

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

**FINANCIAL STATEMENTS  
June 30, 2022, 2021 and 2020**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAAconnect.com](https://CLAAconnect.com)

## TABLE OF CONTENTS

	PAGE
<b>ACCOUNTANTS' COMPILATION REPORT .....</b>	<b>1</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
Statements of Net Position.....	2
Statements of Revenue, Expenses and Changes in Net Position .....	3
<b>SUPPLEMENTARY INFORMATION .....</b>	<b>4</b>
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, Construction Fund, which comprise the statements of net position as of June 30, 2022, 2021 and 2020 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, Construction 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, 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 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  
October 5, 2022

**COLORADO WATER CONSERVATION BOARD**  
**CONSTRUCTION FUND**  
**STATEMENTS OF NET POSITION**  
**June 30, 2022, 2021 and 2020**

	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 293,370,848	\$ 296,897,736	\$ 252,825,973
Restricted cash held in escrow	25,208	713,833	2,246,853
Interest receivable on loans	3,270,699	3,163,121	4,159,215
Loans receivable	5,848,128	9,460,564	15,201,162
Total current assets	<u>302,514,883</u>	<u>310,235,254</u>	<u>274,433,203</u>
<b>NONCURRENT ASSETS</b>			
Loans receivable - long-term - net of allowance for uncollectible account of \$526,162 in 2022, \$754,372 in 2021 \$728,894 in 2020	247,709,549	236,780,368	236,366,798
Interest receivable - long term	1,295,460	2,999,453	1,088,081
Investment in joint venture	28,298,007	42,061,015	39,814,162
Water rights	34,291,032	34,496,778	34,702,524
Total noncurrent assets	<u>311,594,048</u>	<u>316,337,614</u>	<u>311,971,565</u>
Total assets	<u><u>\$ 614,108,931</u></u>	<u><u>\$ 626,572,868</u></u>	<u><u>\$ 586,404,768</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 2,149,109	\$ 3,841,793	\$ 1,418,970
Total liabilities	<u>2,149,109</u>	<u>3,841,793</u>	<u>1,418,970</u>
<b>NET POSITION</b>			
Designated			
Designated for water rights	34,291,032	34,496,778	34,702,524
Designated for water storage rights	28,323,215	42,774,848	42,061,015
Designated for loans	249,005,009	236,780,368	237,454,878
Designated for authorized projects under contract	107,815,391	116,354,331	64,725,431
Designated for authorized projects not under contract	125,173,748	103,902,108	174,353,400
Designated for TABOR	-	-	33,000,000
Undesignated	67,351,427	88,422,642	(1,311,450)
Total net position	<u>611,959,822</u>	<u>622,731,075</u>	<u>584,985,798</u>
Total liabilities and net position	<u><u>\$ 614,108,931</u></u>	<u><u>\$ 626,572,868</u></u>	<u><u>\$ 586,404,768</u></u>

See accountants' compilation report.

**COLORADO WATER CONSERVATION BOARD  
CONSTRUCTION FUND  
STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
Years Ended June 30, 2022, 2021 and 2020**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>OPERATING REVENUE</b>			
Interest revenue			
Net investment income	\$ 3,318,476	\$ 3,083,916	\$ 4,386,557
Interest earnings - loans	6,156,002	7,005,388	5,486,413
Total interest revenue	<u>9,474,478</u>	<u>10,089,304</u>	<u>9,872,970</u>
Other revenue			
Mineral lease income	12,436,006	8,042,129	6,154,794
Transfer from Severance Tax PB Fund	-	10,000,000	10,000,000
Transfer from General Fund	-	34,000,000	-
Service charge on loans	893,025	371,204	181,535
Other	925,828	1,106,801	7,127,985
Total other revenue	<u>14,254,859</u>	<u>53,520,134</u>	<u>23,464,314</u>
Total operating revenue	<u>23,729,337</u>	<u>63,609,438</u>	<u>33,337,284</u>
<b>OPERATING EXPENSE</b>			
Interdepartmental operations			
CWCB - Operations	4,738,476	4,524,676	5,224,688
Division of Water Resources	190,262	192,448	212,467
Satellite monitoring	566,776	525,902	380,417
Executive Director's office	557,114	501,877	606,538
Attorney General's office	564,972	689,354	728,422
Nonreimbursable investments	27,882,990	19,429,904	53,104,130
Total operating expense	<u>34,500,590</u>	<u>25,864,161</u>	<u>60,256,662</u>
<b>OPERATING INCOME/CHANGE IN NET POSITION</b>	(10,771,253)	37,745,277	(26,919,378)
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>622,731,075</u>	<u>584,985,798</u>	<u>611,905,176</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 611,959,822</u></u>	<u><u>\$ 622,731,075</u></u>	<u><u>\$ 584,985,798</u></u>

See accountants' compilation report.

## **SUPPLEMENTARY INFORMATION**

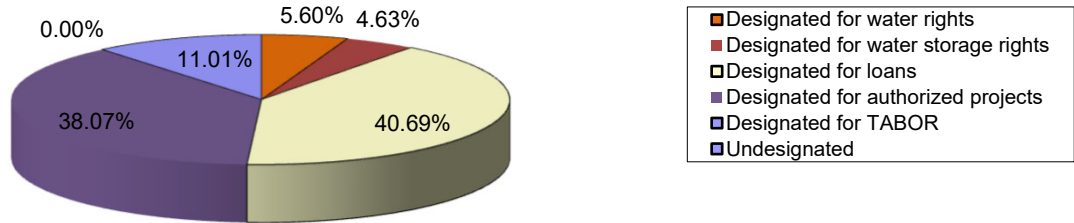
**COLORADO WATER CONSERVATION BOARD**  
**CONSTRUCTION FUND**  
**SCHEDULES OF CASH SOURCES AND USES**  
**Years ended June 30, 2022, 2021 and 2020**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>CASH SOURCES</b>			
Mineral lease income	\$ 12,436,006	\$ 8,042,129	\$ 6,154,794
Interest received on investments	3,318,476	3,083,916	4,386,557
Interest received on loans	4,559,587	6,090,110	5,661,164
Principal received on loans	14,438,708	28,207,483	14,417,075
Service charge on loans	893,025	371,204	181,535
Transfer from Severance Tax PB Fund	-	10,000,000	10,000,000
Transfer from General Fund	-	34,000,000	-
Sale of portion of Joint Venture	13,763,008	-	5,221,310
Sale of portion of Water Rights	205,746	205,746	-
Other revenue	925,828	1,106,801	1,906,675
	<u>50,540,384</u>	<u>91,107,389</u>	<u>47,929,110</u>
<b>CASH USES</b>			
Loan disbursements to borrowers	20,711,732	22,880,455	30,909,396
Nonreimbursable investments	27,882,990	19,429,904	31,789,209
Interdepartmental operations	8,310,284	4,011,434	7,152,532
Conversion of portion of Joint Venture to LT asset	-	-	9,131,067
Investment in joint venture	-	2,246,853	17,077,429
	<u>56,905,006</u>	<u>48,568,646</u>	<u>96,059,633</u>
<b>CASH SOURCES IN EXCESS (DEFICIENCY) OF CASH USES</b>	(6,364,622)	42,538,743	(48,130,523)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>297,611,569</u>	<u>255,072,826</u>	<u>303,203,349</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 291,246,947</u></u>	<u><u>\$ 297,611,569</u></u>	<u><u>\$ 255,072,826</u></u>
<b>TOTAL CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION:</b>			
Cash and cash equivalents	\$ 293,370,848	\$ 296,897,736	\$ 252,825,973
Restricted cash held in escrow	25,208	713,833	2,246,853
	<u><u>\$ 293,396,056</u></u>	<u><u>\$ 297,611,569</u></u>	<u><u>\$ 255,072,826</u></u>

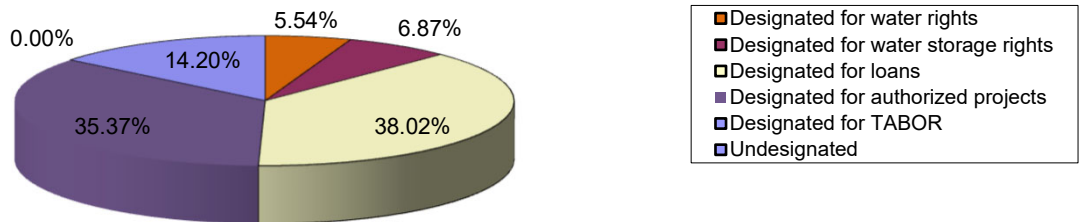
See accountants' compilation report.

**COLORADO WATER CONSERVATION BOARD  
CONSTRUCTION FUND  
GRAPHS OF COMPONENTS OF NET POSITION  
June 30, 2022, 2021 and 2020**

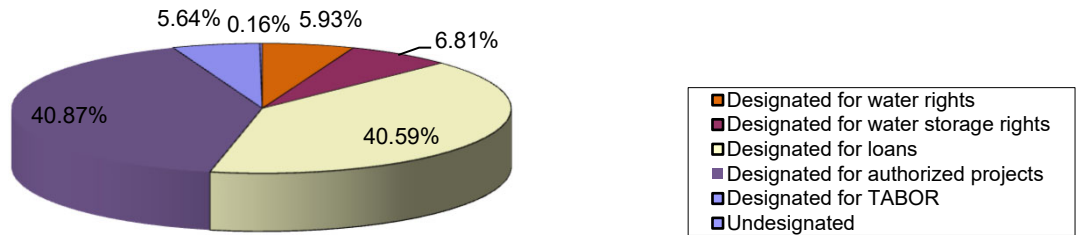
**NET POSITION at June 30, 2022**



**NET POSITION at June 30, 2021**



**NET POSITION at June 30, 2020**



	2022	2021	2020
Designated for water rights	\$ 34,291,032	\$ 34,496,778	\$ 34,702,524
Designated for water storage rights	28,323,215	42,774,848	39,814,162
Designated for loans	249,005,009	236,780,368	237,454,878
Designated for authorized projects	232,989,139	220,256,439	239,078,831
Designated for TABOR	-	-	33,000,000
Undesignated	67,351,427	88,422,642	935,403
Total net position	<u>\$ 611,959,822</u>	<u>\$ 622,731,075</u>	<u>\$ 584,985,798</u>

See accountants' compilation report



