pursuant to Section 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE Center Of Colorado Water Conservancy District, Park County, COLORADO, FOR THE 2012 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on December 7, 2011, and;

WHEREAS, the Board of Directors has made provision therein for the revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE Center Of Colorado Water Conservancy District, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund, for purposes stated:

GENERAL FUND:

Current Operating Expenses	\$858,513
Reserves	<u>\$548,339</u>
TOTAL GENERAL FUND	\$1,406,852

ADOPTED, THIS 7th DAY OF December, 2011.

Elizabeth McVicker, President

Attest:

Geri Salsig, Secretary

LETTER OF BUDGET TRANSMITTAL

THIS FORM IS TO BE COMPLETED AND SUBMITTED WITH THE ADOPTED BUDGET NO LATER THAN JANUARY 31.

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Date: December 5, 2012

Attached is a copy of the 2013 budget for CENTER OF COLORADO WATER CONSERVANCY DISTRICT in PARK County, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 5, 2012. If there are any questions on the budget, please contact Nola Knudsen, Administrator at (719) 836-2330, and 548 Front Street, Fairplay, CO 80440.

I, Elizabeth McVicker, President,

hereby certify that the enclosed is a true and accurate copy of the 2013 Adopted Budget.

Elizabeth McVicker, President

Geri Salsig, Secretary

Boundaries: Within Park County, CO

CENTER OF COLORADO WATER CONSERVANCY DISTRICT

2013 Budget Message

The attached budget for Center Of Colorado Water Conservancy District reports expected revenues and expenditures for the 2013 budget year and includes these important features:

We will have no increase in our mill levies for the 2013 budget, which provides for purchases and continuing development of water rights and related storage facilities.

Additional sources of revenue include water lease receipts from Centennial Water & Sanitation District.

The method of accounting used for the Center Of Colorado Water Conservancy District 2013 budget is the modified accrual basis.

The District expects to obtain an annual unqualified audit of its financial statements for the year ended December 31, 2012. The District's annual financial statements are prepared using the accounting principles required under generally accepted accounting principles in the United States.

Center Of Colorado Water Conservancy District provides the services of conserving and defending the water resources of Park County.

RESOLUTION TO ADOPT BUDGET

(Pursuant to 29-1-108, C.R.S.)

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR Center Of Colorado Water Conservancy District, Park County, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2013, AND ENDING ON THE LAST DAY OF DECEMBER, 2013.

WHEREAS, the Board of Directors of Center Of Colorado Water Conservancy District has appointed Craig Steinmetz, Budget Officer, to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, Craig Steinmetz has submitted a proposed budget to this governing body on October 3, 2012, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 5, 2012, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE Board of Directors of the Center Of Colorado Water Conservancy District, Colorado:

Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Center Of Colorado Water Conservancy District for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by the President and the Secretary and made a part of the public records of the District.

ADOPTED, this 5th day of December, 2012.

Elizabeth McVicker, President

Attest:

Geri Salsig, Secretary

CENTER of COLORADO WATER CONSERVANCY DISTRICT

Compiled Comparative Adopted Budget for Calendar 2013

Prepared for the Budget Officer Without Audit or Review

		ACTUAL <u>2011</u>	ESTIMATED <u>2012</u>	BUDGET <u>2013</u>
FUND BALANCE	January 1	\$661,091	\$775,848	\$648,963
REVENUES:				
Property Taxes, incl. abatements and Delinquent Taxes		451,395	416,309	420,101
Water Sales & Lease Revenues		213,646	213,646	213,646
Specific Ownership Taxes		40,450	33,991	34,500
Interest , including property tax interest		3,761	1,940	2,000
Other Receipts and Recoveries		620	463	450
Total Revenues		<u>709,872</u>	<u>666,349</u>	<u>670,697</u>
OTHER FINANCING SOURCES				
Loan Proceeds from CWCB Loan for SPR		-	404,000	-
Decrease in Investment in Fixed Assets		12,089		
Net Other Sources		<u>12,089</u>	<u>404,000</u>	<u>0</u>
TOTAL AVAILABLE RESOURCES		\$1,383,052	\$1,846,197	\$1,319,660
EXPENDITURES:				
Treasurer's Fees		13,612	12,576	12,603
Cost of Water Sold		2,920	2,920	2,920
General Administration:				
Accounting and Auditing		17,552	23,462	6,000
Administrators Fee				18,000
Office Rent		9,287	7,500	10,200
Office Utilites				3,900
Operations Mgr.			30,555	25,000
Directors' Fees		1,450	6,000	7,500
Education and Training Expense		1,618	1,500	150
D&O Insurance		4,835	3,800	3,887
Dues & Subscriptions		2,500	3,250	2,500
Mileage Reimbursement		4,796	4,393	2,083
Telephone		3,008	2,900	2,500
Supplies & Postage		803	500	512
Web Site and Publication		2,749	1,200	300
Other Expenses		298	2,250	500
Legal Expense		37,164	74,000	35,000
Leadville Expense		23,283	1,039	0
Reservoir Mtce & Operating Expense		36,329	10,000	2,000
Administrative & Operating Expense for Jt. Venture		20,266	0	0
Debt Service:				
principal		195,442	203,439	247,843
interest		85,131	77,134	78,900
Increase in Restricted Assets		986	400	0
Capital Expenditures-Successful & Unsuccessful:		<u>143,175</u>	<u>724,415</u>	<u>200,000</u>
Total Expenditures		<u>607,204</u>	<u>1,193,234</u>	<u>662,298</u>
OTHER FINANCING (USES):				
Origination and Loan Fees		0	(4,000)	0
Net Other (Uses)		<u>0</u>	<u>(4,000)</u>	<u>0</u>
EXCESS (deficiency) OF REVENUES AND OTHER SOURCES				
OVER (under) EXPENDITURES AND OTHER (USES)		114,757	(126,885)	8,399
FUND BALANCE,	December 31	<u>\$775,848</u>	<u>\$648,963</u>	<u>\$657,362</u>

RESOLUTION TO SET MILL LEVIES

(Pursuant to 39-5-128, C.R.S. and 39-1-111, C.R.S.)

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2012 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR Center Of Colorado Water Conservancy District, Park County, COLORADO, FOR THE 2013 BUDGET YEAR.

WHEREAS, the Board of Directors of the Center Of Colorado Water Conservancy District has adopted the annual budget in accordance with the Local Government Budget Law, on December 5, 2012 and;

WHEREAS, the amount of money necessary to balance the budget for general operation purposes from property tax revenue is \$420,101.00, and;

WHEREAS, the amount of money available through abatements is \$2,112, and;

WHEREAS, the 2012 valuation for assessment for the Center Of Colorado Water Conservancy District as certified by the County Assessor is \$420,101,694.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE Center Of Colorado Water Conservancy District, COLORADO:

Section 1. That for the purpose of meeting all general operation expenses of the Center Of Colorado Water Conservancy District during the 2013 budget year, there is hereby levied a tax of 1.000 mills upon each dollar of the total valuation for assessment of all taxable property within the Center Of Colorado Water Conservancy District for the year 2012.

Section 2. That for the purpose of receiving abatements of the Center Of Colorado Water Conservancy District during the 2013 budget year, there is hereby levied -0- mills upon each dollar of the total valuation for assessment of all taxable property within the Center Of Colorado Water Conservancy District for the year 2012.

Section 3. That the President is hereby authorized and directed to immediately certify to the County Commissioners of Park County, Colorado, the mill levies for the Center Of Colorado Water Conservancy District as herein above determined and set.

ADOPTED, this 5th day of December, 2012.

Elizabeth McVicker, President

ATTEST:

Geri Salsig, Secretary

RESOLUTION TO APPROPRIATE SUMS OF MONEY

(Pursuant to Section 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE Center Of Colorado Water Conservancy District, Park County, COLORADO, FOR THE 2013 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on December 5, 2012, and;

WHEREAS, the Board of Directors has made provision therein for the revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE Center Of Colorado Water Conservancy District, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund, for purposes stated:

GENERAL FUND:

Current Operating Expenses	\$662,298
Reserves	<u>\$657,362</u>
TOTAL GENERAL FUND	\$1,319,660

ADOPTED, THIS 5th DAY OF December, 2012.

Elizabeth McVicker, President

Attest:

Geri Salsig, Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL GovernmentsTO: County Commissioners¹ of PARK County, Colorado.On behalf of the CENTER OF COLORADO WATER CONSERVANCY DISTRICT,(taxing entity)^Athe BOARD OF DIRECTORS(governing body)^Bof the CENTER OF COLORADO WATER CONSERVANCY DISTRICT(local government)^C

Hereby officially certifies the following mills

to be levied against the taxing entity's GROSS \$ 420,101,694

assessed valuation of:

(GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation

(AV) different than the GROSS AV due to a Tax

Increment Financing (TIF) Area^F the tax levies must be \$ 420,101,694

calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted:

12/5/12for budget/fiscal year 2013

(not later than Dec. 15)

(mm/dd/yyyy)

(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>1.000</u> mills	<u>\$ 420,101</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u> </u> > mills	\$ < <u> </u> >
SUBTOTAL FOR GENERAL OPERATING:	<u>1.000</u> mills	<u>\$ 420,101</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>1.000</u> mills	<u>\$ 420,101</u>

Contact person:

(print)

Nola Knudsen

Daytime

phone:

(719) 836-2330

Signed:

Title:

PresidentElizabeth McVicker

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: N/A
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: N/A
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

CENTER OF COLORADO WATER CONSERVANCY DISTRICT

2014 Budget Message

The attached budget for Center Of Colorado Water Conservancy District reports expected revenues and expenditures for the 2014 budget year and includes these important features:

We will have no increase in our mill levies for the 2014 budget, which provides for purchases and continuing development of water rights and related storage facilities.

Additional sources of revenue include decreased water sales/lease receipts from Centennial Water & Sanitation District.

The method of accounting used for the Center Of Colorado Water Conservancy District 2014 budget is the modified accrual basis.

The District expects to obtain an annual unqualified audit of its financial statements for the year ended December 31, 2013. The District's annual financial statements are prepared using the accounting principles required under generally accepted accounting principles in the United States.

Center Of Colorado Water Conservancy District provides the services of conserving and defending the water resources of Park County.

CENTER of COLORADO WATER CONSERVANCY DISTRICT

Comparative Budget for Calendar 2014

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
FUND BALANCE, January 1	\$775,848	\$731,413	\$745,938
REVENUES:			
Property Taxes, incl. abatements and Delinquent Taxes	416,706	420,101	366,526
Water Sales & Lease Revenues	213,646	184,559	20,000
Specific Ownership Taxes	38,432	41,733	40,083
Interest , including property tax interest	2,646	1,929	2,288
Other Receipts and Recoveries	463		400
Total Revenues	671,893	648,322	429,296
OTHER FINANCING SOURCES			
Loan Proceeds from CWCB Loan	404,000	-	-
Unearned Lease Revenue		987,098	-
Net Other Sources	404,000	987,098	0
TOTAL AVAILABLE RESOURCES	\$1,851,741	\$2,366,833	\$1,175,234
EXPENDITURES:			
Treasurer's Fees	12,553	12,603	10,996
Cost of Water Sold	2,920	2,920	2,920
General Administration:			
Accounting and Auditing	22,259	8,811	10,500
Administrators Fee		18,000	18,000
Office Rent	4,918	8,775	12,900
Operations Mgr.	31,824	34,600	30,000
Directors' Fees	7,200	5,800	6,000
Education and Training Expense	871	1,757	1,800
D&O Insurance	5,388	3,916	4,000
Dues & Subscriptions	2,520	2,500	2,500
Mileage Reimbursement	3,804	3,500	3,600
Telephone	3,505	3,032	2,800
Supplies & Postage	1,459	1,400	1,450
Web Site and Publication	1,302	125	150
Other Expenses	704	100	125
Legal Expense	40,780	61,000	50,000
Leadville Expense	1,039	0	0
Reservoir Mtce & Operating Expense	4,301	9,205	800
Administrative & Operating Expense for Jt. Venture	612		
Debt Service:		1,407,188	
principal	203,447		80,518
interest	77,126		20,292
Increase in Restricted Assets	609	400	400
Capital Expenditures-Successful & Unsuccessful:	687,187	35,262	136,500
Total Expenditures	1,116,328	1,620,894	396,251
OTHER FINANCING (USES):			
Origination and Loan Fees	(4,000)	0	
Net Other (Uses)	(4,000)	0	0
NET CHANGE IN FUND BALANCE	(44,435)	14,525	33,045
FUND BALANCE, December 31	<u>\$731,413</u>	<u>\$745,938</u>	<u>\$778,983</u>

1:54 PM

04/14/14

Cash Basis

Center of Colorado Water Conservancy District

Profit & Loss

January 1, 2012 through April 14, 2014

Jan 1, '12 - Apr 14, 14

Ordinary Income/Expense

Income

Water Sales & Lease Revenues

4045 · Lease to CWSD

0.00

Water Sales & Lease Revenues - Other

1,375,304.07

Total Water Sales & Lease Revenues

1,375,304.07

4010 · Property Taxes

4011 · Current Taxes

1.03

4012 · Delinquent Taxes

1,124.07

4010 · Property Taxes - Other

989,177.53

Total 4010 · Property Taxes

990,302.63

4014 · Misc Receipts

919.51

4015 · Specific Ownership Taxes

89,288.90

4040 · Interest Earnings

4041 · Interest on Taxes

3,586.50

4042 · Interest-COLOTRUST-Project

4044 · Interest-COLOTRUST

37.31

4042 · Interest-COLOTRUST-Project - Other

481.45

Total 4042 · Interest-COLOTRUST-Project

518.76

4040 · Interest Earnings - Other

1,432.61

Total 4040 · Interest Earnings

5,537.87

Total Income

2,461,352.98

Expense

Operating & Mtce Expenses-etal

4,181.45

4590 · Cost of Water Sold

2,920.00

4500 · Treasurers Fees

29,816.72

5010 · Accounting & Auditing

54,190.23

5020 · Office Rent & Services

14,526.77

5040 · Education & Training

3,386.88

5050 · Directors Compensation

14,900.00

5060 · Advertising & Printing

258.28

5070 · Dues and Subscriptions

5,050.00

5081 · Operations Manager

65,787.81

5090 · Other Expenses

713.95

5092 · Supplies & Postage

2,555.16

5093 · Telephone

6,943.96

5094 · Insurance

12,865.00

5096 · Publications/Web-site

2,263.04

6020 · Legal Fees

Leadville Water

1,038.94

6021 · Blanket Augmentation Plan

235.00

6022 · Miscellaneous Legal

1,017.77

6025 · General Legal

54,785.75

6020 · Legal Fees - Other

27,638.10

Total 6020 · Legal Fees

84,715.56

6175 · Supporting Technical Fees

1,438.50

6200 · Unclassified-Mileage

8,300.93

5200 · Reservoir Mtce & Operating

15,830.26

6301 · Increase in Debt Service

608.76

6300 · DEBT SERVICE

6305 · Interest Expense-JTR Note

107,576.40

4020 · Bond Expense

4023 · Fees

4,000.00

Total 4020 · Bond Expense

4,000.00

6310 · Bargas Trust Agrmnts

1,369,979.14

6300 · DEBT SERVICE - Other

256,365.29

Total 6300 · DEBT SERVICE

1,737,920.83

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04/14/14
Cash Basis

Center of Colorado Water Conservancy District
Profit & Loss
January 1, 2012 through April 14, 2014

	Jan 1, '12 - Apr 14, 14
6400 - Capital Expense	
Staunton State Parks	7,058.72
Unsuccessful Efforts	13.50
Headwater Investment	612.15
Twin Lakes	39.50
Smelter Pipeline Reservoir	660,755.21
Chatfield reservoir	62,347.43
Randall Ditch-James Tingle Res.	2,581.91
Total 6400 - Capital Expense	733,408.42
Total Expense	2,802,582.51
Net Ordinary Income	-341,229.53
Other Income/Expense	
Other Income	
YTD RESULTS-CLOSE	56,412.09
Proceeds (Loans, advance pymts)	
Proceeds of Promissory Notes	404,000.00
Proceeds (Loans, advance pymts) - Other	0.00
Total Proceeds (Loans, advance pymts)	404,000.00
Total Other Income	460,412.09
Net Other Income	460,412.09
Net Income	119,182.56

Center of Colorado Water Conservancy District

April 14, 2014

Cash Assets:

High Country Money Market	26,163.24	Restricted, Accts. Payable
High Country Checking Acct	2,685.01	
High Country CD (JTR)	58,014.12	Restricted, loan payment
High Country CD (Smelter)	46,394.25	Restricted, loan payment
Colotrust Account	727,645.71	
Colotrust Project Account	<u>41,419.99</u>	
Total	\$ 902,322.32	

THE TWIN LAKES RESERVOIR AND CANAL COMPANY

331 MAIN STREET -- PO BOX 8
ORDWAY, COLORADO 81063-0008
Phone: (719) 267-4411 --- Fax: (719) 267-4074

RE: Use of shares

Dear Stockholder:

The Company must report the use of its water shares to the Bureau of Reclamation every year and pay fees to the Bureau at different rates based upon how the water was used. Thus, it is necessary for the Company to know how you will use your water shares during the 2014 water year.

Please complete the form below for all of your Twin Lakes shares and return it to the company office.

This completed form must be returned to the Company by April 15, 2014.
The use of your water will NOT be permitted until we have the completed form in hand.

Please call the office if you have questions about completing the form.

Stockholder ID#: _____ (office use)

Stockholder Name: _____

Address: _____

Billing Address: _____

(if different) _____

Phone Number: (____) _____ Number of Shares: _____

E-mail address: _____

Form was completed by: _____

My Twin Lakes water shares are used for:

_____ Shares are used for a plan of augmentation, Case No. _____

_____ Shares are used for Municipal use for the City of _____

_____ Shares are Inactive (shares are not used)

_____ Shares are used for agriculture on _____ acres in _____
County

_____ Shares are used for _____ [Other Use]

My Twin Lakes water shares are leased by: _____
(if leased)

1:54 PM
04/14/14
Cash Basis

Center of Colorado Water Conservancy District

Profit & Loss

January 1, 2012 through April 14, 2014

2 + years

Jan 1, '12 - Apr 14, 14

Ordinary Income/Expense

Income

Water Sales & Lease Revenues
4045 · Lease to CWSD
Water Sales & Lease Revenues - Other

0.00
1,375,304.07

Mostly the payment
from Centennial
to pay off the
Bargas Loan

Total Water Sales & Lease Revenues

1,375,304.07

4010 · Property Taxes

4011 · Current Taxes
4012 · Delinquent Taxes
4010 · Property Taxes - Other

1.03
1,124.07
989,177.53

Total 4010 · Property Taxes

990,302.63

TAXES

4014 · Misc Receipts
4015 · Specific Ownership Taxes
4040 · Interest Earnings

919.51

89,288.90

TAXES

4041 · Interest on Taxes
4042 · Interest-COLOTRUST-Project
4044 · Interest-COLOTRUST
4042 · Interest-COLOTRUST-Project - Other

3,586.50

37.31

481.45

Total 4042 · Interest-COLOTRUST-Project

518.76

4040 · Interest Earnings - Other

1,432.61

Total 4040 · Interest Earnings

5,537.87

Total Income

2,461,352.98

Expense

Operating & Mtce Expenses-et al

4590 · Cost of Water Sold
4500 · Treasurers Fees
5010 · Accounting & Auditing
5020 · Office Rent & Services
5040 · Education & Training
5050 · Directors Compensation
5060 · Advertising & Printing
5070 · Dues and Subscriptions
5081 · Operations Manager
5090 · Other Expenses
5092 · Supplies & Postage
5093 · Telephone
5094 · Insurance
5096 · Publications/Web-site
6020 · Legal Fees
Leadville Water
6021 · Blanket Augmentation Plan
6022 · Miscellaneous Legal
6025 · General Legal
6020 · Legal Fees - Other

4,181.45

2,920.00

29,816.72

54,190.23

14,526.77

3,386.88

14,900.00

258.28

5,050.00

65,787.81

713.95

2,555.16

6,943.96

12,865.00

2,263.04

Total 6020 · Legal Fees

84,715.56

6175 · Supporting Technical Fees

1,438.50

6200 · Unclassified-Mileage

8,300.93

5200 · Reservoir Mtce & Operating

15,830.26

6301 · Increase in Debt Service

608.76

6300 · DEBT SERVICE

6305 · Interest Expense-JTR Note

107,576.40

4020 · Bond Expense

4023 · Fees

4,000.00

Total 4020 · Bond Expense

4,000.00

6310 · Bargas Trust Agmnts

1,369,979.14

6300 · DEBT SERVICE - Other

256,365.29

Total 6300 · DEBT SERVICE

1,737,920.83

Centennial
& Center

Bargas + CWCB
LOANS

Regular
Expenses
AROUND
300,000
out of
almost
1,000,000
income
from taxes for
2+ years. Does
not include
CWCB LOANS for
smelter & JTR
So add 100K in
EXPENSES APPROX.

1:54 PM
04/14/14
Cash Basis

Center of Colorado Water Conservancy District
Profit & Loss
January 1, 2012 through April 14, 2014

Jan 1, '12 - Apr 14, 14	
6400 - Capital Expense	
Staunton State Parks	7,058.72
Unsuccessful Efforts	13.50
Headwater Investment	612.15
Twin Lakes	39.50
Smelter Pipeline Reservoir	660,755.21
Chatfield reservoir	62,347.43
Randall Ditch-James Tingle Res.	2,581.91
Total 6400 - Capital Expense	733,408.42
Total Expense	2,802,582.51
Net Ordinary Income	-341,229.53
Other Income/Expense	
Other Income	
YTD RESULTS-CLOSE	56,412.09
Proceeds (Loans, advance pymts)	
Proceeds of Promissory Notes	404,000.00
Proceeds (Loans, advance pymts) - Other	0.00
Total Proceeds (Loans, advance pymts)	404,000.00
Total Other Income	460,412.09
Net Other Income	460,412.09
Net Income	119,182.56

smelter
construction

smelter CWCB
LOAN

Real net income
for regular
expenses is
about 200,000
After paying
all debt
service

Center of Colorado Water Conservancy District

April 14, 2014

Cash Assets:

High Country Money Market	26,163.24	Restricted, Accts. Payable	
High Country Checking Acct	2,685.01		
High Country CD (JTR)	58,014.12	Restricted, loan payment	CWCB
High Country CD (Smelter)	46,394.25	Restricted, loan payment	CWCB
Colotrust Account	727,645.71	CASH ON HAND - UNRESTRICTED	
Colotrust Project Account	41,419.99	- UNRESTRICTED FOR CAPITAL projects + related	
Total	\$ 902,322.32		

WITHOUT RAISING TAXES, shall the Center of Colorado Water Conservancy District (CCWCD) be authorized to incur multi-year obligations by borrowing up to a maximum of one million dollars (\$1,000,000.00) **FOR THE PURPOSES OF ACQUIRING AND CONSTRUCTING WATER STORAGE FACILITIES AND ACQUIRING WATER RIGHTS.** Specific water storage projects may include a reservoir tributary to the North Fork of the South Platte River near Shawnee, Colorado; reconstruction of CCWCD's existing Smelter Pipeline Reservoir located adjacent to Mosquito Creek near Alma, Colorado; storage space in the proposed enlargement of Chatfield Reservoir located in Jefferson County, Colorado, and other water storage projects and water rights acquisitions that may become available. The loan(s) proposed by CCWCD may be from different lenders with different payment terms, interest rates and maturity dates, provided, however, that the maximum repayment term for any such loan shall not exceed fifteen (15) years and that the total amount of all loan(s) shall not exceed one million dollars (\$1,000,000.00).

Any loan or loans by CCWCD shall be repaid from its yearly revenues and **THERE SHALL BE NO INCREASE IN CCWCD'S EXISTING MILL LEVY TO REPAY ANY SUCH LOAN(S).**

COLORADO WATER CONSERVATION BOARD

WATER PROJECT LOAN APPLICATION

Instructions: This application should be typed or printed neatly with black ink. Attach additional sheets as necessary to fully answer any question or to provide additional information that would be helpful in the evaluation of this application. When finished, please sign and return this application to:

THE COLORADO WATER CONSERVATION BOARD
Finance Section
1580 Logan St., Suite 600
Denver, CO 80203
Attn: Anna Mauss, P.E.
Phone: (303) 866-3441 x3224 Fax (303) 894-2578
Email: anna.mauss@state.co.us

Part A. - Description of the Applicant (Generally, the applicant is also the prospective owner and sponsor of the proposed project)

1. Name of applicant CENTER OF COLORADO WATER CONSERVANCY DISTRICT

Mailing Address P.O. BOX 1747, FAIRPLAY CO, 80447-1747

Business Phone 719-836-2120

Fax 719-836-2120

Federal ID Number 84-1449967

email _____

2. Person to contact regarding this application:

Name JAMES W. CULICHIA

Position/Title ATTORNEY

Address Felt, Monson & Culichia, 319 North Weber St. Colorado Springs, CO 80903

Business Phone 719-471-1212

Cell 719-337-0054

Email jwc@fmcwater.com

3. Type of organization (Ditch Co., Irrigation District, Municipality, etc.): Water Conservancy District

Date of Annual Meeting n/a - Board meets monthly

Is the organization incorporated in the State of Colorado? YES ☐ NO ☒ (If YES, please include a copy of the articles of incorporation, and the bylaws)

CWCB Water Project Loan Application

4. Please provide a brief description of the owner's existing water supply facilities and describe any existing operational or maintenance problems. Attach a map of the service area

Center owns water rights and two storage structures in Park County which are used in the operation of its augmentation plan.

Center's share of the reallocation project is 131.33 equal to 0.64% of the Chatfield Project. Center's Chatfield storage will be used within

its augmentation plan and for storage of senior and junior water rights for exchange to its upstream storage facilities.

For existing facilities indicate:

Number of shareholders N/A or Number of customers served N/A

Current Assessment per share \$ N/A Number of shares N/A

Number of acres irrigated N/A Water Right: CFS.

Average water diverted per year: acre-feet.

Part B. - Description of the Project

1. Name of the Project CHATFIELD RESERVOIR REALLOCATION PROJECT

2. Purpose of this loan application. Check one.

<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

New project

Rehabilitation or replacement of existing facility

Enlargement of existing facility

Emergency Repair

Other (describe)

3. If the project is for rehabilitation of an existing reservoir, is the reservoir currently under a storage restriction order from the State Engineer? YES ☐ NO ☒

4. General location of the project. (Please include county, and approximate distance and direction from nearest town, as well as legal description, if known.)

CHATFIELD RESERVOIR, Jefferson County, Colorado.

5. Please provide a brief narrative description of the proposed project including purpose, need, facilities, type of water uses to be served and service area. Attach separate sheet, if needed.

Center is a member of the Chatfield Reallocation Project with a 0.64 % share equal to 131.33 AF of storage. Center operates a

regional plan for augmentation and it will use Chatfield as terminal storage for its water rights portfolio, to make releases to calling rights downstream

of Denver and as the downstream terminus for exchanges up to

6. Will the acquisition of additional water rights be necessary? YES ☒ NO ☐

If YES, please explain. By December, 2013, Center intends to apply for a 2013 storage right with one refill for its 131.33 AF of space.

It will also fill its Chatfield space with existing senior water rights which are already adjudicated for storage in Chatfield Reservoir.

CWCB Water Project Loan Application

7. Please list the names, addresses and phone numbers of the Applicants' engineer(s) and attorney(s).

NAME

ADDRESS and PHONE

James Culichia, Esq.

See Para. No. 2 above.

8. List any feasibility studies or other investigations that have been completed or are now in progress for the proposed project. If so, submit one copy of the study with this application

Center is a member of the reallocation group and it has prepared no separate feasibility studies or investigations. All of the studies, including the Draft and

Final Environmental Impact Statements, and related documents are available through the reallocation group, of which CWCB is a member.

9. Estimated cost of the project. Please include estimated engineering costs, and estimated construction costs, if known.

Estimated Engineering Costs:\$ \$ 64,000 (0.64% x 10,000,000 est)

Estimated Construction Costs: \$ 845,000 (0.64% x 135,000,000) mitigation costs

Estimated Other Costs: \$ 89,600 (.64% x 14,000,000 first cost of storage) (land, water rights purchase, etc.)

Estimated Total Costs: \$ 998,600.00

10. Loan amount and terms you are requesting.

Requested Loan Amount: \$ 600,000 (= to 40% of total costs) (Usually 90 % of est. Total Costs)

Term (length) of loan: 15 years (Usually 10, 20, or 30 years)

Interest Rate: 2.50 % (Please call for our current rates)

Part C. - Project Sponsor Financial Information

Because the CWCB's Fund is a revolving fund, it is important that the project sponsor have the financial capacity to repay any loans made by the CWCB. The following information is needed to assist the CWCB in a preliminary assessment of the applicant's financial capacity. The project sponsor will submit the three most recent annual financial statements.

1. List any existing long-term liability (multi-year) or indebtedness that exceeds one thousand dollars. For example, bank loans, government agency loans, bond issues, accounts payable, etc. Include names and addresses of lenders, amounts, due dates and maturity dates.

CWCB Water Project Loan Application

<u>Lender Name & Address</u>	<u>Remaining Amount</u>	<u>Annual Payment</u>	<u>Maturity Date</u>
CWCB -James Tingle Reservoir- # C150276	375,659	54,649.7	Oct. 2019
CWCB - Smelter Reservoir #C150335	404,000	46,160.5	Oct. 2022

2. Are any of the above liabilities now in default, or been in default at any time in the past?
YES ☐ NO ☒ . If YES, please give detailed explanation.

3. Please provide a brief narrative description of sources of funding, in addition to the CWCB, which have been explored for this project (Examples would be Banks, USDA Rural Development, NRCS, Colorado Water Resources and Power Development Authority, Colorado Division of Local Government, etc.). Center's total share of the project will be approximately 1,000,000 and it is requesting up to a 600,000 loan from CWCB. The 400,000 balance of project costs will be paid from Center's reserves. At the present time, Center has accumulated approximately \$600,000 in cash reserves. Annual tax revenues are approximately \$450,000 and Center anticipates accruing additional reserves during 2014 prior to any borrowing for the project. So the requested loan amount should be a maximum figure.

4. What collateral will you be offering for this loan? Possibilities include a pledge of revenues, the project itself, real estate, water rights. Pledge of general fund tax revenues.
Borrowing for the Chatfield Reallocation Project was approved by Park County voters in 2010.

The above statements are true, to the best of my knowledge:

Signature of Applicant

Printed Name James W. Culichia

Title Attorney for District

Date August 26, 2013