



**Southeastern
Colorado
Water
Conservancy
District**

www.secwcd.com

2019 Adopted Budget

Board of Directors

Directors are appointed by District Court judges in each of the District's nine counties for four-year terms.

Officers are elected annually by the Board.

The Board is the policy group for both the Government Activity and Enterprise Activity of the group, and sets the annual budget for each.

One of the strengths of the District is that its communities include diverse sectors of the state's economy, ranging from among the most rural to the most urban counties in Colorado. Despite the differences, the board has worked collaboratively to provide supplemental water for 61 years.



Bill Long
President
Bent County



Curtis Mitchell
Vice President
El Paso County



Ann Nichols
Treasurer
El Paso County



Gibson Hazard
Secretary
El Paso County



Carl McClure
Crowley County



Howard "Bub" Miller
Otero County



Tom Goodwin
Fremont County



Kevin Karney
At-large



Dallas May
Prowers-Kiowa
Counties



Mark Pifher
El Paso County



Seth Clayton
Pueblo County



Greg Felt
Chaffee County



Alan Hamel
Pueblo County



Andrew Colosimo
El Paso County



Patrick Garcia
Pueblo County



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Message from the Executive Director



Jim Broderick has been Executive Director of the Southeastern Colorado Water Conservancy District since 2002.

A Pueblo native, Mr. Broderick has worked with the Board, staff, and the broader water community to advance the District's goals, and improve relationships both within Colorado and throughout the United States.

He is currently the President of the Colorado River Water Users Association. He is a member of the National Water Resources Association and Family Farm Alliance.

He is past president of the Colorado Water Congress and Arkansas Basin Roundtable.



SOUTHEASTERN COLORADO

Water Conservancy District

"Your investment in water"

To Our Board of Directors, Stakeholders, and Constituents:

The District's 2019 Adopted Budget is all about investing in the future of southeastern Colorado.

During discussions with the Board and Executive Committee in 2017, it was determined that a review of our water rates should be undertaken. The results of that discussion is the Financial Strategy and Sustainability Study which will provide a full analysis of the District and Enterprise finances as well as provide any suggested adjustments for future sustainability. The study includes the following main elements:

- ◆ Financial Planning
- ◆ Policies Analysis
- ◆ Capital Improvement and Capital Project Plan
- ◆ Revenue Requirement Analysis
- ◆ Cost of Service Analysis
- ◆ Rate Design Analysis
- ◆ Communications, Workshops, and Board meetings

The 2019 Adopted Budget is designed to invest in the future of Southeastern Colorado. It represents wise, prioritized spending that addresses the needs of today, while setting the region up for future returns. Such investment will help the region maintain stability and continue to progress, even in times of uncertainty.

This past year, we have reviewed the Strategic Plan and our 2019-2021 Business Plan. The two documents are our roadmaps that establishes the District's priorities and identifies initiatives necessary to guide the District toward its achievement of goals. The 2019 Business Plan should be viewed in connection with the 2019 Adopted Budget and the 2018 Financial Report and identifies the expectations of spending. This 2019 Adopted Budget document presents an overall plan for allocating resources to meet those goals for 2019.



Message from the Executive Director

The District's financial condition remains stable due to steady revenues, strong reserves, and prudent financial practices. A multi-year capital improvement project at Pueblo Dam will begin this year. Future capital improvements will need to be funded from reserves, rate increases, or financing to keep reserve levels compliant with infrastructure needs. Further analysis and options will be vetted to determine the course of action to maintain the financial viability of these funds.

We continue our practice of improving our water supply in the District's facilities. In an effort to revitalize the District's water infrastructure and reduce ongoing maintenance and repair costs, the District will implement a facilities operational improvement review on older facilities beginning this year with an Asset Valuation, and continuing in 2020 with a Condition Assessment. This year and beyond, the District will continue to take an active approach to modernizing and replacing aging facilities.

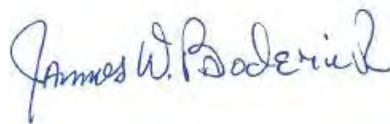
At the heart of the District's stability, even in times of uncertainty, are our fiscal discipline and systemic financial planning and monitoring. The budget also continues our long-term strategy to set aside resources to support existing obligations. This practice protects and stabilizes our ability to provide water resources and programs that our stakeholders value.

The Fiscal Year 2019 Adopted Budget totals \$25.9 million, a decrease of 10 percent from the prior fiscal year, reflecting reduced capital costs on the Pueblo Dam Hydroelectric Project, which will be completed and begin producing electricity this year.

This year, we continue our focus on water supply reliability, enhanced infrastructure safety, security, and resiliency. We also will emphasize infrastructure investment/management, continue to advance the Arkansas Valley Conduit (AVC), retain sound business practices and fiscal integrity, foster leadership, and strengthen workforce capabilities.

It's an ambitious plan to invest in the current needs of the District service area and progress toward a region that is healthy, safe, and thriving for years to come. There will always be uncertainty and change, but this budget reveals our commitment to stability and stewardship on behalf of our stakeholders.

I would like to express my appreciation to the staff for their diligent efforts in developing a budget that reflects the needs of the District. Through the process, the staff have strengthened their understanding of the needs of the District and the contributions that each staff member provides the District and its stakeholders. A special note of thanks should go the Leann Noga, Toni Gonzales, Stephanie Shipley and Chris Woodka for their excellence in gathering, analyzing, and presenting information clearly and accurately. We are confident that this budget document reflects the policies and direction of the Board of Directors, and provides our commitment for a successful year.

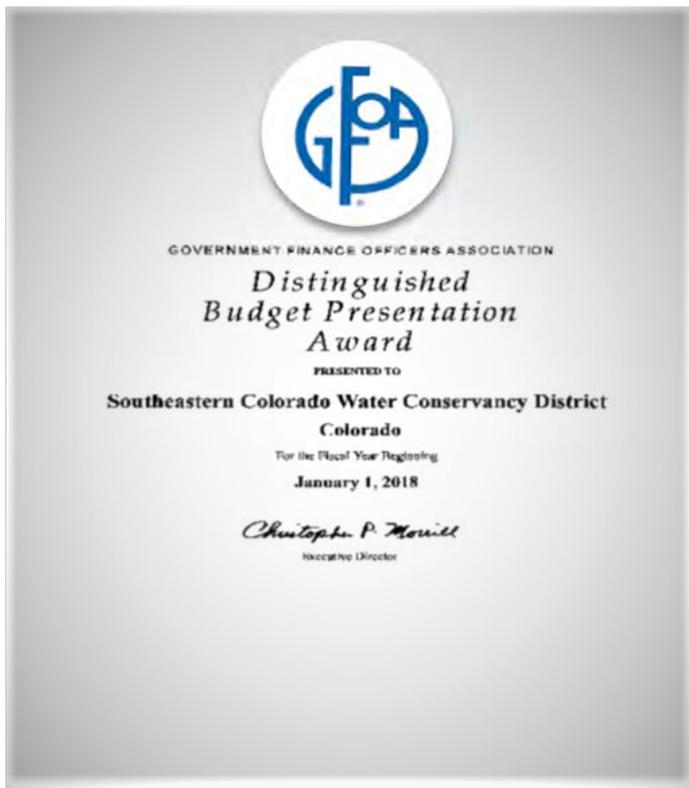


James W. Broderick
Executive Director





The Southeastern Colorado Water Conservancy District budget team, from left, Chris Woodka, Leann Noga, Stephanie Shipley, James Broderick and Toni Gonzales.



Distinguished Budget Presentation

The District has earned the Government Finance Officers Association Distinguished Budget Award for seven consecutive years.

The award is the highest form of recognition in government budgeting, and represents a significant achievement. This award provides assurance that the District's annual budget serves as a policy document, a financial plan, an operating guide, and a communication device.

This award reflects the commitment of the Board and staff to meet the highest principles of government budgeting.



Who we are...

Committees

Board members serve on committees which evaluate issues prior to consideration by the entire Board.

Executive: Officers and chairs of other committees meet on major policy issues.

Chair: Bill Long

Vice-Chair: Curtis Mitchell

Members: Tom Goodwin, Alan Hamel, Gibson Hazard, Carl McClure, Ann Nichols, James Broderick

Allocation & Storage: Reviews allotment of Project water to be sold, eligibility policy, and related issues.

Chair: Carl McClure

Vice-Chair: Howard "Bub" Miller

Members: Andy Colosimo, Tom Goodwin, Alan Hamel, Curtis Mitchell, James Broderick

Arkansas Valley Conduit: Looks at AVC components.

Chair: Bill Long

Vice-Chair: Howard "Bub" Miller

Members: Kevin Karney, Carl McClure, Dallas May, James Broderick

Colorado River and Water Supply: Reviews Western Slope technical, legal, and political issues.

Chair: Tom Goodwin

Vice-Chair: Kevin Karney

Members: Seth Clayton, Mark Pifher, James Broderick

Finance: Looks at accounting, auditing, budgeting, and investing.

Chair: Ann Nichols

Vice-Chair: Kevin Karney

Members: Seth Clayton, Greg Felt, Bill Long, James Broderick

Human Resources: Sets employee policy, and reviews performance.

Chair: Alan Hamel

Vice-Chair: Ann Nichols

Members: Patrick Garcia, Tom Goodwin, Dallas May, James Broderick

Excess Capacity: Monitors storage issues relating to non-Project water.

Chair: Gibson Hazard

Vice-Chair: Curtis Mitchell

Members: Kevin Karney, Howard "Bub" Miller, Mark Pifher, James Broderick

Resource & Engineering Planning: Looks at engineering and legal issues affecting the District and Project.

Chair: Curtis Mitchell

Vice-Chair: Seth Clayton

Members: Andy Colosimo, Tom Goodwin, Gibson Hazard, James Broderick



Mission

Water is essential for life. We exist to make life better by effectively developing, protecting, and managing water.

Vision

As we strive to realize our vision of the future, all our actions and efforts will be guided by communication, consultation, and cooperation, focused in a direction of better accountability through modernization and integration across the District.

Core Values

**A commitment to honesty and integrity.
A promise of responsible and professional service and action.
A focus on fairness and equity.**



Southeastern Colorado Water Conservancy District History



Fry-Ark Project Costs

- ◇ **Construction:** \$498 million
- ◇ **Interest During Construction:** \$87 million
- ◇ **Total:** \$585 million

Fry-Ark Repayment

- ◇ **SECWCD Municipal and Industrial:** \$58 million
- ◇ **SECWCD Agricultural:** \$76 million.
- ◇ **Fountain Valley Conduit:** \$65 million
- ◇ **Power generation:** \$147 million.
- ◇ **Federal benefit:** \$237 million

Droughts and floods were the way of life in the Arkansas River basin for most of the 20th century.

Chiefly important to farmers and cities was the need for a way to provide more water during times of shortage.

By the mid-1940s, there were already a handful of water projects that brought water over the Continental Divide, but in the post-war era, dreams were big. The Fry-Ingpan-Arkansas Project (Project) would bring billions of gallons of new water to the Arkansas River basin through a diversion high in the watershed.

The task was to convince skeptical communities on the western slope of Colorado that they would not be harmed by the project, and to secure statewide agreement to take the Project to Congress. The Water Development Association of Southeastern Colorado, which included business leaders, irrigators, cities and chambers of commerce from throughout the basin, formed in 1946 to take on that task.

The group enlisted financial support for its lobbying efforts in a number of ways. Among the most colorful was the sale of golden frying pans to represent the golden future the Project promised.

The group worked for more than a decade not only to convince Congress to approve the Project, but to form a district to manage the state and local interests of the Project.

Petitions were submitted to Pueblo District Court, and on April 29, 1958, the Southeastern Colorado Water Conservancy District (District) was formed. Its purpose is to supply water for irrigation, municipal, domestic, and industrial uses; generate and transmit hydroelectric energy; control floods; and other useful and beneficial purposes, such as preserving water quality and enhancing recreation.

The District boundaries were drawn so that those who would receive the benefits would pay a property tax to repay and operate the Project. Water sales and outside contracts also are sources of revenue to support the Project.

The District is responsible for repayment of the



Charles Boustead, the District's first general manager, shows off a pile of golden frying pans used to promote the Fry-Ingpan-Arkansas Project in the 1950s.

local benefits of the Project, which were calculated to be \$134 million in 1982, over a 50-year period. (\$2 million was repaid while the Project still was under construction.) As of the end of 2017, about \$20 million remained to be paid, and the District will be seeking new contract arrangements with the Bureau of Reclamation in the next two years.

The District enjoyed its 60th anniversary in 2018, and has accomplished many of the goals it set for itself in 1958. Along the way, it has been a leader in Arkansas River water development, not only in achieving a more reliable supply and controlling floods, but in providing assistance, direction, and guidance for all of its constituents.



Southeastern Colorado Water Conservancy District Governance

BOARD OF DIRECTORS	
COUNTY	SEATS
Bent	1
Chaffee	1
Crowley	1
El Paso	5
Fremont	1
Kiowa-Prowers	1
Otero	1
Pueblo	3
At-large	1

There are 15 Board members who are appointed for four-year terms by District Court judges. Five members are appointed annually in three out of every four years. No vacancies are scheduled to occur in 2019.

⇒ **1958-1985**
Two seats were appointed per county, except for one seat shared by Prowers and Kiowa Counties.

⇒ **1985**
Colorado Springs Utilities and Pueblo Water petitioned the court to appoint board seats according to population.

El Paso County had five seats, Pueblo County three seats, and others one seat. Prowers and Kiowa still shared one seat.

⇒ **1988**
An at-large seat was created, and may be filled from any of the nine counties.

District boundaries include parts of nine counties, each of which has incorporated cities, water districts or companies, and irrigated agriculture.

Under Colorado law (CRS 37-45-118), the District has the following powers:

- ⇒ To hold and enjoy water, waterworks, water rights, and sources of water supply, and any and all real and personal property.
- ⇒ To sell, lease, encumber, alien, or otherwise dispose of water, waterworks, water rights, and sources of supply of water for use within the District.
- ⇒ To acquire, construct, or operate, control, and use any and all works, facilities, and means necessary or convenient to the exercise of its power.
- ⇒ To contract with the government of the United States or any agency thereof for the construction, preservation, operation, and maintenance of tunnels, reservoirs, regulating basins, diversion canals and works, dams, power plants, and all necessary works incident thereto and to acquire perpetual rights to the use of water from such works and to sell and dispose of perpetual rights to the use of water from such works to persons and corporations, public and private.

- ⇒ To enter into contracts, employ and retain personal services; to create, establish, and maintain such offices and positions as shall be necessary and convenient for the transaction of the business of the District; and to elect, appoint, and employ such officers, attorneys, agents, and employees therefore as found by the Board to be necessary and convenient.
- ⇒ To invest or deposit any surplus money in the District treasury, including such money as may be in any sinking or escrow fund established for the purpose of providing for the payment of the principal of or interest on any contract or bonded or other indebtedness, or for any other purpose, not required for the immediate necessities of the District.
- ⇒ To participate in the formulation and implementation of nonpoint source water pollution control programs related to agricultural practices in order to implement programs required or authorized under federal and state law.
- ⇒ Nothing shall be construed to grant to the District or Board the power to generate, distribute, sell, or contract to sell electric energy except for the operation of the works and facilities of the District and except for wholesale sales of electric energy which may be made both within and without the boundaries of the District or subdistrict.

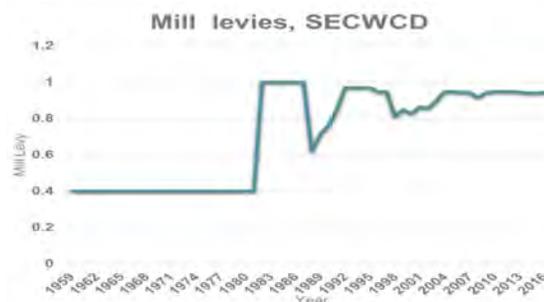
District ad valorem, specific ownership tax collections

State law also allowed the District to collect 0.5 mills in property taxes prior to construction of the Fryingpan-Arkansas Project, and 1 mill when repayment began. Up to 1.5 mills could be charged if payments were in default.

As the chart shows, the Board of Directors chose to assess a 0.4 mill levy until the District signed a Repayment Contract with the Bureau of Reclamation in 1982. Changes in the Colorado Constitution (Gallagher Amendment, 1982; Taxpayer’s Bill of Rights, 1992) required adjustments to the District mill levy.

The District’s mill levy in 2019 is 0.944, which is divided into three parts. These are 0.9 mills for Contract repayment, operation, maintenance and replacement; 0.035 for District administration; and 0.009 mills for refunds and abatements.

The District, or Government Activity, also receives revenue from Specific Ownership taxes, interest on investments, interfund reimburse-



ments, and other sources.

The Enterprise, or Business Activity, was formed in 1996, and receives funding from water sales, surcharges on water sales and storage, participant payments, interest revenues, and other sources.

Funding is fully described in the Financial Planning section.



Southeastern Colorado Water Conservancy District Governance



HISTORIC DOCUMENTS

The governance of the District is tied to several historic agreements and documents developed before and during the construction of the Fryingpan-Arkansas Project (Project). One of the major purposes of the District has always been to act on behalf of its participants in Southern Colorado in matters regarding Fryingpan-Arkansas Project construction, operation, and activities.



Federal historic documents:

- ◆ **House Document 187, 1953:** This planning document laid out the scope of the Project and was included in subsequent legislation. It described a West Slope Collection System, a transmountain diversion tunnel, hydroelectric features, and terminal storage at Pueblo.
- ◆ **Fryingpan-Arkansas Act (Public Law 87-950), 1962:** Signed into law in Pueblo by President John F. Kennedy, the act described a system to supply supplemental water to municipal, industrial, and agricultural users in the Arkansas River basin. Hydroelectric power, as well as recreational and environmental benefits to the people of the United States were also mandated. The Fountain Valley Conduit and Arkansas Valley Conduit were both included as features of the Project.
- ◆ **Repayment Contract with the U.S. Bureau of Reclamation, 1982:** This contract places certain requirements on the District, including setting aside 0.9 mills in property tax to repay Project costs, interest, and maintenance, operation and replacement of Project features.
- ◆ **Reclamation Reform Act of 1982:** Eligible acres for agricultural allocations are defined.
- ◆ **Authorization of the Arkansas Valley Conduit (Public Law 111-11), 2009:** This law allows the use of miscellaneous revenues to pay for parts of the Project not yet funded, including the South Outlet, Ruedi Reservoir, Fountain Valley Conduit, and Arkansas Valley Conduit.



Statewide historic documents:

- ◆ **Colorado Water Conservation Act, 1937:** The conservation act paved the path for formation of the District in 1958. It was amended in 1991.
- ◆ **Division 2 and Division 5 water rights decrees:** Legal vigilance is maintained for water rights held by the District in both the Arkansas River and Upper Colorado River basins.
- ◆ **Fryingpan-Arkansas Project Operating Principles, 1961:** The Operating Principles are an agreement among the District, the Colorado River Conservation District, the Southwestern Colo-

rado Conservation District, and the Colorado Water Conservation Board that limit the amount of water that can be diverted annually and over a 34-year period.

- ◆ **“10,825 Agreement” to support Programmatic Biological Opinion for Colorado River endangered species, 2010:** The District and other Front Range water providers who draw water from the Colorado River basin reached an agreement to supply half of the 10,825 acre-feet of water needed to maintain flows for four endangered fish species.



Agreements and decrees:

- ◆ **Allocation Principles Decree, 1979:** These principles reserve 51 percent of water for municipal use, and further divide water among regions.
- ◆ **Winter Water Court Decree, 1987:** Under the decree, the District administers a program that allows agricultural users to store non-Project water during winter months.
- ◆ **Upper Arkansas Voluntary Flow Management Program, 1991:** The voluntary program now is operated under five-year plans mandated in a 2004 court decree.
- ◆ **Aurora Intergovernmental Agreement, 2003:** Allows excess capacity storage for Aurora in Project facilities in exchange for compensation to the District over a 40-year period.
- ◆ **Six-party Intergovernmental Agreement, 2004:** Resolves issues among Pueblo, Pueblo Water, Colorado Springs Utilities, Fountain, Aurora, and the District, while preserving minimum flows in the Arkansas River through Pueblo.



Board policies:

- ◆ **Allocation Policy (revised 2013):** The policy clarifies how the Allocation Principles are applied in annual allocations of Project water.
- ◆ **Water Rates and Surcharges:** Water rates are set by the Board annually. Surcharges were added for Safety of Dams (1998), Water Activity Enterprise (2002), Well Augmentation (2005), and Environmental Stewardship (2014)
- ◆ **Return Flow Policy, 2004:** This policy determines how return flows from Project water (from diversions that are not fully consumed) are accounted for and sold.
- ◆ **Not Previously Allocated Non Irrigation Water Policy, 2007:** This policy allocates the sale of water from lands that were once irrigated, but can no longer receive water under new court decrees. The water can only be used for municipal and industrial purposes.



Southeastern Colorado Water Conservancy District Municipal Users

Fry-Ark Principles

Municipal water gets priority under the Fryingpan-Arkansas Project Operating Principles. Project Allocation Principles provide the basis for dividing Project water among regions for municipalities:

Fountain Valley Authority: 25%

Pueblo: 10%

East of Pueblo: 12%

West of Pueblo: 4%



NPANIW receives 3.59 percent, which is further divided as follows:

Arkansas Valley Conduit (future): 2.18

Fountain Valley Authority: 0.48%

West of Pueblo: 0.27%

Pueblo West Metro District: 0.34%

Manitou Springs: 0.35%.

The population within the Southeastern Colorado Water Conservancy District has grown from about 330,000 when the District was formed to roughly 860,000 today. By the year 2030, the population is expected to be 1.3 million.

The District provides a supplemental supply of water for all of the cities within its boundaries, as well as domestic water for unincorporated areas.

Allocation Principles reserve 51 percent of the water for municipal use.

In 2006, the Allocation Principles were amended to allocate water from agricultural lands permanently dried up by water transfers to municipal use.

This new supply of municipal water, given the ungainly title Not Previously Allocated Non-Irrigation Water (NPANIW) totals 3.59 percent of diversions, and is allocated along proportional lines

The NPANIW allocation assisted in the shift of demand as municipalities began requesting their full amount of Project water.

Delivery of Project water varies, depending on municipal needs and availability of storage. The table below shows the amount of water delivered since 1972, and the average since 1982, the first year of full Project deliveries.

Region	Initial Delivery	Total	Average
Fountain Valley	1972	398,624 af	9,737 af
Pueblo Water	2002	36,271 af	3,207 af
East of Pueblo	1972	141,263 af	3,607 af
West of Pueblo	1980	30,636 af	827 af
Pueblo West	2007	1,485 af	124 af
Manitou Springs	2003	1,792 af	112 af



Fountain Valley Authority

Colorado Springs
Fountain
Security
Stratmoor Hills
Widefield



East of Pueblo

96 Pipeline Co.	Hilltop	
Avondale	Holbrook Center	
AGUA	Homestead	Patterson Valley
Beehive Water	La Junta	Riverside
Bent's Fort Co.	Lamar	Rocky Ford
Boone	Las Animas	St. Charles Mesa
Cheraw	Manzanola	South Swink
Crowley County	May Valley	Southside
Water Assoc.	McClave	Sugar City
Crowley	Newdale-Grand	Swink
CWPDA	Valley	Valley
Eads	North Holbrook	Vroman
East End	Olney Springs	West Grand Valley
Eureka	O'Neal Water	West Holbrook
Fayette	Ordway	Wiley
Fowler	Parkdale	
Hasty		



Pueblo Water



West of Pueblo

Acres of Ireland	Park Center
Buena Vista	Penrose
Canon City	Pueblo Water Gardens
East Florence	Salida
Florence	Upper Arkansas
Fremont County	Water Conservancy District
Meadow Lake Estates	



Southeastern Colorado Water Conservancy District Irrigation Users

Ag Water

Irrigation Companies

45.41%

- Bannister Ditch
- Beaver Park Water
- Bessemer Irrigation
- Cactus Ditch
- Canon City & Oil Creek Ditch
- Canon Heights
- Catlin Canal
- Cherry Creek Farms
- Classon Ditch
- Collier Ditch
- Colorado Canal
- DeWeese Dye
- Ewing Koppe Ditch
- Excelsior Irrigating
- Fort Lyon Canal
- Garden Park & Terry Ditch
- Helena Ditch
- Herman Klinkerman
- Highline Canal
- Holbrook Mutual
- Las Animas Consolidated
- Listen & Love
- Michigan Ditch
- Morrison & Riverside
- Otero Ditch
- Oxford Farmers Ditch
- Potter Ditch
- Reed Seep Ditch
- Riverside Dairy
- Saylor-Knowles Seep Ditch
- Steele Ditches
- Sunnyside Park
- Talcott & Cotton
- Titsworth Ditch
- Tom Wanless Ditch
- West Maysville Ditch
- Wood Valley Ditch

Well Associations

- Arkansas Groundwater Users Association
- Colorado Water Protective & Development Association
- Lower Arkansas Groundwater Users Association



Lower Arkansas Valley fields/ Jack Goble

Fryingpan-Arkansas Project water for agricultural use can be delivered to irrigation companies, but not individual farmers.

Since 1972, more than 3 million acre-feet of Project water has been provided to irrigators. This includes the sale of Return flows, which are discussed below.

Although the Allocation Principles designate less than half of Project water to irrigation use, more than 80 percent has gone to agriculture since deliveries began in 1972.

Part of the reason for this has been the lack of need for water by cities in some years, and in recent years, full accounts in Project storage that prevent further allocations.

Irrigation companies generally have requested more water than has been available. In most years, there has not been sufficient

water to fill all of the requests.

Changes in state laws and policies have also increased the demand for agricultural Return flows.

In 1996, new well augmentation rules related to the Arkansas River Compact between Kansas and Colorado required farmers to measure or otherwise account for pumped water usage. Project water became an important source.

Similar rules for surface irrigation improvements were put in force in 2010, creating more need for Return flows.

In 2014, the District began a five-year pilot program that allows irrigators on the Fort Lyon Canal to claim first right of refusal on Return flows generated from Project water. The District will evaluate the results of the pilot program.

Description	Rates and Surcharges					
	Water Rate	Safety of Dams	Water Activity	Environmental Stewardship	Augmentation	Total Charge
Project Water Sales						
Agricultural	\$ 7.00	\$ 0.50	\$ 0.75	\$ 0.75	\$ -	\$ 9.00
Municipal	\$ 7.00	\$ 0.50	\$ 1.50	\$ 0.75	\$ -	\$ 9.75
Project Water Sales used for Well Augmentation						
Agriculture used for Well Augmentation	\$ 7.00	\$ 0.50	\$ 0.75	\$ 0.75	\$ 2.60	\$ 11.60
Municipal used for Well Augmentation	\$ 7.00	\$ 0.50	\$ 1.50	\$ 0.75	\$ 2.60	\$ 12.35
Storage Charges						
Winter Water Storage	\$ 2.80	\$ 0.25	\$ -	\$ 0.75	\$ -	\$ 3.80
Carry-Over Project Water	\$ -	\$ 1.00	\$ 1.25	\$ 0.75	\$ -	\$ 3.00
If & When Storage						
In District	\$ -	\$ 0.50	\$ 0.50	\$ 0.75	\$ -	\$ 1.75
Out of District	\$ -	\$ 2.00	\$ 4.00	\$ 0.75	\$ -	\$ 6.75
Aurora	\$ -	\$ 2.00	\$ 8.00	\$ -	\$ -	\$ 10.00
Project Water Return Flows						
Return Flows	\$ 6.00	\$ 0.50	\$ -	\$ 0.75	\$ -	\$ 7.25

2019 WATER RATES AND SURCHARGES

Fryingpan-Arkansas Project History



“To many Members of the Congress, to many Americans, the words Fryingpan-Arkansas must, of necessity, be a name which is taken on faith. But when they come here to this State and see how vitally important it is, not just to this State but to the West, to the United States, then they realize how important it is that all the people of the country support this project which belongs to all the people of the country.”

—President John F. Kennedy, in Pueblo for signing of the Fryingpan-Arkansas Act, August 17, 1962

By the late 1800s, the normal flows of the Arkansas River already were claimed by farmers who had moved into the area, attracted by the promise of riches from the soil. Overlaid on this landscape were young, growing cities in need of their own water supplies.

Coupled with the shortage of water were the infrequent, yet catastrophic floods of the Arkansas River. The great flood of 1921 destroyed much of Pueblo, particularly its rail yards and smelters. A 1965 flood was particularly damaging to Fountain Creek, but flood control dams and levees spared Pueblo from even greater damage.

Up until the mid-1900s, even the largest cities, Pueblo and Colorado Springs, were still developing strategies for serving their growing populations. Pueblo was, until 1964, the larger of the two cities and was served by two separate water companies until 1957. Colorado Springs was outgrowing its supply of water from Pikes Peak and Fountain Creek by the 1950s, and began looking to the other side of the Continental Divide to fulfill its demand for water.

Water was so important to the Arkansas Valley that farmers in Crowley County, in partnership with the National Beet Sugar Co., endeavored to build a tunnel to bring water from the Colorado River basin to Twin Lakes. This new source of water allowed Colorado Canal farmers to irrigate later in the season, when their junior water rights were out of priority.

After World War II, The Water Development Association of Southeastern Colorado formed to

take up the task of developing an even larger transmountain project to bring supplemental water to a thirsty population. Business leaders, chambers of commerce, farmers and cities joined forces to promote this idea. The Fryingpan-Arkansas Project was to be the first phase of the larger Gunnison-Arkansas Project.

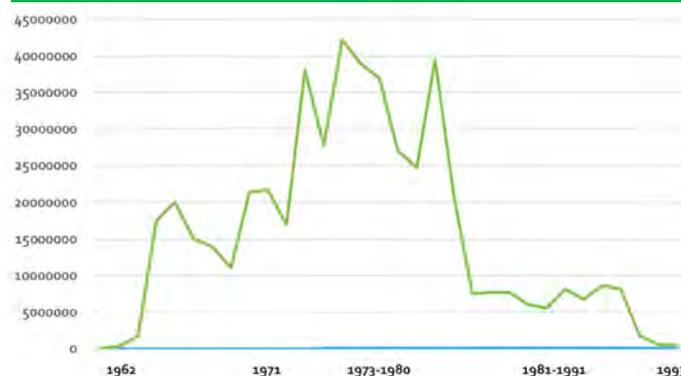
It became apparent in Congress, however, that Western Slope opposition to moving large quantities of water would have to be balanced against the driving desire to import water to the Front Range.

Impassioned testimony on both sides of the issue began in the early 1950s, and eventually, the Fryingpan-Arkansas Project would be the only portion of the larger vision to become a reality.

For more than a decade, the local forces sought to convince Congress that the Project was needed. Finally, in 1962, the Fryingpan-Arkansas Project Act was passed by Congress, and signed into law by President John F. Kennedy.

The Act included benefits to cities and farmers, protection from floods, and public benefits for environmental and recreation needs. Hydroelectric production

FRYINGPAN-ARKANSAS PROJECT APPROPRIATIONS, 1962-1993



was also both a benefit and a way to pay for the Project.

Construction began on Ruedi Reservoir — compensatory storage for the Western Slope — in 1964. It was completed in 1968.

Following that, the North and South Slope collection systems were built. These comprise a system of tunnels, creeks, and a siphon that bring water to the Boustead Tunnel. The 5.4-mile long tunnel takes water to Turquoise Lake through the Continental Divide, and began delivering water in 1972, before some parts of the collection system had been completed.

Pueblo Dam construction began in 1970, and the first water stored in 1974. Turquoise and Twin Lakes were both enlarged as part of the Project.

The Mount Elbert Conduit, Forebay and Power Plant were in operation by 1981, completing the major power component of the Project. The fish hatchery at Lake Pueblo State Park was dedicated in 1990.



Fryingpan-Arkansas Project Features

Authorized in 1962, the Fry-Ark Project was built to bring water from the Colorado River basin into the Arkansas River basin.

The need for supplemental water is related to the over-appropriation of the Arkansas River. Runoff normally peaks in June, but the late summer months, August and September are often dry. The solution was to store high flows for use later in the agricultural season.

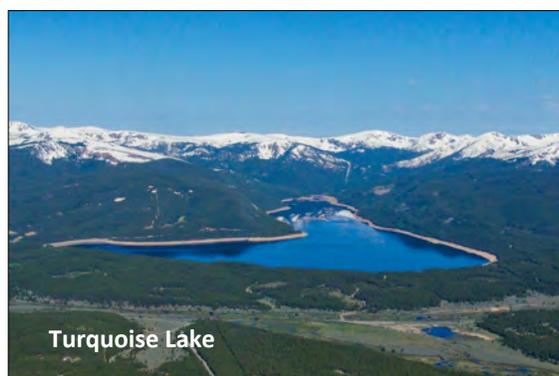
More storage also allowed cities within the basin to grow.

The Fryingpan-Arkansas Project is the largest importer of water into the Arkansas River basin.



Pueblo Reservoir

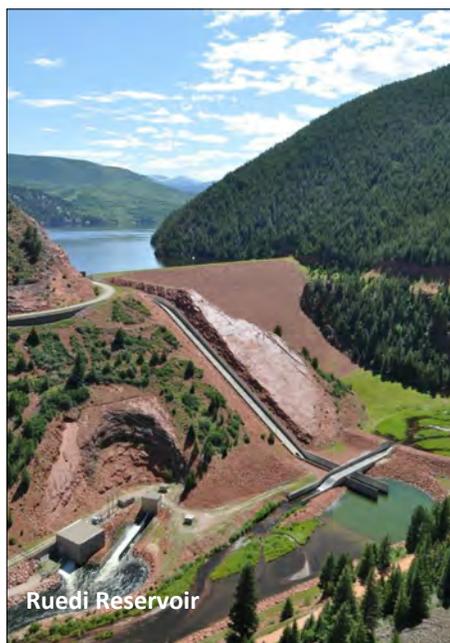
Elements of the Fryingpan-Arkansas Project	
Reservoirs	Capacity
Ruedi Reservoir	102,369 AF
Turquoise Lake	129,432 AF
Mount Elbert Forebay	11,530 AF
Twin Lakes	140,339 AF
Pueblo Reservoir	338,374 AF
Conduits, Tunnels	Length
Southside Collection	14.2 miles
Northside Collection	11.3 miles
Boustead Tunnel	5.4 miles
Mount Elbert Conduit	10.5 miles
Fountain Valley Conduit	45.5 miles
Other Features	
Mount Elbert Power Plant, 200 megawatts	
Pueblo Fish Hatchery	
South Outlet Pueblo Dam	
North Outlet Pueblo Dam	



Turquoise Lake



Boustead Tunnel



Ruedi Reservoir

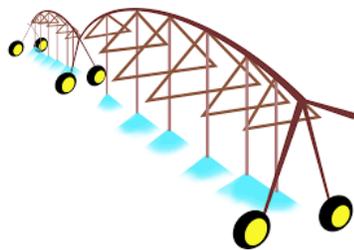


Twin Lakes



Fryingpan-Arkansas Project Purposes

The Southeastern Colorado Water Conservancy District was formed before the Fryingpan-Arkansas Project with the primary goal of making the Project a reality. The Project had been on the drawing board for nearly two decades before it was approved by Congress in 1962. The needs of the Arkansas River basin are still incorporated into the purpose of the modern-day project.



- ◆ Annual allocation of supplemental water for agricultural and municipal use.



- ◆ Analysis of fiscal policies to ensure adequate funding for the Project.



- ◆ Protecting District water rights.
- ◆ Completion of the Arkansas Valley Conduit, an original purpose of the Project that was not completed because of costs.
- ◆ Flood Control at Pueblo Reservoir.

- ◆ Development of Project features to ensure the economic viability and sustainability of the District, including hydroelectric power generation developed at Pueblo Dam.

- ◆ Development of storage planning and contracts to mitigate extreme drought.



- ◆ Allocation of water strategies for wet, dry, and average years.
- ◆ Development and reliability of the system including analysis of the operations, maintenance and replacement of outdated or non-operational features.

- ◆ Improving features of the Project Collection System for maximum yield.

- ◆ Providing redundancy of service at Pueblo Dam with an interconnection between the North and South Outlets.

- ◆ Assuring the safety of dams within the Project.



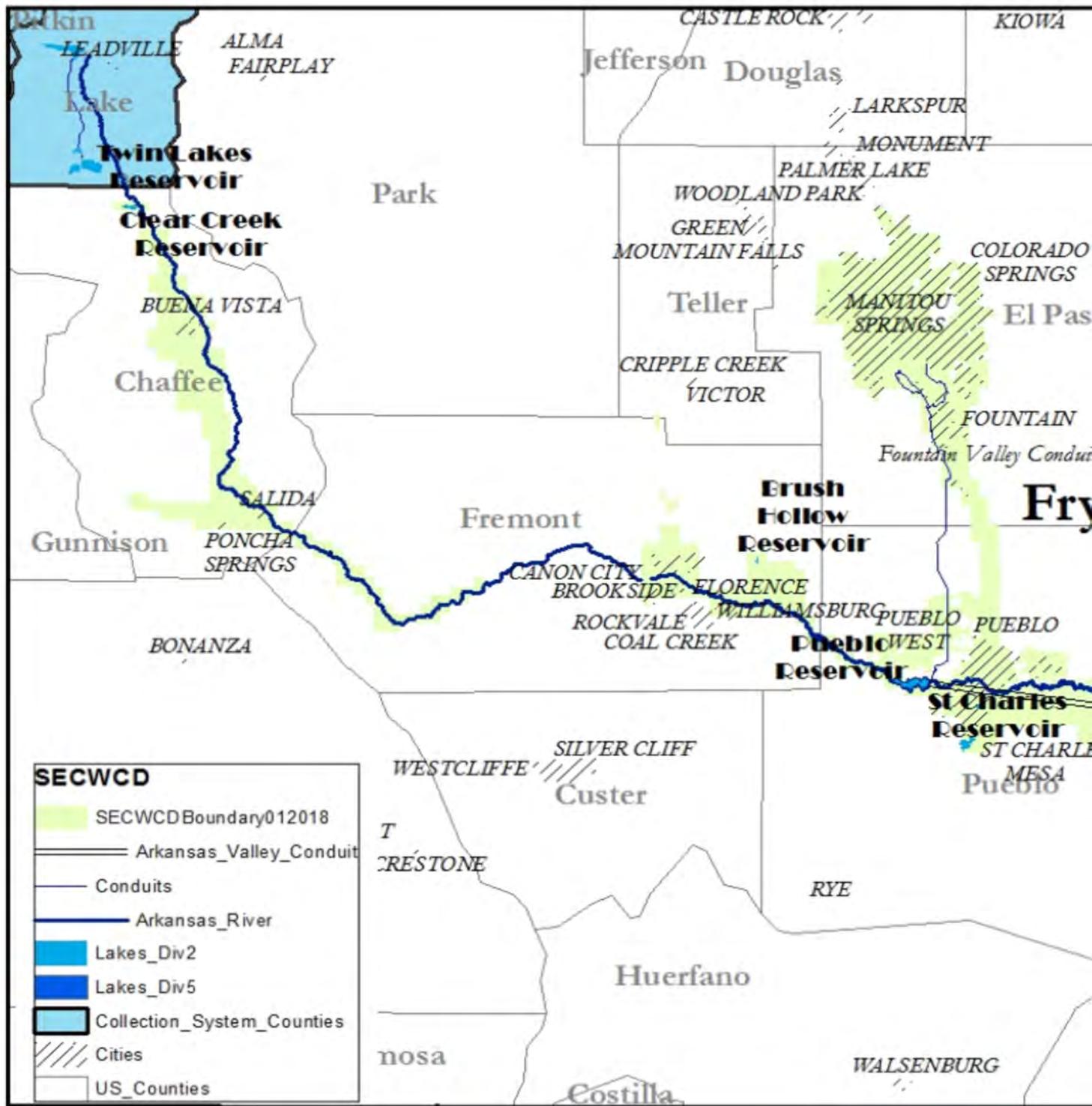
- ◆ Analysis of the current policies about “spills,” the release of water when Pueblo Dam reaches capacity, and development of a working model of spill priority.

- ◆ Enlargement of reservoirs to provide additional storage and to protect our water resources.



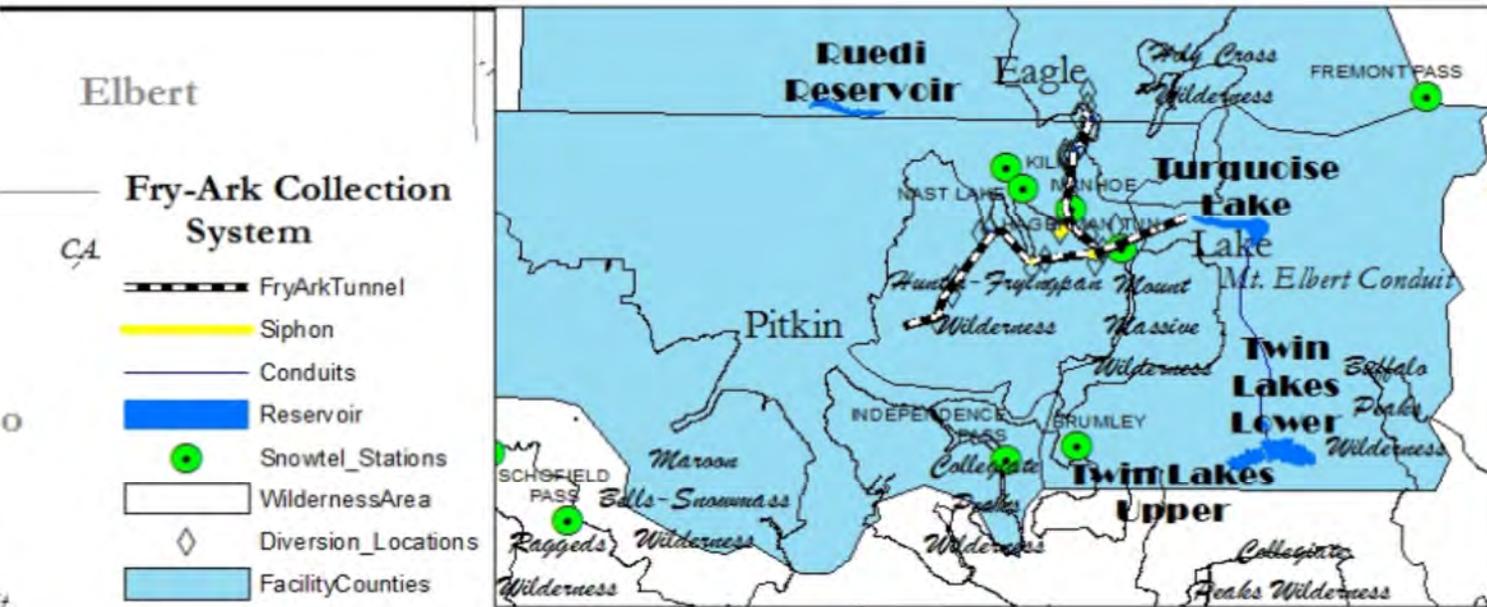
- ◆ Participation in the preservation and conservation of southeastern Colorado’s water resources.
- ◆ Providing water leadership to the District stakeholders of the Fryingpan-Arkansas Project and to the State of Colorado





Colorado

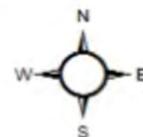




Fry-Arkansas Project



**Southeastern Colorado
Water Conservancy District**
31717 United Avenue Pueblo CO 81001



Fryingpan-Arkansas Project Federal Revenue

In 2018, the District and the Bureau of Reclamation negotiated the 11th Amendment to the 1982 Repayment Contract. The District will make two payments totaling \$1,467,572 annually toward the construction debt of the Project, as well as paying annual OM&R costs that include routine operations and maintenance, as well as extraordinary Project maintenance and replacement. This allows the District to use remaining collections from the 0.9 mill levy to set up a Fryingpan-Arkansas Project reserve fund which can be applied to future Project costs by mutual agreement and Reclamation. The District can use the interest from the reserve fund for District purposes. The reserve fund is projected to be \$2.47 million at the end of 2019.

When the Fryingpan-Arkansas Project was substantially completed in 1981, costs were assigned according to the benefits of the Project to various purposes.

The Final Cost Allocation assigns repayment costs for each purpose of the Project, and those are reflected in the Operation, Maintenance & Replacement (OM&R) cost-share for each feature (see graph at right). The District's obligation was \$134.8 million of the total \$585 million.

The items shown in the accompanying tables (below) do not appear in the District budget each year, but contribute to the annual Project operations.

The District pays about \$1.7 million annually toward routine facility operations, as well as a portion of facility maintenance and rehabilitation. Hydroelectric power generation at the Mount Elbert Power Plant accounts for about \$5 million in revenues, which are used to reimburse Project OM&R costs.



Fryingpan-Arkansas Project costs as apportioned in the Final Cost Allocation in 1981. Power, Fish & Wildlife, and Flood Protection costs are paid by the federal government, with reimbursement through various "firm contracts." The District pays about 54 percent of the annual OM&R on the Project.

Fryingpan-Arkansas Project Federal Allocations

<u>Federal Budget Allotments</u>	<u>FY 18</u>	<u>FY 19</u>
Water & Energy Management & Development	\$ 59,000	\$ 44,000
Land Management & Development	\$ 75,000	\$ 75,000
Fish & Wildlife Management & Development	\$ 33,000	\$ 33,000
Facility Operations	\$10,868,000	\$ 8,633,000
Facility Maintenance & Rehabilitation	\$ 1,594,000	\$ 3,791,000
Total Reclamation Allotment	\$12,629,000	\$12,576,000

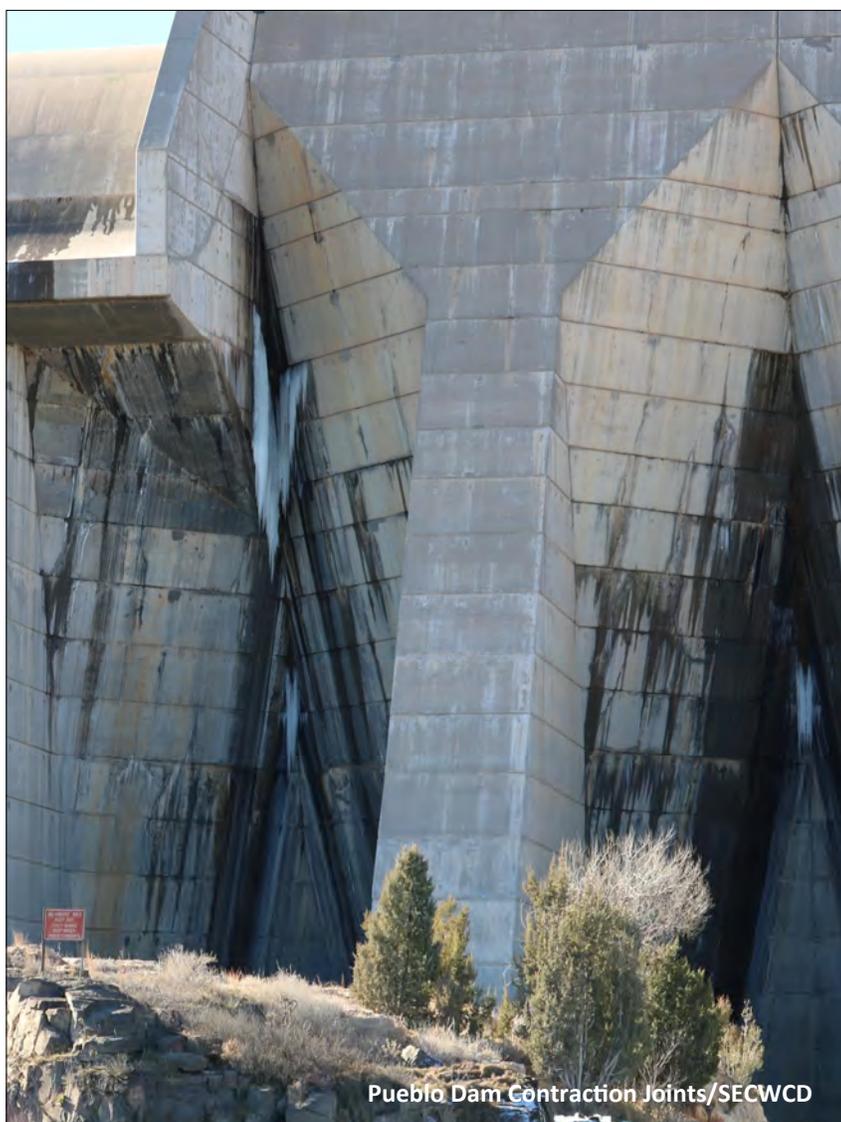
Fryingpan-Arkansas Project Miscellaneous Revenues

<u>Activity</u>	<u>Purpose</u>	<u>2018 Actual</u>	<u>2019 Estimate</u>
Excess Capacity Contracts			
	Fountain Valley Authority	\$ 2,450,000	\$ 2,450,000
	Ruedi Reservoir	\$ 944,000	\$ 944,000
Firm Contracts			
	Project OM&R	\$ 999,726	\$1,520,910



Fryingpan-Arkansas Project OM&R

Feature	Description	2018-22 Total	2018-22 District
Pueblo Dam Contraction Joints	Contraction joints would be sealed with a sealant strip from elevation 4,870 –4,921.8. Below elevation 4870, hydrophilic tubes and steel hoods would be used.	\$35,672,600 (2022)	\$19,902,825
Communication Radio Replacement	Radio relay equipment at the Granite and Hagerman communication sites would be replaced and upgraded.	\$332,649 (2018)	\$180,192
Tunnel Weep Hole Drilling	Weep holes on tunnels on the Northside and Southside Collection Systems would be cleaned or bored to prevent the build up of hydrostatic pressure.	\$1,230,000 (2021)	\$632,958
Cunningham Tunnel Invert Lining Repair	Erosion has created voids in the flow of the tunnel, which has a capacity of 270 cfs and is the trunk of the Northside Collection System.	\$1,835,000 (2020)	\$994,001
System Actuator Replacement	A total of 51 electric slide gate and radial actuators at 14 of 15 diversion sites in the Northside and Southside Collection Systems must be replaced.	\$1,234,975 (2019)	\$673,849



Pueblo Dam Contraction Joints/SECWCD

In addition to routine maintenance, the District is responsible for a share of extraordinary maintenance of the Fryingpan-Arkansas Project.

The largest expense is likely to be at Pueblo Dam, where contraction joints need to be sealed. The Bureau of Reclamation estimates that \$35.6 million will be needed over the next five years to complete the project. The District's share would be slightly more than 54 percent, or about \$19.9 million.

Other identified projects would total \$4.3 million and require \$2.48 million of District funding over the next five years.

Because of the age of Project structures — most are approaching 50 years of age — repairs or replacements are likely to become more frequent in years to come.

Total expenditures for OM&R totaled \$1,839,382 for the federal fiscal year (October-September) in 2018. These expenditures are expected to increase to \$8,389,336 in fiscal year 2019.

In 2019, the District will begin an asset valuation study, followed by a condition assessment in 2020 to determine potential Project needs.



Fryingpan-Arkansas Project Economic Impact

The Fryingpan-Arkansas Project is an economic engine, and its true value has not been fully quantified.

However there have been numerous studies about the value of water in Colorado, and the Project's multiple purposes should be broken into component parts for analysis.

Shown on this page is an estimate of value added because of the Project in key areas.



Municipal Water

Water Sales: \$420 million/year

Municipal water sales from the Fryingpan-Arkansas Project average 13,300 acre-feet annually. According to "Water and the Colorado Economy" by Summit Economics (2009), the types of municipal sales of Project water would average \$31,500 per acre-foot.

Water Storage: \$480 million/year

About 60,000 acre-feet of water are stored in non-Project, excess-capacity accounts in Pueblo Reservoir each year. The cost of building new storage would average about \$8,000 per acre-foot, according to recent estimates in the Arkansas River basin.

Agricultural Water

Water Sales: \$68.8 million/year

Agricultural sales of Project water, including return flows, have averaged 68,800 acre-feet over the past 45 years. The Summit Economics 2009 report placed the value at about \$1,000 per acre-foot for eastern Colorado, which receives the bulk of allocations.



Recreation Water

Lake Pueblo State Park: \$100 million/year

The park was formed in 1975, soon after Pueblo Dam was completed. About 2 million visitors

come to the park each year for boating, fishing, wildlife viewing, hiking, biking, swimming and other activities. A 2009 study by Colorado State Parks quantified the benefits.

Arkansas Headwaters Recreation Area:

\$60 million/year

Timing of flows under the Voluntary Flow Management Program has enhanced rafting and fishing on the Arkansas River. The value was calculated by the Arkansas River Outfitters Association in 2015.



Lake County: \$2 million/year

A 2005 study by ERQ Associates for the Southeastern District showed recreation receipts from Twin Lakes and Turquoise Lake totaled about \$2 million.

Ruedi Reservoir: \$3.8 million/year

Water stored in Ruedi Reservoir and the timing of flows on the Fryingpan River added about \$3.8 million for the local economy, according to a 2015 study by the Roaring Fork Conservancy.

Water Quality

USGS Studies: \$220,000/year

Stream gauges funded by the District in a cooperative program with the U.S. Geological Survey require \$220,000 in funding, but are part of an invaluable network that benefits all water users.



Flood Control

Pueblo Dam: \$36.8 million (1976-2016)

Ruedi Dam: \$19.7 million (1983-2016)

The Bureau of Reclamation annually calculates flood control benefits of the Project.



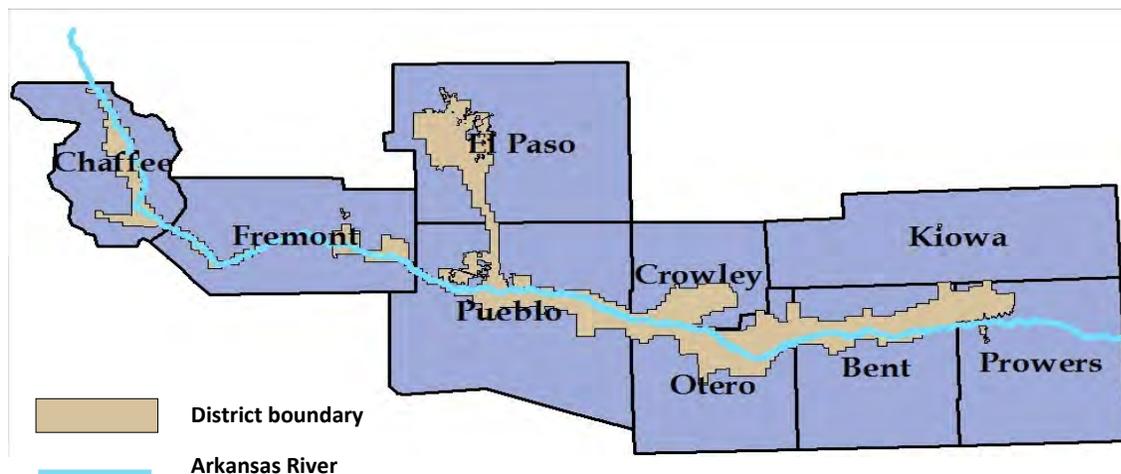
SECWCD County Snapshots

Parts of nine counties are included in the Southeastern Colorado Water Conservancy District.

Each county brings its own unique history and set of challenges when it comes to water use and delivery. Counties range from the rural to urban, with varying demographics.

The following pages are a summary of the nine counties located in the District. The county profiles are updated annually for budgeting purposes.

In the budget presentation this year, we have added photos of wildlife found in each of the counties.



* Featured in 2019: Wildlife from each county within the District.



[Bent County](#)



[Chaffee County](#)



[Crowley County](#)



[El Paso County](#)



[Fremont County](#)



[Otero County](#)



[Kiowa County](#)



[Prowers County](#)



[Pueblo County](#)



Bent County Snapshot



Bill Long, 2002



Bent: Pelicans at John Martin Reservoir State Park/Real Colorado Travel

Bent County

History

Bent County was formed in 1870 and quickly renamed as Greenwood County, and was about six times larger than its current boundaries. It was renamed Bent County again in 1876, when the northern portion became Elbert County. In 1889, it was redrawn by the state Legislature with its current boundaries.

The area played an important role in Colorado's early history with Bent's Fort, the Santa Fe Trail, Fort Lyon, Cheyenne and Arapahoe Indian reservations all part of its legacy.

Its history also encompasses water. Ditches in the Las Animas area were among the first irrigation projects in the Arkansas Valley, and much of the land in Bent County is irrigated under the Fort Lyon Canal. There were numerous other smaller

ditches. In 1948, John Martin Reservoir was completed as a means to regulate the Arkansas River Compact and for flood control purposes.

Population characteristics

Agriculture remains an important part of the local economy. New jobs were created when a private prison opened there 20 years ago. Later, Fort Lyon State Correctional Facility was repurposed as a homeless treatment facility.

Growth is forecasted in the coming years as new employees come to the area.

Fryingpan-Arkansas Project impacts

Bent County has purchased irrigation and municipal Project water since 1974.

Las Animas, Hasty, and McClave will benefit from the Arkansas Valley Conduit when it is completed.

BENT COUNTY

Population: 5,943

Growth Rate: -1.23% ('10-'17)

Housing Units: 2,241

Owner-occupied:

1,103 (49%)

Median Income:

\$35,548

Average Income:

\$46,810

Per Capita Income:

\$16,785

(Adjusted Census data)

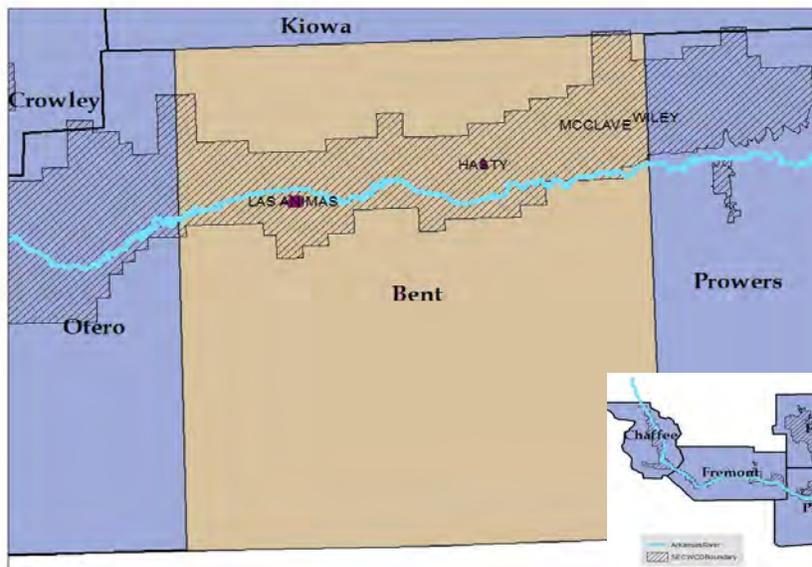
Major uses of water:

⇒ **Agriculture, 98%**

⇒ **Domestic, 2%**

(2010 USGS report)

⇒ **John Martin Reservoir**



Chaffee County Snapshot



Greg Felt, 2017



Chaffee: Elk herd /Scenic Buena Vista

Chaffee County

History

Chaffee County was formed in 1879. Located in the heart of the Rocky Mountains, the county experienced an influx of explorers, miners, railroads, farmers, and ranchers in its earliest period.

A state reformatory for juvenile offenders was built in Buena Vista in 1891, and now operates as a prison.

In terms of water development, the Monarch Ski Area and Salida Hot Springs complex were built as Works Progress Administration projects in 1939. The city of Salida later sold the ski area for \$100 to a private developer, but continues to operate the hot springs. There are also hot springs resorts in the Buena Vista area, and geothermal power development has been investigated.

Clear Creek Reservoir was built in 1908 by the Otero Canal Co. and sold to the Board of Water

Works of Pueblo in 1955. Several smaller lakes and reservoirs are part of the Upper Arkansas Water Conservancy District's water augmentation system.

The Arkansas River Headwaters Area was created in 1989. Browns Canyon National Monument was designated in 2015.

Population characteristics

As tourism increased over the past 25 years, a younger population has moved into the area, supporting steady growth. Tourism, retirees and government are the major employment sectors, as the area economy has transformed over the past two decades.

Fryingpan-Arkansas Project impacts

The area has benefited from the Voluntary Flow Management Program, along with municipal and agricultural Project water deliveries since 1975.

CHAFFEE COUNTY

Population: 19,280

Growth Rate: 1.1% ('10-'17)

Housing Units: 10,752

Owner-occupied: 5,807 (54%)

Median Income: \$43,489

Average Income: \$61,802

Per Capita Income: \$27,584

(Adjusted Census data)

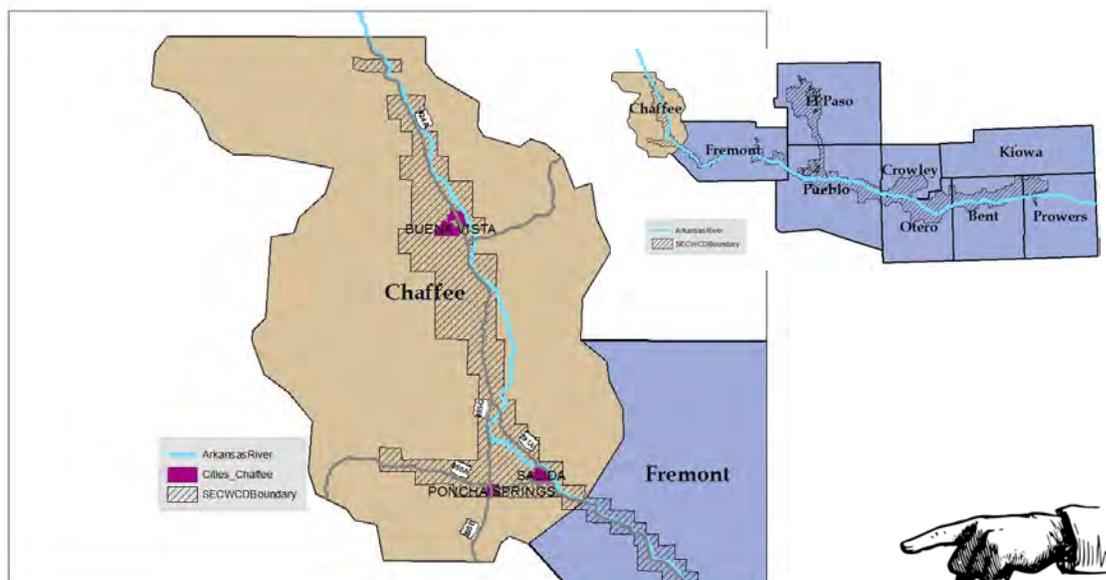
Major uses of water:

⇒ Agriculture 94%

⇒ Domestic 6%

(2010 USGS report)

⇒ AHRA, Monarch Ski Area, Clear Creek Reservoir, hot springs, Browns Canyon National Monument



Crowley County Snapshot



Carl McClure, 2005



Crowley: Pronghorn herd/CPW

CROWLEY COUNTY
Population: 5,646
Growth Rate: -0.42%
 ('10-'17)
Housing Units: 1,559
Owner-occupied: 895
 (57%)
Median Income:
\$34,511
Average Income:
\$51,121
Per Capita Income:
\$18,493
 (Adjusted Census data)

Major uses of water:
 => **Agriculture, 90%**
 => **Domestic, 10%**
 (2010 USGS report)
 => **Lake Meredith**

History

Crowley County was formed from the northern part of Otero County in 1911.

Settlement in the area began with the arrival of the Missouri-Pacific Railroad in 1887, and irrigation began in 1890.

The Colorado Canal system, which includes Lake Henry, Lake Meredith, and Twin Lakes, was developed to support relatively junior irrigation rights. Orchards, vegetables, sugar beets, and livestock feed were all major crops.

Farmers, led by the National Sugar Manufacturing Co., drilled the Twin Lakes tunnel to bring water from the Roaring Fork River basin to the Arkansas River basin from 1933-1937.

Most of Twin Lakes shares were sold to Pueblo and Colorado Springs in the 1970s, after the downfall of the sugar beet industry. Most Colorado Canal shares were sold to Aurora and Colorado Springs in the 1980s.

Population characteristics

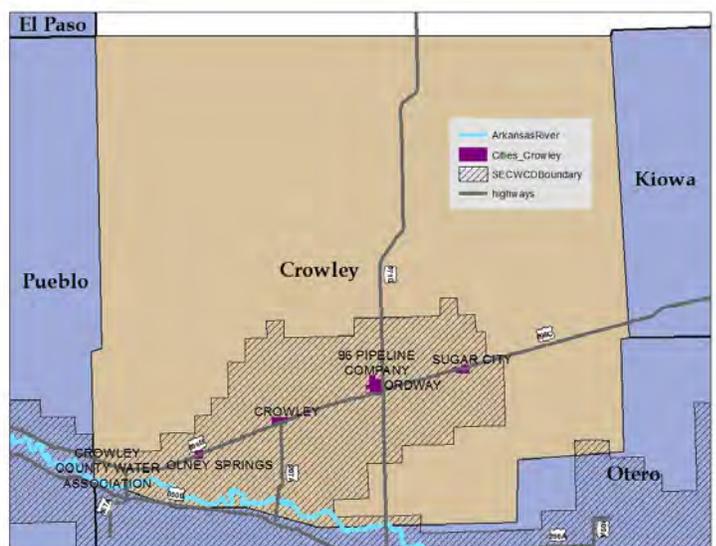
Historically an agricultural economy, Crowley County experienced an economic decline with the sales of Twin Lakes and Colorado Canal water rights to cities in the 1970s and 1980s.

Prisons in the county accounted for population growth in the 1990s and early 2000s, agriculture and government are the major employers.

Fry-Ark Project impacts

Crowley County has purchased agricultural and municipal Project water since 1972. It is part of the AVC.

The farmland dried up by Aurora is no longer eligible for Project water, and resulted in a new class of municipal allocations for the District in 2007, called Not Previously Allocated Non-Irrigation Water (3.59 percent of water sales).



El Paso County Snapshot



Gibson Hazard, 1988



Ann Nichols, 2006



Curtis Mitchell, 2014



Mark Pifher, 2016



Andrew Colosimo, 2018



El Paso: Greenback cutthroat trout/CPW

EL PASO COUNTY

Population: 692,681
Growth Rate: 1.49% ('10-'17)
Housing Units: 274,891
Owner-occupied: 161,531 (59%)
Median Income: \$64,536
Average Income: \$86,053
Per Capita Income: \$33,047
(Adjusted Census data)

Major uses of water:

- ⇒ **Domestic, 85%**
- ⇒ **Agricultural, 13%**
- ⇒ **Industry, 2%**
(2010 USGS report)

History

El Paso County predates the formation of the Colorado Territory in 1861. The earliest settlers farmed in Fountain Creek. General William Palmer founded Colorado Springs in 1871.

Colorado Springs built the Blue River pipeline, the Homestake Project (with Aurora), and bought water rights on Fountain Creek and in Crowley County to supplement its needs.

Colorado Springs, Security, Widefield, Fountain, and Stratmoor Hills benefit from the Fountain Valley Conduit, which was built as part of the Fryngpan-Arkansas Project.

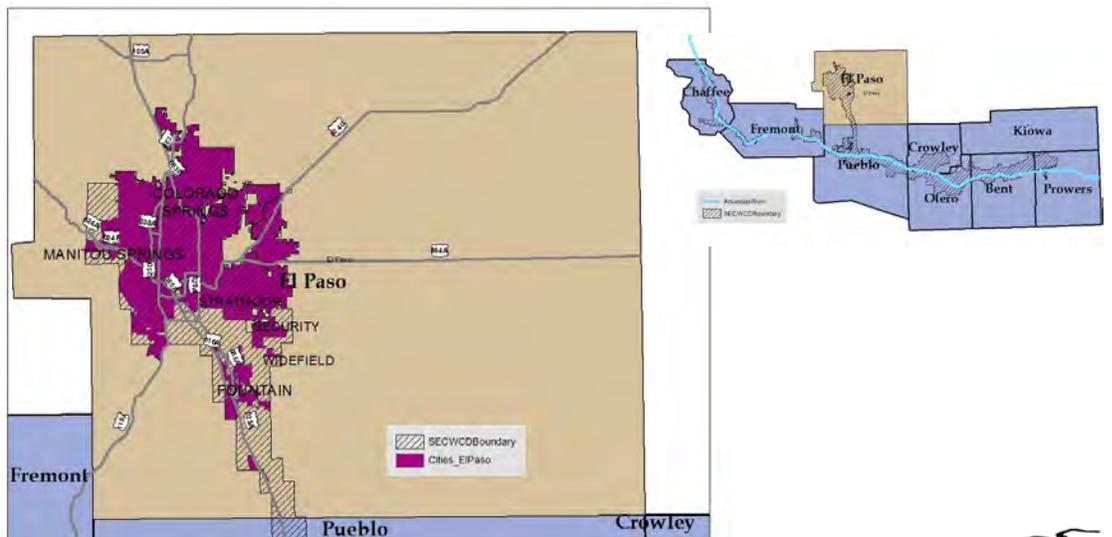
Most recently, Colorado Springs built the Southern Delivery System (along with Fountain, Security and Pueblo West) to fully use its Arkansas River water rights, reuse transmountain water, and provide water system redundancy.

Population characteristics

El Paso County is the largest county in the District and contributes about 70 percent of the tax revenues. It has remained one of the fastest growing communities in the state since the 1960s, largely due to military bases in the region, with a mix of government, tourism, service, manufacturing and retail employment. It is the only county in the District in which municipal water use is greater than irrigation.

Fryngpan-Arkansas Project impacts

Early repayment of the Fountain Valley Conduit (PL111-11). Homestake is deeply integrated with the Project. Southern Delivery System relies heavily on the Project for storage and upgraded the North Outlet Works to Pueblo Dam. Long-term storage contracts have helped in managing water quality issues. El Paso County has purchased Project water, mostly municipal, since 1972.



Fremont County Snapshot



Tom Goodwin, 2011

FREMONT COUNTY

Population: 47,250
Growth Rate: 0.12%
 ('10-'17)

Housing Units:
19,445

Owner-occupied:
12,207

Median Income:
\$41,143

Average Income:
\$57,031

Per Capita Income:
\$21,071

(Adjusted Census data)

Major uses of water:

- ⇒ **Agricultural, 81%**
- ⇒ **Industrial, 11%***
- ⇒ **Domestic, 8%**
 (2010 USGS report)
- ⇒ **Royal Gorge Bridge, AHRA**

* - (Power plant closed in 2012)



Fremont: Bighorn Sheep/CPW

History

Fremont County predates the formation of the Colorado Territory in 1861, but its boundaries varied until 1877, when Custer County was carved from the southern end of the county.

Canon City grew around the prison built in 1871. More prisons were added in the 1970s and 1980s, with a federal prison complex opening near Florence in the 1990s.

Canon City developed a strong manufacturing base in the mid-1900s. It became the regional hub. Dall DeWeese and C.R.C. Dye developed orchards in Lincoln Park by bringing water from Grape Creek and constructing a reservoir in Custer County.

Florence sprang up along railroad tracks to support mineral extraction and industry — coal, oil, gold, bricks and cement. Penrose became known for its orchards. There were numerous dairies in Fremont County, and some are still in operation.

Rural Fremont County was known for its cattle ranches.

The Royal Gorge Bridge was built in 1929, and is the cornerstone of a long tourism tradition. In 1989, the Arkansas Headwaters Recreation Area was formed.

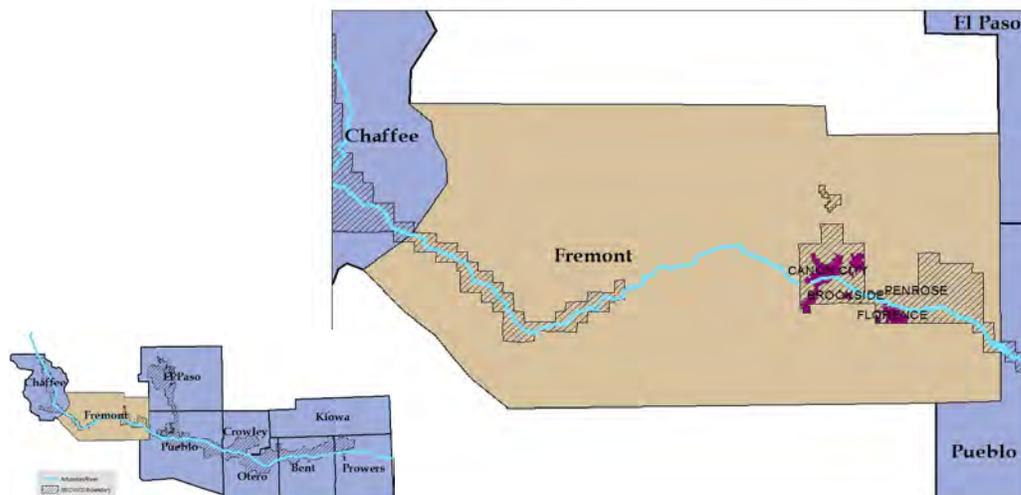
A coal-fired power plant was built in 1897, but closed by Black Hills Energy in 2012.

Population characteristics

Government jobs, retiree income, and retail trade dominate the local economy. The area is likely to attract more young adults as job opportunities increase, according to state projections.

Fryingpan-Arkansas Project impacts

Fremont County has purchased Project water for municipal and irrigation use since 1972. Its tourism economy also benefits from the Voluntary Flow Management Program.



Prowers-Kiowa County Snapshot



Dallas May, 2016



Kiowa: Lesser Prairie Chicken/CPW



Prowers: Black-footed ferret/CPW

PROWERS COUNTY

Population: 11,883
Growth Rate: -0.75% ('10-'17)

Housing Units: 5881

Owner-occupied: 2,963 (50%)

Median Income: \$34,079

Average Income: \$48,087

Per Capita Income: \$19,321

(Adjusted Census data)

Major uses of water:

⇒ Agriculture, 94%

⇒ Domestic, 4%

⇒ Industrial, 2%
(2010 USGS report)

KIOWA COUNTY

Population: 1,418

Growth Rate: 0.2% ('10-'17)

Housing Units: 819

Owner-occupied: 420 (52%)

Median Income: \$39,252

Average Income: \$56,169

Per Capita Income: \$125,065

(Adjusted Census data)

Major uses of water:

⇒ Agriculture, 92%

⇒ Domestic, 8%
(2010 USGS report)

History

Both counties were formed in 1889, when Bent County was divided into smaller units. They have a long history of agricultural endeavors, particularly raising cattle, fodder and dryland crops in an often semi-arid environment. Crops like sugar beets and broom corn were important in the past.

Irrigated agriculture is a mainstay and the use of wells has improved chances for success. Several major ditches were washed out in the June 1965 flood, and later purchased by the Lower Arkansas Well Management Association. Prowers County irrigators were the group most affected by the 2009 *Kansas v. Colorado* Supreme Court ruling.

The area economy is a shifting vision of what could work. When a meat-packing plant in Lamar closed in the 1980s, a bus manufacturing plant opened. Kiowa County unsuccessfully tried to form a state park at the Great Plains Reservoirs in

the 1990s. Large wind farms that supply renewable power are being expanded south of Lamar.

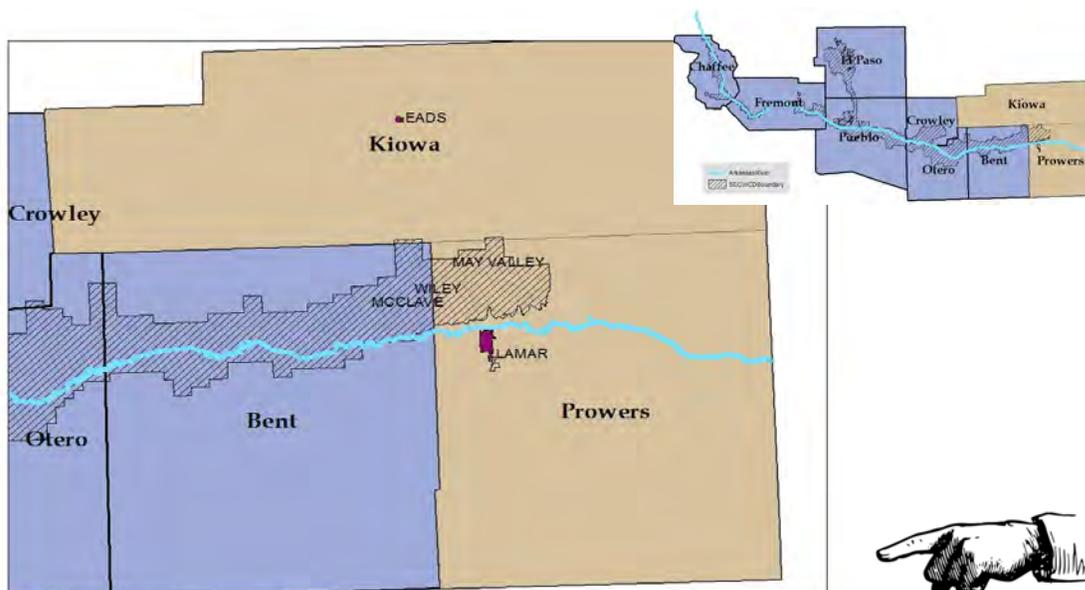
Population characteristics

Agriculture continues to be the predominant occupation in both counties. Prowers County serves as a regional commercial center.

Fryingpan-Arkansas Project impacts

Lamar petitioned to join the District in 1968 so that it could join the Arkansas Valley Conduit when it is built. May Valley and Wiley also are AVC participants. Eads is the sole AVC participant from Kiowa County.

Prowers County has received municipal and irrigation Project water since 1972. Kiowa County has not yet received Project water.



Otero County Snapshot



Howard "Bub" Miller, 2005



Otero: Pronghorn/CPW

History

Otero County was formed in 1889 by the split of Bent County.

Located along the route of the Santa Fe Trail, La Junta became a stopping point for railroads. Bent's Old Fort National Historic Site is nearby and emphasizes the community's role as an international trading site.

In water history, a pivotal event was the development of world-class watermelons and cantaloupe by shopkeeper George Swink, who irrigated his plants via the Rocky Ford Ditch.

While many other crops were grown, and cattle are the big money crop, Rocky Ford cantaloupe remain a signature crop for the area. Melon seeds produced locally are shipped worldwide.

Sugar beets later became a major industry for Otero County, but when the market for domestic sugar collapsed in the early 1980s, the large block of Rocky Ford ditch shares (54 percent) owned by

the American Crystal Co. went on the market and was purchased by the city of Aurora.

The sale had a domino effect on Otero County's economy over the next 20 years, and efforts were made to bring in new types of industry.

The Rocky Ford Growers Association was formed to strengthen the Rocky Ford cantaloupe brand.

Population characteristics

Otero County's economy relies on agriculture, services, retirees, and government. Its population grew in the early 1990s, but has been in decline since then.

Fryingpan-Arkansas Project impacts

Leaders from Otero County were instrumental in reviving the Arkansas Valley Conduit in the early 2000s. Of the 40 communities participating in AVC, 25 are in Otero County.

OTERO COUNTY

Population: 18,563

Growth Rate: -0.2% ('10-'17)

Housing Units: 8,931

Owner-occupied: 4,688 (52%)

Median Income: \$34,580

Average Income: \$48,107

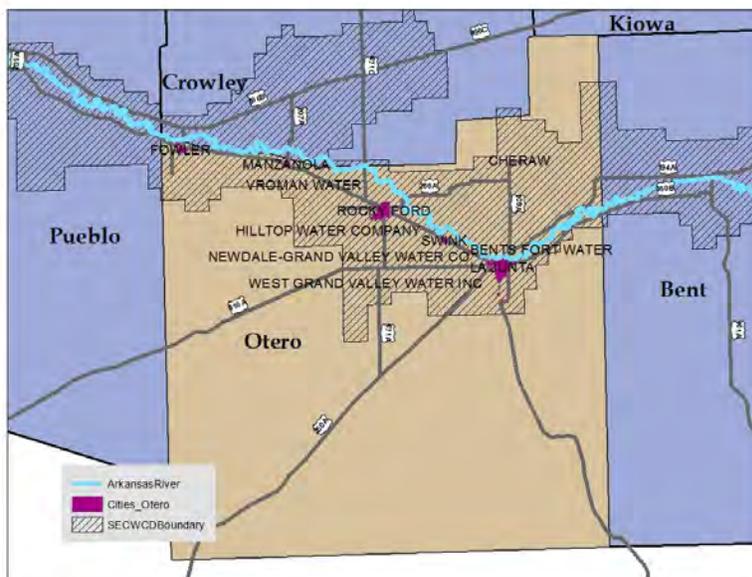
Per Capita Income: \$19,985

(Adjusted Census data)

Major uses of water:

⇒ Agriculture, 98%

⇒ Domestic, 2% (2010 USGS report)



Pueblo County Snapshot



Alan Hamel, 2017



Seth Clayton, 2017

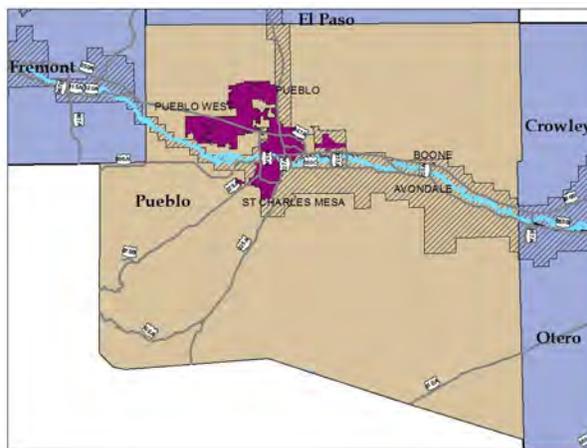


Patrick Garcia, 2018

PUEBLO COUNTY

Population: 165,715
Growth Rate: 0.57%
 ('10-'17)
Housing Units: 71,139
Owner-occupied:
41,760 (59%)
Median Income:
\$47,594
Average Income:
\$61,383
Per Capita Income:
\$24,703
 (Adjusted Census data)

Major uses of water:
 ⇒ **Agriculture, 72%**
 ⇒ **Domestic, 24%**
 ⇒ **Industrial, 4%**
 (2010 USGS report)
 ⇒ **Lake Pueblo State Park**



History

Pueblo County was formed when Colorado became a territory in 1861. Pueblo was first settled at the junction of Fountain Creek and the Arkansas River. A stagecoach town developed near the site.

Then came the railroad, promoted by General William Palmer, who founded South Pueblo in 1871. The Big Ditch (later renamed Bessemer Ditch and extended) was completed on Pueblo’s South Side in 1874. The first steel mill in the west was built at Pueblo in 1881.

Pueblo grew as the industrial, transportation and industrial hub of southern Colorado, surviving a massive flood of the Arkansas River in 1921. During World War II, the Pueblo Army Air Base and Pueblo Ordnance Depot were built.

When the Southeastern Colorado Water Conservancy District was formed, Pueblo was the second-largest city in Colorado and its leaders were among the staunchest promoters of the Fryingpan-Arkansas Project.

During a downturn in the steel market in the 1980s, the Pueblo Economic Development Corporation was formed.

The Pueblo Chile Growers Association was formed in recent years to promote the region’s famous chile peppers.

Population characteristics

Pueblo has enjoyed steady growth since 1990. Its major economic drivers are services, retirees, government, manufacturing, and tourism.

Fryingpan-Arkansas Project impacts

Pueblo Reservoir was built on top of a barrier dam west of the city that had been constructed for flood protection. The Project has a flood control component as well.

Pueblo County water users have purchased municipal water since 1972. St. Charles Mesa and Boone are AVC participants. Pueblo West petitioned into the District in 1971, but was not able to receive Project water until 2007.





Section 2

Offices and Human Capital



Board of Directors

Table of Organization



*Executive Director
Office*

Jim Broderick
Executive Director
2003

*Engineering,
Planning
& Operations Office*



Kevin Meador
Principal Engineer
2012



Garrett Markus
Water Resources
Engineer
2014

*Finance & Information
Technology
Office*



Leann Noga
Finance &
Information
Technology
Manager
2004



Stephanie Shipley
Accounting
Specialist
2016

*General Counsel &
Government
Programs Office*



Lee Miller
General
Counsel
2011



Margie Medina
Administrative
Support Specialist
2000

*Administration &
Human Relations
Office*



Toni Gonzales
Administrative
Manager
1975



Patty Rivas
Administrative
Support Associate
2014

*Community Relations,
Outreach &
Conservation Office*



Chris Woodka
Issues
Management
Program
Coordinator
2016



Liz Catt
Garden
Coordinator
2007

(Dates show initial employment with the District)

Offices and Human Capital Budgeting

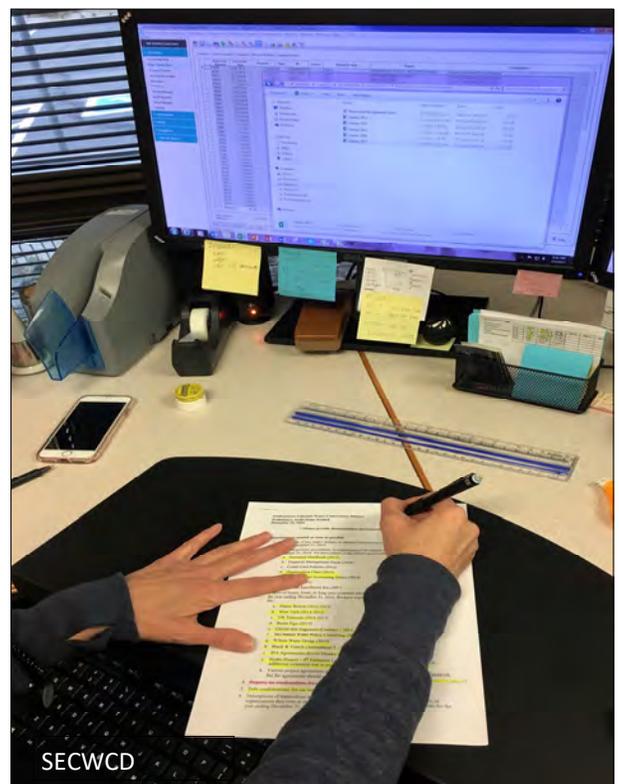
Summary of Authorized Full/ Part Time Staff By Department & Title							
	Authorized 2017	Filled 2017	Budget 2018	Budget 2018	Forecasting 2019	Forecasting 2020	Forecasting 2021
Executive Director Office							
Executive Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
General Counsel & Governmental Programs Office							
General Counsel	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance & Information Technologies Office							
Finance Manager	0.33	0.17	1.00	1.00	1.00	1.00	1.00
Finance Coordinator / IT	0.67	0.83					
Accounting Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering, Planning, & Operations Office							
Principal Engineer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Resource Engineer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Resource Specialist / Engineer							
Administrative and Employee Service Office							
Administrative Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Support Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Support Associate	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Garden Coordinator	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Issues, Programs and Communications Office							
Issues Management Program Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Employees	10.50	10.50	10.50	10.50	10.50	10.50	10.50

Staff, an asset to community

The District’s professional staff is an asset to those who benefit from the Fryingpan-Arkansas Project and those in our Colorado communities. The District staff members participate in related organizations and share their knowledge to make Colorado a better community.

The summary above explains the full and part time staff that are authorized by the adopted budget and the actual positions that were filled in each given year. The numbering scale is based on the position filled in a full month divided by twelve months of the year.

For future planning, the District expects staffing positions to remain constant and then hold through 2021. The District completes a salary and benefits survey every three years, with the most recent completed in 2018.



Measuring Progress

	Lead Office	Progress Color	2018 Percent Accomplishment	2019 Percent Projected Goal	Unit Goal
District Administration, Project or Program					
Recovery of Storage	EPO		5%	10%	Recover lost storage in Fry-Ark Facilities as a result of sediment
Fry-Ark Debt Repayment	FIT		77%	79%	Retire debt of the Fry-Ark by 2031
Fry-Ark Contract Amendment	CGC		100%	100%	Fry-Ark Contract Amendment No. 11 - Completed in 2018
Fry-Ark Contract Conversion	CGC		50%	75%	Fry-Ark Contract Conversion
Pueblo Dam OM&R	EPO		75%	100%	Clear understanding of future annual and extraordinary OM&R cost and funding mechanism
Miscellaneous Revenue	FIT		100%	100%	Clear understanding of Fry-Ark Miscellaneous Revenue and how they apply Fry-Ark or PL11-111
Conditional Water Rights Div 2	GCG		90%	100%	Legal Diligence in Div. 2 for the protect of District water rights
Conditional Water Rights Div 5	GCG		60%	90%	Legal Diligence in Div. 5 for the protect of District water rights
Reclamation Reform Act	EPO		90%	100%	Ongoing program to track irrigated acres in the District boundaries
Watershed Health	GCG		26%	51%	Water Quality due to wildfires in the Arkansas Basin
Information Technology	FIT		50%	75%	Strategically plan for equipment, software, and collaboration tools through technology
Building and Grounds	AES		100%	100%	Operation and maintenance of District Headquarter facilities
Community Outreach	CRO		51%	100%	Outreach to District nine counties and stakeholders
Enterprise Administration					
Safety of Dams	FIT		80%	85%	Safety of Dams on Pueblo Reservoir Debt Repayment by 2024
Pueblo Dam Interconnect	EPO		5%	25%	Study, design and construction
Finance Strategy & Sustainability Study	FIT		25%	75%	Study the cost of water to ensure value and reserve balances
Colorado River Programs	GCG		80%	90%	Ongoing legal, engineering, fish recovery, and CO River users association
Winter Water	EPO		90%	95%	Ongoing program that allows Ag entities to store water during off-season
Water Quality Sampling	EPO		90%	95%	Ongoing water sampling to ensure water quality in rivers
Fountain Creek Transit Loss	EPO		90%	95%	Ongoing program to track return flows in Fountain Creek
Restoration of Yield	EPO		25%	45%	Study, purchase, design and implement storage to capture water releases
Regional Resource Planning Group	EPO		90%	95%	Ongoing program to ensure water quality in the Arkansas River
Enterprise Projects					
Hydroelectric Power on Pueblo	EPO		90%	100%	Completion of Construction of the Pueblo Dam Hydroelectric Facility
Arkansas Valley Conduit	EPO		26%	50%	Explore New Concept and secure federal funding
Excess Capacity Master Contract	CRO		95%	95%	Contract is Completed and current an ongoing program

Progress by offices is measured in the accompanying table. Each category is taken from the 2018 Business Plan, and work in each of the categories evaluated by staff. The 2019 Business Plan includes expanded categories and can be found in the appendix.

Offices Key		Code
General Counsel & Government Programs Office		GCG
Finance & Information Technology		FIT
Engineering, Planning & Operations Office		EPO
Administrative & Employee Services		AES
Community Relations Outreach & Conservation Office		CRO

Progress Report

The Business Plan outlines a three-year program of work for activities, projects and programs in which the District is involved.

Areas of responsibility are linked to the District’s Strategic Plan, which was revised in 2018 to better reflect the purposes of the District and the role it plays in the Fryingpan-Arkansas Project.

A color key is added to the table above in order to provide an at-a-glance view of the progress in each of the areas.

It is included in this section of the budget to emphasize that every element of the Business Plan is the primary responsibility

of one of the Offices within the District.

These ratings should be viewed as milestones of how District resources are being applied to achieve the goals set forth in the District’s foundational documents, by the decisions of the Board of Directors, and by shifting federal policy on how the Project operates.

The assessments used in the table above were arrived at through staff discussions and the phase of work for each of the activities, projects, or programs.

In 2018, major progress was made on the Fry-Ark Contract Amendment and Conver-

sion, the Water Rate Study (which in 2019 is recast as the Financial Strategy and Sustainability Study), Division 2 and 5 legal cases, the Hydro facility at Pueblo Dam, and Information Technology (planning for Records Management).

Building and Grounds moved to 100 percent with the completion of fiber optic cable to the building, parking lot rehab, painting offices, outdoor lighting improvements, phone system upgrade, and several other projects throughout 2018.



Summary of Offices — Introduction & Fund Relationship

2019 Budget Human Capital appropriation for Office and Activity	District Fund (General Fund) 47.75%			Enterprise Water Fund & Hydroelectric Fund 52.25%				
	Administration (Core and Program Activities)	Reclamation Reform Act	Conservation	Administration (Core and Program Activities)	Excess Capacity	Enlargement Project	Hydroelectric Power Project	Arkansas Valley Conduit
Executive Director	3.34%			3.10%				
General Counsel & Government Programs Office	3.34%			3.10%				
Finance & Information Technology	6.67%			5.10%	0.19%	0.11%	0.19%	1.82%
Engineering, Planning & Operations Office	6.67%	1.21%		11.10%			1.09%	6.32%
Administrative & Employee Service Office	10.59%	5.21%		5.10%	0.19%	0.11%	0.19%	1.82%
Community Relations Outreach & Conservation Office	5.54%		5.20%	9.10%	0.19%	0.11%		3.32%
	36.14%	6.41%	5.20%	36.61%	0.58%	0.33%	1.46%	13.27%

The following is a summary of the offices at the Southeastern Colorado Water Conservancy District (District). All Offices are a part of the District General Fund and budgeted under Human Resource. The District 2019 Adopted Budget of human resource expenditures total \$1,622,235. The human resource budget includes wages and benefits and is expressed in table of percentages below per office.

The human capital in the District also performs work duties for the Enterprise Water Fund, Hydroelectric, and projects. Due to this service provided the Enterprise, Hydroelectric and projects captures a portion of the office costs through an inter-fund reimbursement process. In the 2019 budget the Enterprise Water Fund, Hydroelectric and other projects are budgeted to cover 52.25 percent of the total human resource cost for services provided. The District funds will assume the expense of the other 47.75 percent.

Office performance measures are evaluated in the form of annual reviews completed by supervisory staff and/or the Executive Director. The Executive Director’s performance is reviewed annually by the Human Resource Committee members of the Board of Directors.

*Viewing this electronically:
Click the below buttons to
view Office descriptions!*



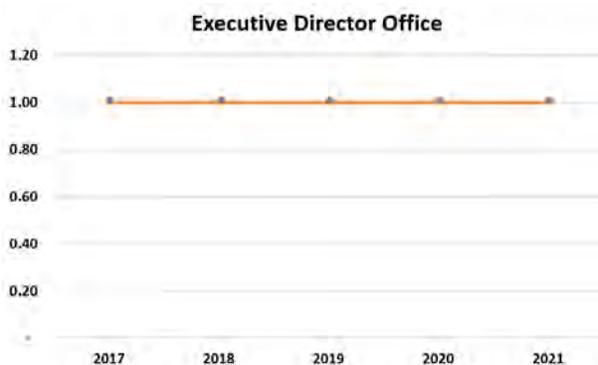
2019 Adopted Budget—District Fund Human Resources	
Executive Director	20.70%
General Counsel & Government Programs Office	13.68%
Finance & Information Technology	13.76%
Engineering, Planning & Operations Office	21.64%
Administrative & Employee Service Office	22.63%
Community Relations Outreach & Conservation Office	7.59%



Executive Director Office

The Executive Director is responsible for providing leadership and management of the South-eastern Colorado Water Conservancy District. The Executive Director implements the Board of Directors strategic vision and policies through the programs and projects aligned in the Strategic Plan, Business Plan, and Annual Budget.

This is accomplished by building and maintaining relationships with stakeholders, advocating adopted policy positions, and implementing programs and projects to benefit the District’s local, regional, state, and federal officials and agencies in a responsible and sound manner.



2018-2019 Office Summary		
	Filled 2018	Budget 2019
Executive Director Office		
Executive Director	1.00	1.00
Total Employees	1.00	1.00



Executive Director Jim Broderick speaks about variable hydrologic conditions at the Summer Convention of the Colorado Water Congress at Vail in August.



Executive Director Office Responsibilities

- ◆ General Counsel & Government Programs Office
- ◆ Finance & Information Technology Office
- ◆ Engineering Planning and Operation Office
- ◆ Administrative & Employee Service Office
- ◆ Community Relations Outreach & Conservation Office



General Counsel & Government Programs Office

General Counsel and Governmental Programs Office is responsible for managing timely, effective and high quality legal services. This office leads activities related to state legislative affairs and reports these activities to the Board of Directors, Executive Director, and staff. The General Counsel provides legal support to assist in the accomplishments of the District's policy goals and objectives.



GENERAL COUNSEL

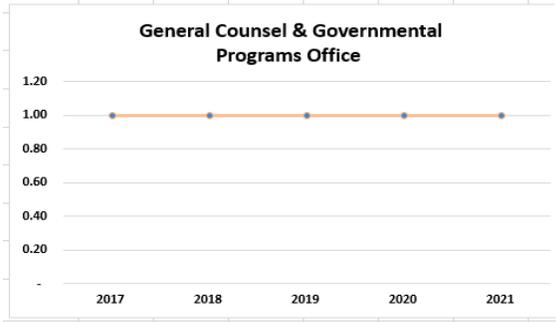
The General Counsel of the District manages all legal affairs, oversees special counsel, and provides a full range of legal services to the Board and District staff in the performance of their official duties. Specifically, the General Counsel ensures that District business is conducted according to all applicable state, federal, and local laws and regulations.

GOVERNMENT PROGRAMS

This office leads activities related to state legislative relations. Monitors and analyzes proposed bills, amendments, laws, and regulations for potential impacts on the District. This office participates in the legislative and strategic policy decision making related to the District's position on federal and state legislation.

COLORADO RIVER PROGRAMS

This office coordinates the Colorado River Programs with state and federal officials and other basin states, on areas of common interest, exploring alternatives to protect and enhance the existing Colorado River supply.



2018-2019 Office Summary		
	Filled 2018	Budget 2019
General Counsel & Governmental Programs Office		
General Counsel	1.00	1.00
Total Employees	1.00	1.00



General Counsel & Government Programs Office

General Counsel & Government Programs Office

Administrative & Program Goals

Performance Objectives (2019)

- ◆ Fry-Ark Contract Conversion
- ◆ Division 5 District Conditional Water Rights
- ◆ Division 2 District Conditional Water Rights
- ◆ State Legislation Updates for the Board of Directors
- ◆ Watershed Health
- ◆ Colorado River Programs

General Counsel & Governmental Programs Office

Major Project Goals

Performance Objectives (2019)

- ◆ Arkansas Valley Conduit Contracts regarding the New Concept
- ◆ Ensure Enterprise interests in the remaining contracts regarding the Hydroelectric Power Project

PERFORMANCE

Measurement of Completion

Summary	2018 Actual	2019 Projected Goal	Justification
Fry-Ark Contract Amendment	100%	100%	In-house Standard
Fry-Ark Contract Conversion	50%	75%	In-house Standard
Conditional Water Rights Division 2	90%	100%	In-house Standard
Conditional Water Rights Division 5	60%	90%	In-house Standard
Arkansas Valley Conduit New Concept	26%	50%	In-house Standard
Hydroelectric Contracting	75%	100%	In-house Standard
Watershed Health	26%	51%	In-house Standard
Colorado River Programs	80%	90%	In-house Standard

Performance Results (2018)

- ◆ Completed Fry-Ark contract amendment No. 11
- ◆ Informed the Board of Directors about the Reclamation contract conversion types and next steps
- ◆ Conditional Water Rights Division 2 completed, presentation
- ◆ Conditional Water Rights Division 5, ongoing engineering work.
- ◆ State Legislation monthly updates to the Board of Directors
- ◆ Arkansas Valley Conduit New Concept Technical Session for three party contract with Reclamation, Pueblo Water, and District
- ◆ Hydroelectric Power Project Contracting
- ◆ Watershed Health Planning
- ◆ Colorado River Programs



Finance & Information Technology Office

The Finance and Information Technology Office provides financial planning, analysis, and reporting; supports business objectives by providing necessary technology tools; manages financial resources; provides effective and cost-effective management services; maintains financial integrity and provides financial information to internal and external stakeholders.



FINANCE & ACCOUNTING

This office is responsible for financial analysis and statement reporting according to principles. Responsible for budget development and management long-range financial planning, cash and treasury management, accounts receivable and payable, accountable property, and working with external and internal auditors during the annual financial audit.

MATERIAL CONTROL & DISTRIBUTION

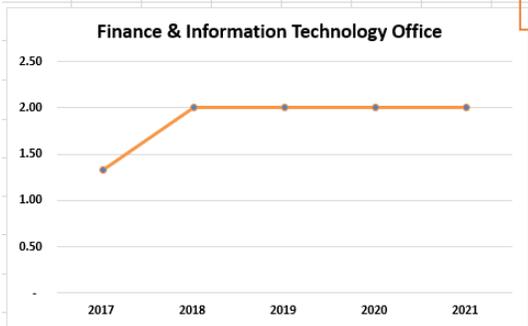
This office is responsible for the procurement of goods and services, inventory control, distribution of materials, supplies, and equipment.

GRANT ADMINISTRATION

The grant administration program assists local project and programs by pursuing external funding from local, state, and federal agencies, along with other funding sources.

INFORMATION TECHNOLOGY

The office is responsible for the operations, maintenance, and business continuity of the information technology infrastructure including applications, networks, servers, and workstations for the District.



2018-2019 Office Summary		
	Filled 2018	Budget 2019
Finance & Information Technology Office		
Finance Manager	1.00	1.00
Accounting Specialist	1.00	1.00
Total Employees	2.00	2.00

Finance & Information Technology Office

Finance & Information Technology Office

Administrative & Program Goals

Performance Objectives (2019)

- ◆ Fry-Ark Contract Debt Repayment by 2031
- ◆ Strategically plan for equipment, software, and collaboration tools through technology
- ◆ Safety of Dams on Pueblo Reservoir Debt Repayment by 2024
- ◆ Investigate Water Rate Study to ensure the District is applying an accurate cost of water
- ◆ Ensure a satisfactory Annual Audit
- ◆ Ensure a satisfactory Annual Budget

Finance & Information Technology Office

Major Project Goals

Performance Objectives (2019)

- ◆ Hydroelectric Power Project finances
- ◆ Ensure Project cash flows and provide support as needed
- ◆ Complete Finance Strategy and Sustainability Study

PERFORMANCE

Measurement of Completion

Summary	2018 Actual	2019 Projected Goal	Justification
Fry-Ark Contract Debt	77%	79%	In-house Standard
Miscellaneous Revenues	90%	100%	In-house Standard
Information Technology	45%	75%	In-house Standard
Safety of Dam on Pueblo Reservoir	80%	85%	In-house Standard
Annual Audit	100%	100%	In-house Standard
Annual Budget	100%	100%	In-house Standard
Budget Publication	100%	100%	In-house Standard
Water Rate Study	25%	75%	In-house Standard

Performance Results (2018)

- ◆ Fry-Ark Contract debt repayment is current
- ◆ Educated the Board of Directors Miscellaneous Revenue and how they apply Fry-Ark or PL11-111
- ◆ Began Information Technology Planning
- ◆ Safety of Dams on Pueblo Reservoir debt repayment is current
- ◆ Ensure a satisfactory Annual Audit
- ◆ Ensure a satisfactory Annual Budget
- ◆ Quality Annual Budget Publication



Engineering, Planning & Operations Office

Engineering, Planning and Operations Office manages the water deliveries, develops policies, and conducts strategic and long-term planning. Additionally, manages the Lease of Power Privilege (LoPP) at Pueblo Reservoir.



WATER OPERATIONS

This office is responsible for the efficient delivery of Fry-Ark water. It provide front-line water customer service, water accounting, and forecasting. This office is also responsible for performing hydraulic and hydrologic engineering.

ENGINEERING SERVICE

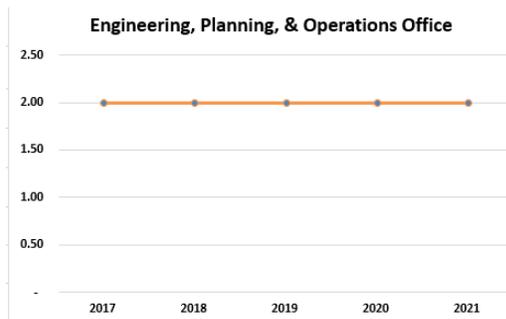
This office provides administration and legal stewardship of Fry-Ark technical records, provides technical engineering expertise, and supervises project management.

RESOURCE PLANNING & ANALYSIS

This office is responsible for long-range water resource planning and policy analysis within the Fry-Ark service area, including initiatives of the Board of Directors.

POWER SERVICE

This office manages the Lease of Power Privilege (LoPP) functions for the Fry-Ark power rights to Pueblo Dam Power generation.



2018-2019 Office Summary		
	Filled 2018	Budget 2019
Engineering, Planning, & Operations Office		
Principal Engineer	1.00	1.00
Water Resource Engineer	1.00	1.00
Water Resource Specialist / Engineer		
Total Employees	2.00	2.00

Engineering, Planning & Operations Office

Engineering, Planning & Operations Office

Administrative & Program Goals

Performance Objectives (2018)

- ◆ Recovery of Storage in Fry-Ark Facilities as a result of sediment
- ◆ Clear understanding of future annual and extraordinary OM&R cost at Pueblo Dam
- ◆ Reclamation Reform Act ongoing program to track irrigated acres in the District boundaries
- ◆ Pueblo Dam Interconnect study, design and construction
- ◆ Winter Water Storage ongoing program that allows Ag entities to store water during off-season
- ◆ Water Quality Sampling ongoing to ensure water quality in rivers
- ◆ Fountain Creek Transit Loss ongoing program to track return flows in Fountain Creek
- ◆ Restoration of Yield the study, purchase, design, and implement storage to capture water releases
- ◆ Regional Resource Planning ongoing program to ensure water quality in the Arkansas River
- ◆ Allocation of Project water and return flows

PERFORMANCE

Measurement of Completion

Summary	2018 Actual	2019 Goal	Justification
Recovery of Storage	5%	10%	In-house Standard
Pueblo Dam OM&R	75%	100%	In-house Standard
Reclamation Reform Act	90%	100%	In-house Standard
Pueblo Dam Interconnect	5%	25%	In-house Standard
Winter Water	90%	95%	In-house Standard
Water Quality Sampling	90%	95%	In-house Standard
Fountain Creek Transit Loss	90%	95%	In-house Standard
Restoration of Yield	25%	45%	In-house Standard
Regional Resource Planning Group	90%	95%	In-house Standard
Hydroelectric Power Project	90%	100%	In-house Standard
Arkansas Valley Conduit	26%	50%	In-house Standard

Performance Results (2018)

- ◆ Completed understanding of future annual and extraordinary OM&R cost at Pueblo Dam
- ◆ Ongoing Reclamation Reform Act program to track irrigated acres in the District boundaries
- ◆ Ongoing Winter Water Storage Program that allows Ag entities to store water during off-season
- ◆ Ongoing Water Quality Sampling to ensure water quality in rivers
- ◆ Ongoing Fountain Creek Transit
- ◆ Loss program to track return flows in Fountain Creek
- ◆ Ongoing Restoration of Yield study, purchase, design, and implement storage to capture water releases
- ◆ Ongoing Regional Resource Planning program to ensure water quality in the Arkansas River
- ◆ Ongoing Construction of the Pueblo Dam Hydroelectric Facility
- ◆ Completed the Arkansas Valley Conduit New Concept study
- ◆ Ongoing Project water allocation

Engineering, Planning & Operations Office

Major Project Goals

Performance Objectives (2019)

- ◆ Complete construction of the Pueblo Dam Hydroelectric Facility
- ◆ Arkansas Valley Conduit: Explore alternatives and track technical changes



Administrative & Employee Service Office

Administrative and Employee Services Office provides services that support the efficient operation of the District. Responsibilities include administrative support to the Board of Directors and District offices; administration of the safety, risk management, and human resource programs; administration of the records management program; and management of facilities related to maintenance and building systems for the main office and surrounding landscape.



HUMAN RESOURCES

This office is responsible for staffing, compensation, benefits design, and administration; ensuring compliance with applicable employment laws; wellness program; people policies; employee relations; and performance management.

FACILITIES SERVICE

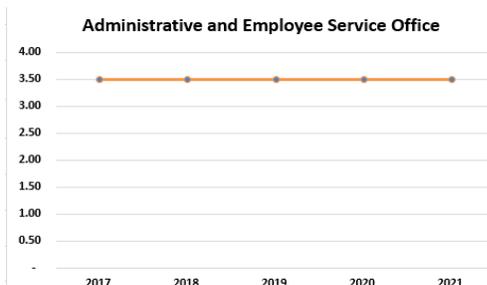
Other duties include administrative and operational responsibility for facility services including oversight for ongoing service and maintenance contracts, and general operations and maintenance of the main office and surrounding landscape.

ADMINISTRATION & BOARD SUPPORT

This office provides support to the Board of Directors activities related to formal and special Board meetings, coordination of travel and events arrangements, and safekeeping of official records.

LEARNING & DEVELOPMENT

This office is responsible for the management, design, and development of the District.



2018-19 Office Summary		
	Filled 2018	Budget 2019
Administrative and Employee Service Office		
Administrative Manager	1.00	1.00
Administrative Support Specialist	1.00	1.00
Administrative Support Associate	1.00	1.00
Garden Coordinator	0.50	0.50
Total Employees	3.50	3.50

Administrative & Employee Service Office

Administrative & Employee Service Office

Administrative & Program Goals

Performance Objectives (2019)

- ◆ Operation and maintenance of District Headquarters facilities
- ◆ Operation and maintenance of District Headquarters grounds
- ◆ Operation and maintenance of District Headquarters fleet vehicles
- ◆ Ensure human capital staffing
- ◆ Ensure human capital education

Administrative & Employee Service Office

Major Project Goals

Performance Objectives (2019)

- ◆ Ensure administrative support as needed

PERFORMANCE

Measurement of Completion

Summary	2018 Actual	2019 Projected Goal	Justification
Headquarters Facilities	100%	100%	In-house Standard
Headquarters Grounds	100%	100%	In-house Standard
Fleet Vehicles	100%	100%	In-house Standard
Human Capital Staffing	100%	100%	In-house Standard
Human Capital Training and Education	100%	100%	In-house Standard

Performance Results (2018)

- ◆ District Headquarter facilities maintained
- ◆ District Headquarter grounds maintained
- ◆ District Headquarter fleet vehicles maintained
- ◆ Human capital staffing is consistent from prior year
- ◆ Human capital education including First Aid safety and improved administrative technical skills



Issues, Programs & Communication Office

The Issues, Projects, Programs and Communications Office provides outreach services to maximize efficient use of the region’s existing water supplies through a variety of targeted programs and initiative. The community relations outreach furthers local water supply through local, state, and federal sponsored programs to promote public education, outreach, and technical assistance for local leaders.



CONSERVATION

The water conservation program develops regional conservation policies and methods, provides tools and training to implement conservation programs, and coordinates the regional water use efficiency efforts.

PROJECTS & PROGRAMS

District projects and programs are coordinated to prove assurances that necessary actions are taken at the appropriate time in order to accomplish the best results.

COMMUNITY RELATIONS

The community relations outreach oversees an array of strategies and programs related to increasing public awareness for motivating and improving collaboration, communications, and coordination between the District and stakeholders.

ISSUES MANAGEMENT

As the District’s activities continue, new issues may arise which require decisive action by staff to continue to project a forward-moving image among area, state, and federal communities. The office will assist in taking proactive steps, including producing long-term planning materials, to ensure the District stays on course to accomplish goals.

Issues, Programs and Communications Office



2018-2019 Office Summary		
	Filled 2018	Budget 2019
Issues, Programs and Communications Office		
Conservation Outreach Coordinator		
Issues Management Program Coordi	1.00	1.00
Total Employees	1.00	1.00



Issues, Programs & Communication Office

Issues, Programs & Communications Office

Administrative & Program Goals

Performance Objectives (2019)

- ◆ Arkansas Valley Conduit planning, development and communication
- ◆ Coordination with state and federal agencies and associations
- ◆ Budget Publication, Strategic Plan, Business Plan updates and improvements
- ◆ Arrange public events commemorating District and Enterprise achievements

Issues, Programs & Communications Office

Major Project Goals

Performance Objectives (2019)

- ◆ Communication Contact for Arkansas Valley Conduit Project, contract negotiations
- ◆ Communication activities for Financial Strategy and Sustainability Study
- ◆ Coordination of public outreach for Pueblo Dam Hydro-electric Project
- ◆ Planning liaison for Arkansas River Basin Water Forum

PERFORMANCE

Measurement of Completion

Summary	2018 Actual	2019 Projected Goal	Justification
Arkansas Valley Conduit development	5%	10%	In-house Standard
Financial Strategy and Sustainability Study	25%	50%	In-house Standard
Coordination with outside agencies	100%	100%	In-house Standard
Commemorative Events	100%	100%	In-house Standard
Budget, Business Plan, Strategic Plan	100%	100%	In-house Standard
Excess Capacity Master Contract	100%	100%	In-house Standard

Performance Results (2018)

- ◆ Planning and execution of the 60th Anniversary Tour of the Fryingpan-Arkansas Project
- ◆ Planning and execution of the 50th Anniversary celebration at Ruedi Reservoir
- ◆ Completion Budget Publication, Business Plan, and Strategic Plan and ready for distribution
- ◆ Completion of the “Art of Water” exhibit at District headquarters to honor recipients of Colorado Water Congress Aspinall Awards
- ◆ Presentation of District projects and programs to various outside groups
- ◆ Participate in planning of Arkansas River Basin Water Forum
- ◆ Administration of Excess Capacity Master Contract





Section 3

Financial Planning

Introduction

Planning Documents

The *Strategic Plan* is a long-term roadmap for District and Enterprise projects and programs.

The *Business Plan* provides a blueprint of the work that is expected to be accomplished in the coming three years.

The *Annual Budget* is a more detailed look at the year ahead.

The *Annual Financial Report* reconciles revenues and how funds were spent.

The Financial Planning Section of this document is designed to create a clear understanding of the financial structure of the Southeastern Colorado Water Conservancy District also known as the General Fund and Southeastern Colorado Water Activity Enterprise, Proprietary Fund also known as the Business Activity.

Financial analytical, comparisons data, and 2019 Budget explanations and budget statements can be found in the Budget Overview section of this document.

The 2019 Budget is made up of the Southeastern Colorado Water Conservancy District (District) referred to as the General Fund or the Governmental Activities and the Proprietary Fund or Water Activity Enterprise (Enterprise) referred to as the Enterprise Fund, the Water Fund and/or the Business Activity for the year January 1 through December 31, 2019.

The District's long-term planning and implementation of the Strategic Plan includes; construction of a hydroelectric power plant at Pueblo Dam, completion of key projects in storage, the Arkansas Valley Conduit (AVC), paying off the primary debt of the Fryingpan-Arkansas Project, developing better tools and methods for financial planning, water conservation, and communications.

The detail of these projects and others are presented in this document. The input and expertise of District staff is critical in the development of the budget.

The Strategic Plan is the overriding document governing budget expenditures and the future direction of the District.

Together the budget and the Strategic Plan, build a blueprint of our current and future organizational goals. Please, use the budget as a guideline for our financial operations in 2019.



Basis of Budgeting & Fund Structure

Basis of Budgeting

An annual budget is prepared for the District and Enterprise funds on a basis consistent with generally accepted accounting principles (GAAP) as it applies to fund financial statements prescribed through the Governmental Accounting Standards Board (GASB).

The Board of Directors enacts the budget through appropriation.

The Executive Director is responsible for ensuring the District operates within the budgetary guidelines and that adequate funds are available.

District or general fund basis of budgeting is processed on the modified accrual accounting system.

This system recognizes revenues in the period when they become available and measurable and expenditures when the liability is incurred.

The Enterprise fund basis of budgeting is presented using an accrual basis of accounting, recognizing revenue when earned and expenses when the liability is incurred.

The basis of budgeting and basis of accounting are shown in the chart below.

Basis of Budgeting and Accounting Methods	
Government Fund	
General Fund	Modified Accrual
Enterprise Fund	
Proprietary Fund	Accrual



Fund Structure

District finances are made up of two entities. These two entities are the Government Activity and the Business Activity. The Government Activity is made up of all District business, which includes the Fryingpan-Arkansas Project activity, grant activity, and operations. The Business Activity is made up of grant activity, operations, and major projects.

The Government Activity, which is the general fund for the government. The primary focus is to ensure that the Fryingpan-Arkansas Project debt is retired within the contractual limits and ensure payment of the District's portions of the operations maintenance and replacement of the Project. Also, to protect and develop the District's water rights, retain valued knowledgeable employees, and maintain capital improvements and capital projects.

Within the District accounting system and structure, all District or General Funds are accounted for under the single title Government Activity. The Government Activity uses the current financial measurement focus.

The funds through which the functions of the District are financed are described as Governmental Funds. The District operates the Governmental Fund and due to the nature and size of operations, does not generally utilize other types of funds.

The Business Activity is a Proprietary Fund account for business operations.

The Business Activity Funds include the activities of the Enterprise and major projects. The Enterprise was established in 1995 and continues to grow.

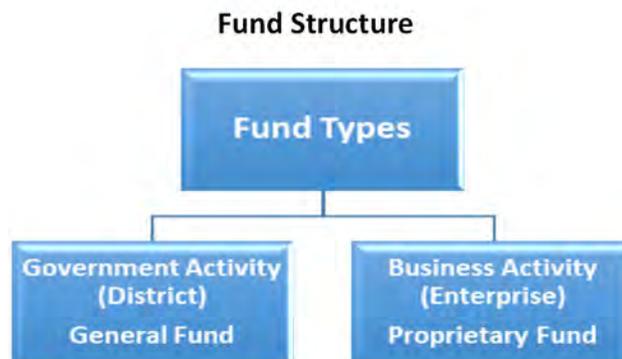
The purpose of the Enterprise is to undertake and develop commercial activities on behalf of the District as a government. These activities may include construction, operation, replacement and maintenance of Fry-Ark Project water and facilities, and any related contracting, engineering, financing, and administration.

The Business Activity's primary focus is to develop project and programs and provide services to the District. The Business Activity provides support for ongoing projects and programs for the many stakeholders and constituents of the District.

Within the Enterprise accounting, system and structure projects are consolidated to constitute the Business Activity and/or the Proprietary Fund.

The projects includes the Southeastern Colorado Water Activity Enterprise as a whole, Excess Capacity Master Contract Project, Enlargement Project, Arkansas Valley Conduit Project, and the Hydroelectric Power Plant on Pueblo Dam.

These divisions were created to account for the costs associated with each project individually. The Business Activity account uses the flow of economic resources measurement focus.



Budgetary Control

The Budgetary control process is guided by the Board of Directors approved Financial Management Guide.

The document is reviewed annually and provides guidance to staff in all offices and departments.

This document provides guidance on the requirement of a balanced budget, budget adoption and amendment process, balancing funds, budget format, expenditure guidelines, revenue guidelines, and the accurate basic of budgeting for each fund.

The Financial Management Guide has several relevant policies to preserve and enhance the fiscal health of the District and the Enterprise. It also identifies acceptable and unacceptable courses of action, and provide a standard to evaluate the government's annual performance.



Financial Management Guide

Below are a few of the highlighted policies that are generated from the Financial Management Guide. Additional information regarding financial policies are located in the Financial Management Guide, which is available upon request.

- ◆ The District general fund must consist of a balanced budget.
- ◆ The Enterprise proprietary fund can record a gain or loss dependent upon the Board of Directors guidance of project and programs set forth in the adopted budget.
- ◆ Purchases over \$5,000 are subjected to an informal or formal bid process and must be reviewed and approved by the Executive Director.
- ◆ Purchases over \$25,000 not appropriated in the annual budget must be reviewed and approved by the Board of Directors prior to purchase.
- ◆ Use of fund balance must be reviewed by the Finance Committee prior to a recommendation to the Board of Directors for budget appropriation.
- ◆ If expenditure exceed the adopted budgeted appropriation, the budget must be amended, upon this process the budget becomes a "Restated (amended) Budget."

The District General Fund presents a balanced budget for appropriations, except in years when capital outlay is needed for projects to uphold the purpose of the District and other one-time expenditures that require spending from unrestricted funds.

A balanced budget reflects a single fiscal year that the overall difference between government revenues and spending equal. Appropriations are enacted by the Board of Directors authorizing the expenditure of a designated amount of funds for the operations of the District.

Appropriations for the District and/or General Fund include: Fryingpan-Arkansas activities, grant activities, operations, capital outlay including one-time extraordinary expenditures.

In any year, after the budget has been adopted, if expenditures exceed the appropriated amount for any entity, budget amendments are created which consist of a Restated or amended Budget.

The primary function of the District is to collect Ad Valorem taxes from portions of nine counties to ensure that the Fryingpan-Arkansas Project debt is retired within the contractual limits and ensure payment of the District's portions of the operations maintenance and replacement of the Project.

DISTRICT

(Government Activity)



- ⇒ The District is primarily an administrative agency with no capital asset projects, or capital assets as normally found in many governments.
- ⇒ To finance the operations of the District, an Operating tax is levied on the constituents within the District boundaries.
- ⇒ A portion of Specific Ownership tax also assists the District with operating expenditures.
- ⇒ Finally, the Business Activity reimburses the District for personnel and overhead in proportion to the amount of work staff is budgeted to work for Enterprise activities. Other revenues may include grants and investments.

ENTERPRISE

(Business Activity)



- ⇒ The Enterprise is a service organization that develops and manages projects for the Fryingpan-Arkansas Project stakeholders.
- ⇒ It is the business activity for the District. Stakeholders may include municipal or agricultural water entities, government agencies such as the United States Geological Survey (USGS), Reclamation, Colorado Water Conservation Board (CWCB), and/or other partnership groups.
- ⇒ Funding for the Enterprise is received through the sale and administration of Fryingpan-Arkansas Project water and related surcharges and fees, reimbursement from Project participants, grants, partnership contributions, and investments.



Budgetary Policies, Guidelines & Practices

In accordance with Budget policy and the approved Financial Management Guide the District and Enterprise have regulations set forth by the State of Colorado. When expenditures exceed appropriation of the adopted budget, amendments are made and a Restated Budget is created.

The Board of Directors will take action during a board of Directors meeting to Restate the Budget and will re-adopted the amended Budget.

On this page are the main statutes listed in the Financial Management Guide: The Finance Management Guide and/or any specific policy may be requested at info@secwcd.com.

Colorado Revised Statutes

The District follows Colorado Revised Statutes (CRS) and additional policies regarding the annual budget. See the list below for a summary of policies:

- A Budget officer is appointed before October 15 (CRS 29-1-104)
- A draft of the Proposed Budget is delivered to each member of the Board of Directors by October 15 (CRS 29-1-105)
- A publication of notice of budget is published in a newspaper of general circulation by November (CRS 1 29-1-106(1))
- Budget public hearing is held on the third Thursday in November (CRS 29-1-108)
- Budget adoption and appropriation date set prior to December 31 (CRS 29-1-108)
- Certification of mill levies to the Board of County Commissioners by December 15 (CRS 39-5-128(1))
- Budget is supplied to Department of Local Governments (CRS 29-1-113(1)) by January 31
- Mill levy calculation and assessments in accordance with the State of Colorado Department of Local Governments

Investment Guidelines

Consistent with Colorado Revised Statutes and direction from the Board of Directors, the District and Enterprise Fund policy on investments is a conservative approach. Below is a summarized list of guidelines:

- U.S. Treasury obligations pursuant to (CRS 24-75-601.1(1)(a))
- Obligations of U.S. Government Agencies pursuant to (CRS 24-75-601.1(1)(b))
- Any corporate or bank security, issued by a corporation or bank that is organized and operated within the U.S. pursuant to (CRS 24-75-601.1(1)(m))
- Revenue obligations of any state of the U.S., the District of Columbia, or any territorial possession of the U.S., or of any political subdivisions of any state, rated in the highest rating category by two or more nationally recognized organizations that regularly rate such obligations pursuant to (CRS 24-75-601.1(1)(e))
- General obligations of any state of the U.S., the District of Columbia, or any territorial possession of the U.S., or of any political subdivisions of any state, rated in the highest two rating categories by two or more nationally recognized organizations that regularly rate such obligations pursuant to (CRS 24-75-601.1(1)(d))
- The purchase of any repurchase agreement pursuant to (CRS 24-75-601.1(1)(j))
- Money market mutual funds pursuant to (CRS 24-75-601.1(1)(k))
- Local government investment pools pursuant to (CRS 24-75-701)

Key District Policies

The following additional internal key policies followed, also located in the Financial Management Guide.

- Investment policy
- A balanced Governmental fund budget
- A balanced grant budget
- Project participation revenues with matching expenditure
- Fryngpan-Arkansas Project Water Allocation Principles



Budget Financial Methodology: Preparation, Review, Adoption and Restatement

The District budgetary process assists the Board of Directors with decisions as to the project and program for allocation of financial support. The District uses a six-phase approach as listed on this page

2018 Restatement and Amended Budget

In 2018, the Hydroelectric Power Fund budget was restated and amended for the purpose of making payment to the ongoing capital construction progress.



JULY

Phase 1—Budget Call

The Executive Director and Budget Officer meet with all department office heads to discuss and update the District mission. Budget forms and budget calendar are communicated. Emphasis is placed on accurate, prompt, and uniform submissions.



SEPTEMBER

Phase 2 – Obtaining Staff Input

Staff members begin collecting information, completing budget forms, and returning them to the Budget Officer. The Budget Officer completes analysis of the budget requests and assembles the financial information, goals and objectives into one document for the Executive Director to review.



OCTOBER

Phase 3 – Review & Approval of Budget by the Executive Director

The Budget Officer meets with the Executive Director on several different occasions as each section of the budget is completed. Changes are sometimes made to the budget requests submitted by staff. Once the draft of the proposed budget is complete, copies are sent to office department heads for final review then are sent to the Board of Directors no later than October 15 according to CRS 29-1-105. On the third Thursday in September the Board of Directors designates a Budget Officer, often the Finance Manager, in accordance with CRS 29-1-104.



NOVEMBER

Phase 4 – Final Revisions and Public Presentation

Revisions are sometime made between October 15 and the third Thursday in November. Once these items have been adjusted the Budget Officer provides a full presentation of the proposed budget to the Board of Directors and the public in a scheduled Public Hearing in accordance with Colorado Revised Statue 29-1-106 (1). Any interested citizen can review the proposed budget and make comments and suggestions at the Public Hearing.



DECEMBER & JANUARY

Phase 5 – Final revision and Adoption

Any changes to the budget are disclosed to the Board of Directors. The Board of Directors adopt the budget via Resolution at their December meeting, for total expenditure totals. The adopted budget motion of action states that the revenues may be adjusted upon the final tax assessment from the nine county assessors, which are not available until December 10. The Finance and Information Technology Office is responsible for seeing that budget expenditures stay within budget boundaries; however overall responsibility remains with the Executive Director. The budget is reconciled periodically to determine if formal action is required to amend the budget. By January 31 the full budget publication is supplied to the Department of Local Governments in accordance with CRS 29-1-113(1).

Phase 6 – Restated (amended) Budget and Adoption

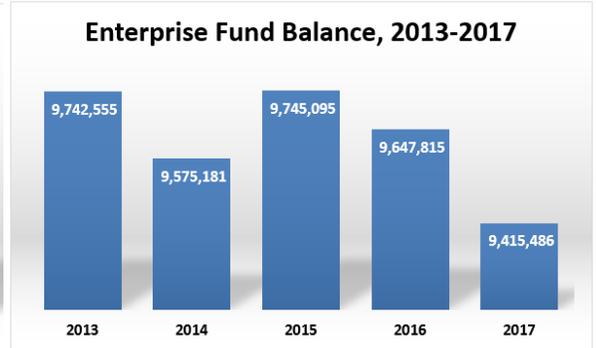
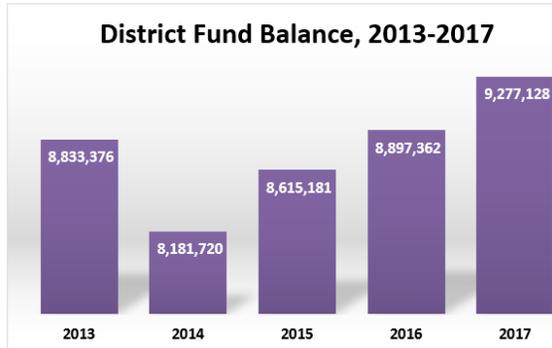
The sixth phase only takes place if and when the annual expenditure levels are higher than the Adopted Budgeted appropriation. This scenario would trigger the Restated Budget process. The amendment that are necessary are made and presented to the Board of Directors. After the amendments made to the budget and the budget is adopted a second time in one fiscal year the budget becomes a “Restated or amended Budget.”



Fund Reserves

Debt Authorities and Obligations (Issuance of Debt & Debt Limits)

The District does not issue general obligation of selling bonds as a source of capital. The District has authority to issue debt, but has not seen the need to exercise this authority. If the Board of Directors would choose to look into this option in the future, research would be done to manage debt to the best of the District's ability.



District and Enterprise Fund Balances Classifications

Moving into the 2019 calendar year, the District's total funds invested are \$7,488,591 and Enterprise funds are \$10,749,493 this included both short and long-term investments. Please see the Budget Overview section of this document for investment revenue analytical comparisons and data.

The District reports fund balance classifications based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. The fund balance of the District Governmental Fund consists of the following:

- ◆ **Non-spendable** – includes amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash such as inventories, prepaid items, and long-term notes receivable.
- ◆ **Restricted** – includes amounts that are restricted for specific purposes stipulated by external resources providers constitutionally or through enabling legislation.
- ◆ **Committed** – includes amounts that can only be used for the specific purposes determined by the passage of a resolution of the District's Board of Directors. Commitments may be modified or changed only by the District's Board of Directors approving a new resolution. Commitments also include contractual obligations to the extent the existing resources have been specifically committed for use in satisfying those contractual requirements.
- ◆ **Assigned** – includes amounts intended to be used by the District for specific purpose that are neither restricted nor committed. Intent is expressed by the District's Board of Directors to which the assigned

amounts are to be used for specific purposes. Assigned amounts include appropriations for existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget.

- ◆ **Unassigned** – this is the residual classification for the General Fund.

In circumstances when an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications, fund balance is reduced in the order of restricted, committed, assigned, and unassigned.

The District maintains a restricted fund balance of \$150,000 for the Taxpayers Bill of Rights (TABOR) as defined in the Colorado constitution. This represents three percent or more of its fiscal year spending.

At year-end 2018 the District created the Fry-Ark Project reserve fund in accordance with Amendment 11 of the Fry-Ark Contract signed September 20, 2018. The restricted Fry-Ark reserve account had an estimated balance of \$2,936,000 on January 1, 2019.

The District also holds committed funds of \$1,500,000 for designated contract contingency and \$2,000,000 designated enlargement space.

The Enterprise budget maintains only one unrestricted account titled Unrestricted Project Water Fund. This is a three-year Project water fund for years when budgeted Fryingpan-Arkansas Project water revenue is less than calculated. The fund balance as of December 31, 2018 is \$812,000.

In 2019, the District and Enterprise will conduct a Financial Strategy and Sustainability Study. A portion of the study will review the current and future strategic reserves and define suggested categories and balances.





Section 4

Budget Overview Description and Comparison Data

Introduction

One Budget,

Two Funds

The *Government Activity, or General Fund*, encompasses all District business and primarily ensures that the Fryingpan-Arkansas Project is paid off and remains operational.

The *Business Activity, or Enterprise Fund*, focuses on programs and projects, and provides services to the Government Activity.

The Southeastern Colorado Water Conservancy District (District) finances are made up of two entities. The two entities are the Government Activity or General Fund and the Business Activity which is the Proprietary Fund. The Government Activity consists of all District business, which includes the Fryingpan-Arkansas Project activity, grant activity, operations, and capital outlay. The Business Activity consists of grants, operations, major projects, and capital outlay.

The Government Activity primary focus is to ensure that the Fryingpan-Arkansas Project debt is retired within the contractual limits and ensure payment of the District's portions of the operations maintenance and replacement of the Project. Also, to protect and develop the District's water rights, retain valued knowledgeable employees, and maintain capital improvements and capital projects.

Within the District's accounting system and structure all Governmental Activity are recorded

and accounted for under the single fund titled Southeastern Colorado Water Conservancy District.

The Business Activity is a Proprietary Fund account for Enterprise Business Activity.

The Business Activity's primary focus on programs and projects, in addition to providing services to the Government Activity.

The Business Activity, also known as the Enterprise, provides support for ongoing projects and programs for the many stakeholders and constituents of the District. A few of the major projects that reside within the Business Activity include the Excess Capacity Master Contract, Enlargement, Arkansas Valley Conduit, Restoration of Yield, and Hydroelectric Power on Pueblo Dam.

See the Financial Planning section for a full explanation of Government and Business Activity fund structure.



Budget Overview & Tax Revenue

Property taxes in Colorado are collected by individual counties. Special districts such as the Southeastern Colorado Water Conservancy District, receive tax revenues only for those areas within District boundaries. The District pays a fee to each of the counties for collecting the taxes.

Tax Calculation

Table 4-1: 2018-2019 Total County Assessed Value

County		2017 Assessed Value	2018 Assessed Value	Value Change	Percent Change
Bent	11/29/2018	58,555,880	59,333,100	777,220	1.33%
Chaffee	12/4/2018	334,098,910	338,096,460	3,997,550	1.20%
Crowley	12/1/2018	36,436,079	34,512,829	(1,923,250)	-5.28%
El Paso	11/21/2018	5,894,363,650	5,991,759,820	97,396,170	1.65%
Fremont	12/3/2018	315,454,261	318,420,837	2,966,576	0.94%
Kiowa	11/28/2018	2,765,260	2,778,330	13,070	0.47%
Otero	11/27/2018	133,479,280	135,688,325	2,209,045	1.65%
Prowers	11/30/2018	58,035,478	58,854,714	819,236	1.41%
Pueblo	11/29/2018	1,524,329,050	1,535,765,745	11,436,695	0.75%
Total		8,357,517,848	8,475,210,160	117,692,312	1.41%

Annually, the District certifies three different mill levies to the nine Boards of County Commissioners for collection based on each of the nine counties' assessed value of property within the boundaries of the District. According to CRS's the District receives a draft certification of assessed value of property for each county by August 25.

is due to the District by December 10. From the final assessed property values, the Budget Officer can estimate collections for contract repayment and operating revenues. The 2018 assessments are collected in 2019. The nine counties in the District estimate a total assessed value in 2018 of \$8,475,210,160. Table 4-1 illustrates a comparison between assessed values from 2017 to 2018. Table 4-2 illustrates final assessments and expected collection from each county.

Tax Timeline

- August 25**— Draft certification of property values.
- December 10** — Final certification of property values.
- December 15** — Mill levies certified and sent to counties.

The final certification of assessed value of property for each county

Table 4-2: Collections for all Levies - 2018 for 2019 Budget

Last Revised: 12/10/2018

County	2018 Assessed Value	Percent of Total	Contract Repayment		Operating		Abatements & Refunds		Total Collections
			Mill Levy	Collections	Mill Levy	Collections	Mill Levy	Collections	
Bent	59,333,100	0.70%	0.900	53,400	0.035	2,077	0.009	534	56,010.45
Chaffee	338,096,460	3.99%	0.900	304,287	0.035	11,833	0.009	3,043	319,163
Crowley	34,512,829	0.41%	0.900	31,062	0.035	1,208	0.009	311	32,580
El Paso	5,991,759,820	70.70%	0.900	5,392,584	0.035	209,712	0.009	53,926	5,656,221
Fremont	318,420,837	3.76%	0.900	286,579	0.035	11,145	0.009	2,866	300,589
Kiowa	2,778,330	0.03%	0.900	2,500	0.035	97	0.009	25	2,623
Otero	135,688,325	1.60%	0.900	122,119	0.035	4,749	0.009	1,221	128,090
Prowers	58,854,714	0.69%	0.900	52,969	0.035	2,060	0.009	530	55,559
Pueblo	1,535,765,745	18.12%	0.900	1,382,189	0.035	53,752	0.009	13,822	1,449,763
Total	8,475,210,160	1.00		7,627,689		296,632		76,277	8,000,598
Contract + Operating Ad Valorem = 0.935 \$ 7,924,321									
Total compared 2017 to 2018 Assessed Values & projected taxes									
2018	8,475,210,160		0.900	7,627,689	0.035	296,632	0.009	76,277	8,000,598
2017	8,357,517,848		0.900	7,521,766	0.035	292,513	0.004	33,430	7,847,709
Increase/Decrease				105,923		4,119		42,847	152,889



Governmental Revenue and Expenditures



Grant Revenue and Expenditures

The District grant budget includes a budgeted contingency for grant opportunities.

The budget policy requires that all grants meet TABOR requirements. In addition, grant revenues equal the total expenses to maintain a balanced grant budget.

Grant Revenue and matching expenditure total \$250,000 for the 2019 Budget.

Fryingpan-Arkansas Revenue and Expenditures

Tax revenues are used for the payment made on the primary debt and operation maintenance and replacement (OM&R) of the Fryingpan-Arkansas Project. The taxes are generated by two of the three collected mill levies. The District collects these two-mill levy's titled, contract tax and abatements and refunds tax and then subtracts any prior year tax and any county collection fees to calculate the total annual tax revenue.

Table 4-3 provides a four-year comparison of tax mill levy revenue and the 2019 Budgeted assessments. Prior to Amendment 11 of the Fry-Ark Contract in 2018 all annual Fry-Ark tax revenues were paid to Reclamation for OM&R expenditures and debt.

Amendment 11 allows the debt payments to be amortized through December 2031. Meaning that the District makes payments in the amount of \$1,467,572 annually to decrease the debt of the Project. The amendment also provided that the District upfront OM&R expense and create a Fry-Ark reserve fund held by the District for the benefit of the Project.

As of December 31, 2018, the Fryingpan-Arkansas Project outstanding debt is \$19,078,438. The first deposit at year-end 2018 for the Fry-Ark reserve account started with an estimate \$2,842,000.

Table 4-4 reflects the total annual payment

made to Reclamation for the Fryingpan-Arkansas Project debt and OM&R expenses.

The District collects money from Fountain Valley Authority and from participants in the Winter Water Storage Program; both collections are payable to Reclamation.

The District receives a single payment from the Fountain Valley Authority in December of each year; the matching expense is paid to Reclamation by December 31. The Fountain Valley Authority is budgeted in 2019 at \$5,360,000. The 2019 Budget for Winter Water Storage Program is based on an estimated storage of 42,000 acre-feet at \$2.80 per acre-foot for a total of \$117,600.

The Excess Capacity Master Contract is a storage contract held by the District on behalf of Excess Capacity participants, fee assessed by Reclamation are paid to the District and then forward to the Reclamation.

The 2019 Budget includes \$272,382 for 6,565 acer-feet of storage at a Reclamation contracted price of \$41.49.

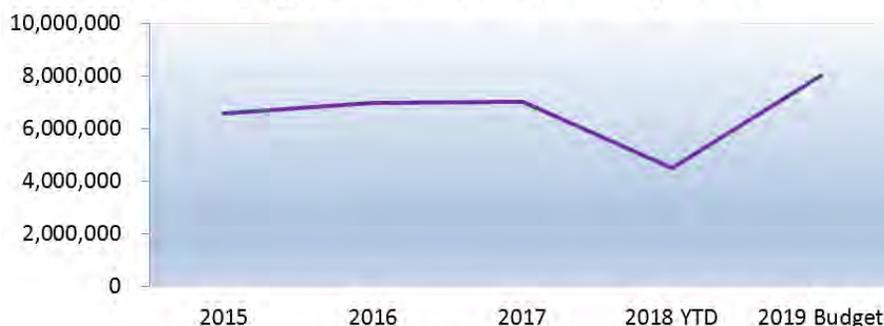
Reclamation Reform Act (RRA) is a project enacted by the Federal government that the District must remain in compliance with as a provision of the Fryingpan-Arkansas Project contract.

The District has budgeted \$2,000 for possible fee bills as a result of RRA compliance.

Table 4-3: Fry-Ark Project Tax Revenues

	2015	2016	2017	2018 YTD	2019 Budget
Contract Mill Levy Tax	6,634,535	7,021,262	7,089,728	7,440,930	7,627,689
Abatement & Refunds	58,614	53,873	39,391	31,862	76,277
Prior Year Tax	(9,224)	(283)	(17,357)	(6,740)	(12,050)
County Collection Fees	(114,064)	(121,807)	(122,062)	(128,655)	(127,364)
Total Annual Payment	6,569,861	6,953,045	6,989,700	7,337,397	7,564,552

Table 4-4: Fryingpan-Arkansas USBR Contract Expenditures



Government Activity Operating Revenue

Operating revenue for the Government Activity, also known as the General Fund or District generally consists of revenue from the third mill levy through Ad Valorem Tax collections titled Operating Tax. In addition, other revenues include Specific Ownership Tax, which is not a tax mill levy, interfund reimbursements for service, investments, and other revenues enable the District operations to maintain a balanced budget.

The largest revenue stream to the Government Activity, as shown in Table 4-5, is the interfund reimbursements for services provided by the Business Activity. The increase and decrease of this item is dependent on the level of work done in the respected projects within the Business Activity. The major projects that have gained momentum and provided an increase in this interfund reimbursement revenue are the Hydroelectric Power Project and the Arkansas Valley Conduit. In 2019, the interfund reimbursements make up 56 percent of the total District operating revenue.

Table 4-6 provides the effect of a stable District revenue stream through taxes and investments. Operating revenues have proven to be a regular dependable stream of revenue averaging \$274,746 annually. Specific Ownership Tax, continues to have a steady income of consumer spending trends in the District’s nine counties. Over the past four years Specific Ownership Tax revenues average \$867,418 per year. This average was increased significantly in the past two years. This is a strong indicator that the District’s nine county economies are flourishing. El Paso and Pueblo Counties have had the greatest effect on Specific Ownership Tax due to their population size. Specific Ownership Tax is a less dependable income because it is economically driven.

The District manages \$7,490,990 in short and long-term investments. Bonds held through Wells Fargo Securities which make up 76 percent of the investment portfolio and 24 percent are made up of short-term liquid investments

held with COLOTrust. The 2019 Budget for investment revenue, based on projected fluctuations in the market is \$120,212. Investment and interest revenue producing an average of \$116,790 per year. The District has \$2,040,000 in bond maturity in 2018 and will be looking to reinvest the funds while managing risk.

The District has created a fifteen-year Strategic Plan. This will allow leadership to look long-term in the future of the Districts future to plan and accommodate these plans. Accompanying the Strategic Plan, District staff has created a three-year Business Plan. The Business Plan will serve as a short-term or near future planning mechanism.

The long-term and short-term plans attempt to mitigate the effect that economic volatility has on District budgeting. Now that these plans have been implemented, staff will begin the review of policies and investigations of additional revenue streams. In 2019, the District will move forward with a

Financial Strategy and Sustainability Study. *Please see Appendix for additional detail regarding the long and short-term planning.*

The 2019 Budget forecasts that the District’s operating revenues will consist of interfund reimbursements of 56 percent, Specific Ownership Tax of 28 percent, Operating tax of 11 percent, and investment revenue of 5 percent as shown in Table 4-7.

Table 4-5: Government Activity Operating Revenue



Table 4-6: District Operating Revenue Overview

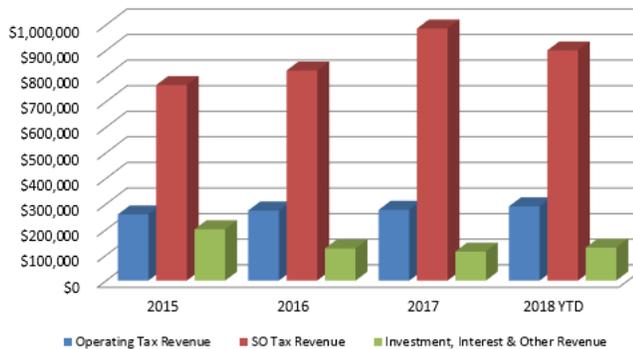
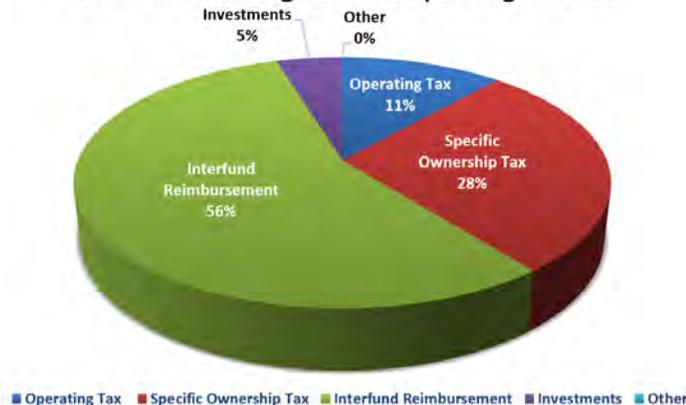


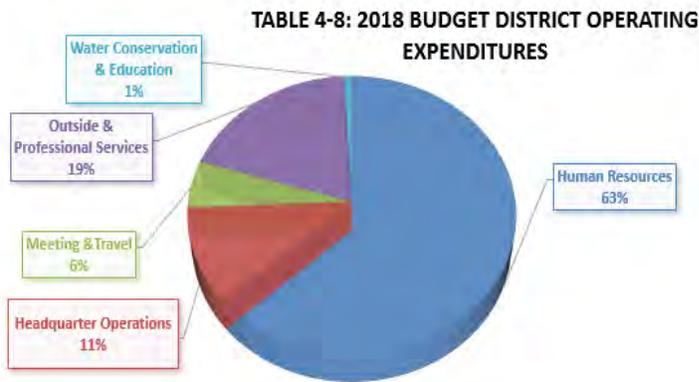
Table 4-7: 2019 Budget District Operating Revenue



Government Activity Expenditures

The budgeted Government Activity total expenditures for the 2018 Budget are \$17,285,194. The expenditures are considered in one of four categories; Fryngpan-Arkansas activity \$13,779,622, Grant activity \$250,000, operating expenditures \$2,565,572, and Capital Outlay \$690,000 expenditures.

Operating expenditure policy requires that expenditures match operating revenue to present a balanced governmental budget. For purposes of consistency, Capital Outlay is excluded from this analysis of operating expenditures as well as separated in the Budget financial statements. The overall financial activity of the District remains consistent with prior years. The 2019 Budget Operating expenditures are illustrated by percentage in Table 4-8.



In 2019, the largest planned expenditure of the operating budget is Human Resources, this includes payroll and benefits and makes up 63 percent of District operations. A portion of the Interfund reimbursing revenue assist with coverage of this expense. Actual compared to 2019 Budget of Payroll and Benefits is expressed in Table 4-9.

The District experienced a slight adjustment in staffing positions in 2016 and 2017 but believes that the staffing is expected to hold through 2019. The District completes a salary and benefits survey every three years, that survey was completed in 2018.

Illustrated in Table 4-10 are outside and professional services also known as consulting activities, which accounts for 19 percent of the District 2019 Budget. This category

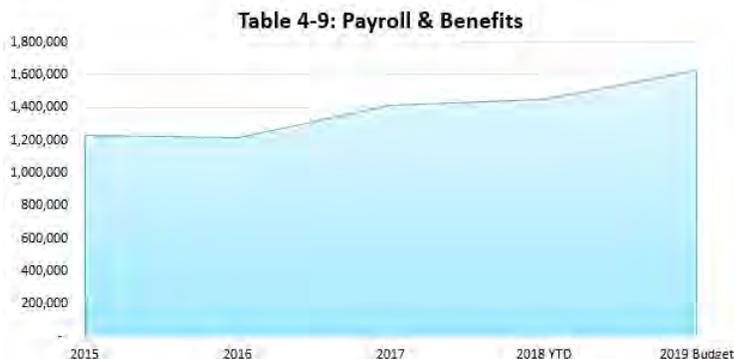
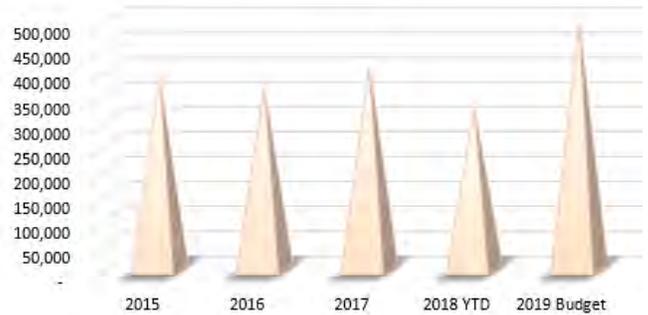


Table 4-10: District Outside & Professional Services

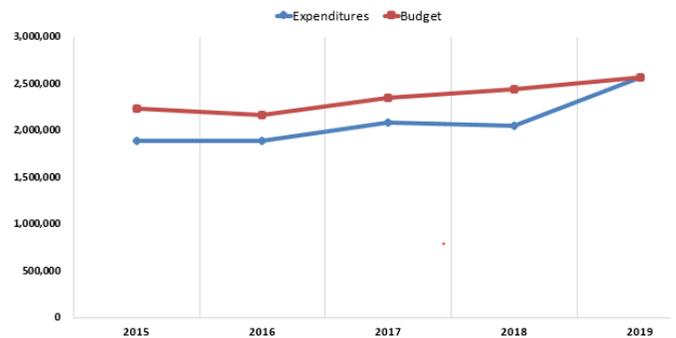


includes the annual audit contracts, outside engineering consultants, salary and benefits survey consultant, general attorney fees, and related expenses.

Headquarter operating expense includes insurance, office supplies, utilities, administrative expense, telephones and information technology, and automobile maintenance makeup a total 11 percent of the operating budget.

Meetings and travel expense make up 6 percent of the operating expense for all staffing position and members of the Board of Directors.

TABLE 4-11: GOVERNMENT OPERATING EXPENDITURES COMPARED TO BUDGET



As required, the Government Activity General Fund has remained under the adopted budgeted expenditure limit set forth by the Board of Directors as indicated in Table 4-11.

In the past four years the District has not seen the need to implement a Restated Budget. Total operating expenditures have averaged \$1,980,520 actual expenses over the past four years.



Government Activity Capital Outlay

In 2018 the District capital improvement expenditures totaled \$208,845. The District purchased a server for \$9,956 to began the first phase of implementation of a document imaging system, new replacement phone equipment for \$11,250, and \$5,991 for interior paint.

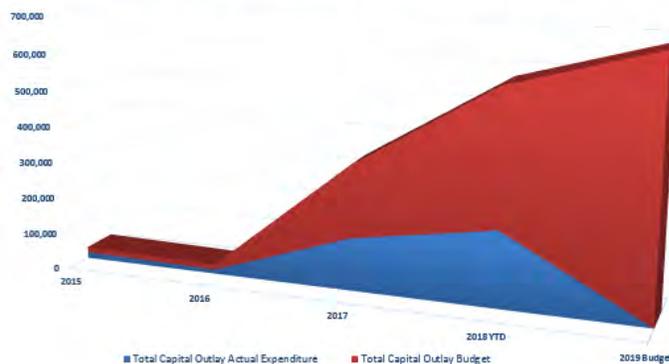
The District continues the ongoing engineering expenditures for the protection of the District conditional water rights in Division 5 of \$63,632. This expenditure also included work on coordinating with the District’s nine counties to conform to the same District boundaries.

In 2017, the District also began the first phase of construction project to replace the existing headquarters parking lot. The first phase in 2017 conducted surveying, design, and planning for the parking lot replacement of \$20,600. Phase two was completed in 2018 costing \$118,015. The Project included the replacement of the asphalt parking lot and parking lot lighting fixtures.

Capital Outlay expenditures in the District 2019 Budget total \$690,000 and include the following items: \$40,000 for the implementation of an electronic records filing system; \$20,000 for technology upgrades \$10,000 for the third phase of parking lot project; \$40,000 for the Fry-Ark asset assessment; \$300,000 for the Financial Strategy and Sustainability Study; and \$250,000 for water rights protection engineering and legal expense.

Over the years 2013 and 2014 the District expended reserve savings in the amount of \$2,018,219 for the 10,825 Project. The 10,825 relates to the protection of the District’s Frypan-Arkansas Project water rights.

Table 4-12: Capital Outlay Budget vs Actual Expenditures



This purchase impacts future operating budgets because there are OM&R annual charges of an estimated \$2,000 payable by the Business Activity. In 2014, the Board of Directors enacted an Environmental Stewardship Surcharge of \$0.75 per acre-foot placed on all water sales to recover this expenditure. This surcharge will be discussed in the Business Activity Operating Revenue portion of this document.

Due to timing factors, what is adopted in the annual budget is not always what is expended as you can see when referring to Table 4-12.

The District has created the below schedule of Capital Outlay expenditures for 2019 through 2021.

This will assist the District to ensure that all assets are repaired and replaced through their useful life and that the District is working with innovative tools.

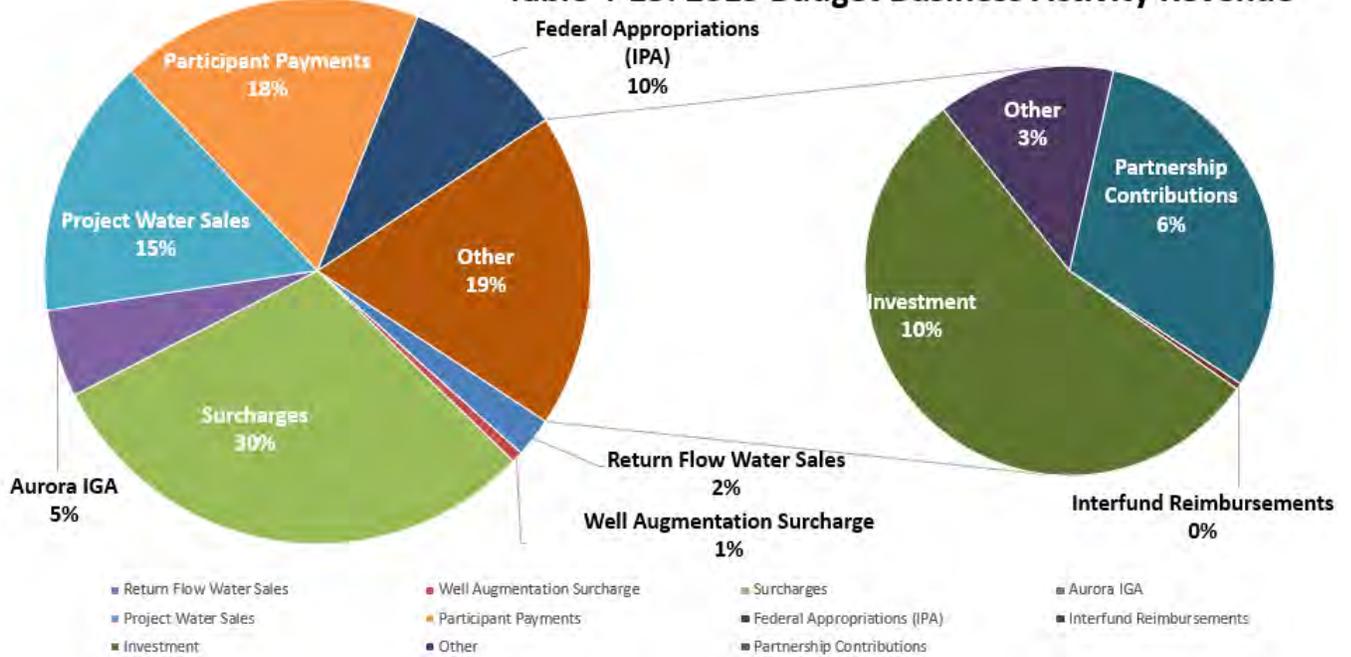
This Capital planning period was designed to align with the three-year Financial Plan that accompanies the District’s 15-year Strategic Plan.

Component	Action Item	2018 Actual	2019 Budget	2020 Forecast	2021 Forecast
Electronic Filing System	Investigation and Implementation	\$9,956	\$40,000	\$20,000	\$20,000
Information Technology	Software, Hardware, Systems	\$11,250	\$20,000	\$27,000	\$5,000
Facilities Update	Review and Implement	\$5,991		\$45,000	\$10,000
Condition Assessment	Investigation and Study			\$150,000	
Parking Lot Repair	Implementation and Replacement	\$118,015	\$10,000		
District Vehicle	Trade-in and Repurchase		\$30,000		\$30,000
Water Rights	Protection of District Water Rights D5	\$63,632	\$250,000	\$250,000	\$250,000
Recovery of Storage	Investigation and Study			\$200,000	
Financial Study	Investigation and Study		\$300,000		
Infrastructure Assessment	Investigation and Study		\$40,000		
SnowTel Sites	Implementation			\$70,000	\$70,000



Enterprise Water Fund Operating Revenue

Table 4-13: 2019 Budget Business Activity Revenue



The Enterprise Water Fund or Enterprise is a consolidation of the Enterprise Administration, and projects such as Excess Capacity Master Contract, Enlargement, and the Arkansas Valley Conduit.

Starting in the 2018 Budget the Hydroelectric Power Project is presented separate even though it is a part of the Enterprise.

This is done to create transparency as a result of the start of the Project construction in 2017.

The Enterprise Water Fund revenues are made up of water sales, surcharges assessed on water sales, participant’s payments, federal appropriations through the Intergovernmental Personnel Act (IPA) contract, investments, partnership contributions, interfund reimbursements and other.

The total 2019 Budgeted operating revenues can be found broken out by percentage in Table 4-13, making up a total of \$1,916,598.

The sale of Project water is one of the primary sources of operating revenue for the Enterprise Water Fund and is budgeted at \$294,406. In 2019, Project water sales are budgeted based on a twenty-year running average of water imports.

The sale of Project water return flows from both municipal and/or industrial (M&I) and Agriculture (Ag) Project water deliveries also contribute to the operating revenues at a total of \$44,820. Table 4-14 illustrates historical water sale revenue. For 2019 *Water Rates and Surcharges* see the *Appendix*.

Table 4-14: Water Sales Revenue



Enterprise Water Fund Operating Revenue

Surcharge revenue is the largest revenue generation in the Enterprise operations totaling \$578,649 in the 2019 Budget. As shown in Table 4-15, there are currently five surcharges, which include the Water Activity Enterprise surcharge, Well Augmentation surcharge, Aurora IGA fee, Safety of Dams (SOD) surcharge, and the Environmental Stewardship surcharge. See *Appendix for 2019 Water Rates and Surcharges*.

The Water Activity Enterprise surcharges are assessed for the use of Fryingpan-Arkansas Project facilities on the following types of Project water:

- ◆ Project water and Project water Return flow sales.
- ◆ Project water carried over past May 1 of the year following allocation.
- ◆ The contracted amount of storage space in “Excess Capacity” for non-Project water in Project facilities for use both in and out of the District.

The Well Augmentation surcharge is assessed to Municipal and Irrigation customers using “First Use” Project water for well augmentation rather than for direct irrigation or municipal use.

The Safety of Dams began in July 1998 and is a repayment to Reclamation and produces revenue for the Enterprise operations. Safety of Dams is the reimbursable costs for modification of the Pueblo Dam and other facilities, to include M&I and Ag beneficiaries. The Safety of Dams modifications were undertaken to fully restore the previous conservation storage capacity and operations of the Pueblo Reservoir. A Safety of Dams surcharge is billed to participants purchasing the following:

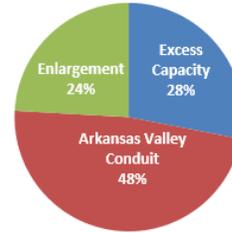
- ◆ Project water
- ◆ If & When storage
- ◆ Carryover storage of Project water
- ◆ Winter water storage

The Aurora Intergovernmental Agreement (IGA) includes additional Safety of Dams surcharges of \$100,000 annually. Other forms of operating revenues include Project Participant payments as shown in Table 4-16 which makes up 18 percent of the total Enterprise Water Fund revenues. These revenues include payments for participation of major projects. The major projects are Long-Term Excess Capacity Master Contract, Enlargement, and Arkansas Valley Conduit.



The Long-Term Excess Capacity Master Contract is a long-term storage contract for

Table 4-16: Business Activity Participant Revenue



storage of non-Project water in Project facilities.

The year 2017 was the first functioning year for the Excess Capacity Master Contract. In addition, the storage fees and surcharges, the participants are responsible for administration fees of \$96,618 in 2019, it accounts for the 28 percent participant revenue.

The enlargement study is an ongoing project that focuses on enlarging Pueblo Dam and Sugarloaf Dam. The single source of revenue comes from participant contributions. The major expenses are the ongoing United States Geological Survey (USGS) water studies. In 2019, staff budgeted total participant revenue of \$82,975, it accounts for the 24 percent participant revenue.

The Arkansas Valley Conduit (AVC) participants signed Memorandum of Agreements (MOA) in 2011 with the District. The MOA allows the participants to reserve conveyance of water within the AVC, participated in the National Environmental Protection Act Environmental Impact Statement (NEPA EIS) which was completed in 2013. The NEPA EIS earned a Record of Decision (ROD) from Reclamation in 2014. The total budgeted 2019 participant revenue for Arkansas Valley Conduit is \$164,705, accounting for the 48 percent of participant revenue in Table 4-16. Total 2019 budgeted participant payments are \$344,298.

To review these projects in detail, see *section titled Major Fund Driving Factors, Partnerships Programs, and Projects*.

Table 4-15: Surcharge Revenue



Other Enterprise & Hydroelectric Power Revenues

Enterprise Grants

The Enterprise grant budget includes a budgeted contingency for grant opportunities. The budget policy requires that all grants meet TABOR requirements. In addition, grant revenues equal the total expenses to maintain a balanced grant budget. The 2010 Budget has a total of \$250,000 planned for assistance with Enterprise projects.



Enterprise Hydroelectric Power Project Revenues

The Hydroelectric Power Project is an ongoing project that focuses on the development of hydroelectric power at Pueblo Reservoir. In August of 2017 the Board of Directors approved and signed a loan contract with the Colorado Water Conservation Board (CWCB) for \$17,392,200 to fund the construction of the project.

In 2017 and 2018 the Enterprise processed \$16,786,301 (including retainment calculations) in loan disbursements for the project.

The 2019 Budget estimates an additional \$1,605,824 in loan disbursements as well as the completion of the Hydroelectric Power Project construction. There is also \$52,500 budgeted as miscellaneous revenue for the Hydroelectric Project as a contract with Colorado Springs Utilities for the installation of a fiber line.

In 2019 the project will experience the first year of power generation revenues Budgeted at \$909,376.



Pueblo Dam Hydro plant/SECWCD

Other Enterprise Operating Revenues

The District has an Intergovernmental Personnel Act (IPA) contract with Reclamation to reimburse the Enterprise for costs associated with project personnel working to benefit Reclamation and the participants on the development of the AVC. The IPA significantly assists the participants by lowering costs of the AVC project.

The IPA is listed on the financial statements as federal appropriations and is budgeted at \$186,728 which makes up 9 percent of the total Enterprise revenue.

Investment interest is another revenue source that the Enterprise relies on for operational funding. The Enterprise currently has \$8,405,000 invested in purchased bonds held through Wells Fargo Securities, LLC. In 2018 the Enterprise invested \$2,372,272 in fund balance with COLOTrust. COLOTrust is a Colorado local government investment pool for liquid funds. The 2019

Budget for investment interest, based on projections are \$194,780. The Enterprise has \$3,830,000 in bond maturity in 2019.

Other Revenues include \$50,000 as a contractual obligation of the Aurora Intergovernmental Agreement (IGA), which is categorized as an administration fee.

The Enterprise partnership contributions are made up of the Regional Resource Planning Group (RRPG), which is a group that works in alliance with the USGS. The participating entities include the City of Aurora, Colorado Springs Utilities, Lower Arkansas Valley Water Conservancy District, Board of Water Works of Pueblo, Southeastern Colorado Water Conservancy District, and the Upper Arkansas Water Conservancy District. In 2019, revenue budgeted for RRPG is \$110,000.



Enterprise Water Fund Operating Expenditures

The budgeted Enterprise Water Fund total expenditures for the 2019 Budget are \$2,445,355. The expenditures are broken down into three categories; Grant activity \$250,000, Operating Expenditures \$2,162,855 and \$32,500 in Capital Outlay expenditures.

The Enterprise Water Fund has a 2019 budgeted total of \$2,162,855 in operating expenditures which includes Enterprise projects. The Enterprise administration expenses are matched with operating revenues such as water sales and surcharges. The Excess Capacity, Enlargement, and Arkansas Valley Conduit projects are self-balancing budgets due to participant payments. The various 2019 budgeted operation expenditures are illustrated by percentage in Table 4-17.

In 2019, the largest expense of the Enterprise Water Fund is the Interfund Reimbursement for Services from the Enterprise, which encompass 63 percent of the budgeted operating expenditures. The Enterprise Interfund Reimbursement is budgeted based on estimated hours worked per project and/or program and a calculated overhead charge. The overhead charge includes facilities use and other regular annual expenses such as utilities, supplies, etc. This is a strong indicator that the Enterprise projects are moving forward as outlined in the Strategic Plan. An illustration of the past four years and 2019 Budget regarding interfund reimbursements can be located in Table 4-18.

Table 4-19 provides a view of the percentage distribution of the total Enterprise Interfund Reimbursement. Please note that the Intergovernmental Personnel Act (IPA) for the

Arkansas Valley Conduit provides a revenue to cover the majority of the AVC personnel cost but does not provide revenue for overhead costs. The Enterprise Administration has assumed the costs of this portion of the overhead and is included in the 83 percent.

The Enterprise budget consists of 13 percent

Table 4-17: Budget Enterprise Business Activity Operating Expense

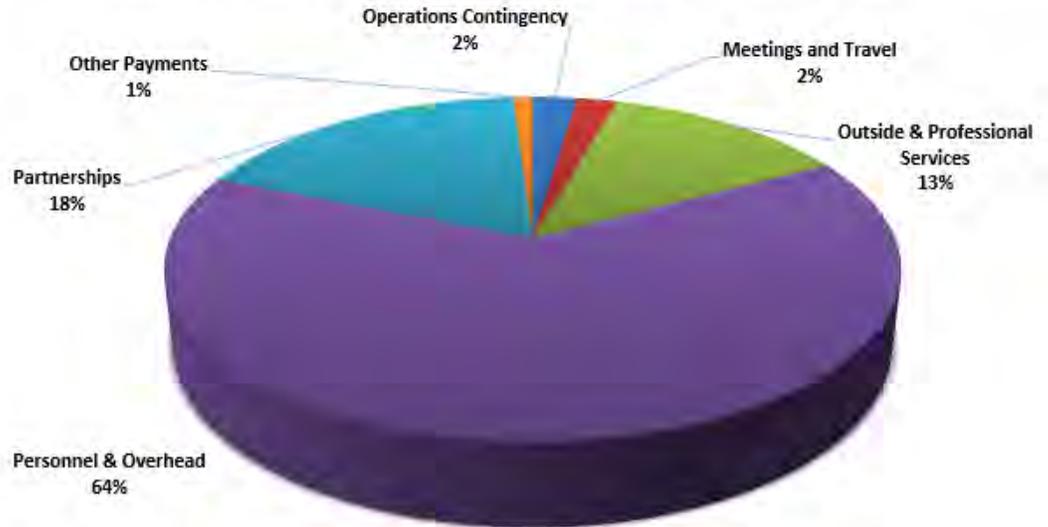
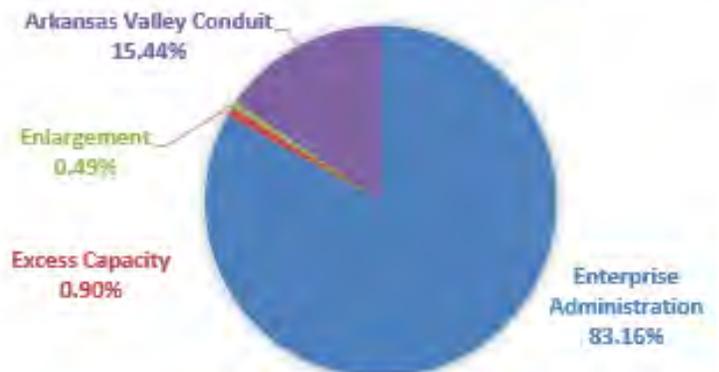


Table 4-18: Enterprise Interfund Reimbursement for Services



TABLE 4-19: 2018 BUDGET PERSONNEL & OVERHEAD DISTRIBUTION



outside and professional services expense. The total of \$355,254 expenses are mainly distributed over the projects as indicated in Table 4-20.



Other Enterprise & Hydroelectric Power Expenditures

Partnerships account for 18 percent of the total Enterprise Water Fund operating expenditures. The major portion of the expenses are partnership contracts with the United States Geological Survey (USGS) and lobbying.

The USGS collects stream gauging samples and water quality data on rivers and reservoirs in the District boundaries. The data collected by the USGS is beneficial and shared by many projects.

The Enterprise is budgeted to use reserve funds per the Board of Directors.

Total Enterprise operating revenues subtracted by the total operating expenses, estimate that \$246,257 will be used from reserves for operations in 2019.

This is stated in the 2019 Budget Finance statements.

See the Major Fund Driving Factors, Partnerships, Programs and Projects section of this document for project descriptions.

Enterprise Water Fund Capital Outlay

The 2019 Budget Enterprise Water Fund Capital Outlay total \$32,500. The total makes up; \$7,500 in possible land expense for the development of the Restoration of Yield Project and \$25,000 for the investigation and study of upper basin storage.

Below is a schedule of Capital Outlay expendi-

tures planned from 2019 through 2021. Please note that the Safety of Dams has been removed from the Capital Outlay portion of the Enterprise budget and added to the operations.

See section titled Major Fund Driving Factors, Partnerships, Programs, and Projects for background on the above Capital Outlay items.

Component	Action Item	2019	2020	2021
Safety of Dams (SOD)	Safety of Dams Pueblo Dam			
Restoration of Yield (ROY)	Possible Land Acquisition	\$150,000	\$150,000	\$50,000
Upper Basin Storage	Investigation and Study	\$25,000	\$25,000	

Hydroelectric Power Project Operating Expense

Between 2012 and 2017 the Hydroelectric Power project expenditure budget was rolled into the Enterprise. As a result of the start of construction on the project in 2017, a separate budget resolution was presented to show members of the Board a clear view of the project; one budget resolution for the Enterprise and one for Hydroelectric project.

The 2019 Adopted Budget is presented in this same format as described above.

The 2018 Hydroelectric Power Fund Budget was restated and amended for the purpose of making payment to the ongoing capital construction progress, budgeted expenditures limits were increase a total of \$109,021.

Operations and administration expenditures of the Hydroelectric Project are supported by the Enterprise reserve funds. In 2019 the operating expense totals \$850,121 and consist of outside professional services, personnel and overhead cost, travel expense, and expense associated with a commissioning ceremony.

From the conception of the project in 2012 to 2018 the project has expended an estimated \$2,790,500 in Enterprise reserve funds (See Table 4-21).

Table 4-21: Pueblo Dam Hydroelectric Power Operating Expense

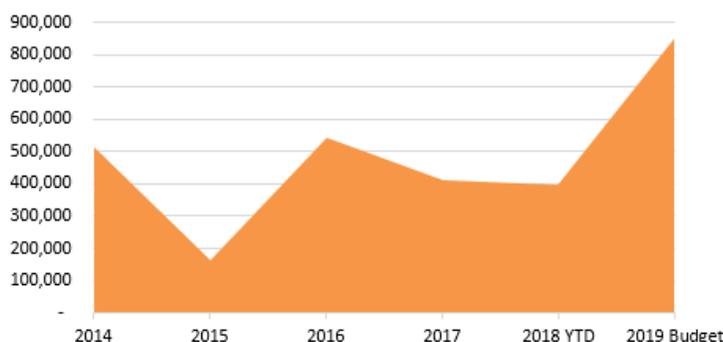
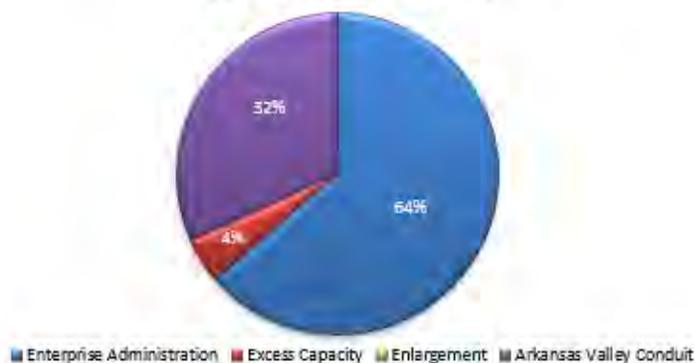


Table 4-20: 2018 Budget Outside & Professional Services



Hydroelectric Power Capital Outlay & Budget in Brief Overview

The 2019 Capital Outlay expense total for Pueblo Dam Hydroelectric Power is \$1,755,824. This expenditure is reimbursable by the Colorado Water Conservation Board (CWCB) loan. This will support the purchase of equipment and the completion of construction on the project. In 2012, the Board of Directors acted to support the development of the Pueblo Dam Hydroelectric Power Project using reserve funds of the Enterprise.

In 2017 and 2018, a total of \$16,786,301 in loan disbursements were processed to support the capital costs of the construction of the project. All other costs of the project are supported by Enterprise reserve funds.

The total Hydroelectric Project expense for 2019 is budgeted at \$2,605,945.

This budget amount is broken down into \$796,621 op-

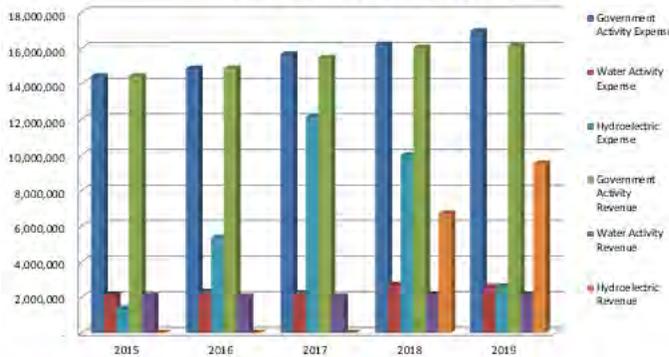
Table 4-22: 2019 Adopted Budget Government & Enterprise Presentation

	Government Activity	Water Activity Fund	Hydroelectric Fund	Total
Revenue				
Fryingpan-Arkansas Activity	13,316,534	-	-	13,316,534
Grant Activity	250,000	250,000	-	500,000
Operating Activity	2,565,269	1,916,598	2,567,700	7,049,567
Total Revenue	16,131,803	2,166,598	2,567,700	20,866,101
Expenditures				
Fryingpan-Arkansas Activity	13,779,622	-	-	13,779,622
Grant Activity	250,000	250,000	-	500,000
Operating Activity	2,565,572	2,162,855	850,121	5,578,548
Hydroelectric Power Capital Outlay Expense:	-	-	-	-
Total Expenditure	16,595,194	2,412,855	850,121	19,858,170
Operations Over (Under) Expenditures	(463,391)	(246,257)	1,717,579	1,007,931
Capital Outlay Revenues				
Capital Outlay Expense	690,000	32,500	1,755,824	2,478,324
Total Over (Under) Expenditures	(1,153,391)	(278,757)	(38,245)	(1,470,393)

eration, \$53,500 for Colorado Springs Utilities fiber line and \$1,755,824 Capital Outlay.

The 2019 Budget plans that the Enterprise reserve funds will support the Hydroelectric Project in the amount of \$38,245.

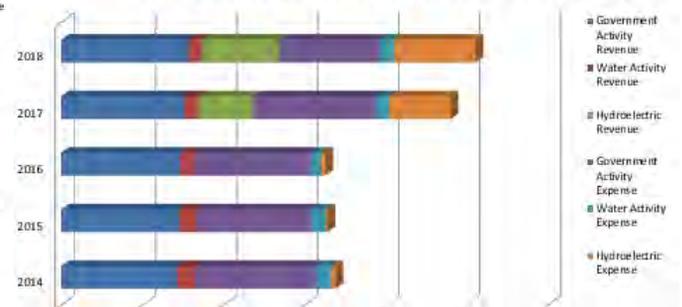
Table 4-23: Five Year Budget Trends



The Government and Enterprise presentation Table 4-22 provides an overview of the Government Activity and the Enterprise Water Fund.

In the 2019 Budget, the Government Activity accounts for 77 percent, the Enterprise Water Fund accounts for 11 percent, and the Hydroelectric Project accounts for 12 percent of the total Government and Enterprise appropriated expenditures. The District and Enterprise budgets are mainly consistent, but the Hydroelectric Project is much higher because of construction

Table 4-24: Four Year Actual Trends Government Wide



in 2017 through 2019, as shown in Table 4-23.

The District anticipates the completion of the Hydroelectric Project in early 2019 with the first full year of energy generation in 2019.

Table 4-24 provides the comparison of actual revenue and expenditures and the trends of the past four years per percentage of Government Activity and the Enterprise Water Fund.



Fund Balances

The year end 2018 estimates can be found in Table 4-25 and 4-26. This estimation is based on actual revenues and expenditures as of month end December 31, 2018 prior to year-end entries.

In 2018, the District estimated fund balance is expected to have a fund balance increase of \$3,262,852. this increase includes \$2,936,723 for the Fry-Ark Project reserve as a result of amendment 11 to the Fry-Ark contract. The \$326,129 increase in general fund balance is a direct result of the unplanned increase in specific ownership tax.

The Enterprise estimated fund balance is forecasted to increase \$72,189, mainly due to less than planned overhead costs allocated to the Enterprise and it's projects.

The Hydroelectric Project estimated fund balance is forecasted to expend \$9,208,642 of which has been reimbursed by the CWCB loan. This includes capital outlay expenses for the procurement of equipment and construction of the powerhouse facility. Expenditures not reimbursed using the CWCB loan will be supported by the Enterprise fund balance in the amount of \$363,096.

Table 4-26 applies the 2017 audited financial fund balances, applies the 2018 estimated fund balances and then applies the 2019 Adopted Budget.

Please note that this is an estimate and the final year-end fund balance can be found in the 2018 audit.

The District has implemented a Strategic Plan, Business Plan, and the 2019 Finance Strategy and Sustainability Study to address future reserve spending. These plans can be reviewed in the *Appendix*.

Table 4-25: 2018 Estimated Year End - Government Wide Fund Balance

	Government Activity (District)	Water Enterprise Fund	Hydroelectric Fund	Government Wide Total
Total Revenues				
Fry-Ark Activity	13,225,459	-	-	13,225,459
Grant Activity	-	-	-	-
Operating Revenues	2,685,565	1,651,357	-	6,014,180
Hydroelectric Loan	-	-	9,762,360	9,762,360
Total Revenues	15,911,024	1,651,357	9,762,360	29,001,999
Total Expenditures				
Fry-Ark Activity	10,288,736	-	-	10,288,736
Grant Activity	-	-	-	-
Operating Expense	2,146,799	1,570,801	516,981	5,934,904
Capital Outlay Expense	212,637	8,367	9,608,475	9,829,479
Total Expenditures	12,648,172	1,579,168	10,125,456	26,053,119
Estimated Year-End Increase (Decrease) Fund Balance				
Total Fry-Ark Revenues over (under) Expenditures				
Fryingpan-Arkansas Reserve Fund Deposit	2,936,723	-	-	2,936,723
Total All Other Revenues over (under) Expenditures				
Fund Balance Increase or Decrease	326,129	72,189	(363,096)	12,157
Net Total Revenues over (under) Expenditures	3,262,852	72,189	(363,096)	2,971,945

Table 4-26: Fund Balance Estimate

	Government Activity		Enterprise Activity		Government Wide Total
	Fry-Ark Project	District	Enterprise Water Fund	Hydroelectric Power Fund	
2017 Audited Fund Balance	\$0	\$9,277,128	\$11,394,338	(\$1,978,852)	\$18,692,614
2018 Estimated Change in Fund Balance	\$2,936,723	\$326,129	\$72,189	(\$363,096)	\$2,971,945
2018 Estimated EOY Fund Balance	\$2,936,723	\$9,603,257	\$11,466,527	(\$2,341,948)	\$21,664,559
2019 Adopted Budget	(\$463,391)	(\$690,000)	(\$278,757)	(\$38,245)	(\$1,470,393)
2019 Estimated Ending Fund Balance	\$2,473,332	\$8,913,257	\$11,187,770	(\$2,380,193)	\$20,194,166



Government Activity Budget Statement

Southeastern Colorado Water Conservancy District

2019 Adopted Budget

Government Activity (District)

Statement of Revenues and Expenditures

(In Whole Numbers)

	2017 Budget	2017 Actual	2018 Budget	2018 Actual DRAFT	2018 Budget
Fry-Ark Project Revenue					
Tax Collections	7,043,254	6,989,700	7,431,392	7,338,426	7,564,552
Fountain Valley Authority	5,452,760	5,355,898	5,360,000	5,358,324	5,360,000
Winter Water Storage	140,000	122,411	117,600	169,784	117,600
Excess Capacity Master Contract	261,261	261,261	265,959	265,959	272,382
Collection of RRA Fees	2,000	0	2,000	0	2,000
Total Fry-Ark Project Revenue	12,899,275	12,729,270	13,176,951	13,132,492	13,316,534
Fry-Ark Project Expenditures					
Contract Payments	7,041,303	2,313,768	7,442,323	4,494,669	8,027,640
Fountain Valley Authority	5,452,760	5,355,898	5,360,000	5,358,324	5,360,000
Winter Water Storage	140,000	122,411	117,600	169,784	117,600
Excess Capacity Master Contract	261,261	261,261	265,959	265,959	272,382
RRA Fees	2,000	0	2,000	0	2,000
Total Fry-Ark Project Expenditures	12,897,324	8,053,338	13,187,882	10,288,736	13,779,622
Total Fry-Ark Revenues Over (Under) Expenditures	1,951	4,675,932	(10,931)	2,843,756	(463,088)
Grant Revenue					
State	200,000	0	210,000	0	250,000
Total Grant Revenue	200,000	0	210,000	0	250,000
Grant Expenditures					
Expenditures	200,000	0	210,000	0	250,000
Total Grant Expenditures	200,000	0	210,000	0	250,000
Total Grant Revenues Over (Under) Expenditures	0	0	0	0	0
Operating Revenue					
Tax Revenue for Operations	929,303	1,261,445	972,084	1,274,397	1,009,009
Federal Appropriations & USBR	0	897,422	0	0	0
Interfund Reimbursements	1,333,268	1,242,531	1,575,103	1,257,089	1,435,048
Investment Revenue	90,632	72,035	84,752	128,693	120,212
Other Operating Revenue	1,000	3,922	1,000	(4,984)	1,000
Total Operating Revenue	2,354,203	3,477,355	2,632,939	2,655,195	2,565,269
Operating Expenditures					
Human Resources	1,477,830	1,413,308	1,524,060	1,449,633	1,622,235
Headquarter Operations	264,459	258,035	270,712	184,913	284,272
Meetings and Travel	132,610	83,850	135,477	77,877	141,309
Outside and Professional Services	458,500	409,029	470,504	336,947	495,326
Water Conservation and Education	20,550	3,932	36,285	20,196	22,430
Total Operating Expenditures	2,354,049	2,168,154	2,437,038	2,069,567	2,565,572
Total Operations Revenues Over (Under) Expenditures	154	1,309,201	195,901	585,628	(303)
Capital Outlay and Improvements					
	197,600	90,407	370,000	208,845	690,000
Total Revenues Over (Under) Expenditures	(195,495)	5,894,725	(185,030)	3,220,539	(1,153,391)
Ending Fund Balance	(195,495)	5,894,725	(185,030)	3,220,539	(1,153,391)



Enterprise Administration Budget Statement

Southeastern Colorado Water Conservancy District
2019 Adopted Budget
Enterprise Administration (Water Fund)
 Statement of Revenues and Expenditures
 (In Whole Numbers)

	<u>2017 Budget</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Actual DRAFT</u>	<u>2019 Budget</u>
Grant Revenue					
State	200,000	0	210,000	0	250,000
Total Grant Revenue	200,000	0	210,000	0	250,000
Grant Expenditures					
Expenditures	200,000	0	210,000	0	250,000
Total Grant Expenditures	200,000	0	210,000	0	250,000
Total Grant Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating Revenue					
Water Sales and Surcharges	1,069,286	1,168,782	1,058,794	958,206	1,030,792
Investment Revenue	59,753	80,104	124,221	73,746	194,780
Partnership Contributions	110,000	0	110,000	110,000	110,000
Other Operating Revenue	50,000	50,000	50,000	50,000	50,000
Total Operating Revenue	1,289,039	1,298,886	1,343,015	1,191,953	1,385,572
Operating Expenditures					
Headquarter Operations	0	0	50,000	0	50,000
Outside and Professional Services	169,750	100,755	166,766	77,295	175,138
Personnel and Overhead	998,223	973,494	1,249,938	962,666	1,150,866
Partnerships	231,764	39,315	232,867	209,437	234,003
Other Payments	21,759	21,643	21,790	21,247	21,822
Total Operating Expenditures	1,421,496	1,135,208	1,721,361	1,270,645	1,631,829
Total Operations Revenues Over (Under) Expenditures	<u>(132,457)</u>	<u>163,678</u>	<u>(378,346)</u>	<u>(78,693)</u>	<u>(246,257)</u>
Capital Outlay and Improvements					
	53,750	7,164	176,227	8,367	32,500
Total Revenues Over (Under) Expenditures	<u>(186,207)</u>	<u>156,513</u>	<u>(554,573)</u>	<u>(87,060)</u>	<u>(278,757)</u>
Ending Fund Balance	<u>(186,207)</u>	<u>156,513</u>	<u>(554,573)</u>	<u>(87,060)</u>	<u>(278,757)</u>



Enterprise Project Budget Statements

Southeastern Colorado Water Conservancy District

2019 Adopted Budget

Excess Capacity Master Contract

Statement of Revenues and Expenditures

(In Whole Numbers)

	<u>2017 Budget</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Actual DRAFT</u>	<u>2019 Budget</u>
Operating Revenue					
Participant Payments	<u>142,492</u>	<u>79,825</u>	<u>100,152</u>	<u>75,043</u>	<u>96,618</u>
Total Operating Revenue	142,492	79,825	100,152	75,043	96,618
Operating Expenditures					
Meetings and Travel	3,000	0	3,053	0	3,106
Outside and Professional Services	40,000	504	12,500	0	12,589
Personnel and Overhead	35,012	16,705	18,185	10,583	12,517
Partnerships	<u>64,480</u>	<u>62,616</u>	<u>66,414</u>	<u>64,460</u>	<u>68,406</u>
Total Operating Expenditures	<u>142,492</u>	<u>79,825</u>	<u>100,152</u>	<u>75,043</u>	<u>96,618</u>
Total Operations Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues Over (Under) Expenditures	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
Ending Fund Balance	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

Southeastern Colorado Water Conservancy District

2019 Adopted Budget

Enlargement Project

Statement of Revenues and Expenditures

(In Whole Numbers)

	<u>2017 Budget</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Actual DRAFT</u>	<u>2019 Budget</u>
Operating Revenue					
Participant Payments	<u>142,492</u>	<u>79,825</u>	<u>100,152</u>	<u>75,043</u>	<u>96,618</u>
Total Operating Revenue	142,492	79,825	100,152	75,043	96,618
Operating Expenditures					
Meetings and Travel	3,000	0	3,053	0	3,106
Outside and Professional Services	40,000	504	12,500	0	12,589
Personnel and Overhead	35,012	16,705	18,185	10,583	12,517
Partnerships	<u>64,480</u>	<u>62,616</u>	<u>66,414</u>	<u>64,460</u>	<u>68,406</u>
Total Operating Expenditures	<u>142,492</u>	<u>79,825</u>	<u>100,152</u>	<u>75,043</u>	<u>96,618</u>
Total Operations Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues Over (Under) Expenditures	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
Ending Fund Balance	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District

2019 Adopted Budget

Arkansas Valley Conduit Project

Statement of Revenues and Expenditures

(In Whole Numbers)

	2017 Budget	2017 Actual	2018 Budget	2018 Actual DRAFT	2018 Budget
Total Grant Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating Revenue					
Participant Payments	147,910	82,825	234,760	117,903	164,705
Federal Appropriations & USBR	<u>173,444</u>	<u>56,687</u>	<u>165,912</u>	<u>172,844</u>	<u>186,728</u>
Total Operating Revenue	<u>321,354</u>	<u>139,513</u>	<u>400,672</u>	<u>290,747</u>	<u>351,433</u>
Operating Expenditures					
Headquarter Operations	100	0	102	22	104
Meetings and Travel	39,900	1,512	40,556	49	41,282
Outside and Professional Services	80,000	55,362	160,448	91,279	87,527
Personnel and Overhead	193,022	76,770	190,984	193,356	213,681
Partnerships	<u>8,332</u>	<u>5,869</u>	<u>8,582</u>	<u>6,042</u>	<u>8,839</u>
Total Operating Expenditures	<u>321,354</u>	<u>139,513</u>	<u>400,672</u>	<u>290,747</u>	<u>351,433</u>
Total Operations Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>



Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District
2019 Adopted Budget
Hydroelectric Power Project
 Statement of Revenues and Expenditures
 (In Whole Numbers)

	<u>2017 Budget</u>	<u>2017 Actual</u>	<u>2018 Budget</u>	<u>2018 Actual DRAFT</u>	<u>2018 Budget</u>
Operating Revenue					
Investment Revenue	0	0	0	165	0
Hydroelectric Generation Revenue	12,000,000	0	9,415,000	9,208,642	2,567,700
Other Operating Revenue	0	0	105,080	73,500	0
Total Operating Revenue	<u>12,000,000</u>	<u>0</u>	<u>9,520,080</u>	<u>9,282,307</u>	<u>2,567,700</u>
Operating Expenditures					
Headquarter Operations	0	31	1,200	5	50,000
Meetings and Travel	5,850	1,058	6,000	3,314	5,350
Outside and Professional Services	27,000	184,026	20,000	128,720	80,000
Water Conservation and Education	0	0	5,000	0	5,000
Personnel and Overhead	106,741	170,947	114,609	85,998	51,177
Other Payments	0	32,779	105,080	77,369	0
Debt Service	0	0	256,000	100,842	347,844
Annual Project Expense	0	0	0	0	310,750
Total Operating Expenditures	<u>139,591</u>	<u>388,842</u>	<u>507,889</u>	<u>396,249</u>	<u>850,121</u>
Total Operations Revenues Over (Under) Expenditures	<u>11,860,409</u>	<u>(388,842)</u>	<u>9,012,191</u>	<u>8,886,058</u>	<u>1,717,579</u>
Capital Outlay and Improvements	<u>12,000,000</u>	<u>0</u>	<u>9,468,200</u>	<u>9,688,860</u>	<u>1,755,824</u>
Total Revenues Over (Under) Expenditures	<u>(139,591)</u>	<u>(388,842)</u>	<u>(456,009)</u>	<u>(802,802)</u>	<u>(38,245)</u>
Beginning Fund Balance	0	0	0	(1,754,203)	0
Ending Fund Balance	<u>(139,591)</u>	<u>(388,842)</u>	<u>(456,009)</u>	<u>(2,557,005)</u>	<u>(38,245)</u>



District Adopted Budget Resolution

CERTIFIED RESOLUTION AND ORDER DETERMINING THE AMOUNT OF MONEY TO BE RAISED BY TAXATION FOR SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT UPON ALL PROPERTY WITHIN SAID DISTRICT IN BENT, CHAFFEE, CROWLEY, EL PASO, FREMONT, KIOWA, OTERO, PROWERS, AND PUEBLO COUNTIES, COLORADO, AND FIXING THE RATE OF LEVY AND DIRECTING THE SEVERAL BOARDS OF COUNTY COMMISSIONERS OF SAID COUNTIES TO LEVY TAXES UPON THE ASSESSED VALUATION OF PROPERTY WITHIN SAID DISTRICT FOR THE SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT IN THE YEAR 2018 TO BE COLLECTED IN THE YEAR 2019.

RESOLUTION AND ORDER NO. 2018-02DF

WHEREAS, it is the duty of the Board of Directors of the Southeastern Colorado Water Conservancy District (under the Water Conservancy Act of Colorado, C.R.S. 37-45-122), in each year to determine the amount of money necessary to be raised by taxation, taking into consideration other sources of revenue of the District, and to fix a rate of levy, which, when levied upon every dollar of assessed valuation of property within the District, and with other revenue, will raise the amount required for the District to supply funds for paying expenses of organization, for surveys and plans, paying the cost of construction, operating and maintaining the work of the District, not exceeding one mill on the dollar of assessed valuation; and

WHEREAS, Leann Noga, Finance Manager of the District, was appointed by this Board of Directors as Budget Officer, to prepare a Budget for the year 2019, and submitted same to said Board on October 12, 2018; the District has caused to be furnished the requisite Notice of Hearing, and a Public Hearing was held at the District Office at 9:45 a.m. November 15, 2018.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Southeastern Colorado Water Conservancy District hereby approves and adopts the Budget and Statement of Designated and Reserved Funds as submitted and subsequently amended by final Board action December 6, 2018, and appropriates the funds for the purposes shown within said Budget; and,

BE IT RESOLVED, the Board of Directors of the Southeastern Colorado Water Conservancy District hereby approves and adopts expenditures in the amount of \$17,285,194, of which \$13,324,397 is for Contract Obligations as part of the Repayment Contract with the U.S. Bureau of Reclamation, and appropriates funds for the purpose shown within said Budget; and,

BE IT RESOLVED, the Board of Directors of said District does now determine that the amount of money to be raised by taxation for said purposes for the year 2019, levied on the 2018 assessed valuation of \$8,475,210,160 will produce revenue of \$7,924,321. The District certifies a mill levy at .900 for Contract Repayment, and a mill levy at .035 for Operating Expenses, totaling .935 mills.

BE IT FURTHER RESOLVED that the Board of Directors of said District certifies an additional .009 mill levy to collect revenues, which were not collected due to the counties' Abatements and Refunds. This separate mill levy is to produce additional revenue of \$76,277. The Abatements and Refunds mill levy assessment is authorized under C.R.S. 39-10-114 (1) (a) (I) (B).



BE IT FURTHER RESOLVED, that the Board of Directors of said District does now certify to the Boards of County Commissioners of Bent, Chaffee, Crowley, El Paso, Fremont, Kiowa, Otero, Prowers, and Pueblo Counties, in the State of Colorado, said combined rate of .935 mill so fixed for said purposes of said District (including .900 mill for Contract Repayment and .035 for Operating Expenses) to be levied upon every dollar of assessed value on all property within said District and in said Counties, as aforesaid; and said Boards of County Commissioners shall levy said tax of .935 mill upon each dollar of assessed valuation of all property, real and personal, within the District, in their respective Counties, in addition to such other taxes as may be levied by such Boards of County Commissioners; and, in addition does now direct that at the time and in the manner required by law, and under the Abatements and Refunds mill levy provision (C.R.S. 39-10-114 (1) (a) (I) (B)), said Boards of County Commissioners shall levy said additional tax of .009 mill upon each dollar of assessed valuation of all property, real and personal, within the District, in their respective Counties.

BE IT FURTHER RESOLVED, that all Officers having authority to levy and collect such taxes within each said County, levy and collect such taxes in the form and manner as County taxes are collected, and when collected, to pay same to Southeastern Colorado Water Conservancy District, all as provided by said Water Conservancy Act.

STATE OF COLORADO) §
COUNTY OF PUEBLO) §

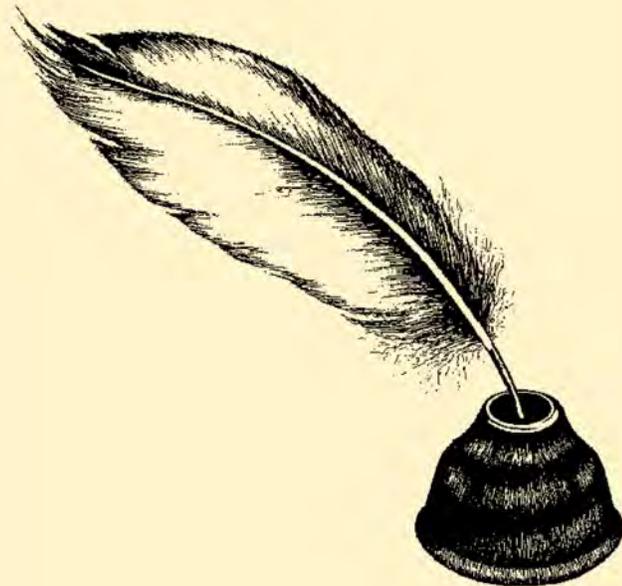
I, Bill Long, President of the Southeastern Colorado Water Conservancy District, do hereby certify the foregoing is a true and correct copy of Resolution and Order passed and adopted in a regular meeting of the Board of Directors of the Southeastern Colorado Water Conservancy District, held on December 6, 2018, determining the amount of money to be raised by taxation for Southeastern Colorado Water Conservancy District upon property within said District in Bent, Chaffee, Crowley, El Paso, Fremont, Kiowa, Otero, Prowers, and Pueblo Counties, Colorado, and fixing the rate of levy, and directing the several Boards of County Commissioners of said Counties to levy taxes upon the assessed valuation of all property within said District in said Counties in 2018 to be collected in the year 2019.

Bill Long
Bill Long, President

SEAL

ATTEST:

James W. Broderick
James W. Broderick, Assistant Secretary-Treasurer



Enterprise Adopted Budget Resolution

CERTIFIED RESOLUTION AND ORDER DETERMINING THE AMOUNT OF APPROPRIATIONS TO BE EXPENDED BY THE SOUTHEASTERN COLORADO WATER ACTIVITY ENTERPRISE – HYDROELECTRIC POWER.

RESOLUTION AND ORDER NO. 2018-02EF

WHEREAS, it is the duty of the Board of Directors of the Southeastern Colorado Water Activity Enterprise, an enterprise of the Southeastern Colorado Water Conservancy District (formed under the Water Conservancy Act of Colorado, C.R.S. 37-45-122), in each year to determine the amount of appropriations to be expended in the next year.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Southeastern Colorado Water Activity Enterprise hereby amends and adopts the Budget as submitted by final Board action December 6, 2018 for the Hydropower Funds within the Enterprise and appropriates the funds for the purpose shown within the 2019 Budget; and,

BE IT RESOLVED, the Board of Directors of the Southeastern Colorado Water Activity Enterprise hereby approves and adopts expenditures in the amount of **\$2,605,945**, and appropriates funds for the purposes shown within said Budget.

STATE OF COLORADO) §
COUNTY OF PUEBLO)

I, Bill Long, President of the Southeastern Colorado Water Activity Enterprise, do hereby certify the foregoing is a true and correct copy of Resolution and Order passed and adopted in a regular meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise, held on December 6, 2018, determining the amount of money to be appropriated for expenditures by the Southeastern Colorado Water Activity Enterprise.

Bill Long
Bill Long, President

ATTEST:

James W. Broderick
James W. Broderick, Assistant Secretary-Treasurer



CERTIFIED RESOLUTION AND ORDER DETERMINING THE AMOUNT OF APPROPRIATIONS TO BE EXPENDED BY THE SOUTHEASTERN COLORADO WATER ACTIVITY ENTERPRISE.

RESOLUTION AND ORDER NO. 2018-01EF

WHEREAS, it is the duty of the Board of Directors of the Southeastern Colorado Water Activity Enterprise, an enterprise of the Southeastern Colorado Water Conservancy District (formed under the Water Conservancy Act of Colorado, C.R.S. 37-45-122), in each year to determine the amount of appropriations to be expended in the next year,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Southeastern Colorado Water Activity Enterprise hereby adopts the Budget as submitted by final Board action December 6, 2018, for the Water Fund within the Enterprise and appropriates the funds for the purpose shown within the 2019 Budget; and,

BE IT RESOLVED, the Board of Directors of the Southeastern Colorado Water Activity Enterprise hereby approves and adopts expenditures in the amount of **\$2,445,355**, and appropriates funds for the purposes shown within said Budget.

STATE OF COLORADO) §
COUNTY OF PUEBLO)

I, Bill Long, President of the Southeastern Colorado Water Activity Enterprise, do hereby certify the foregoing is a true and correct copy of Resolution and Order passed and adopted in a regular meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise, held on December 6, 2018, determining the amount of money to be appropriated for expenditures by the Southeastern Colorado Water Activity Enterprise.

Bill Long
Bill Long, President

ATTEST:

James W. Broderick
James W. Broderick, Assistant Secretary-Treasurer





Section 5

Major Fund Driving Factors, Projects, Programs and Partnerships

Introduction

District funds are divided between Government and Enterprise funds as a way to fulfill the Mission of the District: To provide, protect, and manage water resources.

This section looks at the Major Fund Driving Factors, Partnerships, Programs and Projects of the District's Government and Enterprise funds.

Reports in this section summarize the scope, status, and planned work in both the Government and Enterprise Funds.

Government Funds are closely aligned with the core purpose of the District, which is to manage the Fryingpan-Arkansas Project in consultation with the Bureau of Reclamation.

Enterprise Funds are the business arm of the District, reflecting ways that the Project can be developed to benefit all water users in the Arkansas River basin.

Excess Capacity, Enlargement, Arkansas Valley Conduit and Pueblo Dam Hydroelectric funds will be discussed in more detail in this section as well.



Major Fund Sources:

GOVERNMENT

Fryingpan-Arkansas Project: Contract mill levy, Fountain Valley Authority, Winter water storage, Excess Capacity Master Contract, RRA fee reimbursement.

Grant Revenue: Capacity

District Operating Revenue: Operating tax mill levy, Specific Ownership tax, interfund reimbursements, interest income.

ENTERPRISE

Water Sales, Surcharges and Investment Revenue: Project water sales, return flows, well augmentation, surcharge revenue, Aurora IGA.

Partnerships: Regional Resource Planning Group fee, Aurora IGA administrative fee, project participant fees.

Grants: Capacity

Hydroelectric Loan: Colorado Water Conservation Board loan for hydroelectric.

Major Expenditures:

GOVERNMENT

Fryingpan-Arkansas Project: Contract mill levy, Fountain Valley Authority, Winter water storage, Excess Capacity Master Contract, RRA fee reimbursement.

Grants and Administration: Reserved capacity allows District to apply for grants.

District Operating Expenses: Human resources, headquarters operations, meetings and travel, outside professional services, water conservation and education.

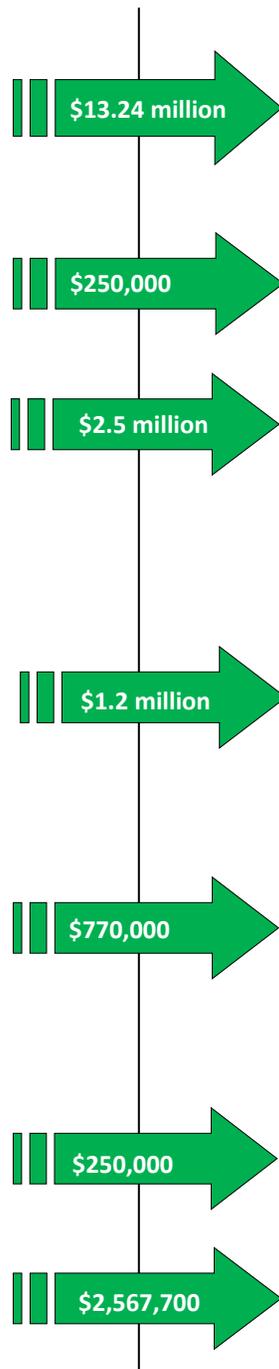
ENTERPRISE

Enterprise Operating Expenses: Interfund payments to District for personnel and overhead, outside and professional services and Safety of Dams.

Partnerships: Regional Resource Planning Group fee, Aurora IGA administrative fee, U.S. Geological Survey co-op programs, Arkansas Valley Conduit, enlargement, and Excess Capacity contract.

Grants and Administration: Reserved capacity allows Enterprise to apply for grants.

Loan Administration: Hydro project at Pueblo Dam.



Fryingpan-Arkansas Project Funding

Most of the money collected to fund the Fryingpan-Arkansas Project (Project) is passed through to the federal government in order to repay the construction cost of the Project, to cover interest on the municipal portion of the debt, and to pay the operation, maintenance and replacement (OM&R) costs of the Project.

In 2019, Project revenue is projected to be \$1,316,534. This amount includes:

- ◆ A net collection of \$7,564,552 in Contract mill levy taxes.
- ◆ A payment of \$5,360,000 from the Fountain Valley Authority.
- ◆ Collection of \$117,600 from the Winter Water Storage Program.
- ◆ A payment of \$272,382 from Excess Capacity Master Contract participants.

Contract Mill Levy

When the Project was declared substantially complete in 1981, the District entered Contract negotiations with the Bureau of Reclamation (Reclamation). Several sources of revenue were included in the 40-year Repayment Contract. Under the 1962 Fryingpan-Arkansas Project Act, the District has 50 years to pay off the debt.

Under the Contract, the District's primary sources of revenue is a 0.9 mill levy on property in parts of nine counties.

The cost of the Project was calculated by Reclamation to be \$585 million, and the District's share was \$134.7 million. In January 2019, the remaining debt totaled \$19 million. Two payments totaling \$1,467,572 annually will be made until 2031 under the most recent Contract amendment.

Projected routine OM&R costs for the Project have been about \$1.8 million annually, but will increase to an average of \$8.6 million annually over the next three years, according to Reclamation's most current projections. The District's share will be about 56 percent.

The District has established a reserve fund for future Project expenses, to be spent in ways mutually agreed on with Reclamation. The District is able to spend the interest on this fund for any purpose.

Fountain Valley Authority

The District is identified as the collection agency for the Fountain Valley Authority (Authority) under its 1985 Contract with Reclamation. The Authority owes \$37.7 million for the Project, and makes annual payments of \$5.36 million.



Pueblo Dam Construction 1972/SECWCD

Public Law 111-11 allows miscellaneous Project revenues to be applied to the debt to pay it off sooner. In 2017, PL 111-11 applied about \$2.45 million to the Authority and \$945,000 to Ruedi Reservoir. These credits will total about \$3.5 million in 2019, and increase each year as rates and contracted storage amounts increase.

The Authority could pay off its debt as soon as 2022, about two years ahead of the previously projected payoff.

Winter Water

The Winter Water Storage Program allows farmers to store water in Pueblo Reservoir, John Martin Reservoir or ditch company reservoirs from November 15-March 15 each year. The District manages this program in cooperation with Reclamation and the Colorado Division of Water Resources.

Water stored in Pueblo Reservoir generates \$2.80 per acre-foot, which is applied to Contract costs.

Excess Capacity Master Contract

The District in 2016 negotiated a 40-year contract with Reclamation to store non-Project water in Pueblo Reservoir if and when space is available.

A total of 29,938 acre-feet is available to the 37 participants under this contract. So far, 16 participants have signed up for 6,565 acre-feet of storage. The amount can increase, but not go down. In 2019, participants have paid \$272,382.



Government Projects & Programs

The District partners with the Bureau of Reclamation to ensure that the Project is operated in compliance with all federal laws, rules and regulations. The foundation of this relationship is spelled out in the 1962 Fryingpan-Arkansas Act and reinforced by subsequent contracts and agreements. The District's role is as an intermediary between the federal government and state or local constituents. The four programs on this page reflect the District's ongoing responsibility.

Reclamation Reform Act

The Reclamation Reform Act (RRA) of 1982 defines acreage limitations to agriculture. Project water users within the District boundaries are required to certify their landholdings by filing RRA forms prior to receiving an allocation of Project water. District staff provides information and guidance to landowners.

In 2013, the District's Water Allocation Policy was altered to specify that it is the agricultural water organization's responsibility to pay the District any administrative fees or bills for full-cost water (water which is sold at a higher rate to ineligible lands, if available). Water users are not eligible to receive Project water until bills are paid.

Commingling Plans

Only irrigation companies, not individual farmers, are eligible to receive Project water. All shareholders in a ditch company may not be eligible for Project water (see RRA section above). The commingling plans are meant to assure that Project water delivered within a ditch system reaches only those farms which are eligible for Project water.

District staff is investigating methods to assure that Project water is delivered only to eligible lands.

Inclusion

District boundaries were approved in Pueblo District Court in 1958 to include only those areas likely to benefit from the Fryingpan-Arkansas Project. Only areas within District boundaries may receive Project Water. The boundaries also define the property owners who pay ad valorem taxes to support the Project. Boundaries may be altered in three ways:

1. By annexation to municipalities within the District.
2. By landowner petition.
3. By election, including property owners and residents.

In 2018, District staff completed an extensive overhaul of the Inclusion Manual which clarifies federal law and its relationship to District boundary policies. In 2019, the District will improve GIS boundary maps.

Fry-Ark Facilities Operations, Maintenance, and Replacement

Under its Contract with Reclamation, the District is obligated to pay a share of the costs of operation, maintenance, and replacement (OM&R) of Fry-Ark facilities.

During 2018, the District and Reclamation signed the 11th Contract Amendment that developed a payment schedule for debt, prepaid OM&R costs, and allowed the District to establish a reserve fund for large future expenditures.



2019 Budget: \$2,000 for unpaid bills.



2019 Budget: Included within Engineering, Planning, and Operations expenditures.



2019 Budget: Included within Engineering, Planning, and Operations expenditures.

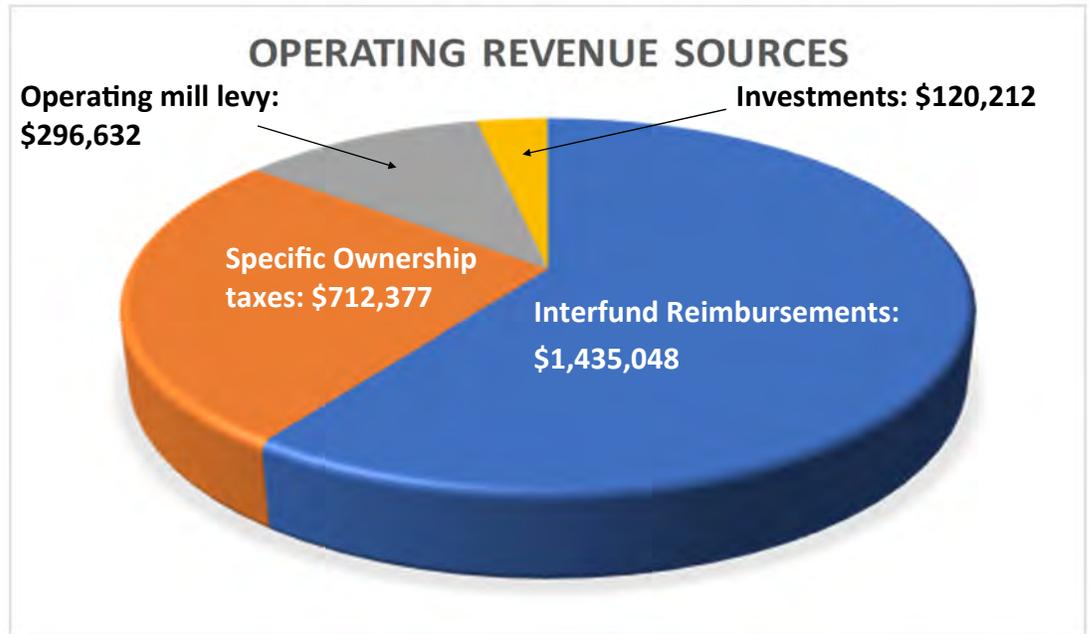


2019 Budget: Included within Contract payments.



District Operating Revenue

The District has a \$2,565,269 operating budget for 2019, which is funded by a 0.035 operating mill levy, Specific Ownership taxes, inter-fund reimbursements, investment revenue, and smaller miscellaneous revenues.



There are five sources of revenue for District operations:

1. **Interfund reimbursements:** These are payments from the Enterprise for personnel and headquarters costs. This charge for service varies from half to two-thirds of the District's operating budget.
 2. **Specific Ownership tax:** This tax is collected on all vehicles in Colorado and apportioned to governments within each county according to their rate of taxation.
 3. **Operating mill levy:** The District, by Board action, assesses a 0.35 mill levy for operations in each of nine counties.
 4. **Investments:** Investments on fund balances held by the District account for a portion of operating revenue.
 5. **Miscellaneous revenue:** The District charges for rental of meeting space, and receives funds from some outreach activities, which are used to offset costs. This is expected to total about \$1,000 in 2019, and is not reflected in the accompanying chart.
- Operations funding shifted over the past 60 years:
- ◆ **1959-71:** A portion of the District's 0.4 mill levy was set aside for eventual repayment of the Project. Only about one-quarter of the amount collected was used for operations. The fund balance grew to \$1.8 million by 1971. Interest on investments was the other main source of revenue.
 - ◆ **1972-81:** Water sales began to repay the cost of construction for the Project. Half of the 0.4 mill levy went to direct payments. Interest and sale of Return flows contributed to operating revenues. Specific Ownership tax began in 1973, and began to provide additional funding. The fund balance grew to \$4.4 million by 1981.
 - ◆ **1982-96:** The Repayment Contract with Reclamation required a 0.9 mill payment from the District. Operating funds came out of the remaining 0.1 mill the District is authorized to assess under Colorado law. Revenue limits under two state constitutional changes have restricted the operating mill levy to 0.035 mills. Fund balance was \$7.62 million in 1996.
 - ◆ **1996-2019:** The creation of the Enterprise changed the fund structure for the District, providing a new source of revenue through interfund reimbursements. Interest rates have decreased in recent years, but Specific Ownership taxes remain strong. The District fund balance is about \$9 million.



District Operating Expenses

This page describes how District funds are spent, and outlines capital projects that are anticipated in 2019. Operating expenditures are budgeted at \$2,565,572 in 2019, while capital projects total \$690,000.

Human Resources

Human Resources expenditures total \$1,622,235 in the 2019 budget, an increase of 6.4 percent over the 2018 budget. This covers wages and benefits of District staff and Directors.

There were no significant changes in the size of staff or duties in the prior year. No changes are anticipated in the coming year.

Headquarters Operations

Operation of the District’s headquarters at 31717 United Avenue in Pueblo are expected to total \$284,272 in 2019. This includes a \$50,000 contingency fund.

Meetings and Travel

The budget for meetings and travel includes staff and Board members. In 2019, the District has budgeted for spending capacity of \$141,309.

Travel is important, as the District must work closely with the Bureau of Reclamation, its primary partner in the operation of the Fryingpan-Arkansas Project.

District staff also must attend frequent meetings in the region, within the nine-county area. The District maintains three vehicles for this purpose.

In addition, the District maintains memberships in state, regional and federal associations in order to interact with water professionals in order to enhance services.

Outside and Professional Services

A total of \$495,326 has been budgeted for outside services, which are vital part of the District’s operation. This allows the District to tap into the expertise of others to augment staff activities.



This includes auditors, lobbyists, lawyers, engineers, and human resources consultants.

In 2019, no major increases from recent years in expenditures are foreseen.

Water Conservation and Education

The budget includes \$22,430 for outreach activities. The District maintains a demonstration garden highlighting wise water use and Xeriscape techniques.

The District participates in community activities such as the Arkansas River Basin Water Forum each year.

In 2018, the District celebrated its 60th anniversary, which was marked by the Legacy of Service publication, creation of the Art of Water exhibit, and a Fryingpan-Arkansas Project tour that included the 50th Anniversary of Ruedi Dam and Reservoir.

Capital Outlay and Improvements

Capital Outlay for 2019 is budgeted at \$690,000 for the following projects:

- Records Management Upgrade:** \$40,000.
- Information Technology Upgrades:** \$20,000.
- Water Rights Legal and Engineering:** \$250,000.
- District Vehicle:** \$30,000.
- Asset Evaluation:** \$40,000.
- Financial Strategy and Sustainability Study:** \$300,000.
- Parking Lot Resurfacing (work completed in 2018):** \$10,000.



Parking Lot resurfacing, October 2018



Enterprise Operating Revenue

Enterprise revenue is variable, depending on the water available for sales, storage and hydroelectric generation. For budgeting purposes, the District relies on historical averages for water sales. Surcharges on storage remain more consistent, as the level of Project carryover and Excess Capacity storage has not fluctuated in recent years. Enterprise operating revenue is projected to be \$1.385 million in 2019.

Enterprise operating revenue is expected to come from the following sources in 2019:

- Water Sales:** \$294,406
- Return Flow Water Sales:** \$44,820
- Surcharges:** \$578,649
- Well Augmentation:** \$12,917
- Aurora IGA Payments:** \$150,000
- Interest Income:** \$201,816
- Partnerships:** \$110,000

The Board established a water reserve fund of about \$900,000 in 2010, which can be used to make up shortfalls in water sales. However, there are no mechanisms to replenish this fund.

There is no reserve fund for other sources of Enterprise revenue.

Enterprise Revenue Sources



Project Water Sales

The District began collecting revenues from Project water sales in 2010 under an amendment in the Repayment Contract with the Bureau of Reclamation. The rate for the water is \$7 per acre-foot, and it has not changed since 1998.

The budget is calculated on the 20-year running average for Project water imports, which is 55,124 acre-feet. After deductions, that would yield about 42,058 acre-feet. Revenues for 2019 are projected to total \$294,406.

Deductions:

- ⇒ Twin Lakes exchange: 3,000 acre-feet
- ⇒ Leadville and Pueblo fish hatcheries: 200 acre-feet
- ⇒ Transit loss: 10 %
- ⇒ Evaporation: 10%

Enterprise Surcharges

The Enterprise collects surcharges on water sales and storage as a way to fund projects and programs that arose without a source of funding. Shown below are the years in which each surcharge began and the amount they are expected to generate in 2019, based on 20-year averages for water delivery and storage.

- 1998 – Safety of Dams: \$175,250
- 2002 – Water Activity Enterprise: \$217,194
- 2005—Well Augmentation: \$12,917
- 2013 – Environmental Stewardship: \$186,205

Total Surcharges:
\$591,566



Enterprise Projects & Programs

The Enterprise has four major projects or programs. Listed below are expenditure capacities in the 2019 budget :

1. Arkansas Valley Conduit, \$351,433
2. Hydropower at Pueblo Dam, \$850,121
3. Excess Capacity Master Contract, \$96,618
4. Enlargement, \$82,975

Arkansas Valley Conduit

The Enterprise continues to provide administrative support, lobbying efforts, engineering, and legal assistance for the Arkansas Valley Conduit (AVC). This year’s budget also includes water quality monitoring through U.S. Geological Survey Cooperative Programs. Reclamation is working on final design for the first reach of the AVC this year. Revenues are payments from program participants.



Pueblo Dam Hydro Plant

Excess Capacity Master Contract

District staff administers the Excess Capacity Master Contract, provides legal services and coordinates with Reclamation for the 37 participants. Participants also pay for water quality monitoring through USGS cooperative programs. Revenues are payments from program participants.



Pueblo Dam & Reservoir



La Junta water plant

Pueblo Dam Hydroelectric

The hydroelectric power generation plant at Pueblo Dam will be completed in 2019, and begin producing revenues for the Enterprise. The 2019 Budget reflects remaining Colorado Water Conservation Board loan revenue (\$1.6 million of the \$17.2 million loan) and power sales (\$961,873 for partial year). Operating expenditures include loan repayment, power distribution and the Lease of Power Privilege payments to the Bureau of Reclamation.



Pueblo Reservoir

Enlargement

The Enlargement participants are obligated through agreements made during the Preferred Storage Options Plan. Payments cover administrative expenses, and USGS cooperative programs. Revenues are payments from program participants.





Section 5

Focus on Partnerships



In 2018, the District and Enterprise continued to work with local, regional, state, and federal partners to improve water resources, management, and quality throughout the state of Colorado.

The mission of the District includes developing, protecting, and managing water. The District's vision statement ties this quest to communication, consultation and cooperation through modernization and integration.

With those qualities in mind, the District has sought out opportunities to work with others throughout its 60-year history. Indeed, the District was formed by disparate interests: Farmers from the plains, merchants from the cities, industrialists, bankers, and ranchers from the high country.

The founding members of the District intended for it to be not only a source of additional water for the Arkansas River basin, but a way to watch over and enhance the precious resource that means so much to all communities in the arid West.



Colorado River Services

The Colorado River is the primary source of water for the Fryingpan-Arkansas Project, so protecting it is a priority for the District. Through the Enterprise, the District engages in several programs that enable the District to bring water into the Arkansas River basin.

In 2018, these programs add up to more than \$60,000. Some of the activities include:

- ◆ **Colorado River Project:** In cooperation with the Colorado Water Congress, the District contributes more than \$21,000 toward the Upper Colorado River Endangered Species Recovery Implementation Program. This is the key link in communication between the state and federal government on Colorado River issues.
- ◆ **Weather modification:** The District in 2018 contributed \$9,600 toward a \$275,000 program. Partners include the Colorado Water Conservation Board, Front Range Water Council, and ski areas at Breckenridge, Keystone, and Vail.
- ◆ **The 10,825 Program:** This program provides 10,825 acre-feet of water annually to protect Colorado River flows for four species of endangered fish. The Front Range Water Council contributes half of this amount. The District's cost is \$2,000.



Colorado River Water Users Association

Jim Broderick, Executive Director of the Southeastern Colorado Water Conservancy District, presided over the Colorado River Water Users Association annual convention in Las Vegas, Nevada, in December 2018.

Partnerships

Front Range Water Council

- ⇒ Aurora Water
- ⇒ Colorado Springs Utilities
- ⇒ Denver Water
- ⇒ Northern Water
- ⇒ Pueblo Water
- ⇒ Southeastern Colorado Water Conservancy District
- ⇒ Twin Lakes Reservoir and Canal Company

2018 BUDGET IMPACT: \$36,644

Front Range Water Council

The Front Range Water Council formed in 2008 to advocate for their mutual interests as transmountain diverters of water from the Colorado River basin's West Slope to the Colorado Front Range.

Staff members meet regularly to discuss issues and formulate policy positions.

The District, as a member of the Front Range Water Council, has committed to 12 percent of the annual costs.

The Group spent much of 2018 discussing Colorado River issues in light of Drought Contingency Plan discussions and resolutions among the seven states in the Colorado River Compact.

Regional Resource Planning Group

The Regional Resource Planning Group was formed in 2003 under the District's Intergovernmental Agreement with Aurora.

In cooperation with the U.S. Geological Survey, the group seeks to better define the water quality conditions, the dominant source areas, and the processes that affect water quality in the Arkansas River basin.

The strategic goals are to understand the relationships between water supply, land use, and water quality issues.

The group seeks to develop methods and tools needed to simulate potential effects of changes in land use, water use, and operations on water quality.

Regional Resource Planning Group

- ⇒ Aurora Water
- ⇒ Colorado Springs Utilities
- ⇒ Lower Arkansas Valley Water Conservancy District
- ⇒ Pueblo Water
- ⇒ Southeastern Colorado Water Conservancy District
- ⇒ Upper Arkansas Water Conservancy District

**2019 BUDGET IMPACT: \$135,000
(Southeastern District contributes \$25,000)**

The Enterprise's financial responsibility is mainly one of pass-through. The Enterprise collects the participant payments to fund the contracted U.S. Geological Survey studies for special projects.

Fountain Creek Transit Loss Planning Group

In 1988, the U.S. Geological Survey and Colorado Springs Utilities completed a study to develop a method to estimate transit loss on Fountain Creek from Colorado Springs Utilities' Las Vegas Street wastewater treatment facility through the alluvial valley along Fountain Creek downstream about 42 miles to the Arkansas River in Pueblo.

The study resulted in a transit loss accounting model for quantification of Return flows on Fountain Creek which has been in continual use since April 1989. The model has been expanded to include Monument Creek.

The Division Engineer's Office uses the model to calculate the amount of reusable water arriving at the Arkansas River and at ditch headgates in between.

The District participates in the Fountain Creek Transit Loss Program to better manage the District's obligation to ensure Project water and Project water Return flows are used to extinction.

In 2019, there will be 17 participants, including the District.

Fountain Creek Transit Loss

- ⇒ Monument
- ⇒ Woodmoor
- ⇒ Triview
- ⇒ Donala
- ⇒ Forest Lakes
- ⇒ Palmer Lake
- ⇒ Fountain Mutual Irrigation Co.
- ⇒ Colorado Springs Utilities
- ⇒ Fountain
- ⇒ Widefield
- ⇒ Security
- ⇒ Stratmoor Hills
- ⇒ Chilcotte Ditch
- ⇒ AGUA
- ⇒ Cherokee Metro
- ⇒ Colorado Centre
- ⇒ Southeastern District

2019 BUDGET IMPACT: \$2,800



Partnerships



The Water Fluency class of Water Education Colorado enjoyed the grounds of the Southeastern Colorado Water Conservancy District at a May 2018 event.

Water Conservation Education & Outreach

Because water is such a scarce commodity, it is important for all of the citizens of the Arkansas River basin to understand the importance of water conservation.

In 2018, the District was involved with programs and tours which promote the efficient use of water, conservation, and collaboration.

District staff made presentations to the Ditch and Reservoir Company Alliance, Pueblo Home and Garden Show, Arkansas River Basin Water Forum, Leadership Pueblo, Water Education Colorado, Colorado Water Congress, Arkansas Valley Conduit participants, the Colorado Water Resources and Power Development Authority, the Colorado Water Conservation Board, the Colorado General Assembly Interim Water Resources Review Committee, and the Fountain Valley Authority, as well as numerous

other professional groups and education organiza-

2018 WATER CONSERVATION & EDUCATION

Tours & Anniversary Events.....	\$12,000
Sponsorships, Exhibits & Ads.....	\$ 6,830
Xeriscape Education.....	\$ 2,900
Garden Tours.....	\$ 700

tions.

The District also provided sponsorship for many events throughout the year.

Colorado Parks & Wildlife

Lake Pueblo State Park and the Arkansas Headwaters Recreation Area were formed following completion of the Fryingspan-Arkansas Project.

The Southeastern District works with Colorado Parks and Wildlife through a variety of programs as these two highly popular recreation areas continue to be developed.

Through careful water management, these amenities have remained successful for the benefit of all the state's residents.



Governor John Hickenlooper signs legislation creating a boat fee for mussel inspection at Lake Pueblo State Park in May 2018.



Executive Director Jim Broderick and Board member Seth Clayton testified at the state Capitol on behalf of the Arkansas Valley Conduit in September 2018.



Partnerships

Arkansas River Basin Water Forum

The Arkansas River Basin Water Forum (ARBWF) began in 1995 as a way to discuss water issues in a relaxed environment similar to a college classroom setting.

The event is rotated to communities throughout all parts of the basin, and continually updates presentations with an emphasis on the region where the event is being held. The usual format includes a VIP Dinner the night before the forum, two days of presentations, and tours of notable water-related activities within the highlighted region.

This year's forum is April 24-26 at the Pueblo Convention Center and will look at the development of water issues that were identified at the first forum 25 years ago.

Over the years, the program for the ARBWF has evolved to include scholarships, an art contest and the annual presentation of the Bob Appel Friend of the Arkansas River Award. Several Southeastern District Board members have received the award since it was first given in 2005.

The Southeastern District has a long history of supporting the ARBWF, both through financial



The Arkansas River Basin Water Forum met in April 2018 at Otero Junior College in La Junta.

sponsorship (\$2,500 in 2019), and in the planning process.

In fact, the first forum, "A River of Dreams and Realities," was dedicated to the late Tommy Thomson, who died in 1994 after serving since 1966 as the general manager of the Southeastern District. Thomson was chairman of the ARBWF at the time of his death, and worked throughout his career to bring together the basin's water community.

Upper Arkansas Voluntary Flow Management Program

In 1990, the Voluntary Flow Management Program on the Upper Arkansas River was formed to assure flows were available for fish habitat and recreation between Turquoise Lake and Pueblo Reservoir.

The results have been spectacular. The reach of river, located within the Arkansas Headwaters Recreation Area, is the most popular commercial rafting spot in the nation, and a Gold Medal trout fishery as well.

Additional summer flows in 2018 helped to extend the rafting season by a few weeks during July, which was drier than average. About 13,000 acre-feet of Fryingpan-Arkansas Project water was moved, along with 3,000 acre-feet from municipal providers.

The District coordinates the program through

a five-year contract among Colorado Parks and Wildlife, Chaffee County, Arkansas River Outfitters Association, Trout Unlimited and the District. The contract outlines parameters for the program.



Arkansas Basin Roundtable

The Arkansas Basin Roundtable was formed in 2005 by state legislation that created a template for statewide collaboration on water issues.

The Roundtable has met monthly since that time to discuss water issues, and to review requests for state grants and loans that have been made available for water projects.

The Roundtable is branching out to include public education about water issues, forest management programs, and acting as a focal point for issues such as Colorado's Water Plan.

Southeastern Board member Alan Hamel and Executive Director Jim Broderick both served as president of the Roundtable and have remained active throughout the years.



Partnerships



Colorado Water Congress

The Colorado Water Congress (CWC) is one of the most prominent organizations dealing with water in the state.

CWC formed in 1958, the same year as the Southeastern District, and has been influential in guiding Colorado Water Policy. Membership includes organizations and individuals from all regions of the state, with municipal, industrial, agricultural, environmental and recreational representation.

One of the 2018 activities for the District's 60th anniversary was to create "The Art of Water" exhibit in the Board room.

CWC annually presents a work of art to the recipient of the Wayne N. Aspinall Water Leader of the Year Award. In cooperation with CWC, the District obtained all of the artworks for the eight winners who were associated with the Southeastern District, added brief biographies and framed them for viewing.



Mark Pifher (above, right) received the Lifetime Achievement Award from NWRA Executive Director Ian Lyle for his leadership, dedication and service to the nation's water community in furtherance of the water resources of Colorado.

National Water Resources Association

Two Southeastern Colorado Water Conservancy District Board members received prestigious awards at the 2018 National Water Resources Association convention at Coronado, California.

Andy Colosimo (right) received the James W. Trull President's Award for his leadership in furthering NWRA's goals and objectives.



Partnerships

RUEDI DAM & RESERVOIR

Ruedi Dam was constructed by the Bureau of Reclamation from 1964-68, and was the first feature of the Fryingpan-Arkansas Project to be completed. Ruedi Reservoir serves as compensatory storage for the western slope of Colorado for diversions from the Fryingpan-Arkansas Project. The dam gets its reddish hue from the soils and rock taken from the surrounding area to construct it. It rises 285 feet from the streambed and spans more than a quarter mile at the crest. With a surface area of nearly 1,000 acres, Ruedi Reservoir holds more than 100,000 acre-feet of water. Hydroelectric power was added to the dam in 1985.

Ruedi Reservoir 50th Anniversary Celebration

Even as a wildfire smoldered in the nearby mountains, the District hosted the 50th Anniversary Celebration for Ruedi Reservoir in July 2018.

The Aspen Yacht Club, which also turned 50 in July 2018, graciously opened its gates to the Fry-Ark tour bus. As an unexpected bonus, many of the guests received boat rides on Ruedi Reservoir, enjoying magnificent views on a calm summer day.

Speakers from the Bureau of Reclamation, Southeastern District, Colorado Water Conservation Board, Department of Natural Resources, Division of Water Resources, Colorado River Conservation District, Aspen Yacht Club, and the Ruedi Water and Power Authority talked about the importance of the reservoir to Colorado.

The event was timed to coincide with the District's Fry-Ark bus tour, the first since 2014, and part of events to celebrate the 60th year of the District.



SECWCD



SECWCD

Guests roamed the Aspen Yacht Club grounds (above), and Colorado water czar John Stulp spoke at the 50th Anniversary celebration.



SECWCD

Leadville Fish Hatchery

One of the real hidden gems of the Fryingpan-Arkansas Project is the federal Leadville Fish Hatchery. Founded in 1889, the hatchery relies on water from the Project for its operation.

The hatchery was one of the stops on the 60th Anniversary Tour, sponsored by the Southeastern Colorado Water Conservancy District in July 2018.





Section 6

Strategic Long-Range Planning

Strategic Plan, Budget, Mission, Vision, and Goals

The Strategic Plan clarifies the relationship of the budget to the mission, vision, and goals of the District.

The Strategic Plan identifies the key areas of focus in four areas:

- ◆ Water supply, storage, and power
- ◆ Water supply protection and water efficiency
- ◆ Future water supplies and storage
- ◆ Core business

The first three focus areas are incorporated in the Mission Statement of the District, while the core business strategy relates to the Vision Statement. Our

Core Values are guiding principles for all of our service and action.

This section is a recap of the previous year and a look ahead to the future.



Mission Statement

Water is essential for life. We exist to make life better by effectively developing, protecting, and managing water.



Our Vision

As we strive to realize our vision of the future, all our actions and efforts will be guided by communication, consultation, and cooperation, focused in a direction of better accountability through modernization and integration across the District.



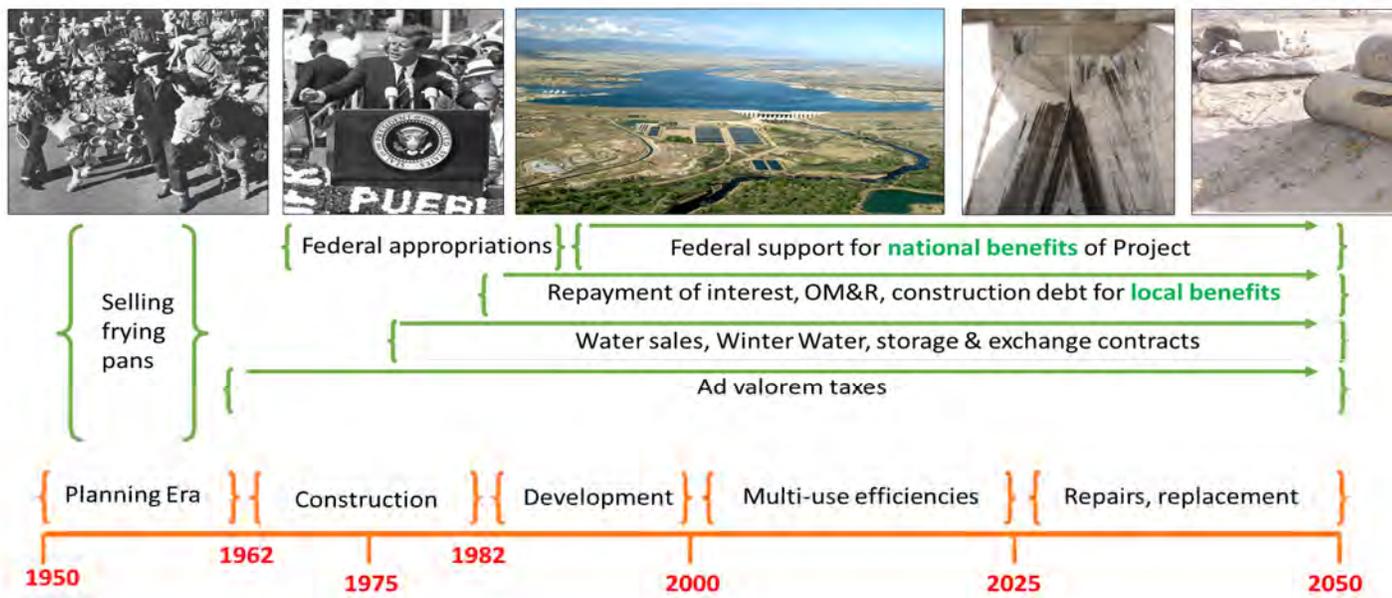
Core Values

- A commitment to honesty and integrity.
- A promise of responsible and professional service and action.
- A focus on fairness and equity.



District Goals & Strategies

Financial timeline of Fry-Ark Project



Framing the Future

In 2017, the Board of the Southeastern Colorado Water Conservancy District took a hard look at the historic and future direction of the District. As the facilities of the Fryingpan-Arkansas Project age, a new fund structure is needed to match expenditures with ongoing and anticipated costs.

Fryingpan-Arkansas Project Debt Repayment

In 1982, the cost to built the Fryingpan-Arkansas Project was put at \$585 million, and the Southeastern Colorado Water Conservancy District’s share was \$134.8 million. The term was 50 years.

Throughout the history of the Project, the ability of the District to pay off the debt was in question. For many years, water sales and Winter water storage payments were included as sources of repayment. In fact, the Contract allows for hydroelectric revenues to begin paying for the District’s Project debt at the end of 50 years.

As it turned out, the debt was repaid faster than anticipated, largely because of growth in El Paso County.

Until 2018, the debt repayment was the remaining portion of the revenue generated from the District’s 0.9 mill levy after the operation, maintenance and replacement (OM&R) costs of the Project were paid.



Key Strategic Point

- ◆ Stabilize debt structure in order to free up funds for OM&R payments, and reserves

At the beginning of 2018, the remaining debt was \$20.5 million. A contract amendment was signed on September 20, 2018, that structures payments of \$733,786.07 every 6 months, or \$1,467,572.14 annually.

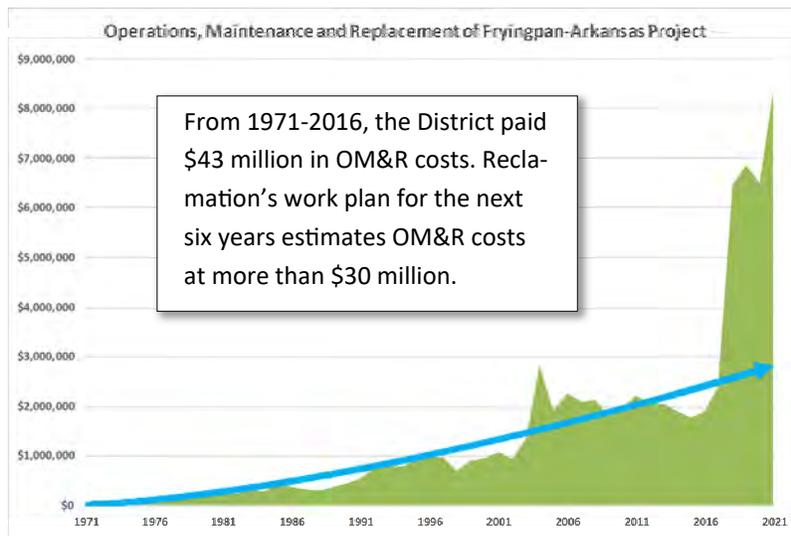
Under this schedule, the remaining debt will be paid off on December 31, 2031. This will give the District more options for OM&R payments and reserves.



District Goals & Strategies

Taking Stock

In 2019, the District is beginning a series of studies aimed at aligning revenues with categories of expenditures in both the District and the Enterprise. For the District, that means understanding the costs of the Fryingpan-Arkansas Project in both the near term and long-term. In the next three to six years, some large expenses are looming. Planning for the future entails setting aside sufficient revenue to address critical infrastructure needs.



Key Strategic Point

- ◆ Define future funding needs for the Fryingpan-Arkansas Project

OM&R, Infrastructure Evaluation and Assessment

As the Fryingpan-Arkansas Project ages, the cost of maintenance is increasing, including the District's share.

The District pays about 56 percent of the total OM&R cost of the Project. In the next six years, costs will include a \$35.6 million replacement of the contraction joint seals on Pueblo Dam, \$4.6 million for improvements in the collection system and routine maintenance, which is \$1.5 million or more annually.

Beyond that, the District is planning its own infrastructure assessment and evaluation beginning in 2019 with \$40,000 budgeted for an asset evaluation and \$150,000 budgeted for capital needs assessment in 2020.

The District's primary purpose is to advance the Project. Understanding these upcoming needs with allow the District to coordinate financial planning to assure the Project will receive the funding it needs for many years to come.

Financial Strategy & Sustainability Study

In late 2018, a financial strategy and sustainability study was launched to develop tools for the future financial health of the Southeastern Colorado Water Conservancy District.

The firm of JACOBS was chosen following a comprehensive search in late 2019. Jacobs was chosen after interviews with the three top firms.

The tasks include:

- **Financial Plan:** Develop financial planning scenarios that encompass best-case, worst-case and expected value, factoring in affordability.
- **Policies Analysis:** Review policies and suggest changes and additions.
- **Revenue Requirements:** Analyze revenues and expenses, and provide a foundation for a rate design model.

Key Strategic Points

- ◆ Water rate structure
- ◆ Build reserves
- ◆ Update financial policies
- ◆ 6-, 12- and 20-year capital plans
- ◆ Fund obligation target balances
- ◆ Prioritize fund balances

- **Cost of Service:** Balance revenue sources with expenses, factoring in growth assumptions.
- **Rate Design Analysis:** Develop a model to forecast revenues to meet financial goals while considering impacts on customers with phased increases.



Enterprise Goals & Strategies

Enterprise Objectives

In the Enterprise Activity, efforts centered on five major long-range activities:

- ◆ Establishment of a Master Contract for Excess Capacity storage in Pueblo Reservoir.
- ◆ Construction of a hydroelectric generation facility at Pueblo Dam.
- ◆ Continued development of the Arkansas Valley Conduit.
- ◆ Restoration of Storage, Recovery of Yield, and Enlargement of reservoirs.
- ◆ Watershed protection programs.

Pueblo Reservoir Excess Capacity Storage

Pueblo Reservoir was designed to accommodate storage of Project water, and by design, the reservoir is below full capacity in most years. Over the years, more and more of this excess capacity, or “if-and-when” storage has been assigned.

This is a more efficient use for the Reservoir which provides a benefit for Project stakeholders. Without such a storage option, more costly reservoirs would have to be built or water that could have been stored would be released.

The District signed a 40-year contract with Reclamation in 2016 that allowed 16 communities to begin storing 6,525 acre-feet of

Key Strategic Points

- ◆ Maximize use of Project facilities for the benefit of District stakeholders
- ◆ Payments fund AVC

water in Pueblo Reservoir. Storage in 2019 is 6,565 acre-feet. As much as 29,938 acre-feet could be stored under the Contract.

Reclamation’s long-term contracts for excess capacity storage provide for stepped-up increases over time up to almost 100,000 acre-feet.

In the future, revenue from that storage will help pay AVC costs.

LAKE PUEBLO STORAGE

1986 — Reclamation issues temporary “if-and-when” contracts

2000 — Pueblo Water obtains long-term excess capacity contract.

2005 — Environmental Assessment on excess capacity storage complete.

2007 — Aurora awarded long-term contract.

2010 — Southern Delivery System long-term contract approved.

2016 — SECWCD long-term contract signed.

Pueblo Dam Hydroelectric Generation Plant

In 2018, construction continued on the 7.5-megawatt hydroelectric power plant at Pueblo Dam.

The \$20.5 million plant is being constructed by Mountain States Hydro, and should begin producing power this year.

The plant is designed to operate on flows from the North Outlet at Pueblo Dam ranging from 35-810 cubic feet per second. It will use approximately 60 percent of the releases from Pueblo Dam, on average.

The District was awarded a Lease of Power Privilege by the Bureau of Reclamation in 2017, and construction started soon afterward.

Hydroelectric power is a source of clean energy, since it relies on the force of water releases to generate electricity. No water is consumed as it flows through the turbines.

The Pueblo Dam Plant is fed by two penstocks from the Municipal Service Line that was constructed as part of the Southern Delivery System



project that was completed in 2016.

When it is in full production, the plant is expected to generate 28 million kilowatt hours annually, producing revenues of about \$1.2 million a year. The project is financed by the Enterprise, and a \$17.2 million loan from the Colorado Water Conservation Board.

Key Strategic Point

- ◆ Revenues from the hydro project will offset OM&R for the Arkansas Valley Conduit.



Enterprise Goals & Strategies



Colorado Parks & Wildlife

Erosion at the burn scar from the 2016 Hayden Creek fire in Fremont County.

Watershed Protection

Wildfires throughout Colorado and other western states have increased erosion and sedimentation in river basins.

One of the outcomes for water providers is the increased silt load in reservoirs. The Fryingpan-Arkansas Project depends heavily on storage.

The District again partnered with the Bureau of Reclamation in 2018 for wildland fire response and mitigation, through Project Contract payments.

The District also is looking at a proposal by the Arkansas Basin Roundtable that would jointly fund a fulltime watershed protection coordinator.

The budget impact is unknown at this point.

Key Strategic Point

- ◆ Protection of watersheds and mitigation of damage will reduce the eventual costs of cleaning reservoirs.

Arkansas Valley Conduit

Stop for a moment and think of the benefits most Americans enjoy by being able to turn on any of several taps in their homes to receive a relatively inexpensive supply of clean water on demand.

For the Lower Arkansas Valley, it's getting increasingly difficult to deliver on this wonderful benefit of modern society. For more than 60 years, the Arkansas Valley Conduit (AVC) has been an unfulfilled promise of the Fryingpan-Arkansas Project.

In recent years, however, renewed efforts have pushed the AVC forward. Funding remains the greatest hurdle.

A preferred alternative was identified in the 2013 Environmental Impact Statement and 2014 Record of Decision. That plan was refined in 2017, when the District approached the Bureau of Reclamation with a new plan to use more of Pueblo Water's infrastructure to move water through the city's system. This allowed a phased approach that reduces the need to build more front-end infrastructure.

In 2018, Reclamation added a new approach, Regionalization, which would create interim systems for the communities



Key Strategic Point

- ◆ Clean drinking water is essential for small rural communities, and fosters economic growth.

awaiting the AVC. This will allow relief from surface and groundwater contamination for communities, while preparing them for the eventual completion of the AVC.

The AVC faced a setback in 2019, when no funding was provided in the federal budget, other than \$2 million for the Regionalization study.

However, work has progressed with existing funding, and final design on the first portion from Pueblo is progressing.

The AVC would serve 50,000 people in 40 communities along its 130-mile route from Pueblo Dam to Lamar and Eads.

The total cost is estimated at \$640 million, and \$30 million has been spent.

Restoration of Yield, Recovery of Storage, Enlargement

Bathymetric measurements at Pueblo Reservoir show that about 20,000 acre-feet of storage has been lost since storage began in 1974. Dredging or some other method could be used to regain it.

In 2004, the District entered a six-party intergovernmental agreement (now seven) that commits funding to develop new storage downstream from Pueblo Dam in order to maintain Arkansas River flows through Pueblo.

The District also is obligated to investi-

gate future enlargement of Pueblo Reservoir and Turquoise Reservoir under the Preferred Storage Options Plan.

Although these projects have not progressed in recent years, they are still among the future needs for Enterprise funding.

Key Strategic Point

- ◆ Maintain storage



Business Plan Review



The following pages relate to the 2019 Business Plan, which has been reorganized in order to reflect topical relevance and alignment to the Strategic Plan. Actions in 2018 and plans for 2019 are discussed here.



1. Financial Strategy & Sustainability Study

GOAL: Develop financial plan, capital improvement plan and rate structure.

STRATEGY: Hire consultant to analyze budget and develop tools.

2018 PROGRESS: JACOBS chosen to complete Financial Strategy and Sustainability Study.

2019 PLAN: A timeline of workshops, outreach events and meetings has been developed.

COMPLETION: Completion is expected by September in order to establish rate changes.



2. Fry-Ark Infrastructure Evaluation & Assessment

GOAL: Determine long-term infrastructure plan for funding Fry-pan-Arkansas Project replacements and betterment.

STRATEGY: Work with consultants, and the Bureau of Reclamation to do an Asset Valuation and Condition Assessment on Project structures.

2018 PROGRESS: Planning stage of study.

2019 PLAN: Begin Asset Valuation study.

COMPLETION: Condition Assessment complete in 2020.

Note: This component is needed for the Financial Strategy and Sustainability Study.



3. Capital Outlay & Improvements

GOAL: Develop an ongoing list of capital needs for both the Project and District operations.

STRATEGY: Staff develops a list of needs.

2018 PROGRESS: List of needs published in 2019 Business Plan.

2019 PLAN: Update list for 2020 Business Plan.

COMPLETION: Ongoing annual updates.

Note: This component is needed for the Financial Strategy and Sustainability Study.



Business Plan Review



Parts 1-6 of the Business Plan are interlocking elements with the ultimate objective of keeping the Fry- ingpan-Arkansas Project, and its support system, strong and viable for years to come.



4. Fry-Ark Debt Repayment

- GOAL:** Repay the Fryingpan-Arkansas Project debt by 2031, using the entire 50-year period provided in the 1982 Contract.
- STRATEGY:** Negotiate Amendment to 1982 Contract to establish annual payments of equal amounts.
- 2018 PROGRESS:** District and Reclamation negotiated Amendment 11.
- 2019 PLAN:** Prepare for negotiations of a new Repayment Contract, as provided for in the 1982 Contract.
- COMPLETION:** A new contract will be in place before the end of 2021.



5. Fry-Ark Reserve Fund

- GOAL:** Establish a Fryingpan-Arkansas Project Reserve Fund for extraordinary maintenance payments.
- STRATEGY:** Use ad valorem taxes to build the reserve fund.
- 2018 PROGRESS:** Restructuring debt allowed for fund to be established.
- 2019 PLAN:** Continue to build fund and develop targets through the Financial Strategy and Sustainability Study and Fry-Ark Infrastructure Evaluation and Assessment.
- COMPLETION:** Targets will be developed during the two studies mentioned above.



6. Fry-Ark OM&R

- GOAL:** Continue to fund the ongoing needs of the Fryingpan-Arkansas Project.
- STRATEGY:** Work with Reclamation to determine annual and long-term needs.
- 2018 PROGRESS:** As part of Amendment 11, the District established an advance payment for OM&R.
- 2019 PLAN:** Make payments to Reclamation based on District’s cost share.
- COMPLETION:** This is an ongoing process.



Business Plan Review



Parts 7-12 of the Business Plan support the Fryingpan-Arkansas Project. Many elements of the project date to Bureau of Reclamation studies from the 1950 and are embodied in the Project Operating Principles.

7. Miscellaneous Revenues

GOAL: Use miscellaneous revenues from the Fryingpan-Arkansas Project (Bureau of Reclamation contracts) to fund the Project.

STRATEGY: Public Law 111-11 paid off the debt on the South Outlet Works, and is paying down the Fountain Valley Conduit and Ruedi Reservoir. Money for construction of the Arkansas Valley Conduit (AVC) will be available in 2022.

2018 PROGRESS: Revenues totaling about \$3.5 million were applied to Fountain Valley and Ruedi.

2019 PLAN: Continue payments.

COMPLETION: Ongoing until the completion of the AVC.



8. Safety of Dams

GOAL: Repay 1998 Safety of Dams debt.

STRATEGY: Annual payments of \$60,000 to the Bureau of Reclamation.

2018 PROGRESS: Made a \$60,000 payment.

2019 PLAN: Make a \$60,000 payment.

COMPLETION: Debt repaid in 2024.

9. Winter Water



GOAL: Water is stored from November 15-March 15 annually to avoid unnecessary irrigation during winter months. A charge of \$2.80 per acre-foot is placed on water stored in Pueblo Reservoir, and funds applied to the Repayment Contract. Revenue is estimated on an adjusted historic average.

STRATEGY: The District manages Winter Water storage in conjunction with Reclamation, Division Engineer and canal companies.

2018 PROGRESS: Storage was greater than average, resulting in greater revenue.

2019 PLAN: Budget is based on the historic average.

COMPLETION: This is an ongoing program.



Business Plan Review



10. Reclamation Reform Act

GOAL: Help landowners comply with the Reclamation Reform Act.

STRATEGY: District staff meets with irrigation users annually to determine acres eligible for Project water. Any fees are paid by canal companies or landowners. The District budget has a \$2,000 capacity in the event of unpaid fees.

2018 PROGRESS: The District had no RRA payments in 2018.

2019 PLAN: Preparing for a Bureau of Reclamation audit in 2020.

COMPLETION: This is an ongoing program.

11. Colorado River Programs

GOAL: Maintain environmental and water policy programs that allow transmountain imports of water.

STRATEGY: The District works with the Colorado Water Conservation Board, Colorado River Users Association, Colorado Water Congress, and the Front Range Water Council to develop appropriate action.

2018 PROGRESS: Active in all of the above groups.

2019 PLAN: Continued activity with all groups.

COMPLETION: This is an ongoing program.



12. Conditional Water Rights

GOAL: Protect water rights in Divisions 2 and 5.

STRATEGY: Engineering and legal counsel monitor water court resumes monthly to determine if Project water rights are injured.

2018 PROGRESS: The District was close to completing the Division 2 diligence case filed in 2016, and began a Division 5 diligence case.

2019 PLAN: Continue Division 5 diligence case.

COMPLETION: Outside engineering studies in support of water rights cases are ongoing.



Business Plan Review



13. Hydrologic Variability

GOAL: Obtain more reliable forecast of water supply.

STRATEGY: Develop two snow measurement sites higher in the Fry- ingpan-Arkansas Project Collection System.

2018 PROGRESS: Project yield was 67 percent of forecast.

2019 PLAN: Planning will begin for suitable sites for new sites.

COMPLETION: Action is anticipated in 2020 and 2021.



14. Project Water Sales

GOAL: Water sales finance Enterprise activities.

STRATEGY: Water sales are budgeted based on a 20-year average. If sales fall short of the budget, a reserve fund covers the difference.

2018 PROGRESS: Water sales were short by about \$100,000.

2019 PLAN: Allocations will be based on the May 1 forecast by the Bu- reau of Reclamation. Water rates are part of the Financial Strategy and Sustainability Study.

COMPLETION: This is an ongoing program.



15. Return Flows, Storage & Surcharges

GOAL: These are revenues that are derived from water sales.

STRATEGY: Revenues from these sources fund Enterprise activities.

2018 PROGRESS: Revenues are stable because storage in Pueblo Reservoir has been unchanged in recent years.

2019 PLAN: These charges are being studied in the Financial Strategy and Sustainability Study.

COMPLETION: This is an ongoing program.



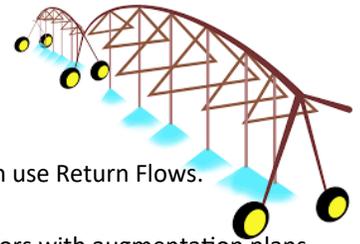
Parts 13-19 of the Business Plan enhance the Fry- ingpan-Arkansas Project for the benefit of stake- holders.



Business Plan Review



16. Irrigation Return Flows



GOAL: Determine how irrigators can use Return Flows.

STRATEGY: Return Flows can help irrigators with augmentation plans.

2018 PROGRESS: This was the fifth year of a pilot program on the Fort Lyon Canal. District staff began evaluating whether other canal companies can physically reuse water in the same way.

2019 PLAN: More refinements will be made by the Engineering Department.

COMPLETION: This is an ongoing program.

17. Pueblo Dam Hydro

GOAL: Develop hydroelectric power generation at Pueblo Dam.

STRATEGY: The Enterprise plans to use revenues from Pueblo Dam Hydro to offset Operations, Maintenance, and Replacement Costs of the Arkansas Valley Conduit.

2018 PROGRESS: The plant was 95 percent complete at the end of 2018.

2019 PLAN: Operations are expected to begin in March of 2019. Sales will begin to the city of Fountain and to Fort Carson, through Colorado Springs Utilities.

COMPLETION: This is an ongoing program.



18. Arkansas Valley Conduit

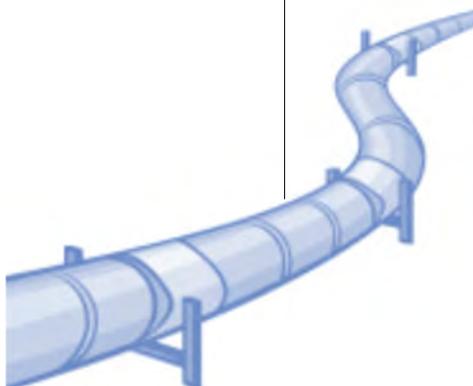
GOAL: Deliver clean drinking water to the Lower Arkansas Valley.

STRATEGY: Use Pueblo Water's System for first 25 miles of AVC and phase deliveries. Payment could come in the form of credits, allowing pipeline construction to begin sooner.

2018 PROGRESS: Technical sessions for contracts began.

2019 PLAN: Negotiate a service contract with Pueblo Water, using credits for Pueblo Reservoir storage as payment. Complete final design of first pipe segment.

COMPLETION: This project is ongoing.



Business Plan Review



Parts 20-30 of the Business Plan involve partnerships among water groups in the Arkansas River Basin. The Southeastern Colorado Water Conservancy District has played a major role in establishing many of these programs.



19. Recovery of Storage

- GOAL:** Recover lost storage, and explore new storage opportunities.
- STRATEGY:** Dredging or expansion of reservoirs to regain space.
- 2018 PROGRESS:** Discussion with Executive Committee and Arkansas Basin Roundtable.
- 2019 PLAN:** Further study and planning.
- COMPLETION:** This program is ongoing.



20. Excess Capacity Master Contract

- GOAL:** Provide If and When storage to District entities.
- STRATEGY:** Excess Capacity Master Contract includes 38 entities, including 26 in the Arkansas Valley Conduit project. Amount of storage ramps higher over 40 years.
- 2018 PROGRESS:** A total of 16 entities have signed on for 6,525 acre-feet.
- 2019 PLAN:** Increase storage to 6,565 acre-feet by 16 entities.
- COMPLETION:** Renewal date is 2056.



21. Fountain Creek Transit Loss

- GOAL:** Track municipal Return Flows on Fountain Creek.
- STRATEGY:** Cost sharing with 16 El Paso County water providers in U.S. Geological Survey program.
- 2018 PROGRESS:** Paid base fee; no fee for actual flows in 2017.
- 2019 PLAN:** Pay base fee; no fee for 2018 flows.
- COMPLETION:** This program is ongoing.



Business Plan Review



22. Water Quality Monitoring

GOAL: Measure change in water quality.

STRATEGY: Work with U.S. Geological Survey to measure baseline of Arkansas River so changes in water quality can be tracked against programs that move water.

2018 PROGRESS: Payment through Special Projects participants and Enterprise funds.

2019 PLAN: Continue payments as in prior years.

COMPLETION: This program is ongoing



23. Regional Resource Planning Group

GOAL: Track changes in water quality over time.

STRATEGY: District works with five partners to better define water quality conditions, dominant source areas and processes that affect water quality.

2018 PROGRESS: At the annual meeting, the group decided to define when Phase 2 ends and which course of action will be taken in the future.

2019 PLAN: Follow-up meetings are being planned to address issues.

COMPLETION: This program is ongoing.

24. Watershed Health

GOAL: Protect rivers and reservoirs from excess sedimentation.

STRATEGY: Work with other agencies to prevent and treat damage.

2018 PROGRESS: Participation in Bureau of Reclamation wildland program.

2019 PLAN: Contribute to Arkansas Basin Roundtable watershed health fund.

COMPLETION: This program is ongoing.



Business Plan Review



25. Arkansas River Compact

GOAL: Investigate storage opportunities at John Martin Reservoir.

STRATEGY: Downstream storage would allow Return Flow exchanges.

2018 PROGRESS: Some discussions with potential partners have occurred.

2019 PLAN: Monitor progress of proposal.

COMPLETION: This is an ongoing program.



26. Upper Ark Voluntary Flow Management Program

GOAL: Maintain flows for fish habitat, and recreation on Upper Arkansas River.

STRATEGY: Releases from upper reservoirs to Pueblo Reservoir are timed to move water in ways that benefit fish and the rafting industry on the Arkansas River.

2018 PROGRESS: The Fryingpan-Arkansas Project contributed 13,000 acre-feet to summer rafting, while municipalities added 3,000 acre-feet. Some water was held past August 15 to aid fish habitat later in the season.

2019 PLAN: Releases are determined by weather.

COMPLETION: A five-year agreement renewal is in 2021.



27. Community Outreach & Conservation

GOAL: Explain Project and water conservation benefits to the public.

STRATEGY: Presentations at public events to promote wise water use.

2018 PROGRESS: Staff made numerous presentations to community and school groups. The District hosted the Ruedi Reservoir 50th anniversary celebration as well.

2019 PLAN: Continued presentations are planned.

COMPLETION: This program is ongoing.



Business Plan Review



28. Pueblo Dam Interconnect

GOAL: Hydraulic connection of the North and South Outlets at Pueblo Dam.

STRATEGY: Provides alternate delivery of municipal water for emergencies or during planned shutdowns. Improves water quality during operations.

2018 PROGRESS: Discussions with Bureau of Reclamation.

2019 PLAN: Continued research.

COMPLETION: No date yet set for construction.



29. Restoration of Yield

GOAL: Storage downstream of Pueblo Reservoir to recapture flows.

STRATEGY: Investigations of suitable reservoir sites with partners. The District is a party to agreements, but not the primary driver of this project.

2018 PROGRESS: Several reservoir sites are under consideration.

2019 PLAN: Budget includes real estate holding fees. No decision likely.

COMPLETION: No date set for land purchase or construction.



30. Upper Basin Storage

GOAL: Develop multi-use project in Upper Arkansas River basin.

STRATEGY: Funding for a project designed by the Upper Arkansas Water Conservancy District.

2018 PROGRESS: Budget included capacity for project.

2019 PLAN: Budget capacity included.

COMPLETION: Project is ongoing.



Business Plan Review



Parts 31-35 of the Business Plan are core items that support the work of the Southeastern Colorado Water Conservancy District.



31. Headquarters

GOAL: Maintain facilities for District and Enterprise operations.

STRATEGY: Regular maintenance and improvements.

2018 PROGRESS: Improvements were made to the Board room and parking lot. Continued maintenance of Demonstration Garden.

2019 PLAN: Continued upkeep of building.

COMPLETION: This program is ongoing.

32. Human Resources

GOAL: Maintain a professional staff to implement programs and projects.

STRATEGY: Use salary and benefit surveys for competitive strength, provide education, training or professional opportunities, and improve succession planning.

2018 PROGRESS: Total Compensation Study completed by CPS HR Consulting.

2019 PLAN: Staff will work on implementation of proposed salary ranges.

COMPLETION: This program is ongoing.

33. Information Technology



GOAL: Assure District technology capability keeps pace with changes.

STRATEGY: Upgrade systems to improve connectivity, data storage, and communication ability.

2018 PROGRESS: Fiber optic cable was installed in District headquarters.

2019 PLAN: Phone system improvements will continue.

COMPLETION: This program is ongoing.



Business Plan Review



34. Records Management

GOAL: Improve access to District records.

STRATEGY: Digitalization of documents on a time-forward basis, and historical documents according to available funds, time and need.

2018 PROGRESS: Several systems were investigated by staff with the aim of developing an electronic document filing plan.

2019 PLAN: Purchase of a document filing system.

COMPLETION: This program is ongoing.

35. Communications Plan

GOAL: Communicate District Programs, Projects and Policies.

STRATEGY: Develop publications, presentations and reports for either general or specific audiences.

2018 PROGRESS: A comprehensive inclusion manual was completed, materials were prepared for the 60th Anniversary of the District, a tour of the Fryingpan-Arkansas Project was organized. The Business Plan was rewritten to provide a more complete picture of District activities.

2019 PLAN: Communication outreach will be needed for several projects, including the Arkansas Valley Conduit, and the Financial Strategy and Sustainability Study.

COMPLETION: This project is ongoing.



Southeastern Colorado Water Conservancy District
2019 Business Plan
Government Activity (District)
Statement of Revenues and Expenditures
(In Whole Numbers)

		2019 Adopted Budget	2020 Estimated Budget	2021 Estimated Budget
Fry-Ark Project Revenue				
Tax Collections				
Contract Mill Levy Collections	4510	7,627,689	7,864,538	8,100,474
Abatement and Refund of Tax Collections	4530	76,277	78,648	81,005
Prior Year Tax	4540	(12,050)	(12,412)	(12,784)
County Collection Fees	6340	(127,364)	(131,185)	(135,120)
Total Tax Collections		7,564,552	7,799,587	8,033,575
Fountain Valley Authority				
Fountain Valley Authority	4340	5,360,000	5,365,000	5,365,000
Total Fountain Valley Authority		5,360,000	5,365,000	5,365,000
Winter Water Storage				
Winter Water Storage	4330	117,600	117,600	117,600
Total Winter Water Storage		117,600	117,600	117,600
Excess Capacity Master Contract				
Excess Capacity Master Contract	4360	272,382	277,240	282,229
Total Excess Capacity Master Contract		272,382	277,240	282,229
Collection of RRA Fees				
RRA Fee Reimbursement	4135	2,000	22,036	2,072
Total Collection of RRA Fees		2,000	22,036	2,072
Total Fry-Ark Project Revenue		13,316,534	13,581,463	13,800,476
Fry-Ark Project Expenditures				
Contract Payments				
Fry-Ark Debt Payment	5010	1,467,572	1,467,572	1,467,572
OM&R Charges	5060	8,000,083	8,774,109	5,944,398
OM&R Credits	5061	(1,440,015)	(1,579,340)	(1,069,992)
Total Contract Payments		8,027,640	8,662,341	6,341,978
Fountain Valley Authority				
Payment - Fountain Valley Authority	5040	5,360,000	5,365,000	5,365,000
Total Fountain Valley Authority		5,360,000	5,365,000	5,365,000
Winter Water Storage				
Payment - Winter Water Storage - USBR	5030	117,600	117,600	117,600
Total Winter Water Storage		117,600	117,600	117,600
Excess Capacity Master Contract				
Payment - Excess Capacity Master Contract - USBR	5065	272,382	277,240	282,229
Total Excess Capacity Master Contract		272,382	277,240	282,229
RRA Fees				
Reclamation Reform Act Audit	6025	2,000	22,036	2,072
Total RRA Fees		2,000	22,036	2,072
Total Fry-Ark Project Expenditures		13,779,622	14,444,217	12,108,879
Total Fry-Ark Revenues Over (Under) Expenditures		(463,088)	(862,754)	1,691,597
Grant Revenue				
State				
Grant Revenue - Contingency	4170	250,000	250,000	250,000
Total State		250,000	250,000	250,000
Total Grant Revenue		250,000	250,000	250,000
Grant Expenditures				
Expenditures				
Contingency - Grants	7260	250,000	250,000	250,000
Total Expenditures		250,000	250,000	250,000
Total Grant Expenditures		250,000	250,000	250,000
Total Grant Revenues Over (Under) Expenditures		0	0	0

Southeastern Colorado Water Conservancy District

2019 Business Plan

Government Activity (District)

Statement of Revenues and Expenditures
(In Whole Numbers)

		2019 Adopted Budget	2020 Estimated Budget	2021 Estimated Budget
Operating Revenue				
Tax Revenue for Operations				
Specific Ownership Tax Collections	4420	712,377	725,129	738,108
Operating Tax Revenue	4520	296,632	302,250	307,660
Total Tax Revenue for Operations		1,009,009	1,027,379	1,045,768
Interfund Reimbursements				
Enterprise Admin Reimbursement	4440	1,435,048	1,525,283	1,605,419
Total Interfund Reimbursements		1,435,048	1,525,283	1,605,419
Investment Revenue				
Interest Income	4040	42,301	43,058	43,829
Interest on Bonds	4042	77,911	79,306	80,725
Total Investment Revenue		120,212	122,364	124,554
Other Operating Revenue				
Room Rental and Services	4460	100	100	100
Xeriscape Tour and Garden Shows	4470	900	900	900
Total Other Operating Revenue		1,000	1,000	1,000
Total Operating Revenue		2,565,269	2,676,026	2,776,741
Operating Expenditures				
Human Resources				
Staff Payroll	5110	1,104,751	1,159,989	1,217,989
Incentive/Performance Capacity	5120	21,000	21,000	21,000
Directors Payroll	5140	36,000	36,000	36,000
Payroll Taxes	5210	80,871	83,472	86,203
HSA Contributions	5220	34,600	36,330	38,147
401 Retirement Contribution	5230	135,117	179,301	188,266
457 Retirement Contribution	5235	53,363	56,031	60,899
Health Insurance	5250	120,142	126,149	132,457
Life Ins - Staff & Directors	5254	8,820	9,261	9,724
Medical Reimbursement Expense	5255	4,950	5,198	5,457
LT Disability Ins	5256	7,140	7,497	7,872
Employee Assistance Program	5258	768	806	847
Dental Insurance	5260	9,324	9,790	10,280
Vision Insurance	5265	1,728	1,814	1,905
Worker's Compensation Insurance	5270	3,661	3,644	4,036
Total Human Resources		1,622,235	1,736,482	1,821,082
Headquarter Operations				
Admin Fees for Human Resources	6015	4,500	5,181	4,663
Bank Fees	6030	1,000	1,018	1,036
Board Awards/Gifts	6040	1,036	1,055	1,073
Board Memberships/Subscriptions	6070	8,725	8,881	9,040
Board Printing	6090	536	546	555
Board Room Presentation Equipment and Maintenance	6100	2,700	208	211
Board Room Accessories	6110	310	316	321
Board/Committee Meals	6120	7,978	8,121	8,266
Building Heating/Cooling	6130	1,967	2,002	2,038
Building Other/Misc Maintenance	6140	2,591	2,637	2,685
Building Plumbing & Electrical	6150	2,331	2,373	2,415
Building Tools & Equipment	6160	208	212	216
Computer - General Contracts	6250	28,686	29,199	29,722
Computer - Supplies	6260	788	802	816
Computer - Hardware	6270	11,804	11,812	12,023
Computer - Software and Licenses	6280	14,250	14,505	14,765
Insurance - Automobile	6580	2,011	2,047	2,084
Insurance - Excess Liability	6590	3,044	3,098	3,154

Southeastern Colorado Water Conservancy District
2019 Business Plan
Government Activity (District)
Statement of Revenues and Expenditures
(In Whole Numbers)

		2019 Adopted Budget	2020 Estimated Budget	2021 Estimated Budget
Insurance - General Liability	6600	13,713	13,958	14,208
Insurance - Property & Liability	6610	6,528	6,645	6,764
Insurance - Public Official Liability	6620	1,554	1,582	1,610
Legal Notices	6630	5,000	5,090	5,181
Maintenance - Backflow Testing	6640	2,655	158	161
Maintenance - Fire Extinguisher	6650	124	126	128
Maintenance - Janitorial Services	6660	3,481	3,543	3,607
Maintenance - Pest Control	6670	362	368	375
Maintenance - Waste Disposal	6680	2,000	2,036	2,072
Maintenance - Security	6690	2,500	2,545	2,590
Maintenance - Snow Removal	6700	1,054	1,073	1,092
Maintenance - Window Cleaning	6710	1,140	1,160	1,181
Maintenance Facilities - Blacktop	6720	5,388	5,484	5,583
Office - Equipment (New and Maintenance)	6730	1,839	1,872	1,905
Office - Coffee/Snacks	6740	1,036	1,055	1,073
Office - Copy Machine Color	6752	6,500	6,616	6,735
Office - General/Staff Memberships	6760	7,675	7,812	7,952
Awards & Gifts - Other	6765	414	421	429
Office - Printing	6770	3,176	3,233	3,291
Office - Publications & Subscriptions	6780	874	890	906
Phone - Cell	6790	5,000	5,090	5,181
Phone - Equipment Maintenance	6800	2,500	2,545	2,590
Phone & Internet	6810	15,400	15,400	15,400
Postage & Shipping	6820	3,867	3,936	4,007
Staff Awards and Gifts	6850	726	739	752
Supplies - Janitorial	7020	518	527	537
Supplies - Office	7030	2,609	2,656	2,703
Supplies - Paper	7040	1,036	1,055	1,073
Supplies - Toner	7050	1,572	1,600	1,629
Utilities	7070	20,722	21,093	21,470
Utilities - Airport Fee	7075	984	1,002	1,020
Vehicle R&M - 2014 Rav4	7112	1,295	1,318	1,342
Vehicle R&M - 2010 Prius Gold	7113	1,500	1,527	1,554
Vehicle R&M - 2017 Rav4	7114	1,295	1,318	1,342
Web Contracts - Design & Support	7120	3,000	3,054	3,108
Web Hosting	7130	1,115	1,135	1,155
Landscape - Fertilizer, Chemicals & Supplies	7170	2,559	2,605	2,651
Landscape Maintenance & Contracts	7180	7,296	7,427	7,560
Contingency - Operating	7250	50,000	50,000	50,000
Total Headquarter Operations		284,272	283,707	287,000
Meetings and Travel				
Directors - Other Travel (Tip, Fax, Parking, Tel, etc.)	6370	829	844	859
Directors Airfare	6390	4,766	4,851	4,938
Directors Hotels	6400	9,799	9,974	10,158
Directors Meals	6410	2,300	2,341	2,383
Directors Meeting Registrations	6420	10,350	10,535	10,724
Directors Mileage Reimbursement	6430	13,470	13,711	13,957
Executive - Airfare	6480	3,800	3,868	3,937
Executive - District Vehicle Gas	6490	1,036	1,055	1,073
Executive - Hotels	6500	5,181	5,274	5,368
Executive - Meals	6510	1,036	1,055	1,073
Executive - Meeting Registrations	6520	3,350	3,410	3,471
Executive - Other Travel Expense	6530	850	865	881
Meeting Expense	6725	1,519	1,546	1,574

Southeastern Colorado Water Conservancy District

2019 Business Plan

Government Activity (District)

Statement of Revenues and Expenditures

(In Whole Numbers)

		2019 Adopted Budget	2020 Estimated Budget	2021 Estimated Budget
Meeting Meals - Non Staff Member	6727	634	646	658
Staff Business and Training- Airfare	6860	13,300	13,538	13,780
Staff Business and Training- District Vehicle Gas	6870	4,845	4,932	5,020
Staff Business and Training- Hotels	6880	18,230	18,556	18,888
Staff Business and Training- Meals	6890	4,390	4,469	4,549
Staff Business and Training- Meeting Registrations	6900	15,450	15,727	16,008
Staff Business and Training- Other Travel	6910	1,320	1,344	1,368
Staff Certification - Registrations	6960	1,750	1,781	1,813
Staff Education (General Skills)	7010	23,104	23,518	23,939
Total Meetings and Travel		141,309	143,840	146,419
Outside and Professional Services				
Annual Audit	6020	50,000	50,000	50,000
Financial Consultants	6023	10,000	10,000	10,000
Consultant HR Breadbasket	6328	0	0	10,000
Consultant/Lobbying Services - Federal	6330	33,326	33,326	33,326
Colorado River Services	6350	22,000	22,000	22,000
Legal Representation	6440	330,000	330,000	330,000
Legal Expense	6445	22,000	22,000	22,000
Water Policy Management Consultants	6455	25,000	19,000	19,000
Engineering Outside Contracts	6470	3,000	3,054	3,108
Total Outside and Professional Services		495,326	489,380	499,434
Water Conservation and Education				
Xeriscape Garden Tours	6320	700	713	725
Tours & Anniversary Events	6540	12,000	12,000	12,000
Sponsorships, Exhibits & Ads	6840	6,830	6,952	7,077
Xeriscape Ed Programs & Publications	7240	2,900	2,952	3,004
Total Water Conservation and Education		22,430	22,617	22,806
Total Operating Expenditures		2,585,572	2,676,026	2,776,741
Total Operations Revenues Over (Under) Expenditures		(303)	0	0
Capital Outlay and Improvements				
Capital Outlay - Core Business	6200	100,000	92,000	85,000
Capital Outlay-Future Water Supply & Storage	6210	40,000	350,000	0
Capital Outlay - Water Supply Protection & Efficiency	6211	250,000	250,000	250,000
Capital Outlay - Water Supply Storage & Power	6212	300,000	70,000	70,000
Total Capital Outlay and Improvements		690,000	762,000	385,000
Total Revenues Over (Under) Expenditures		(1,153,391)	(1,624,754)	1,306,597

Southeastern Colorado Water Conservancy District
2019 Business Plan
Enterprise Administration (Water Fund)
Statement of Revenues and Expenditures
(In Whole Numbers)

		2019 Adopted Budget	2020 Estimated Budget	2021 Estimated Budget
Grant Revenue				
State				
Grant Revenue - Contingency	4170	250,000	250,000	250,000
Total State		250,000	250,000	250,000
Total Grant Revenue		250,000	250,000	250,000
Grant Expenditures				
Expenditures				
Contingency - Grants	7260	250,000	250,000	250,000
Total Expenditures		250,000	250,000	250,000
Total Grant Expenditures		250,000	250,000	250,000
Total Grant Revenues Over (Under) Expenditures		0	0	0
Operating Revenue				
Water Sales and Surcharges				
Return Flow Water Sales	4010	44,820	44,820	44,820
Well Augmentation Surcharge	4030	12,917	12,917	12,917
Surcharge Revenue	4050	578,649	579,524	584,910
Aurora IGA - If & When WAE fee	4100	100,000	100,000	100,000
Project Water Sales	4320	294,408	294,408	294,408
Total Water Sales and Surcharges		1,030,792	1,031,667	1,037,053
Investment Revenue				
Interest Income	4040	58,338	57,344	58,371
Interest on Bonds	4042	138,444	141,192	143,445
Total Investment Revenue		194,780	198,536	201,816
Partnership Contributions				
Regional Resource Planning Payments	4205	110,000	110,000	110,000
Total Partnership Contributions		110,000	110,000	110,000
Other Operating Revenue				
Aurora IGA - Administration Fee	4090	50,000	50,000	50,000
Total Other Operating Revenue		50,000	50,000	50,000
Total Operating Revenue		1,385,572	1,390,203	1,398,869
Operating Expenditures				
Headquarter Operations				
Contingency - Operating	7250	50,000	50,000	50,000
Total Headquarter Operations		50,000	50,000	50,000
Outside and Professional Services				
Consultant/Lobbying Services - Federal	6330	40,851	40,851	40,851
Colorado River Services	6350	60,300	61,380	62,478
Legal Representation	6440	7,500	7,634	7,771
Water Policy Management Consultants	6455	25,903	26,367	26,839
Engineering Outside Contracts	6470	10,000	10,000	10,000
Transit Loss Study Expenses	6826	2,880	23,000	23,000
Research Project Support	6830	27,904	28,368	28,368
Total Outside and Professional Services		175,138	197,400	199,107
Personnel and Overhead				
Office Overhead	6762	473,487	484,147	490,816
Project Directors Allocation	6821	24,120	24,120	24,120
Project Personnel	6822	653,259	705,506	757,138
Total Personnel and Overhead		1,150,866	1,213,773	1,272,074
Partnerships				
Safety of Dams - Pueblo	6170	60,000	60,000	60,000
U.S.G.S. Co-op Programs	7060	39,003	40,173	41,378
RRPG Project Costs	7065	135,000	135,000	135,000

Southeastern Colorado Water Conservancy District
2019 Business Plan
Enterprise Administration (Water Fund)

Statement of Revenues and Expenditures
(In Whole Numbers)

		2019 Adopted Budget	2020 Estimated Budget	2021 Estimated Budget
Total Partnerships		<u>234,003</u>	<u>235,173</u>	<u>236,378</u>
Other Payments				
AVC Project Contributions	5048	20,000	20,000	20,000
Reimbursement to Other Project/Fund	5047	<u>1,822</u>	<u>1,855</u>	<u>1,888</u>
Total Other Payments		<u>21,822</u>	<u>21,855</u>	<u>21,888</u>
Total Operating Expenditures		<u>1,631,829</u>	<u>1,718,201</u>	<u>1,779,447</u>
Total Operations Revenues Over (Under) Expenditures		<u>(246,257)</u>	<u>(327,998)</u>	<u>(380,578)</u>
Capital Outlay and Improvements				
Capital Outlay-Future Water Supply & Storage	6210	<u>32,500</u>	<u>175,000</u>	<u>50,000</u>
Total Capital Outlay and Improvements		<u>32,500</u>	<u>175,000</u>	<u>50,000</u>
Total Revenues Over (Under) Expenditures		<u>(278,757)</u>	<u>(502,998)</u>	<u>(430,578)</u>

Southeastern Colorado Water Conservancy District
2019 Business Plan
Enlargement Project
Statement of Revenues and Expenditures
(In Whole Numbers)

		<u>2019 Adopted Budget</u>	<u>2020 Estimated Budget</u>	<u>2021 Estimated Budget</u>
Operating Revenue				
Participant Payments				
Payments - Participants	4130	81,153	83,837	86,628
Total Participant Payments		<u>81,153</u>	<u>83,837</u>	<u>86,628</u>
Interfund Reimbursements				
Matching Project Contribution	4140	1,822	1,855	1,855
Total Interfund Reimbursements		<u>1,822</u>	<u>1,855</u>	<u>1,855</u>
Total Operating Revenue		<u>82,975</u>	<u>85,692</u>	<u>88,483</u>
Operating Expenditures				
Meetings and Travel				
Executive - Airfare	6480	622	633	644
Executive - Hotels	6500	208	212	216
Executive - Meals	6510	104	106	108
Meeting Expense	6725	104	106	108
Meeting Meals - Non Staff Member	6727	104	106	108
Total Meetings and Travel		<u>1,142</u>	<u>1,163</u>	<u>1,184</u>
Personnel and Overhead				
Office Overhead	6762	2,385	2,477	2,692
Project Personnel	6822	4,422	4,775	5,012
Total Personnel and Overhead		<u>6,807</u>	<u>7,252</u>	<u>7,704</u>
Partnerships				
U.S.G.S. Co-op Programs	7060	75,026	77,277	79,595
Total Partnerships		<u>75,026</u>	<u>77,277</u>	<u>79,595</u>
Total Operating Expenditures		<u>82,975</u>	<u>85,692</u>	<u>88,483</u>
Total Operations Revenues Over (Under) Expenditures		<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues Over (Under) Expenditures		<u>0</u>	<u>0</u>	<u>0</u>

Southeastern Colorado Water Conservancy District
2019 Business Plan
Excess Capacity Master Contract

Statement of Revenues and Expenditures
(In Whole Numbers)

		2019 Adopted Budget	2020 Estimated Budget	2021 Estimated Budget
Operating Revenue				
Participant Payments				
Payments - Participants	4130	96,618	99,797	103,029
Total Participant Payments		96,618	99,797	103,029
Total Operating Revenue		96,618	99,797	103,029
Operating Expenditures				
Meetings and Travel				
Directors Mileage Reimbursement	6430	208	212	216
Executive - Hotels	6500	310	316	321
Executive - Meals	6510	310	316	321
Executive - Other Travel Expense	6530	310	316	321
Meeting Expense	6725	518	527	537
Meeting Meals - Non Staff Member	6727	518	527	537
Staff Business and Training- Hotels	6880	518	527	537
Staff Business and Training- Meals	6890	414	421	429
Total Meetings and Travel		3,106	3,162	3,219
Outside and Professional Services				
Legal Representation	6440	5,089	5,180	5,273
Water Policy Management Consultants	6455	7,500	7,634	7,771
Total Outside and Professional Services		12,589	12,814	13,044
Personnel and Overhead				
Office Overhead	6762	4,392	4,561	4,957
Project Personnel	6822	8,125	8,802	9,237
Total Personnel and Overhead		12,517	13,363	14,194
Partnerships				
U.S.G.S. Co-op Programs	7060	68,406	70,458	72,572
Total Partnerships		68,406	70,458	72,572
Total Operating Expenditures		96,618	99,797	103,029
Total Operations Revenues Over (Under) Expenditures		0	0	0
Total Revenues Over (Under) Expenditures		0	0	0

Southeastern Colorado Water Conservancy District

2019 Business Plan

Arkansas Valley Conduit Project

Statement of Revenues and Expenditures

(In Whole Numbers)

		2019 Adopted Budget	2020 Estimated Budget	2021 Estimated Budget
Total Grant Revenues Over (Under) Expenditures		0	0	0
Operating Revenue				
Participant Payments				
Payments - Participants	4130	164,705	170,597	175,479
Total Participant Payments		164,705	170,597	175,479
Federal Appropriations & USBR				
Federal IPA USBR Contract	4163	186,728	206,120	222,399
Total Federal Appropriations & USBR		186,728	206,120	222,399
Total Operating Revenue		351,433	376,717	397,878
Operating Expenditures				
Headquarter Operations				
Board/Committee Meals	6120	104	106	108
Total Headquarter Operations		104	106	108
Meetings and Travel				
Directors Airfare	6390	7,460	7,602	7,738
Directors Hotels	6400	9,889	10,077	10,257
Directors Meals	6410	2,487	2,534	2,580
Directors Mileage Reimbursement	6430	1,243	1,267	1,289
Executive - Airfare	6480	3,730	3,801	3,869
Executive - Hotels	6500	4,973	5,067	5,158
Executive - Meals	6510	1,243	1,267	1,289
Executive - Other Travel Expense	6530	1,243	1,267	1,289
Meeting Expense	6725	518	528	537
Meeting Meals - Non Staff Member	6727	518	528	537
Staff Business and Training- District Vehicle Gas	6870	5,898	5,806	5,910
Staff Business and Training- Hotels	6880	1,658	1,690	1,720
Staff Business and Training- Meals	6890	414	422	429
Staff Business and Training- Other Travel	6910	208	212	216
Total Meetings and Travel		41,282	42,068	42,818
Outside and Professional Services				
Consultant/Lobbying Services - Federal	6330	36,623	36,623	36,623
Water Policy Management Consultants	6455	25,000	25,000	25,000
Engineering Outside Contracts	6470	25,904	26,368	26,840
Total Outside and Professional Services		87,527	87,991	88,463
Personnel and Overhead				
Office Overhead	6762	10,171	10,401	10,585
Project Personnel	6822	203,510	227,046	246,526
Total Personnel and Overhead		213,681	237,447	257,111
Partnerships				
U.S.G.S. Co-op Programs	7060	8,839	9,105	9,378
Total Partnerships		8,839	9,105	9,378
Total Operating Expenditures		351,433	376,717	397,878
Total Operations Revenues Over (Under) Expenditures		0	0	0
Total Revenues Over (Under) Expenditures		0	0	0

Southeastern Colorado Water Conservancy District

2019 Business Plan

Hydroelectric Power Project

Statement of Revenues and Expenditures

(In Whole Numbers)

		2019 Adopted Budget	2020 Estimated Budget	2021 Estimated Budget
Operating Revenue				
Hydroelectric Generation Revenue				
Hydroelectric Power Loan	4200	1,805,824	172,200	0
Hydroelectric Generation Revenue-CS-U	4201	445,313	593,750	607,941
Hydroelectric Generation Revenue-Fountain	4202	484,063	618,750	629,269
Energy Distribution Revenue	4203	52,500	70,000	70,000
Total Hydroelectric Generation Revenue		2,567,700	1,454,700	1,307,210
Total Operating Revenue		2,567,700	1,454,700	1,307,210
Operating Expenditures				
Headquarter Operations				
Contingency - Operating	7250	50,000	50,000	50,000
Total Headquarter Operations		50,000	50,000	50,000
Meetings and Travel				
Directors Airfare	6390	600	600	600
Executive - Airfare	6480	600	600	600
Executive - Hotels	6500	1,000	1,000	1,000
Executive - Meals	6510	500	500	500
Meeting Expense	6725	400	400	400
Meeting Meals - Non Staff Member	6727	200	200	200
Staff Business and Training- Airfare	6860	800	800	800
Staff Business and Training- District Vehicle Gas	6870	250	250	250
Staff Business and Training- Hotels	6880	600	600	600
Staff Business and Training- Meals	6890	100	100	100
Staff Business and Training- Other Travel	6910	300	300	300
Total Meetings and Travel		5,350	5,350	5,350
Outside and Professional Services				
Legal Representation	6440	10,000	5,000	5,000
Water Policy Management Consultants	6455	10,000	5,000	5,000
Engineering Outside Contracts	6470	60,000	30,000	30,000
Total Outside and Professional Services		80,000	40,000	40,000
Water Conservation and Education				
Tours & Anniversary Events	6540	5,000	0	0
Total Water Conservation and Education		5,000	0	0
Personnel and Overhead				
Office Overhead	6762	18,138	18,467	20,178
Project Personnel	6822	33,039	34,981	34,158
Total Personnel and Overhead		51,177	53,448	54,336
Debt Service				
Hydroelectric CWCB Loan Payment	7300	0	0	776,560
Hydroelectric Interest During Construction	7301	347,844	347,844	0
Total Debt Service		347,844	347,844	776,560
Annual Project Expense				
Energy Transmission (BH)	7302	105,000	140,000	142,800
Energy Distribution (BH)	7303	14,250	25,000	25,500
Operations & Maintenance Operator	7310	15,000	24,600	25,215
Operations & Maint Lubrication & Routine	7311	30,000	30,750	31,519
Operation & Maintenance (USBR & OM&R)	7312	3,500	3,640	3,788
Operations & Maintenance (Insurance)	7314	48,000	47,840	49,754
Lease of Power Privilege	7315	57,000	75,000	78,000
Scheduling & Firming	7325	40,000	41,000	42,025
Total Annual Project Expense		310,750	387,830	398,599
Total Operating Expenditures		850,121	884,472	1,324,845
Total Operations Revenues Over (Under) Expenditures		1,717,579	570,228	(17,635)

2019 Water Rates and Surcharges

Description	Rates and Surcharges					
	Water Rate	Safety of Dams	Water Activity	Environmental Stewardship	Augmentation	Total Charge
Project Water Sales						
Agricultural	\$ 7.00	\$ 0.50	\$ 0.75	\$ 0.75	\$ -	\$ 9.00
Municipal	\$ 7.00	\$ 0.50	\$ 1.50	\$ 0.75	\$ -	\$ 9.75
Project Water Sales used for Well Augmentation						
Agriculture used for Well Augmentation	\$ 7.00	\$ 0.50	\$ 0.75	\$ 0.75	\$ 2.60	\$ 11.60
Municipal used for Well Augmentation	\$ 7.00	\$ 0.50	\$ 1.50	\$ 0.75	\$ 2.60	\$ 12.35
Storage Charges						
Winter Water Storage	\$ 2.80	\$ 0.25	\$ -	\$ 0.75	\$ -	\$ 3.80
Carry-Over Project Water	\$ -	\$ 1.00	\$ 1.25	\$ 0.75	\$ -	\$ 3.00
If & When Storage						
In District	\$ -	\$ 0.50	\$ 0.50	\$ 0.75	\$ -	\$ 1.75
Out of District	\$ -	\$ 2.00	\$ 4.00	\$ 0.75	\$ -	\$ 6.75
Aurora	\$ -	\$ 2.00	\$ 8.00	\$ -	\$ -	\$ 10.00
Project Water Return Flows						
Return Flows	\$ 6.00	\$ 0.50	\$ -	\$ 0.75	\$ -	\$ 7.25

Type of Water Sales and Safety of Dams Surcharge Rate

Project Water Ag & M&I	\$0.50
Well Augmentation Ag & M&I	\$0.50
Carry Over Project Water	\$1.00
If & When in District	\$0.50
If & When out of District	\$2.00
Return Flows	\$0.50
Winter Water Storage	\$0.25



County Assessed Valuations and Certification of Tax

Bent County Certification of Valuation and Certification of Tax Levies



12 County Tax Entity Code DOLA LGID/SID 64128 /1

CERTIFICATION OF VALUATION BY BENT COUNTY ASSESSOR

New Tax Entity YES NO Date November 29, 2018

NAME OF TAX ENTITY: SE COLORADO WATER CONSERVANCY DISTRICT

USE FOR STATE/TERRITORY PROPERTY TAX REVENUE LIMIT CALCULATION (29-5-111f) ONLY
IN ACCORDANCE WITH 29-5-121(2)(a) AND 29-5-128(1), C.R.S., AND NO LATER THAN DECEMBER 10th, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2018:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$ 58,555,880
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2. \$ 59,333,100
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$ 0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 59,333,100
5. NEW CONSTRUCTION: *	5. \$ 73,430
6. INCREASED PRODUCTION OF PRODUCING MINE: ¶	6. \$ 0
7. ANNEXATIONS/INCLUSIONS:	7. \$ 0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ¶	8. \$ 0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ¶	9. \$ 0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10. \$.13
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(D)(B), C.R.S.):	11. \$ 17.33

‡ This value reflects personal property exemptions if enacted by the jurisdiction as authorized by Art. X, Sec. 20(9)(b), Colo. Constitution.
* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
¶ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; see Form DLG 52 & 52A.
§ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; see Form DLG 52B.

USE FOR LABOR "LOCAL GROWTH" CALCULATION ONLY
IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 29-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2018:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1. \$ 226,008,750
ADDITIONS TO TAXABLE REAL PROPERTY	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2. \$ 811,012
3. ANNEXATIONS/INCLUSIONS:	3. \$ 0
4. INCREASED MINING PRODUCTION: §	4. \$ 0
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$ 0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$ 0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7. \$ 483

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$ 136,589
9. DISCONNECTIONS/EXCLUSIONS:	9. \$ 0
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$ 0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
* Construction is defined as newly constructed taxable real property structures.
§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 29-5-121(2)(b), C.R.S., AND NO LATER THAN DECEMBER 10th, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY 1. \$

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.
Form DLG 57 (Rev. 8/08)

County Tax Entity Code DOLA LGID/SID

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Bent County, Colorado.
On behalf of the Southeastern Colorado Water Conservancy District (taxing entity)^A
the Board of Directors (governing body)^B
of the Southeastern Colorado Water Conservancy District (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 59,333,100 (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D
Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E the tax levies must be 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: \$ 59,333,100 (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/12/2018 for budget/fiscal year 2019
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^A	.900 mills	\$ 53,399.79
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.900 mills	\$ 53,399.79
3. General Obligation Bonds and Interest ¹	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	.009 mills	\$ 534.00
7. Other ^N (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Items 3 to 7)	.909 mills	\$ 53,933.79

Contact person: Leann Noga Daytime phone: (719) 948-2400
Signed: [Signature] Title: Finance Manager / Budget Officer

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 321, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

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).

County Tax Entity Code DOLA LGID/SID

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Bent County, Colorado.
On behalf of the Southeastern Colorado Water Conservancy District (taxing entity)^A
the Board of Directors (governing body)^B
of the Southeastern Colorado Water Conservancy District (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 59,333,100 (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D
Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E the tax levies must be 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: \$ 59,333,100 (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/12/18 for budget/fiscal year 2019
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^A	.035 mills	\$ 2,076.66
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 2,076.66
3. General Obligation Bonds and Interest ¹	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	mills	\$
7. Other ^N (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Items 3 to 7)	.035 mills	\$ 2,076.66

Contact person: Leann Noga Daytime phone: (719) 948-2400
Signed: [Signature] Title: Finance Manager / Budget Officer

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 321, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

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).



County Valuations and Certification of Tax Levies

CERTIFICATION OF VALUATION BY CHAFFEE COUNTY ASSESSOR

Name of Jurisdiction: 04 - S.E. Colo. Water District
 IN CHAFFEE COUNTY ON 12/4/2018 New Entry: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1) C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2018 IN CHAFFEE COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$334,098,910
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	\$338,096,460
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$338,096,460
5. NEW CONSTRUCTION:	\$7,072,481
6. INCREASED PRODUCTION OF PRODUCING MINES:	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY:	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD # OR LAND (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) AND (39-10-114(1)(a)(i)(B) C.R.S.):	\$699.07

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b) Colo.
 # New construction is defined as: Taxable real property structures and the personal property connected with the structure.
 Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.
 ## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

Chaffee County Certification of Valuation and Certification of Tax Levies



USE FOR TABOR LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST. AND 39-5-121(2)(a) C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2018 IN CHAFFEE COUNTY, COLORADO ON AUGUST 25, 2018

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$2,959,091,082
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: †	\$76,526,313
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$1,002,372
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: ‡	\$0
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$455,803
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$459,954

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.
 † Construction is defined as newly constructed taxable real property structures.
 ‡ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1) C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: \$0

NOTE: All levies must be certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2018.

Date Date: 12/4/2018

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Chaffee County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District

the Board of Directors

of the Southeastern Colorado Water Conservancy District

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 338,096,460 assessed valuation of: (GROSS² assessed valuation, Line 2 of the Certification of Valuation Form DLG 57²)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be 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: (NET⁴ assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15

Submitted: 12/12/18 for budget/fiscal year 2019 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ⁵	.900 mills	\$ 304,288.81
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	< >
SUBTOTAL FOR GENERAL OPERATING:	.900 mills	\$ 304,288.81
3. General Obligation Bonds and Interest ⁷	mills	\$
4. Contractual Obligations ⁸	mills	\$
5. Capital Expenditures ⁹	mills	\$
6. Refunds/Abatements ¹⁰	.009 mills	\$ 3,042.87
7. Other ¹¹ (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.909 mills	\$ 307,329.68

Contact person: Leann Noga Daytime phone: (719) 948-2400
 Signed: [Signature] Title: Finance Manager / Budget Officer

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 80202. Questions? Call DLG at (303) 864-7720.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Chaffee County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District

the Board of Directors

of the Southeastern Colorado Water Conservancy District

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 338,096,460 assessed valuation of: (GROSS² assessed valuation, Line 2 of the Certification of Valuation Form DLG 57²)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be 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: (NET⁴ assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15

Submitted: 12/12/18 for budget/fiscal year 2019 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ⁵	.035 mills	\$ 11,833.38
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	< >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 11,833.38
3. General Obligation Bonds and Interest ⁷	mills	\$
4. Contractual Obligations ⁸	mills	\$
5. Capital Expenditures ⁹	mills	\$
6. Refunds/Abatements ¹⁰	mills	\$
7. Other ¹¹ (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.035 mills	\$ 11,833.38

Contact person: Leann Noga Daytime phone: (719) 948-2400
 Signed: [Signature] Title: Finance Manager / Budget Officer

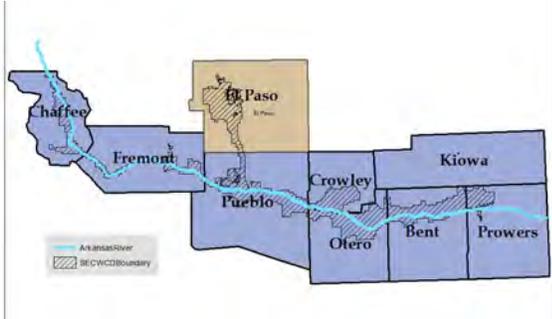
Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80202. Questions? Call DLG at (303) 864-7720.

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 DLG 57 on the County Assessor's FINAL certification of valuation).



County Assessed Valuations and Certification of Tax

Crowley County Certification of Valuation and Certification of Tax Levies



County Tax Entity Code _____ DOLA LGDISID / _____
**CERTIFICATION OF VALUATION BY
 CROWLEY COUNTY ASSESSOR**

New Tax Entity YES NO Date December 1, 2018
 NAME OF TAX ENTITY: **Southeastern Water Conservancy District**

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY
 IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR
 CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR **2018** :

1	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1	\$	36,436,079
2	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2	\$	34,512,829
3	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3	\$	-
4	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4	\$	34,512,829
5	NEW CONSTRUCTION: *	5	\$	151,541
6	INCREASED PRODUCTION OF PRODUCING MINE:	6	\$	-
7	ANNEXATIONS/INCLUSIONS:	7	\$	-
8	PREVIOUSLY EXEMPT FEDERAL PROPERTY:	8	\$	-
9	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.):	9	\$	-
10	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10	\$	-
11	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(B), C.R.S.):	11	\$	834.17

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution
 * New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
 † Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit.
 ‡ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; see Form DLG 53B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

1	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1	\$	175,191,197
ADDITIONS TO TAXABLE REAL PROPERTY				
2	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2	\$	898,537
3	ANNEXATIONS/INCLUSIONS:	3	\$	-
4	INCREASED MINING PRODUCTION: ‡	4	\$	-
5	PREVIOUSLY EXEMPT PROPERTY:	5	\$	-
6	OIL OR GAS PRODUCTION FROM A NEW WELL:	6	\$	-
7	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7	\$	-
DELETIONS FROM TAXABLE REAL PROPERTY				
8	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8	\$	4,395
9	DISCONNECTIONS/EXCLUSIONS:	9	\$	-
10	PREVIOUSLY TAXABLE PROPERTY:	10	\$	-

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 * Construction is defined as newly constructed taxable real property structures.
 ‡ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
1 TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY 1 \$ -

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.
 Form DLG 57 (Rev. 8/08)

County Tax Entity Code _____ DOLA LGDISID _____

CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL Governments

TO: County Commissioners¹ of **Crowley County**, Colorado.
 On behalf of the **Southeastern Colorado Water Conservancy District**
 (taxing entity)^A
 the **Board of Directors**
 (governing body)^B
 of the **Southeastern Colorado Water Conservancy District**
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ **34,512,829** assessed valuation, (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57²)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be 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 \$ **34,512,829** (NET^A assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: **12/12/18** for budget/fiscal year **2019**
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ⁴	.900 mills	\$ 31,061.55
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.900 mills	\$ 31,061.55
3. General Obligation Bonds and Interest ¹	mills	\$
4. Contractual Obligations ⁵	mills	\$
5. Capital Expenditures ⁶	mills	\$
6. Refunds/Abatements ⁶	.009 mills	\$ 310.62
7. Other ⁶ (specify):	mills	\$
TOTAL: ¹ Sum of General Operating Subtotal and Line 3 in 7	.909 mills	\$ 31,372.16

Contact person: **Leann Noga** Daytime phone: **(719) 948-2400**
 Signed: *[Signature]* Title: **Finance Manager/ Budget Officer**

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 80202. Questions? Call DLG at (303) 864-7770.

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).

County Tax Entity Code _____ DOLA LGDISID _____

CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL Governments

TO: County Commissioners¹ of **Crowley County**, Colorado.
 On behalf of the **Southeastern Colorado Water Conservancy District**
 (taxing entity)^A
 the **Board of Directors**
 (governing body)^B
 of the **Southeastern Colorado Water Conservancy District**
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ **34,512,829** assessed valuation, (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57²)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be 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 \$ **34,512,829** (NET^A assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: **12/12/18** for budget/fiscal year **2019**
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ⁴	.035 mills	\$ 1,207.95
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 1,207.95
3. General Obligation Bonds and Interest ¹	mills	\$
4. Contractual Obligations ⁵	mills	\$
5. Capital Expenditures ⁶	mills	\$
6. Refunds/Abatements ⁶	mills	\$
7. Other ⁶ (specify):	mills	\$
TOTAL: ¹ Sum of General Operating Subtotal and Line 3 in 7	.035 mills	\$ 1,207.95

Contact person: **Leann Noga** Daytime phone: **(719) 948-2400**
 Signed: *[Signature]* Title: **Finance Manager/ Budget Officer**

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 80202. Questions? Call DLG at (303) 864-7770.

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).



County Assessed Valuations and Certification of Tax

CERTIFICATION OF VALUATION BY COUNTY ASSESSOR

80

NAME OF JURISDICTION: SOUTHEASTERN COLO WATER CONSERVANCY NEW ENTITY: () YES (X) NO
IN EL PASO COUNTY, COLORADO ON November 21, 2018

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY
In accordance with 39-5-121(2)(a) and 39-5-128(1), C.R.S., and no later than August 25, the Assessor certifies the total valuation for assessment for the taxable year 2018:

Previous year's net total taxable assessed valuation:	\$ 5,894,363.650
Current year's gross total taxable assessed valuation: ⁵	\$ 6,077,467.500
Less TIF district increment, if any:	\$ 85,707.680
Current year's net total taxable assessed valuation:	\$ 5,991,759.820
New construction: ¹	\$ 148,807.080
Increased production of producing mine: ¹	\$ 0
Annexations/Inclusions:	\$ 0
Previously exempt federal property: ⁴	\$ 0
New primary oil or gas production from any producing oil and gas leasehold or land (29-1-301(1)(b), C.R.S.): ⁵	\$ 0
Taxes collected last year on omitted property as of August 1 (29-1-301(1)(a), C.R.S.):	\$ 2,037.06
Taxes abated and refunded as of August 1 (29-1-301(1)(a) and 39-10-114(1)(a)(D)(B), C.R.S.):	\$ 76,251.36

5 This value reflects personal property exemptions if enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution.
1 New construction is defined as: Taxable real property structures and the personal property connected with the structure.
4 Jurisdiction must submit a certification to the Division of Local Government in order for a value to be accrued. (DLG 52 & 52A)
2 Jurisdiction must submit an application to the Division of Local Government in order for a value to be accrued. (DLG 52B)

USE FOR "TABOR LOCAL GROWTH" CALCULATION ONLY
In accordance with the provision of Article X, Section 20, Colorado Constitution, and 39-5-121(2)(b), C.R.S., the Assessor certifies the total actual valuation for the taxable year 2018:

Current year's total actual value of all real property: ⁹	\$ 54,092,995,182
ADDITIONS TO TAXABLE REAL PROPERTY	
Construction of taxable real property improvements: ⁷	\$ 1,577,500,353
Increased mining production: ¹⁰	\$ 0
Annexations/Inclusions:	\$ 0
Previously exempt property:	\$ 17,723,730
Oil or gas production from a new well:	\$ 0
Taxable real property omitted from the previous year's tax warrant: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	\$ 1,451,164
DELETIONS FROM TAXABLE REAL PROPERTY	
Destruction of taxable real property improvements:	\$ 7,499,033
Disconnection/Exclusion:	\$ 0
Previously taxable property:	\$ 43,604,227

9 This includes the actual value of all taxable real property plus the actual value of religious, private schools and charitable real property.
7 Construction is defined as newly constructed taxable real property structures.
10 Includes production from a new mine and increase in production of an existing producing mine.

In accordance with 39-5-128(1), C.R.S. and no later than August 25, the Assessor certifies to the school districts:
1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ N/A

NOTE: All levies must be certified to the County Commissioners no later than December 15, 2018.

DLG-57

El Paso County Certification of Valuation and Certification of Tax Levies



CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

County Tax Entity Code _____ DOLA LGID/SID _____
TO: County Commissioners¹ of El Paso County, Colorado.
On behalf of the Southeastern Colorado Water Conservancy District
(taxing entity)^A
the Board of Directors
(governing body)^B
of the Southeastern Colorado Water Conservancy District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 6,077,467.600 assessed valuation of: (GROSS¹ assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area² the tax levies must be 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: (NET² assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
\$ 5,991,759.820 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 18

Submitted: 12/12/18 for budget/fiscal year 2019
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ³	.035 mills	\$ 209,711.59
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁴	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 209,711.59
3. General Obligation Bonds and Interest ⁵	_____ mills	\$ _____
4. Contractual Obligations ⁶	_____ mills	\$ _____
5. Capital Expenditures ⁷	_____ mills	\$ _____
6. Refunds/Abatements ⁸	_____ mills	\$ _____
7. Other ⁹ (specify): _____	_____ mills	\$ _____
TOTAL: <small>(Sum of General Operating Subtotal and Lines 3 to 7)</small>	.035 mills	\$ 209,711.59

Contact person: (print) Leann Noga Daytime phone: (719) 948-2400
Signed: [Signature] Title: Finance Manager / Budget Officer

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 511, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7770.

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 for NON-SCHOOL Governments

County Tax Entity Code _____ DOLA LGID/SID _____
TO: County Commissioners¹ of El Paso County, Colorado.
On behalf of the Southeastern Colorado Water Conservancy District
(taxing entity)^A
the Board of Directors
(governing body)^B
of the Southeastern Colorado Water Conservancy District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 6,077,467.600 assessed valuation of: (GROSS¹ assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area² the tax levies must be 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: (NET² assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
\$ 5,991,759.820 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 18

Submitted: 12/12/18 for budget/fiscal year 2019
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ³	.900 mills	\$ 5,392,583.84
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁴	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.900 mills	\$ 5,392,583.84
3. General Obligation Bonds and Interest ⁵	_____ mills	\$ _____
4. Contractual Obligations ⁶	_____ mills	\$ _____
5. Capital Expenditures ⁷	_____ mills	\$ _____
6. Refunds/Abatements ⁸	.009 mills	\$ 53,925.84
7. Other ⁹ (specify): _____	_____ mills	\$ _____
TOTAL: <small>(Sum of General Operating Subtotal and Lines 3 to 7)</small>	.909 mills	\$ 5,446,509.68

Contact person: (print) Leann Noga Daytime phone: (719) 948-2400
Signed: [Signature] Title: Finance Manager / Budget Officer

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 511, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7770.

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.

County Assessed Valuations and Certification of Tax

Fremont County Certification of Valuation and Certification of Tax Levies



CERTIFICATION OF VALUES	
Name of Jurisdiction	New District:
S.E. COLO WATER CONS	
USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (4.5% LIMIT) ONLY	
In accordance with 39-6-121(c)(a) and 39-6-428(f), C.R.S. The total Assessed Valuations for taxable year 2018 in Fremont County	On 12/03/2018 Are:
Previous Year's Net Total Assessed Valuation:	\$315,454,261
Current Year's Gross Total Assessed Valuation:	\$318,420,837
(-) Less TIF district increment, if any:	\$0
Current Year's Net Total Assessed Valuation:	\$318,420,837
New Construction**:	\$2,315,078
Increased Production of Producing Mines**:	\$0
ANNEXATIONS/INCLUSIONS:	\$0
Previously Exempt Federal Property**:	\$0
New Primary Oil or Gas production from any Oil and Gas leasehold or land (20-1-301)(1)(b) C.R.S.)***:	\$0
Taxes Received last year on exempted property as of August 1 (20-1-301)(1)(a) C.R.S.) Includes e) revenue collected on valuation not previously certified:	\$0.00
Taxes Abated or Refunded as of August 1 (20-1-301)(1)(a) C.R.S.) and (20-10-114)(1)(a)(1)(b) C.R.S.):	\$475.01

USE FOR TABOR LOCAL GROWTH CALCULATIONS ONLY	
Name of Jurisdiction	New District:
S.E. COLO WATER CONS	
USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (4.5% LIMIT) ONLY	
In accordance with the Art. X, Sec. 20, Colorado Constitution and 39-6-121(c)(a), C.R.S. The Actual Valuations for the taxable year 2018 in Fremont County	On 12/03/2018 Are:
Current Year's Total Actual Value of All Real Property**:	\$2,483,399,445
ADDITIONS TO TAXABLE REAL PROPERTY: Construction of taxable real property improvements**:	\$25,373,245
ANNEXATIONS/INCLUSIONS:	\$0
Increased Mining Production***:	\$0
Previously exempt property:	\$158,520
Oil or Gas production from a new well:	\$0
Taxable real property unutilized from the previous year's tax warrant. (Only the most current year value can be reported):	\$0
DELETIONS FROM TAXABLE REAL PROPERTY: Destruction of taxable property improvements:	(\$159,837)
Discontiguities/Exclusions:	\$0
Previously Taxable Property:	\$0

County Tax Entity Code _____ DOLA LGID/SID _____

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of _____ Fremont County _____, Colorado.

On behalf of the _____ Southeastern Colorado Water Conservancy District _____

the _____ (taxing entity)^A _____

the _____ Board of Directors _____ (governing body)^B

of the _____ Southeastern Colorado Water Conservancy District _____ (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 318,420,837 assessed valuation of: (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E the tax levies must be 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^D assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10 \$ 318,420,837

Submitted: 12/12/18 for budget/fiscal year 2019 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ³
1. General Operating Expenses ^B	.035 mills	\$ 11,144.73
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 11,144.73
3. General Obligation Bonds and Interest ¹	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.035 mills	\$ 11,144.73

Contact person: (print) Leann Noga Daytime phone: (719) 948-2400

Signed: _____ Title: Finance Manager/ Budget Officer

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) 864-7720.

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).

County Tax Entity Code _____ DOLA LGID/SID _____

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of _____ Fremont County _____, Colorado.

On behalf of the _____ Southeastern Colorado Water Conservancy District _____

the _____ (taxing entity)^A _____

the _____ Board of Directors _____ (governing body)^B

of the _____ Southeastern Colorado Water Conservancy District _____ (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 318,420,837 assessed valuation of: (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E the tax levies must be 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^D assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10 \$ 318,420,837

Submitted: 12/12/18 for budget/fiscal year 2019 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ³
1. General Operating Expenses ^B	.900 mills	\$ 286,578.75
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.900 mills	\$ 286,578.75
3. General Obligation Bonds and Interest ¹	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	.009 mills	\$ 2,865.79
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.909 mills	\$ 289,444.54

Contact person: (print) Leann Noga Daytime phone: (719) 948-2400

Signed: _____ Title: Finance Manager/ Budget Officer

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) 864-7720.

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).



County Assessed Valuations and Certification of Tax

090 County Tax Entity Code **CERTIFICATION OF VALUATION BY** DOLA LGID/SID 04125
KIOWA COUNTY ASSESSOR
 New Tax Entity YES NO Date: November 28, 2018

NAME OF TAX ENTITY: SOUTHEAST COLORADO WATER CONSERVANCY DISTRICT (FINAL CERTIFICATION)

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ONLY (DLS 527) (D/C/AV)

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2018:

- | | |
|---|-----------------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 1. \$ 2,765,280 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: † | 2. \$ 2,778,330 |
| 3. LESS TOTAL TIF AREA INCREMENTS, IF ANY: | 3. \$ |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 4. \$ 2,778,330 |
| 5. NEW CONSTRUCTION: * | 5. \$ 77,130 |
| 6. INCREASED PRODUCTION OF PRODUCING MINE: ‡ | 6. \$ |
| 7. ANNEXATIONS/INCLUSIONS: | 7. \$ |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ‡ | 8. \$ |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ‡ | 9. \$ |
| 10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified: | 10. \$ |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(B), C.R.S.): | 11. \$ |

† This value reflects personal property exemptions if enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution.
 * New Construction as defined as: Taxable real property structures and the personal property connected with the structure.
 ‡ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the value to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
 § Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR LABOR-LOCAL GROWTH CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2018:

- | | |
|---|------------------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: † | 1. \$ 20,833,187 |
| ADDITIONS TO TAXABLE REAL PROPERTY | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: * | 2. \$ 265,081 |
| 3. ANNEXATIONS/INCLUSIONS: | 3. \$ |
| 4. INCREASED MINING PRODUCTION: ‡ | 4. \$ |
| 5. PREVIOUSLY EXEMPT PROPERTY: | 5. \$ 4,620 |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | 6. \$ |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property): | 7. \$ |
| DELETIONS FROM TAXABLE REAL PROPERTY | |
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: ‡ | 8. \$ |
| 9. DISCONNECTIONS/EXCLUSIONS: | 9. \$ |
| 10. PREVIOUSLY TAXABLE PROPERTY: | 10. \$ |

† This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 * Construction is defined as newly constructed taxable real property structures.
 ‡ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: 1. \$

County Tax Entity Code **CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments** DOLA LGID/SID

TO: County Commissioners¹ of Kiowa County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District (taxing entity)^A
 the Board of Directors (governing body)^B
 of the Southeastern Colorado Water Conservancy District (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ assessed valuation of: 2,778,330 (GROSS^B assessed valuation, Line 2 of this Certification of Valuation Form DLG 57)^D

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E, the tax levies must be 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: 2,778,330 (NET^D assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/12/18 for budget/fiscal year 2019 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

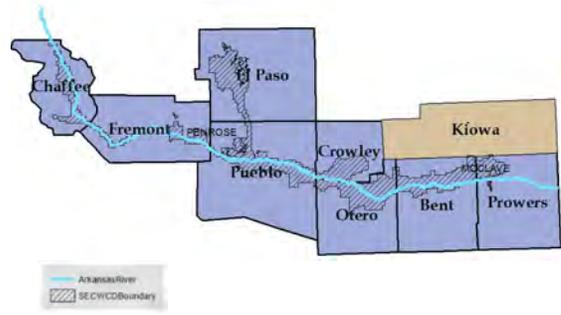
PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.900 mills	\$ 2,600.50
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.900 mills	\$ 2,600.50 X
3. General Obligation Bonds and Interest ^J	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	.009 mills	\$ 25.00
7. Other ^N (specify):	mills	\$
TOTAL: <small>(Sum of General Operating Subtotal and Lines 3 to 7)</small>	.909 mills	\$ 2,625.50

Contact person: Leann Noga Daytime phone: (719) 948-2400
 Signed: [Signature] Title: Finance Manager / Budget Officer

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 80202. Questions? Call DLG at (303) 864-7720.

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 DLG 57) on the County Assessor's FINAL certification of valuation.

Kiowa County Certification of Valuation and Certification of Tax Levies



County Tax Entity Code **CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments** DOLA LGID/SID

TO: County Commissioners¹ of Kiowa County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District (taxing entity)^A
 the Board of Directors (governing body)^B
 of the Southeastern Colorado Water Conservancy District (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ assessed valuation of: 2,778,330 (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E, the tax levies must be 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: 2,778,330 (NET^D assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/12/18 for budget/fiscal year 2019 (no 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	.035 mills	\$ 97.24
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 97.24
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	\$
TOTAL: <small>(Sum of General Operating Subtotal and Lines 3 to 7)</small>	.035 mills	\$ 97.24

Contact person: Leann Noga Daytime phone: (719) 948-2400
 Signed: [Signature] Title: Finance Manager / Budget Officer

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 80202. Questions? Call DLG at (303) 864-7720.

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 DLG 57) on the County Assessor's FINAL certification of valuation.



County Assessed Valuations and Certification of Tax

Otero County Certification of Valuation and Certification of Tax Levies



County Tax Entity Code: _____ DOLA LGD/SID: _____

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of _____ Otero County _____, Colorado.

On behalf of the _____ Southeastern Colorado Water Conservancy District _____
(taxing entity)^A

the _____ Board of Directors _____
(governing body)^B

of the _____ Southeastern Colorado Water Conservancy District _____
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ _____ 137,671,327
assessed valuation of: (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be 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^B assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15

Submitted: _____ 12/12/18 _____ for budget/fiscal year _____ 2019 _____
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^B	.900 mills	\$ 122,119.49
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:		
	.900 mills	\$ 122,119.49
3. General Obligation Bonds and Interest ⁴	_____ mills	\$ _____
4. Contractual Obligations ⁵	_____ mills	\$ _____
5. Capital Expenditures ⁶	_____ mills	\$ _____
6. Refunds/Abatements ^M	.009 mills	\$ 1,221.19
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.909 mills	\$ 123,340.69

Contact person: _____ Leann Noga _____ Daytime phone: (719) 948-2400

Signed: _____ Title: Finance Manager / Budget Officer

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) 864-7720.

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).

County Tax Entity Code: _____ DOLA LGD/SID: _____

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of _____ Otero County _____, Colorado.

On behalf of the _____ Southeastern Colorado Water Conservancy District _____
(taxing entity)^A

the _____ Board of Directors _____
(governing body)^B

of the _____ Southeastern Colorado Water Conservancy District _____
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ _____ 137,671,327
assessed valuation of: (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be 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^B assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15

Submitted: _____ 12/12/18 _____ for budget/fiscal year _____ 2019 _____
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^B	.035 mills	\$ 4,749.09
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:		
	.035 mills	\$ 4,749.09
3. General Obligation Bonds and Interest ⁴	_____ mills	\$ _____
4. Contractual Obligations ⁵	_____ mills	\$ _____
5. Capital Expenditures ⁶	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.035 mills	\$ 4,749.09

Contact person: _____ Leann Noga _____ Daytime phone: (719) 948-2400

Signed: _____ Title: Finance Manager / Budget Officer

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) 864-7720.

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 VALUATION BY OTERO COUNTY ASSESSOR

Name of Jurisdiction: 020 - Southeast Colo Water Cons Dist
IN OTERO COUNTY ON 11/27/2018 New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1) C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2018 IN OTERO COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$133,479,280
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	\$137,671,327
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$1,983,002
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$135,688,325
5. NEW CONSTRUCTION: **	\$1,651,254
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) AND (39-10-114(1)(a)(i)(B) C.R.S.):	\$52.12

* This value reflects personal property exemptions if enacted by the jurisdiction as authorized by Art. X, Sec 20(B)(b) Colo. Constitution.
** New construction is defined as: Taxable real property structures and the personal property connected with the structure.
Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the final calculation.
Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the final calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST. AND 39-5-121(2)(b) C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2018 IN OTERO COUNTY, COLORADO ON AUGUST 25, 2018

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$744,982,891
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: I	\$2,154,801
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEARS TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	\$0
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.
I Construction is defined as newly constructed taxable real property structures.
% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1) C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: _____ \$0

NOTE: All levies must be certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2018

Date Data: 11/27/2018



County Assessed Valuations and Certification of Tax

22 County Tax Entity Code DOLA LGIDSID 541281 /

CERTIFICATION OF VALUATION BY PROWERS COUNTY ASSESSOR

New Tax Entity YES NO Date **Nov. 30, 2018**

NAME OF TAX ENTITY: **SOUTHEAST COLORADO WATER CONSERVANCY DISTRICT**

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION (29-5-92) (LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2018:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$	58,035,478
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2. \$	61,175,934
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$	2,321,220
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$	58,854,714
5. NEW CONSTRUCTION: *	5. \$	1,097,747
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6. \$	
7. ANNEXATIONS/INCLUSIONS:	7. \$	
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8. \$	
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301)(b), C.R.S.): ◊	9. \$	
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301)(a), C.R.S.): †	10. \$	6.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301)(1)(a), C.R.S.) and (39-10-114)(1)(a)(B), C.R.S.): ‡	11. \$	108.00

† This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 29(8)(b), Colo. Constitution
 ‡ New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
 § Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
 ◊ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR LABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2012:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1. \$	339,184,802
ADDITIONS TO TAXABLE REAL PROPERTY		
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2. \$	4,310,300
3. ANNEXATIONS/INCLUSIONS:	3. \$	
4. INCREASED MINING PRODUCTION: §	4. \$	
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$	
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$	
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	7. \$	

DELETIONS FROM TAXABLE REAL PROPERTY		
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$	29,805
9. DISCONNECTIONS/EXCLUSIONS:	9. \$	
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$	

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 * Construction is defined as newly constructed taxable real property structures.
 § Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY 1. \$

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.
 Form DLG 57 (Rev. 8/08)

County Tax Entity Code DOLA LGIDSID

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of **Prowers County**, Colorado.

On behalf of the **Southeastern Colorado Water Conservancy District** (taxing entity)^A
 the **Board of Directors** (governing body)^B
 of the **Southeastern Colorado Water Conservancy District** (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ **61,175,934** assessed valuation of: (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E, the tax levies must be 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^D assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) **58,854,714** USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: **12/12/18** for budget/fiscal year **2019**
 (no 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	.900 mills	\$ 52,969.24
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.900 mills	\$ 52,969.24
3. General Obligation Bonds and Interest ^J	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	.009 mills	\$ 529.69
7. Other ^N (specify):	mills	\$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	.909 mills	\$ 83,498.94

Contact person: (print) **Leann Noga** Daytime phone: (719) **948-2400**
 Signed: *[Signature]* Title: **Finance Manager / Budget Officer**

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) 864-7730.

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).

Prowers County Certification of Valuation and Certification of Tax Levies



County Tax Entity Code DOLA LGIDSID

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of **Prowers County**, Colorado.

On behalf of the **Southeastern Colorado Water Conservancy District** (taxing entity)^A
 the **Board of Directors** (governing body)^B
 of the **Southeastern Colorado Water Conservancy District** (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ **61,175,934** assessed valuation of: (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E, the tax levies must be 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^D assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) **58,854,714** USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: **12/12/18** for budget/fiscal year **2019**
 (no 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	.035 mills	\$ 2,059.91
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 2,059.91
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	\$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	.035 mills	\$ 2,059.91

Contact person: (print) **Leann Noga** Daytime phone: (719) **948-2400**
 Signed: *[Signature]* Title: **Finance Manager / Budget Officer**

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) 864-7730.

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).



County Assessed Valuations and Certification of Tax

Pueblo County Certification of Valuation and Certification of Tax Levies



Ent. Code: 3 **CERTIFICATION OF VALUATION BY COUNTY ASSESSOR** DOLA Code: 64128
 NAME OF TAXING JURISDICTION: S.E. WATER CONSV DIST NEW ENTITY: YES NO
 LOCATED IN Pueblo COUNTY, COLORADO ON 11/29/2018

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2) (a) and 39-5-128(1), C.R.S., AND NO LATER THAN DECEMBER 10, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2018:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$ 1,524,329,050
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2.	\$ 1,588,418,648
3. LESS TIF DISTRICT INCREMENT, IF ANY:	3.	\$ 52,652,903
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$ 1,535,765,745
5. NEW CONSTRUCTION: *	5.	\$ 16,109,218
6. INCREASED PRODUCTION OF PRODUCING MINR: **	6.	\$ 0
7. ANNEXATIONS/INCLUSIONS:	7.	\$ 0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: **	8.	\$ 0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1) (b), C.R.S.)***	9.	\$ 0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF: AUG. 1 (29-1-301(1) (a), C.R.S.)	10.	\$ 450
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1) (a), C.R.S.) and (39-10-114(1) (a) (I) (B), C.R.S.):	11.	\$ 6,109

* This value reflects personal property exemptions if enacted by the jurisdiction as authorized by Art. X, Sec. 20(8) (b), Colo. Constitution.
 ** New Construction is defined as: "Tangible real property structures and the personal property connected with the structure."
 *** Jurisdiction must apply to the Div. of Local Government before the value can be treated as growth in the limit calculation; use Form DLO 52 & 52A.

USE FOR TABOR 'LOCAL GROWTH' CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2) (b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2018:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY:	1.	\$ 9,869,105,179
ADDITIONS TO TAXABLE REAL PROPERTY		
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	\$ 118,751,648
3. INCREASED MINING PRODUCTION:	3.	\$ 0
4. PREVIOUSLY EXEMPT PROPERTY: \$	4.	\$ 0
5. OIL OR GAS PRODUCTION FROM A NEW WELL:	5.	\$ 0
6. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:† if land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property. †	6.	\$ 0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:† if land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property. †	7.	\$ 2,107,431
DELETIONS FROM TAXABLE REAL PROPERTY		
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$ 929,836
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$ 0
10. PREVIOUSLY TAXABLE PROPERTY: ‡	10.	\$ 0

† This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 ‡ Construction is defined as newly constructed taxable real property structures.
 § Includes production from new mines and increases in production of existing producing mines

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN DECEMBER 10, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	\$ 11,261,679,134
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NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15. Mill certifications should be sent to the Pueblo County Office of Budget at 215 W 10th St. . You may also fax them to Countyfaxnumber.

County Tax Entity Code

DOLA LGDISID

CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL Governments

TO: County Commissioners¹ of Pueblo County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District,
 the Board of Directors,
 of the Southeastern Colorado Water Conservancy District.

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 1,588,418,648 assessed valuation of: (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area² the tax levies must be 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 assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) \$ 1,535,765,745
 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/12/18 for budget/fiscal year 2019
 (no 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	.035 mills	\$ 53,751.80
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 53,751.80
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	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.035 mills	\$ 53,751.80

Contact person: Leann Noga Daytime phone: (719) 948-2400
 Signed: [Signature] Title: Finance Manager / Budget Officer

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) 864-7770.

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).

County Tax Entity Code

DOLA LGDISID

CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL Governments

TO: County Commissioners¹ of Pueblo County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District,
 the Board of Directors,
 of the Southeastern Colorado Water Conservancy District.

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 1,588,418,648 assessed valuation of: (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area² the tax levies must be 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 assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) \$ 1,535,765,745
 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/12/18 for budget/fiscal year 2019
 (no 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	.900 mills	\$ 1,382,189.17
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.900 mills	\$ 1,382,189.17
3. General Obligation Bonds and Interest ^J	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	.009 mills	\$ 13,821.89
7. Other ^N (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.909 mills	\$ 1,396,011.06

Contact person: Leann Noga Daytime phone: (719) 948-2400
 Signed: [Signature] Title: Finance Manager / Budget Officer

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) 864-7770.

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).



Glossary of Terms

Acre-Foot of Water	An acre-foot of water is the amount of water that would cover an acre of land to a depth of one foot, or 325,851 gallons.
Aurora	City of Aurora
AVC	Arkansas Valley Conduit : The Arkansas Valley Conduit (AVC), is a proposed water supply project to serve the needs of communities in the lower Arkansas Valley, a pipeline (Interconnect) to convey water between the existing south outlet works and a future north outlet works at Pueblo Reservoir...” Reclamation Newsletter October 2012
Balanced Budget	A balanced budget reflects one single fiscal year that the overall difference between government revenues and spending equal.
Basin	The Basin refers to the Arkansas River Basin unless otherwise stated
Board	The Board refers to the Board of Directors of the District
Budget	A financial plan for a defined period of time
Capital Outlay or Capital Expenditure	Capital outlay or capital expenditure are defined as changes for the acquisition a the delivery price including transportation, cost of equipment, land and buildings, or any other permanent improvement with a value of \$5,000 and a useful life expectancy of greater than one year.
CPI	The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.
CRS	Colorado Revised Statutes
CWCB	Colorado Water Conservation Board
DISTRICT	Southeastern Colorado Water Conservancy District (General Fund)
DOLA	Department of Local Affairs (State of Colorado)
Enterprise	Southeastern Colorado Water Activity Enterprise (Proprietary Fund)
ED	ED refers to the Executive Director of the District
Excess Capacity	Southeastern Long-Term Excess Capacity Master Contract for storage in Pueblo Reservoir to improve water supply. Also known as Master Contract.
Fountain Valley Authority	A pipeline that is part of the Fry-Ark contract with Reclamation
Fry-Ark	Fryingpan-Arkansas Project (Entire System from Ruedi Reservoir east to Pueblo)
Fund	Fiscal and accounting entity with a self-balancing set of accounts
Fund Balance	The net position of a government fund which is the difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources.
FVA	Fountain Valley Authority
General Fund	Governmental Activities and/or District Fund
Governmental Activities	District Activities generally financed through taxes, intergovernmental revenues, and other none change revenues.
Governmental Fund	Funds generally used to account for tax-supported activities.
IGA	Intergovernmental Agreement (Contract)
IPA	Intergovernmental Personnel Act: The Intergovernmental Personnel Act Mobility Program provides for the temporary assignment of personnel between the Federal Government and state and local governments, colleges and universities, Indian tribal governments, federally funded research and development centers, and other eligible organizations.
LoPP	Lease of Power Privilege: Contractual right given to a nonfederal entity to utilize, consistent with project purposes, water power head and storage from Reclamation. projects for electric power generation.

Glossary of Terms

Master Contract	Southeastern Long-Term Excess Capacity Master Contract. Also known as Excess Capacity.
Mill	Millage tax: The amount per \$1,000 of assessed valuation of real property, which is used to calculate taxes.
Mill Levy	An ad valorem tax that a property owner must pay annually on their property
MOA	Memorandum of Agreement (Contract)
OM&R	Operations, Maintenance and Repair
Plan	The Plan refers to the District's Strategic Plan
Proprietary Fund	Business Activities and/or the Enterprise Fund
PSOP	Preferred Storage Options Plan: a plan to enlarge reservoirs for storage, as well as investigating other storage methods
Reclamation	United States Bureau of Reclamation
RWC Plan	Regional Water Conservation Plan
Restated Budget	When the original Adopted Budget is required to be amended due to the expenditure levels higher than the appropriation, this will trigger a Restate Budget process. When the Budget is adopted a second time in one fiscal year the budget becomes a "Restated Budget".
RICD	Recreational In-Channel Diversion: RICDs are functionally similar to instream flow rights in that they allow the appropriation of an amount of streamflow for use within the river channel. Unlike instream flow rights, however, RICDs require that the flow be "diverted, captured, controlled, and placed to beneficial use between specific points defined by control structures."
ROY	Restoration of Yield: Methods of restoring or increasing water yield, and water quality
RRA	Reclamation Reform Act
RRPG	Regional Resource Planning Group
SECWCD	Southeastern Colorado Water Conservancy District. Also referred to as the District.
SO Tax	Specific Operating Tax: Collected on personal vehicles, such as automobiles and trailers
SOD	The Safety of Dams program focuses on evaluating and implementing actions to resolve safety concerns at Reclamation dams. Under this program, Reclamation will complete studies and identify and accomplish needed corrective action on Reclamation dams. The selected course of action relies on assessments of risks and liabilities with environmental and public involvement input to the decision-making process.
TABOR	Taxpayer Bill of Rights Amendment of the Colorado Constitution Section 20 Article X
The Conduit	AVC, Arkansas Valley Conduit
The Project	Fryingpan-Arkansas Project (Entire System from Ruedi Reservoir East to Pueblo)
USBR	United States Bureau of Reclamation, also referred to as Reclamation
USGS	United States Geological Survey
WAE	Southeastern Colorado Water Activity Enterprise
WM&C Plan	Water Management and Conservation Plan: The District's five year water and conservation plan.





**SOUTHEASTERN COLORADO
WATER CONSERVANCY
DISTRICT**

*“Your Investment
in Water”*