

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

**FINANCIAL STATEMENTS
June 30, 2023, 2022 and 2021**



CPAs | CONSULTANTS | WEALTH ADVISORS

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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, 2023, 2022 and 2021 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 2, 2023

**COLORADO WATER CONSERVATION BOARD
CONSTRUCTION FUND
STATEMENTS OF NET POSITION
June 30, 2023, 2022 and 2021**

	2023	2022	2021
CURRENT ASSETS			
Cash and cash equivalents	\$ 289,640,554	\$ 293,370,848	\$ 296,897,736
Restricted cash held in escrow	-	25,208	713,833
Interest receivable on loans	4,187,184	3,270,699	3,163,121
Loans receivable	4,642,037	5,848,128	9,460,564
Total current assets	298,469,775	302,514,883	310,235,254
NONCURRENT ASSETS			
Loans receivable - long-term - net of allowance for uncollectible account of \$521,460 in 2023, \$526,162 in 2022 \$754,372 in 2021	254,645,567	247,709,549	236,780,368
Interest receivable - long term	761,723	1,295,460	2,999,453
Investment in joint venture	26,604,609	28,298,007	42,061,015
Water Inventory	34,291,032	34,291,032	34,496,778
Total noncurrent assets	316,302,931	311,594,048	316,337,614
Total assets	\$ 614,772,706	\$ 614,108,931	\$ 626,572,868
LIABILITIES			
Accounts payable	\$ 4,382,222	\$ 2,149,109	\$ 3,841,793
Total liabilities	4,382,222	2,149,109	3,841,793
NET POSITION			
Designated			
Designated for water inventory	34,291,032	34,291,032	34,496,778
Designated for water storage rights	26,604,609	28,323,215	42,774,848
Designated for loans	255,407,290	249,005,009	236,780,368
Designated for authorized projects	207,726,001	232,989,139	220,256,439
Undesignated	86,361,552	67,351,427	88,422,642
Total net position	610,390,484	611,959,822	622,731,075
Total liabilities and net position	\$ 614,772,706	\$ 614,108,931	\$ 626,572,868

See accountants' compilation report.

**COLORADO WATER CONSERVATION BOARD
CONSTRUCTION FUND
STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2023, 2022 and 2021**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
OPERATING REVENUE			
Interest revenue			
Net investment income	\$ 6,410,724	\$ 3,318,476	\$ 3,083,916
Interest earnings - loans	<u>8,296,261</u>	<u>6,156,002</u>	<u>7,005,388</u>
Total interest revenue	<u>14,706,985</u>	<u>9,474,478</u>	<u>10,089,304</u>
Other revenue			
Mineral lease income	17,237,002	12,436,006	8,042,129
Transfer from Severance Tax PB Fund	-	-	10,000,000
Transfer from General Fund	-	-	34,000,000
Service charge on loans	349,531	893,025	371,204
Other	<u>253,744</u>	<u>925,828</u>	<u>1,106,801</u>
Total other revenue	<u>17,840,277</u>	<u>14,254,859</u>	<u>53,520,134</u>
Total operating revenue	<u>32,547,262</u>	<u>23,729,337</u>	<u>63,609,438</u>
OPERATING EXPENSE			
Interdepartmental operations			
CWCB - Operations	5,947,478	4,738,476	4,524,676
Division of Water Resources	204,150	190,262	192,448
Satellite monitoring	401,168	566,776	525,902
Executive Director's office	563,453	557,114	501,877
Attorney General's office	644,885	564,972	689,354
Nonreimbursable investments	<u>26,355,466</u>	<u>27,882,990</u>	<u>19,429,904</u>
Total operating expense	<u>34,116,600</u>	<u>34,500,590</u>	<u>25,864,161</u>
OPERATING INCOME/CHANGE IN NET POSITION	(1,569,338)	(10,771,253)	37,745,277
NET POSITION - BEGINNING OF YEAR	<u>611,959,822</u>	<u>622,731,075</u>	<u>584,985,798</u>
NET POSITION - END OF YEAR	<u>\$ 610,390,484</u>	<u>\$ 611,959,822</u>	<u>\$ 622,731,075</u>

See accountants' compilation report.

SUPPLEMENTARY INFORMATION

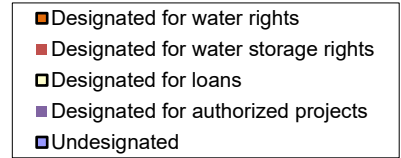
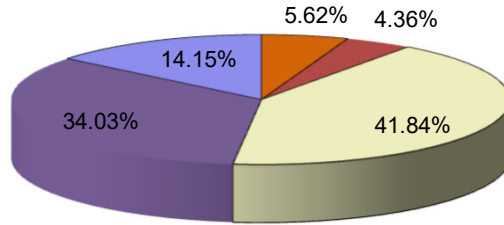
**COLORADO WATER CONSERVATION BOARD
CONSTRUCTION FUND
SCHEDULES OF CASH SOURCES AND USES
Years ended June 30, 2023, 2022 and 2021**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
CASH SOURCES			
Mineral lease income	\$ 17,237,002	\$ 12,436,006	\$ 8,042,129
Interest received on investments	6,410,724	3,318,476	3,083,916
Interest received on loans	7,913,513	7,752,417	6,090,110
Principal received on loans	11,877,997	14,355,051	28,207,483
Service charge on loans	349,531	893,025	371,204
Transfer from Severance Tax PB Fund	-	-	10,000,000
Transfer from General Fund	-	-	34,000,000
Sale of portion of Joint Venture	1,693,398	13,763,008	-
Sale of portion of Water Rights	-	205,746	205,746
Other revenue	253,744	925,828	1,106,801
	<u>45,735,909</u>	<u>53,649,557</u>	<u>91,107,389</u>
CASH USES			
Loan disbursements to borrowers	17,607,924	21,671,795	22,880,455
Nonreimbursable investments	26,355,466	27,882,990	19,429,904
Interdepartmental operations	5,528,021	8,310,285	4,011,434
Investment in joint venture	-	-	2,246,853
	<u>49,491,411</u>	<u>57,865,070</u>	<u>48,568,646</u>
CASH SOURCES IN EXCESS (DEFICIENCY) OF CASH USES	(3,755,502)	(4,215,513)	42,538,743
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>293,396,056</u>	<u>297,611,569</u>	<u>255,072,826</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 289,640,554</u>	<u>\$ 293,396,056</u>	<u>\$ 297,611,569</u>
TOTAL CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION:			
Cash and cash equivalents	\$ 289,640,554	\$ 293,370,848	\$ 296,897,736
Restricted cash held in escrow	-	25,208	713,833
	<u>\$ 289,640,554</u>	<u>\$ 293,396,056</u>	<u>\$ 297,611,569</u>

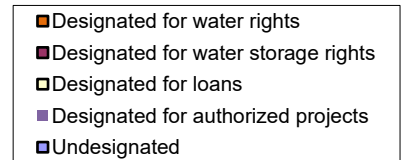
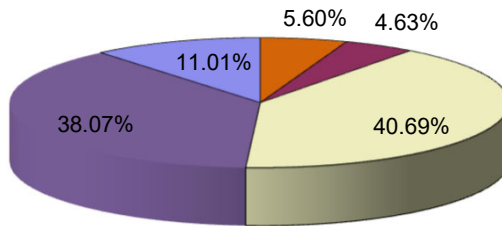
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**COLORADO WATER CONSERVATION BOARD
CONSTRUCTION FUND
GRAPHS OF COMPONENTS OF NET POSITION
June 30, 2023, 2022 and 2021**

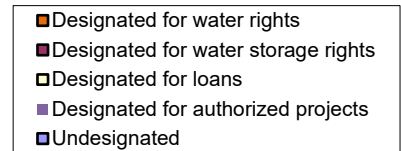
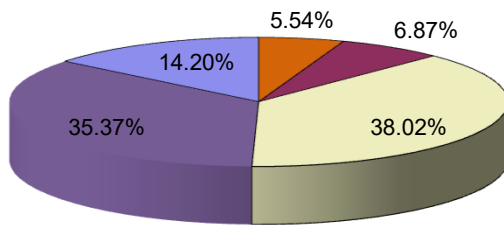
NET POSITION at June 30, 2023



NET POSITION at June 30, 2022



NET POSITION at June 30, 2021



	<u>2023</u>	<u>2022</u>	<u>2021</u>
Designated for water rights	\$ 34,291,032	\$ 34,291,032	\$ 34,496,778
Designated for water storage rights	26,604,609	28,323,215	42,774,848
Designated for loans	255,407,290	249,005,009	236,780,368
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Total net position	<u>\$ 610,390,484</u>	<u>\$ 611,959,822</u>	<u>\$ 622,731,075</u>

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