

**COLORADO WATER CONSERVATION BOARD
SEVERANCE TAX PERPETUAL BASE FUND
Denver, Colorado**

**FINANCIAL STATEMENTS
June 30, 2020, 2019 and 2018**

TABLE OF CONTENTS

	PAGE
ACCOUNTANTS' COMPILATION REPORT	1
BASIC FINANCIAL STATEMENTS	
Statements of Net Position.....	2
Statements of Revenue, Expenses and Changes in Net Position	3
SUPPLEMENTARY INFORMATION	4
Schedules of Cash Sources and Uses.....	5
Graphs of Components of Net Position.....	6



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Colorado Water Conservation Board
Denver, Colorado

Management is responsible for the accompanying financial statements of Colorado Water Conservation Board, Severance Tax Perpetual Base Fund, which comprise the statements of net position as of June 30, 2020, 2019 and 2018 and the related statements of revenue, expenses and changes in net position for the years then ended in accordance with the accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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

The supplementary information appearing on pages 5 and 6 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplemental information.

The financial statements of the Colorado Water Conservation Board, Severance Tax Perpetual Base 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, Severance Tax Perpetual Base Fund.

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

CliftonLarsonAllen LLP

Broomfield, Colorado
September 30, 2020



**COLORADO WATER CONSERVATION BOARD
SEVERANCE TAX PERPETUAL BASE FUND
STATEMENTS OF NET POSITION
June 30, 2020, 2019 and 2018**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
CURRENT ASSETS			
Cash and cash equivalents	\$ 196,363,336	\$ 207,858,239	\$ 200,496,794
Interest receivable on loans	3,977,391	3,502,006	1,772,768
Loans receivable	<u>7,847,499</u>	<u>6,339,050</u>	<u>6,097,050</u>
Total current assets	<u>208,188,226</u>	<u>217,699,295</u>	<u>208,366,612</u>
NONCURRENT ASSETS			
Loans receivable - long-term	<u>259,639,482</u>	<u>221,054,555</u>	<u>154,512,585</u>
Total noncurrent assets	<u>259,639,482</u>	<u>221,054,555</u>	<u>154,512,585</u>
 Total assets	 <u><u>\$ 467,827,708</u></u>	 <u><u>\$ 438,753,850</u></u>	 <u><u>\$ 362,879,197</u></u>
NET POSITION			
Designated			
Designated for loans	\$ 259,639,482	\$ 221,054,555	\$ 154,512,585
Designated for authorized projects			
under contract	30,405,198	52,314,558	87,947,424
Designated for authorized projects			
not under contract	101,038,273	54,161,761	89,526,303
Designated for transfer to			
construction fund	10,000,000	10,000,000	14,000,000
Designated reserve for joint			
budget committee	45,500,000	-	-
Undesignated	<u>21,244,755</u>	<u>101,222,976</u>	<u>16,892,885</u>
Total net position	<u>467,827,708</u>	<u>438,753,850</u>	<u>362,879,197</u>
 Total liabilities and net position	 <u><u>\$ 467,827,708</u></u>	 <u><u>\$ 438,753,850</u></u>	 <u><u>\$ 362,879,197</u></u>

See accountants' compilation report.

**COLORADO WATER CONSERVATION BOARD
SEVERANCE TAX PERPETUAL BASE FUND
STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2020, 2019 and 2018**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
OPERATING REVENUE			
Interest revenue			
Net investment income	\$ 3,881,409	\$ 4,206,854	\$ 4,145,912
Interest earnings - loans	<u>5,981,565</u>	<u>5,236,258</u>	<u>3,051,120</u>
Total interest revenue	<u>9,862,974</u>	<u>9,443,112</u>	<u>7,197,032</u>
Other revenue			
Transfers from general and other funds	-	30,000,000	-
Severance tax	<u>29,210,884</u>	<u>60,431,541</u>	<u>33,106,715</u>
Total other revenue	<u>29,210,884</u>	<u>90,431,541</u>	<u>33,106,715</u>
Total operating revenue	<u>39,073,858</u>	<u>99,874,653</u>	<u>40,303,747</u>
OPERATING EXPENSES			
Transfers to Construction Fund	10,000,000	10,000,000	39,200,000
Transfers to general and other funds	<u>-</u>	<u>14,000,000</u>	<u>36,725,000</u>
	<u>10,000,000</u>	<u>24,000,000</u>	<u>75,925,000</u>
OPERATING INCOME (LOSS) / CHANGE IN NET POSITION	29,073,858	75,874,653	(35,621,253)
NET POSITION - BEGINNING OF YEAR	<u>438,753,850</u>	<u>362,879,197</u>	<u>358,382,819</u>
NET POSITION - END OF YEAR	<u><u>\$ 467,827,708</u></u>	<u><u>\$ 438,753,850</u></u>	<u><u>\$ 362,879,197</u></u>

See accountants' compilation report.

SUPPLEMENTARY INFORMATION

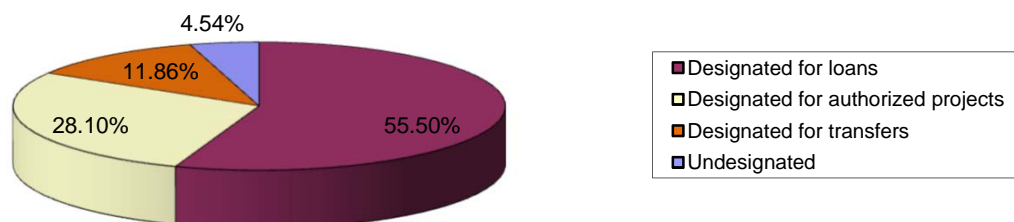
**COLORADO WATER CONSERVATION BOARD
SEVERANCE TAX PERPETUAL BASE FUND
SCHEDULES OF CASH SOURCES AND USES
Years Ended June 30, 2020, 2019 and 2018**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
CASH SOURCES			
Severance tax	\$ 29,210,884	\$ 60,431,541	\$ 33,106,715
Interest received on investments	3,881,409	4,206,854	4,145,912
Interest received on loans	5,506,180	3,507,020	2,937,387
Principal received on loans	7,266,221	8,373,637	6,894,827
Special bills	-	30,000,000	-
	<u>45,864,695</u>	<u>106,519,052</u>	<u>47,084,841</u>
CASH USES			
Loan disbursements to borrowers	47,359,598	75,157,607	37,236,073
Special bills	10,000,000	24,000,000	86,625,000
	<u>57,359,598</u>	<u>99,157,607</u>	<u>123,861,073</u>
CASH SOURCES IN EXCESS (SHORT) OF CASH USES	(11,494,903)	7,361,445	(76,776,232)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>207,858,239</u>	<u>200,496,794</u>	<u>277,273,026</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 196,363,336</u></u>	<u><u>\$ 207,858,239</u></u>	<u><u>\$ 200,496,794</u></u>

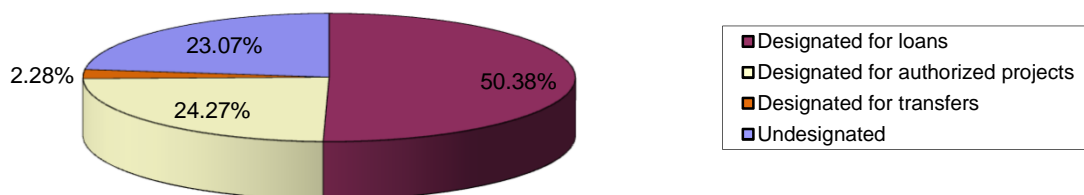
See accountants' compilation report.

**COLORADO WATER CONSERVATION BOARD
SEVERANCE TAX PERPETUAL BASE FUND
GRAPHS OF COMPONENTS OF NET POSITION
June 30, 2020, 2019 and 2018**

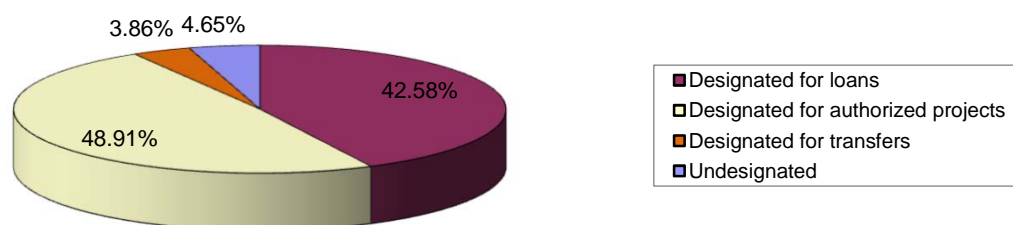
NET POSITION at June 30, 2020



NET POSITION at June 30, 2019



NET POSITION at June 30, 2018



	2020	2019	2018
Designated for loans	\$ 259,639,482	\$ 221,054,555	\$ 154,512,585
Designated for authorized projects	131,443,471	106,476,319	177,473,727
Designated for transfers	55,500,000	10,000,000	14,000,000
Undesignated	21,244,755	101,222,976	16,892,885
Total net position	<u>\$ 467,827,708</u>	<u>\$ 438,753,850</u>	<u>\$ 362,879,197</u>

See accountants' compilation report