TO: Colorado Water Conservation Board Members

FROM: Kirk Russell, P.E., Finance Section Chief
Wendy Cheek, Finance Manager

DATE: July 20-21, 2022 Board Meeting

AGENDA ITEM: 17a. Financial Matters – Construction Fund and Severance Tax PBF
Financial Projections and Cash Management Report

Introduction (This is for information only and no action is necessary)
This agenda item provides the Board updated financial information for use in evaluating authorizations utilizing the Construction Fund and the Severance Tax Perpetual Base Fund for loans and non-reimbursable project investments. A Cash Management Report will be distributed at the Board meeting in order to provide current fund balance information. The Report utilizes information prepared by Clifton Larson Allen, LLP, Severance Tax and Federal Mineral Lease projections prepared by the Legislative Council, and interest earnings/repayment schedules prepared by CWCB staff.

Finance Staff Statement
As of the date of this memo, sufficient unreserved cash is available to fund all loans and grants recommended for approval at this Board Meeting.

Description
The Cash Management Report is used by the Finance Section staff to assure the Board that funds are available for the Water Project loans and grants recommended by staff. If the Report indicates that there are insufficient cash funds available for all applications the Board will prioritize project funding based on Financial Policy #12.

The Projections used in this report are based on the best information available and past experience. They include: CWCB operating expenses, non-reimbursable project investments, estimates of new project loans and loan increases, Severance Tax revenue, Federal Mineral Lease revenue, repayment of existing loans and interest from the Treasury.