



2022 Adopted Budget



Southeastern Colorado Water Conservancy District

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, 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 to the region since 1958.



Bill Long
President
Bent County



Curtis Mitchell
Vice President
El Paso County



Ann Nichols
Treasurer
El Paso County



Seth Clayton
Secretary
Pueblo 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



Greg Felt
Chaffee County



Alan Hamel
Pueblo County



Andrew Colosimo
El Paso County



Patrick Garcia
Pueblo County



Pat Edelmann
El Paso County



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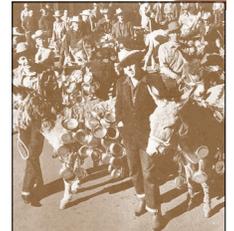
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Message from the Executive Director



James W. 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 received the Wayne N. Aspinall Water Leader of the Year Award from Colorado Water Congress in 2021.

He is the Past President of the Colorado River Water Users Association, 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"

The United States and Soviet Union were staring down over the Cuban Missile Crisis, John Glenn became the first American to orbit the earth, and Spiderman first appeared in the comics. The year was 1962, the same year the Fryingpan-Arkansas Project was signed into law by President John F. Kennedy on August 16.

The following day, as a boy, I was among the thousands of Puebloans who greeted the President as his motorcade made its way through Pueblo to District 60 Stadium. In his speech, President Kennedy talked about the "vitality of water" in "building this country up" as he dedicated the Fryingpan-Arkansas Project. He talked about the efforts of Southern Coloradans in promoting the Project for 30 years prior and emphasized the importance of the Project to future generations.

Fully 40 years later, I became the Executive Director of the Southeastern Colorado Water Conservancy District. For the last 20 years, I continue to marvel at the history of the Project, enjoy working with a dedicated Board of Directors to maintain and improve the Project, and strive to steer the Project's course into the future.

The Fryingpan-Arkansas Project continues to be as vital for the citizens of Colorado as President Kennedy envisioned on that hot summer day 60 years ago. Its benefits include the ample supply of supplemental water to the cities and farms of the Arkansas River Basin, improved water management and conservation, and perhaps most important, storage facilities that make that supply and management possible.

A Good Year/The Year Ahead

So, let's talk about the achievements of 2021, and the work we are contemplating in 2022.

In 2021, The District and Reclamation converted the Repayment Contract of 1982 from a 40-year term to a contract in perpetuity. This is a giant step forward in the history of the District, because it will allow more certainty in the delivery of water and the financial relationship between the District and Reclamation.

As we look ahead to 2022 in the realm of contracts, there are several milestones awaiting action. The first will be the three-party contract among Reclamation, the District and Pueblo Water for treatment and transmission of Arkansas Valley Conduit (AVC) water. This contract was substantially negotiated in 2021, and the finishing touches will be added early in 2022. Next, we will complete the AVC repayment contract, which will establish operations and payments for the AVC. Finally, the District will begin work on the renewal of the Fountain Valley Pipeline Contract.

For the Arkansas Valley Conduit, 2022 will be another eventful year.

In 2021, we reconnected participants to the AVC project, reaching out to all of them in order to explain the most recent developments, and in some cases requesting financial partnerships through American Rescue Plan Act funding. The Pueblo County Commissioners agreed to fund the design and construction of delivery lines at Avondale and Boone, while other counties and cities throughout the Arkansas Valley committed to funding design of delivery lines. The District also continued to work with Reclamation to complete the design of the first leg of the AVC, what we are calling the Boone Reach.

Ground will be broken for the Boone Reach of the AVC in late 2022. Besides the technical challenges of AVC, questions of governance and finances will need to be resolved. There are also key

Message from the Executive Director

points about consolidation or regionalization of various water systems to be answered. To meet the demanding schedule that will be required to accomplish this, the District has added personnel in both the legal and engineering areas. Building the AVC will mark the completion of the final piece of the Fryingpan-Arkansas Project, and beginning construction is a historic milestone.

Looking ahead to the future of the Fryingpan-Arkansas Project, the District has launched two programs, Recovery of Storage and Condition Assessment, that will ensure the viability of the Project for decades to come. The goal for these programs is to move them into the Fryingpan-Arkansas Project fund, so that they can be completed with a dedicated funding source and developed jointly with Reclamation.



Southeastern Colorado Water Conservancy District Executive Director Jim Broderick discusses the Fryingpan-Arkansas Project during a Water Education Colorado virtual tour in a June 2021 podcast.

The Recovery of Storage and Condition Assessment programs were started in 2020 with initial inquiries into the long-term viability of the Project. The intent is to take proactive steps using the reserves created under the Repayment Contract, rather than act after the fact when aging infrastructure begins to impact the yield of the Project.

Financial Course of Action

In the financial world, internal staff will again look at the rate model developed in the 2019 Financial Study to determine how revenues are aligning with expenditures. Parts of the Capital Improvement Plan, such as the purchase of land for a Restoration of Yield Reservoir, have been set in motion, and such commitments require long-term financial planning. As with the Fryingpan-Arkansas Project, the goal is to anticipate those future expenses in order to meet them, so we can continue to see healthy fund balances.

The James W. Broderick Hydropower Plant had below average output in 2021, due to the volume and timing of flows. Still, revenues at the Hydro Plant remain above the expected average for the first three years of operation. The loan from the Colorado Water Conservation Board will close this year, as the final piece of construction – mechanical plugs required by the Lease of Power Privilege with Reclamation – is completed.

As mentioned above, human resources will gain additional attention in 2022. At the same time as we match skill sets to the tasks at hand, we are using succession planning in anticipation of upcoming retirement. This year, internal staff will use a salary “breadbasket” to assure that employee compensation remains fair and competitive. At the same time, we will continue to rely on the expertise of outside consultants in the legal, engineering and maintenance areas that are vital to the District.

Our headquarters will receive new attention with the hiring of a part-time gardener in 2022. This position was left vacant in 2021, as the world slowly returned from the pandemic, but the demonstration gardens that surround the District’s property need attention. We will also complete a project that began in 2019 to create a new demonstration area on the northeast corner of the building, which has a dual purpose of stabilizing the foundation. We will upgrade the Boardroom and Executive Conference Room to better accommodate hybrid meetings. A new server is being purchased as we continue to seek a solution for improved electronic records management.

As we celebrate the 60th Anniversary of the Fryingpan-Arkansas Project, the District remains filled with the vitality urged by President Kennedy in his visit to Pueblo. We are laying the groundwork for the next 60 years today, so that future generations will have the same opportunity for celebrating the past!



The Southeastern Colorado Water Conservancy District budget team, from left, Accounting Specialist Lynette Holt, Accountant Stephanie Shipley, Senior Policy and Issues Manager Chris Woodka, President Bill Long, Administrator of Finance and Administration Leann Noga, and Executive Director Jim Broderick.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Southeastern Colorado Water Conservancy District
Colorado**

For the Fiscal Year Beginning

January 01, 2021

Christopher P. Morrell
Executive Director

Distinguished Budget Presentation

The District has earned the Government Finance Officers Association Distinguished Budget Award for 10 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: Seth Clayton, Tom Goodwin, Alan Hamel, Kevin Karney, 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: Reviews AVC funding, planning and construction..

Chair: Kevin Karney

Vice-Chair: Howard “Bub” Miller

Members: Carl McClure, Dallas May, James Broderick

Colorado River and Water Supply: Reviews Western Slope technical, legal, and political issues related to the Fryingpan-Arkansas Project.

Chair: Tom Goodwin

Vice-Chair: Kevin Karney

Members: Seth Clayton, Pat Edelmann, Mark Pifher, James Broderick

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

Chair: Ann Nichols

Vice-Chair: Kevin Karney

Members: Seth Clayton, Pat Edelmann, Greg Felt, 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

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

Chair: Curtis Mitchell

Vice-Chair: Seth Clayton

Members: Andy Colosimo, Pat Edelmann, Tom Goodwin, James Broderick

(Note: President Bill Long serves on all committees.)



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.**



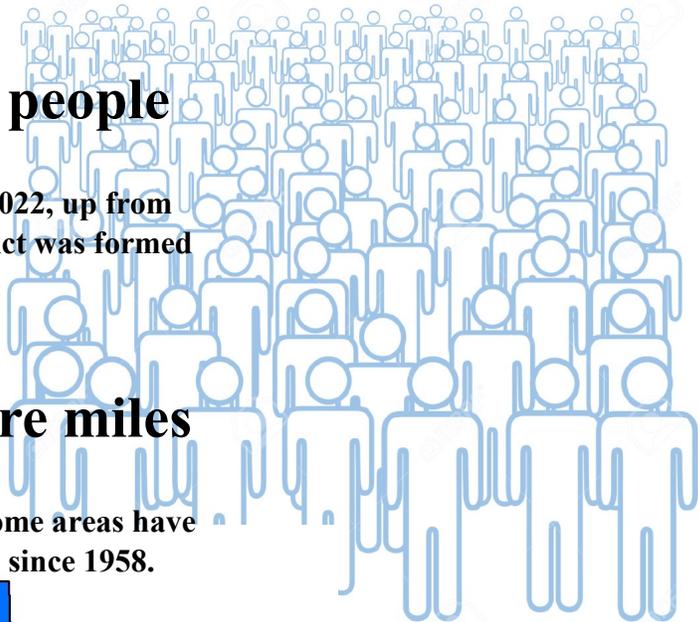
By the Numbers...



The Fryingpan-Arkansas Project has provided supplemental water for the people of southeastern Colorado for nearly 50 years. We should keep in mind the value of the Project and the Southeastern Colorado Water Conservancy District's role in administering and preserving the Project. These pages offer a quick reference to the scope of service provided by the District and the Project.

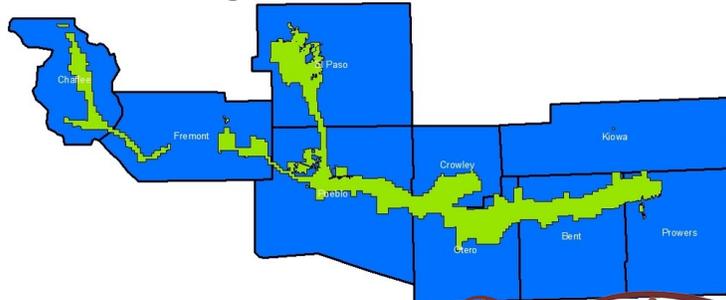
952,000 people

Population of the District in 2022, up from about 330,000 when the District was formed in 1958. (U.S. Census)



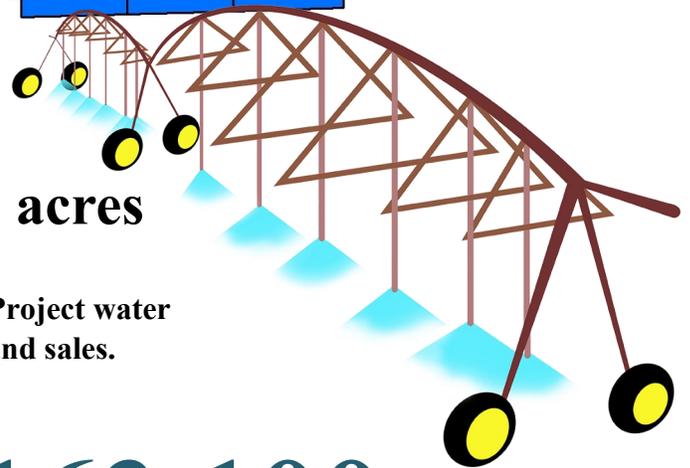
5,142 square miles

Area of the District in 2021. Some areas have been added through inclusions since 1958.



217,074 acres

Irrigated farmland receives Project water through District allocations and sales.



163,100 acre-feet

Amount of space reserved for Project M&I carry-over storage in Pueblo Reservoir.

108,173 acre-feet

10-year average for Project M&I carryover storage in Pueblo Reservoir.



By the Numbers...

69,200 acre-feet

Design yield of Project imports, based on historical flows.

57,463 acre-feet

The 20-year average for Project imports.

46,496 acre-feet

20-year average for allocations after deductions.

16,571 acre-feet

The 20-year average for Municipal & Industrial allocations.

27,064 acre-feet

The 20-year average for Irrigation allocations.

9,316 acre-feet

The 20-year average for Return Flows

129,450 acre-feet

System-wide total 20-year average for Winter water storage.

42,000 acre-feet

20-year average for storage of Winter water in Pueblo Reservoir.

6,595 acre-feet

This amount of space is contracted in 2022 on behalf of Enterprise stakeholders through the Excess Capacity Master Contract. The maximum amount of the contract is 29,938 acre-feet.

\$43.76/acre-foot

The rate paid in 2022 to Reclamation for Excess Capacity storage in Pueblo Reservoir.



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 952,000 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.

Since 1972, 655,874 acre-feet of water have been delivered for municipal use, an average of 13,117 acre-feet annually.



Fountain Valley Authority

- Colorado Springs
- Fountain
- Security
- Stratmoor Hills
- Widefield

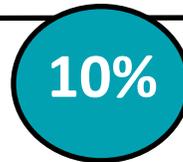


East of Pueblo

- | | | |
|-----------------|-----------------|-------------------|
| 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 | Ordway | West Holbrook |
| Fayette | Parkdale | Wiley |
| Fowler | | |
| Hasty | | |

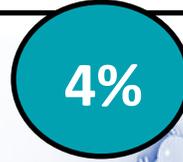


Pueblo Water



West of Pueblo

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



Region	Initial Delivery	Total	Average
Fountain Valley	1972	419,571 af	8,391 af
Pueblo Water	2002	41,027 af	2,564 af
East of Pueblo	1972	148,788 af	2,937 af
West of Pueblo	1980	36,204 af	842 af
Pueblo West	2007	1,485 af	106 af
Manitou Springs	2003	2,101 af	111 af

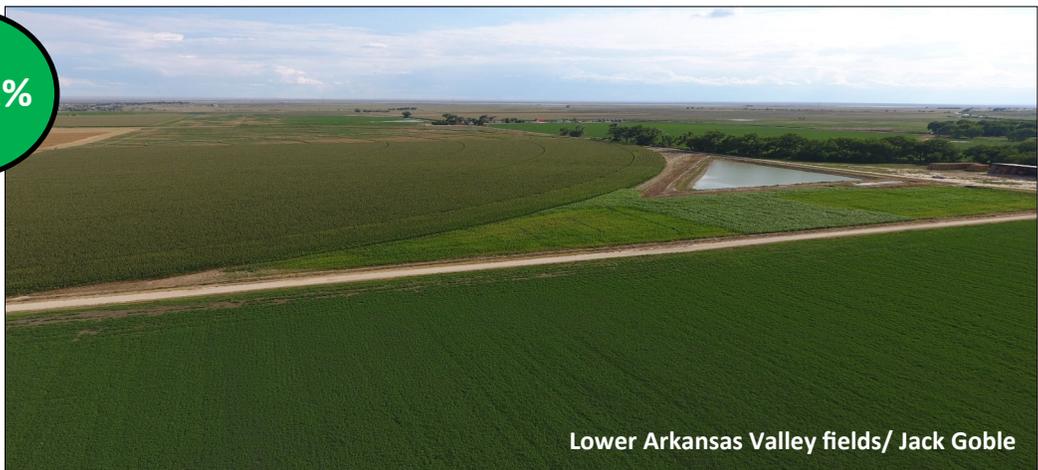
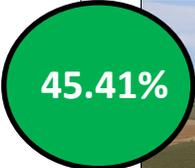
Totals through 2021; includes years when no water was taken
Southeastern Colorado Water Conservancy District

Southeastern Colorado Water Conservancy District Irrigation Users

Ag Water

Irrigation Companies

- 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



Lower Arkansas Valley fields/ Jack Goble

Well Associations

- Arkansas Groundwater and Reservoir Association
- Lower Arkansas Groundwater Users Association



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

Since 1972, more than 1.7 million acre-feet of Project water has been provided to irrigators, about 34,000 acre-feet per year. This includes the sale of Return Flows.

Although the Allocation Principles designate less than half of Project water to irrigation use, about 73 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.

The District in 2022 will implement revised allocation policies that allow irrigation users to take a first right of refusal on return flows generated by Project water, applied equitably on a farm-unit basis.

2022 Rates and Surcharges (\$ per acre-foot)						
Description	Water Rate (\$)	Safety of Dams (\$)	Water Activity (\$)	Environmental Stewardship (\$)	Augmentation (\$)	Proposed Total Charge (\$)
Project Water Sales						
Irrigation	13.14	0.50	0.75	0.75	--	15.14
Municipal	13.14	0.50	1.50	0.75	--	15.89
Project Water Sales used for Well Augmentation						
Irrigation for Well Augmentation	13.14	0.50	0.75	0.75	2.60	17.74
Municipal for Well Augmentation	13.14	0.50	1.50	0.75	2.60	18.49
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 and When Storage						
In District	--	0.50	0.50	0.75	--	1.75
Out of District	--	2.00	4.00	0.75	--	6.75
Aurora	--	--	10.00	--	--	10.00
Project Water Return Flows						
Irrigation	12.00	0.50	--	0.75	--	13.25
Municipal	12.00	0.50	--	0.75	--	13.25

Water rates for all types of water sales and storage will remain unchanged in 2022.

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. Five appointments are scheduled to occur in 2020.

⇒ **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.

Powers of the Southeastern District under Colorado law

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.

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) limit the amount that can be collected under the District’s mill levy.

The District’s mill levy in 2022 is 0.839 mills, which is divided into three parts.

These are:

- 0.800 mills for Contract repayment and OM&R (reflects a one-time reduction of 0.100 mills);
- 0.035 mills for District administration; and
- 0.004 mills for refunds and abatements.

The District, or Government Activity, also receives revenue from Specific Ownership taxes, interest on investments, interfund reimbursements, 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.
- ◆ **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 at Pueblo Dam, Ruedi Reservoir, Fountain Valley Conduit, and Arkansas Valley Conduit.
- ◆ **Conversion of Repayment Contract, 2021:** The Repayment Contract was converted to allow the Fry-Ark Project to continue in perpetuity, with repayment in 2031.



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 as described 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 2022):** 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.



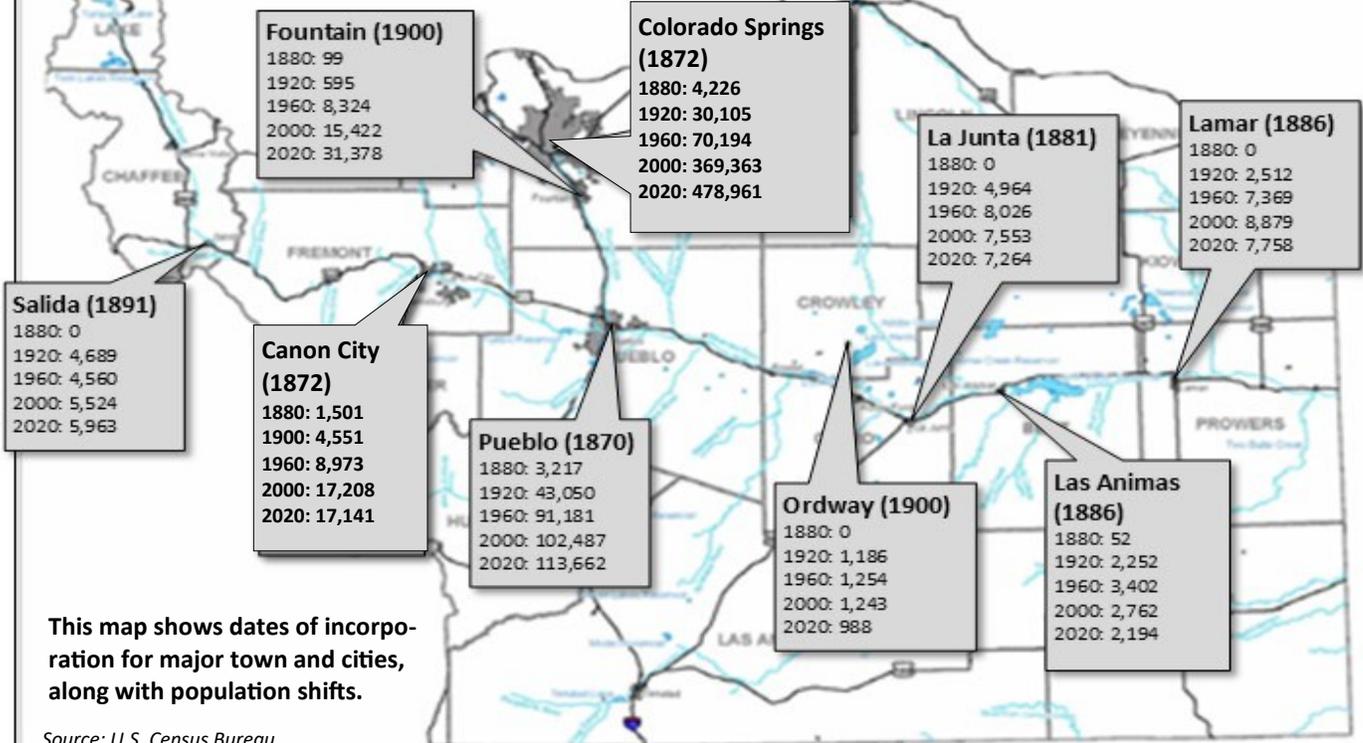
Settling the Arkansas Valley

A HARD LAND TO TAME

European occupancy of the Arkansas River basin began with Spanish exploration in the 1600s, and French and Spanish settlements in the 1700s. The Santa Fe trail opened the land to the United States in the early 1800s, and railroads brought more people in the late 1880s. By the early 1900s, there were incorporated towns and cities throughout the entire basin.



Arkansas River Basin



This map shows dates of incorporation for major town and cities, along with population shifts.

Source: U.S. Census Bureau



IRRIGATION WAS THE ANSWER

As the population grew, the need for crops increased. However, water was often scarce in a land once termed “the Great American Desert.” Irrigation systems formed to take water to surrounding fertile farmlands.



Living in a Variable Climate

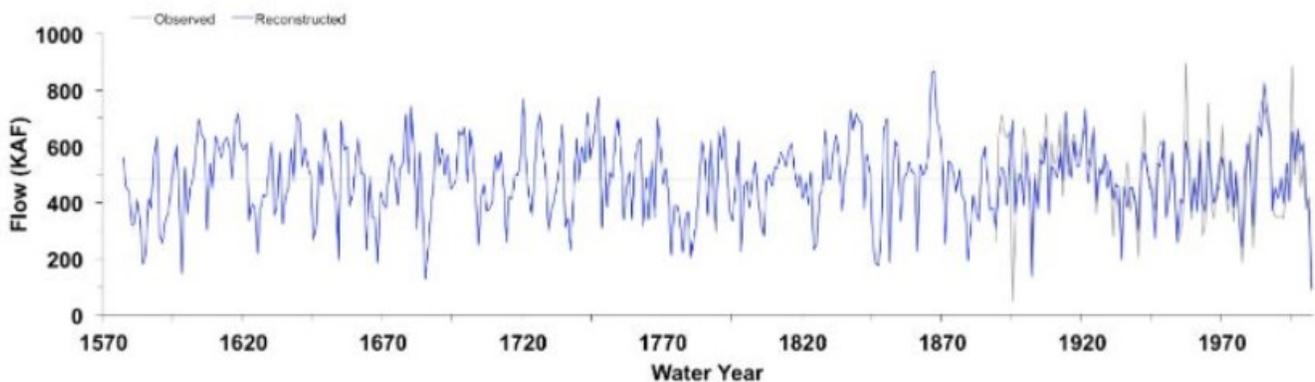


THE THREAT FROM FLOODING

Western settlements typically began along waterways, where cities or towns could draw their water supplies most easily. The early citizens of Pueblo knew that the Arkansas River and Fountain Creek were prone to flooding, but nothing had prepared them for the great flood of June 3, 1921. Floodwaters were 15 feet in some places, 1,500 people died, and \$20 million in damages were reported. The U.S. Corps of Army Engineers moved the river, built a 3-mile levee, and constructed a retention dam to protect the city.

THE RISK OF DROUGHT

The Dust Bowl of the 1930s underscored the uncertainty of water in the Arkansas River basin. Farms that depended on irrigation to feed the nearby cities were taxed. In the midst of the Great Depression, farmers in Crowley County built the Twin Lakes Tunnel near Independence Pass to increase their water supply — a template for transmountain diversions.



An estimate of annual flows in the Arkansas River near Canon City from 1570-2002 is determined from tree-ring data, and illustrates the variability of water availability in the Arkansas River basin. The blue line is the reconstructed flow for the entire period, while the light gray line represents observed measurements. The impact of both irrigation depletions and additional water imported into the basin can be seen by the difference in the 1900s with more extreme wet and dry years.

Southeastern Colorado Water Conservancy District History

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 Fryingpan-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.

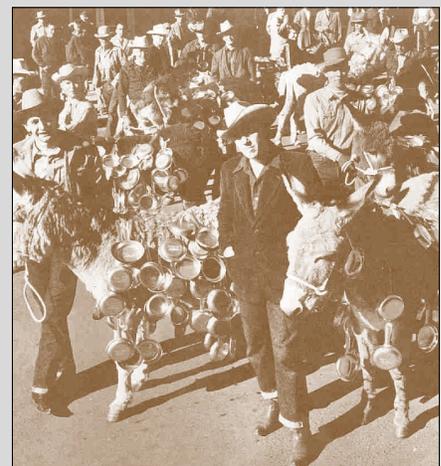


Water Development Association members traveled to Washington D.C. to promote Project.



A GOLDEN FUTURE

Local leaders from the cities and farm communities alike visited Washington D.C. often to promote the Fryingpan-Arkansas Project. One successful idea was to sell golden frying pans to pay for the trips and build support.



Charles Boustead, President of the Water Development Association and first General Manager of the Southeastern District, and a posse of mule skinnners display golden frying pans.



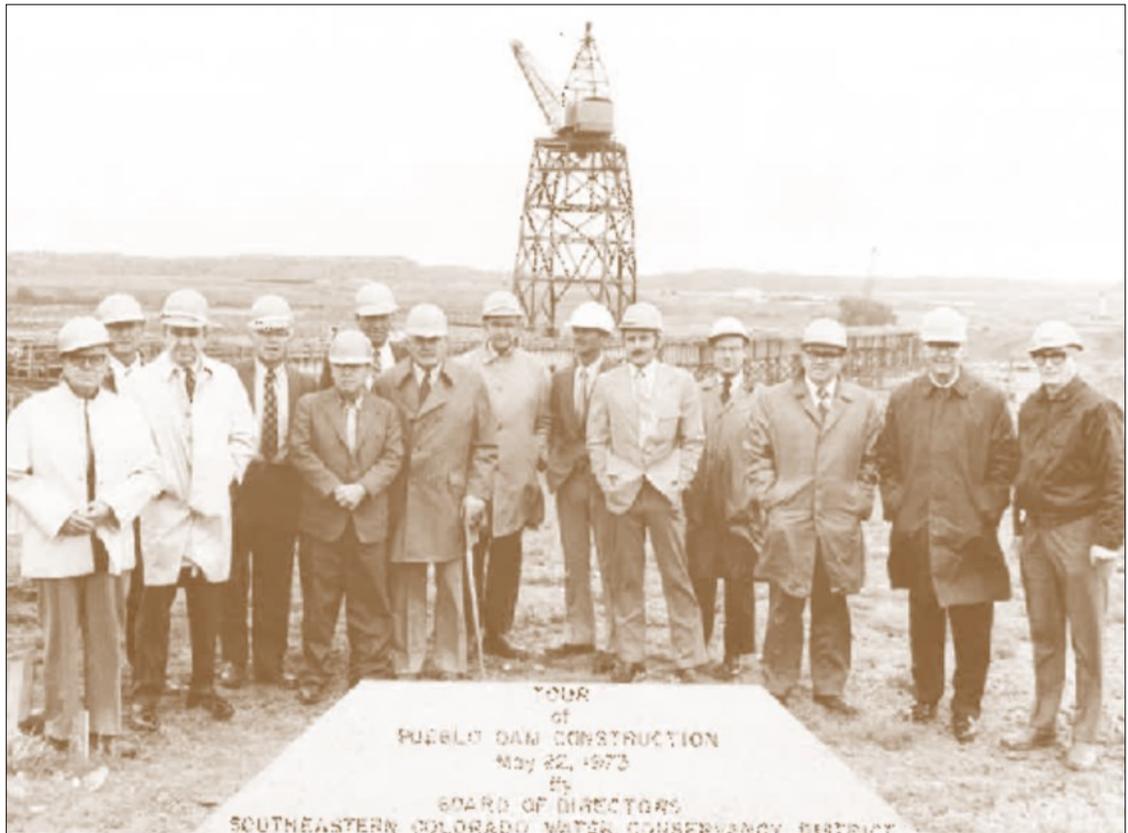
Southeastern Colorado Water Conservancy District History

The Water Development Association of Colorado worked for more than a decade to form a district to manage the state and local interests of the Fryingpan-Arkansas Project.

Petitions were submitted to Pueblo District Court, and on April 29, 1958, the Southeastern Colorado Water Conservancy District (District) was formed. The District boundaries were drawn so that those who would receive the benefits would pay a property tax to repay and operate the Project.

The District is responsible for repayment of the local benefits of the Project, which were calculated to be \$134 million in 1982, over a 50-year period.

The District also contributes payments for the operation, maintenance and replacement of the Project.



HISTORIC MILESTONES

The Board of the Southeastern Colorado Water Conservancy District has always marked the historic milestones of the Fryingpan-Arkansas Project, such as the Board tour of the nearly completed Pueblo Reservoir (above) in 1973, and the opening of Boustead Tunnel in 1972 (below, with Sid Nichols, left, and Selby Young, the first two Presidents of the Board).



SOUTHEASTERN COLORADO
WATER CONSERVANCY
DISTRICT



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

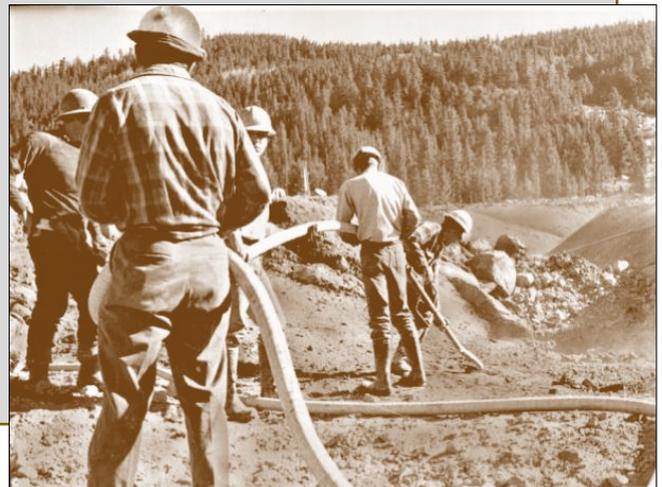


THE WORK BEGINS

Construction of the Fryingpan-Arkansas Project blasted off in 1964, when top state and federal officials gathered at the site of Ruedi Reservoir to ignite some strategically placed explosives on the hillside behind them. The Project was substantially complete in 1981, although some parts, such as the Fountain Valley Pipeline and Pueblo Fish Hatchery, would be completed in the following decade. The Arkansas Valley Conduit is the final remaining un-built feature of the Project.

RUGGED TERRAIN

Many Project features were build in high-country locations difficult to reach. This work crew is working on the expansion of Sugar Loaf Dam at Turquoise Reservoir in 1967.



Fryingpan-Arkansas Project History

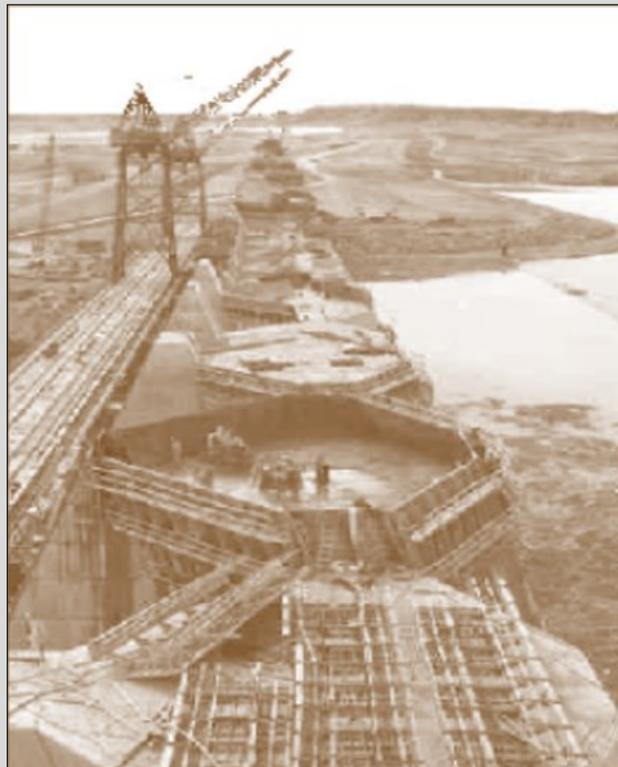
The Fryingpan-Arkansas Project cost \$500 million to build, but its benefits are evident as the Project nears its 60th year. After it was completed, the Bureau of Reclamation assigned costs to the benefits. The District will finish paying its share in 2031.

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 benefits:** \$237 million



A LANDSCAPE CHANGED

The construction of tunnels, conduits, diversions, and dams to move and store water provides a cushion against drought and protection from floods in the Arkansas River basin. Visionary leaders from four generations earlier created a more sustainable future for those who followed. Future generations will find it hard to imagine a time when Pueblo Reservoir was not the most impressive landmark in the basin.



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 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

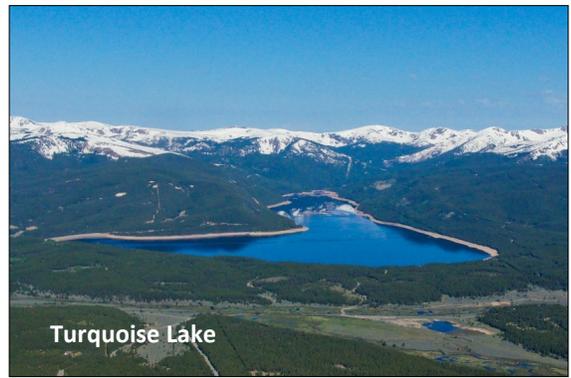
Elements of the Fryingpan-Arkansas Project

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

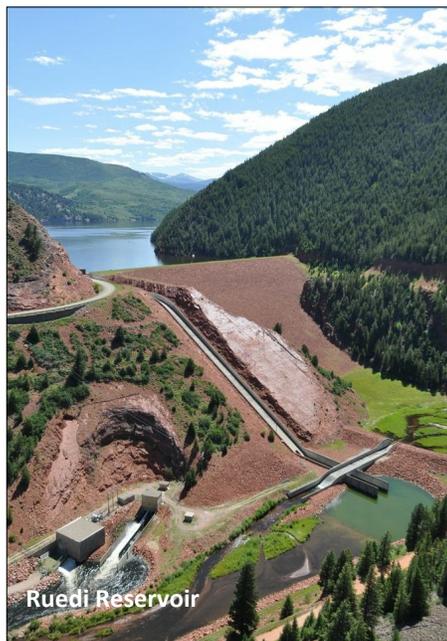
- Mount Elbert Power Plant, 200 megawatts
- Pueblo Fish Hatchery
- South Outlet Pueblo Dam
- North Outlet Pueblo Dam



Turquoise Lake



Boustead Tunnel



Ruedi Reservoir

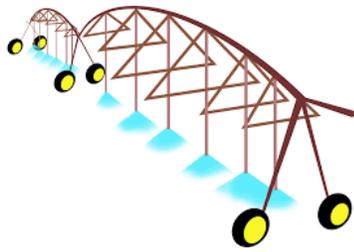


Twin Lakes

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.

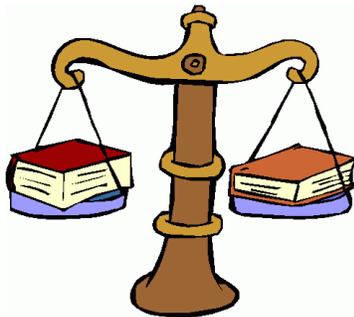
The Project had been on the drawing board for nearly two decades before it was approved by Congress in 1962. The needs of the Arkansas River basin are still incorporated into the purpose of the modern-day project. The 60th anniversary of the Fry-Ark Project will be celebrated in 2022.



- ◆ 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.

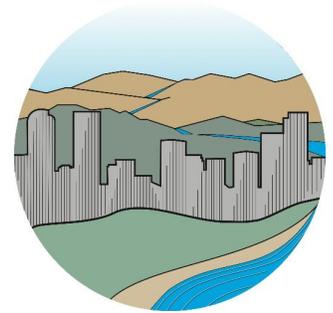
- ◆ Development of storage planning and contracts to mitigate extreme drought.



- ◆ 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.



- ◆ Fully utilizing excess capacity at Pueblo Reservoir for the benefit of stakeholders, for both municipal and irrigation purposes.

- ◆ Ensuring water storage potential by construction of reservoirs and recovery of storage lost to sedimentation.



- ◆ 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.

Fryingpan-Arkansas Project Federal Revenue

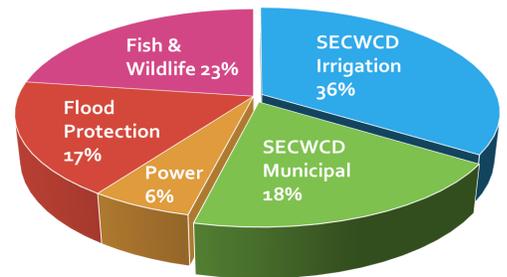
In 2021, the District and the Bureau of Reclamation signed a converted contract, which extends the operation of the Fryingpan-Arkansas Project in perpetuity. Under the terms of the new contract, the District's share of the debt will be paid off at the end of 2031. The District will continue to pay its share of operation, maintenance and replacement (OM&R) for the Fry-Ark Project.

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 \$2 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

Federal Budget Allotments	FY 21	FY 22
Water & Energy Management & Development	\$ 27,000	\$ 27,000
Land Management & Development	\$ 16,000	\$ 16,000
Fish & Wildlife Management & Development	\$ 33,000	\$ 33,000
Facility Operations	\$ 8,875,000	\$ 7,057,000
Facility Maintenance & Rehabilitation	\$ 483,000	\$ 823,000
Total Reclamation Allotment	\$ 9,434,000	\$ 8,956,000



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: \$600 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 \$10,000 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 each year for 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: \$200,000/year

Stream gauges funded by the District in a cooperative program with the U.S. Geological Survey require \$200,000 in funding, but are part of an invaluable network that benefits all water users.



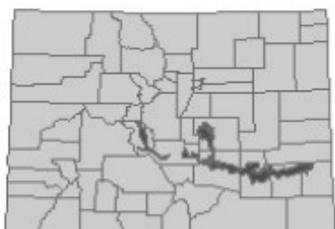
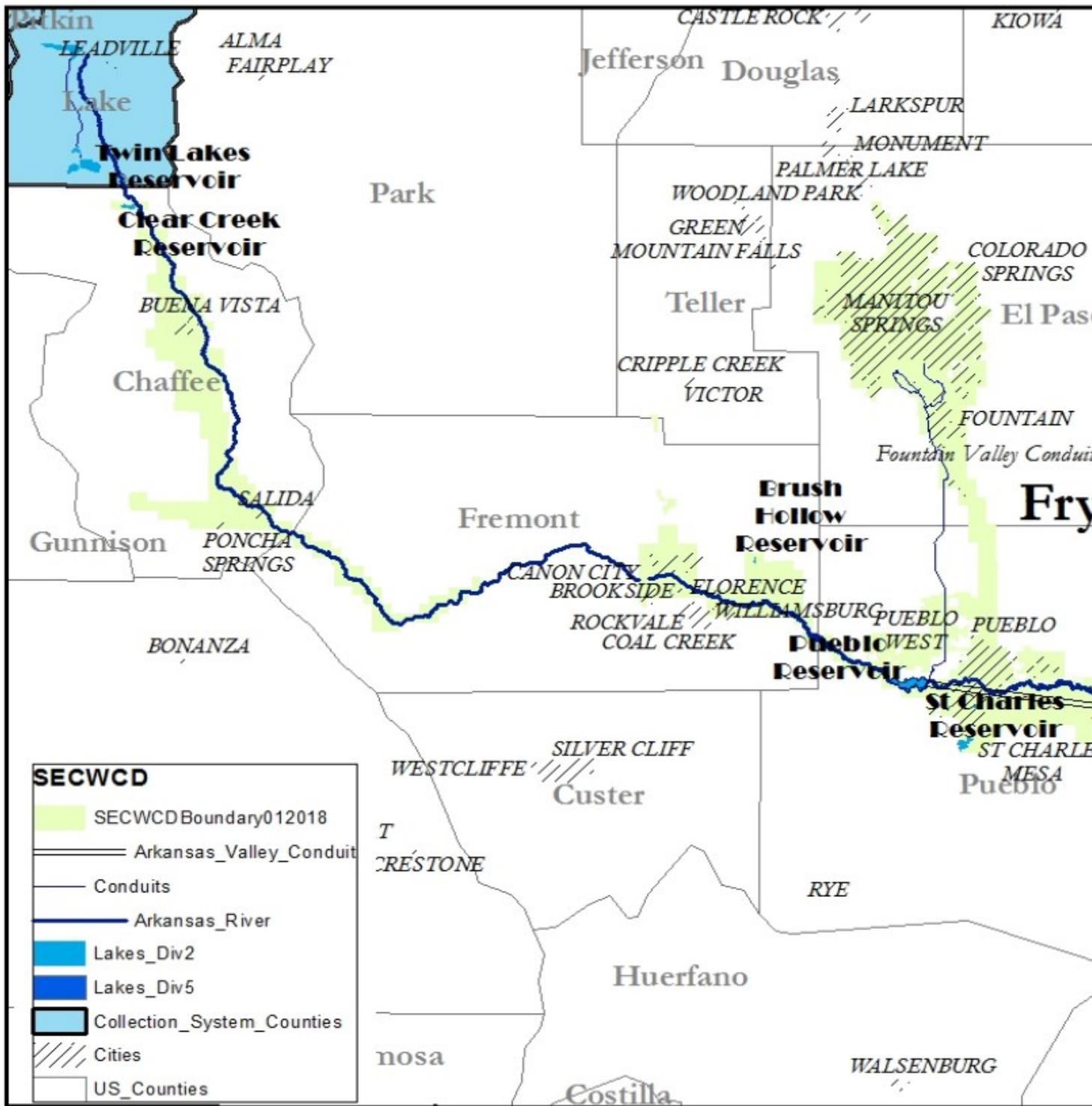
Flood Control

Pueblo Dam: \$36.8 million (1976-2021)

Ruedi Dam: \$19.7 million (1983-2021)

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



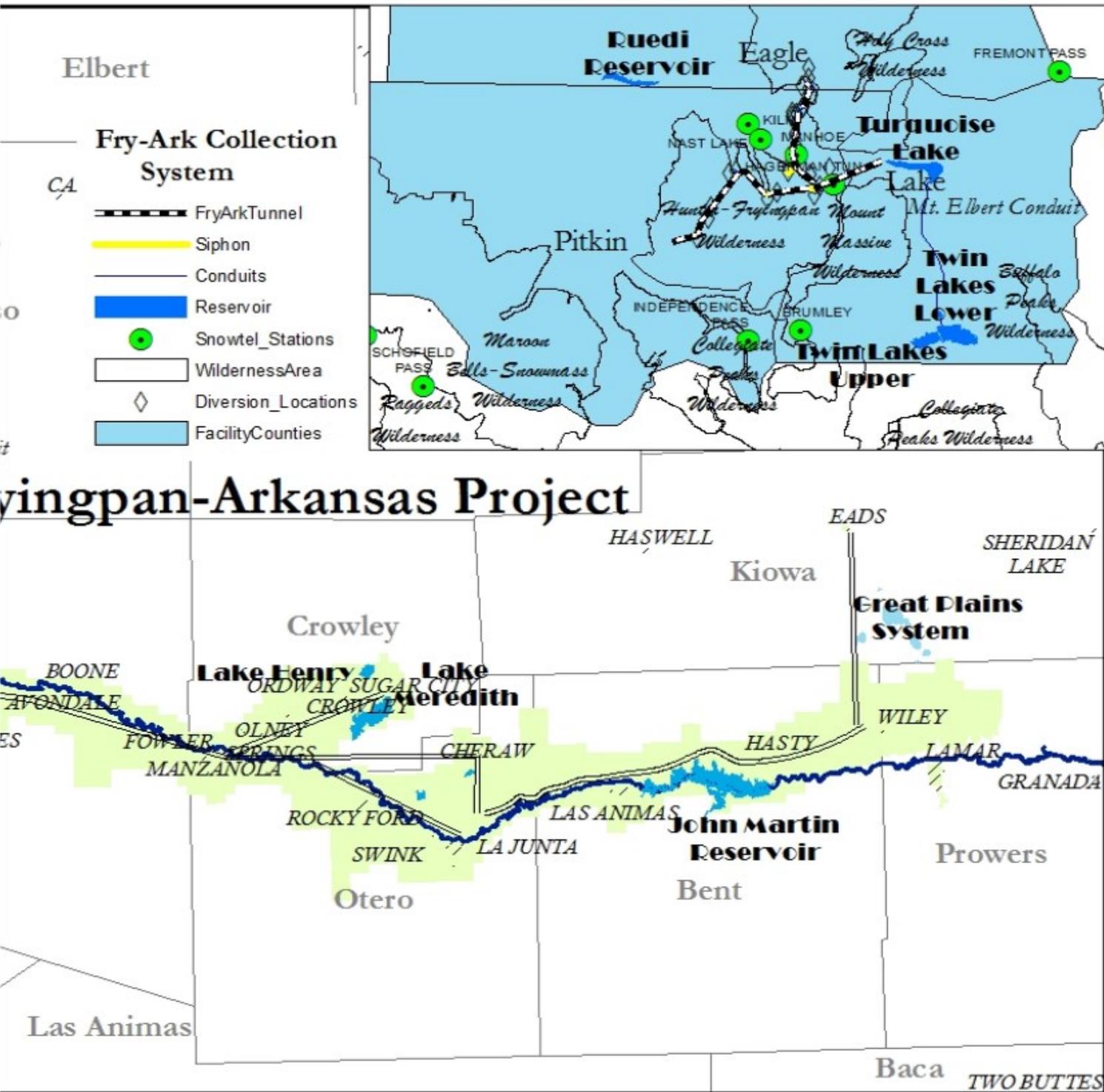


Colorado

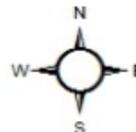


BUREAU OF RECLAMATION





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



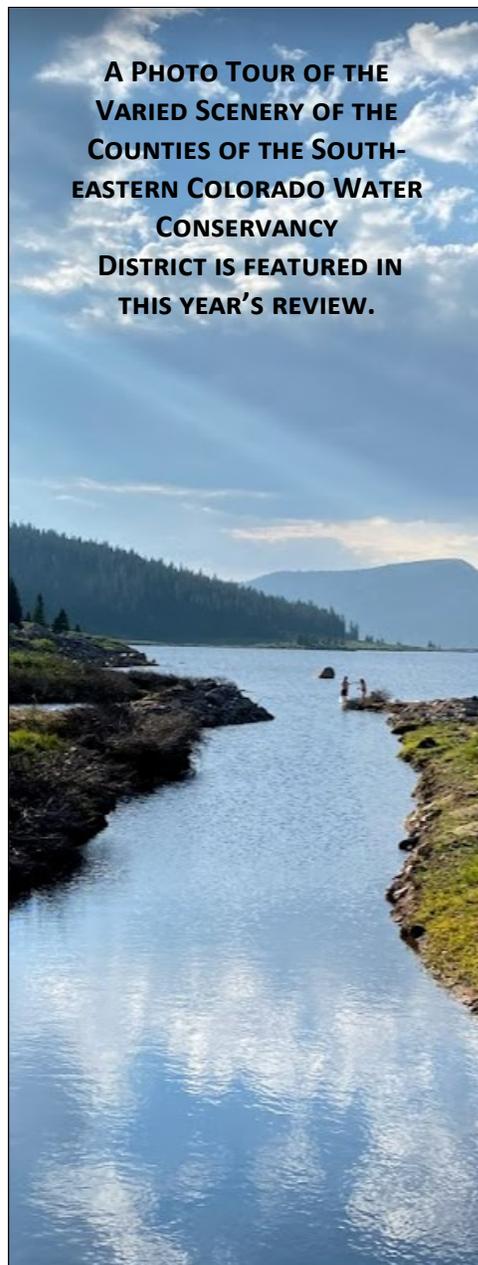
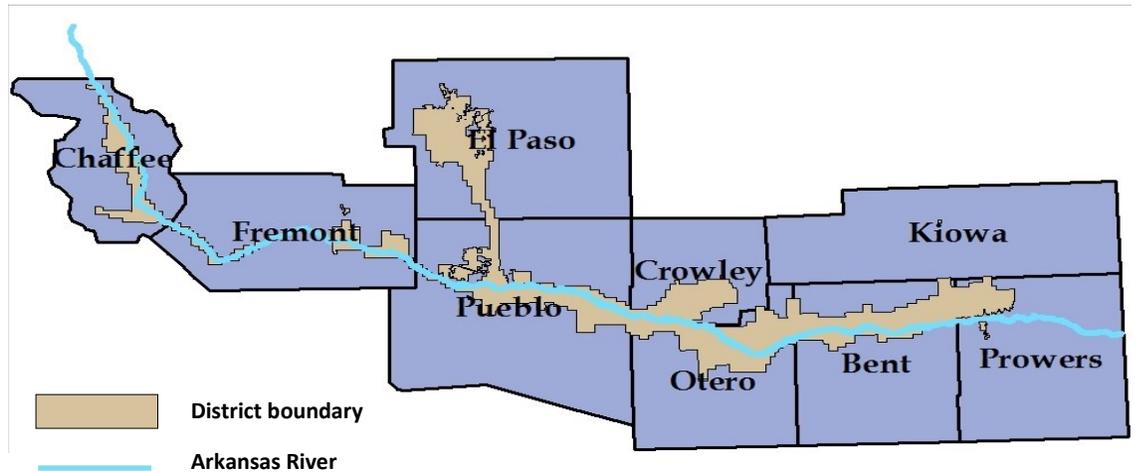
SECWCD County Snapshots

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.

This year's budget presentation features scenic photos related to water.



- ◇ [Bent County](#)
- ◇ [Chaffee County](#)
- ◇ [Crowley County](#)
- ◇ [El Paso County](#)
- ◇ [Fremont County](#)
- ◇ [Otero County](#)
- ◇ [Kiowa County](#)
- ◇ [Prowers County](#)
- ◇ [Pueblo County](#)

(Electronic users: Click on county to jump to page)



Bent County Snapshot



Bill Long, 2002



John Martin Reservoir/Colorado Parks and Wildlife

BENT COUNTY

Population: 5,650
Growth Rate: -3.98%
(2020)
Housing Units: 2,227
Owner-occupied:
1,327 (59.6%)
Median Income:
\$30,900
Per Capita Income:
\$13,930
 (Adjusted Census data)

Major uses of water:

- ⇒ **Agriculture, 99%**
- ⇒ **Domestic, 1%**
 (2015 USGS report)
- ⇒ **John Martin Reservoir**

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

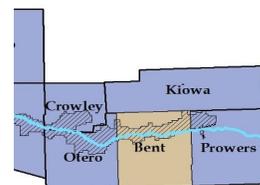
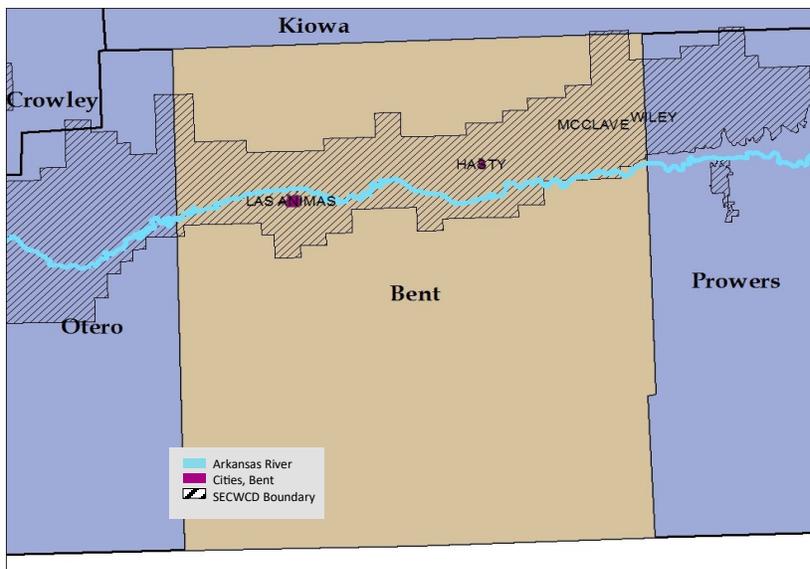
Agriculture remains an important part of the local economy. New jobs were created when a private prison opened there 20 years ago. Later, Fort Lyon State Correctional Facility was repurposed as a homeless treatment facility.

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.



Chaffee County Snapshot



Greg Felt, 2017



Arkansas Headwaters Recreation Area/Colorado Parks and Wildlife

CHAFFEE COUNTY

Population: 19,476
Growth Rate: 1.55%
(2020)
Housing Units: 11,498
Owner-occupied:
8,945(78%)
Median Income:
\$55,771
Per Capita Income:
\$29,827
 (Adjusted Census data)

Major uses of water:

- ⇒ **Irrigation 82%**
- ⇒ **Aquaculture 15%**
- ⇒ **Domestic 3%**
 (2015 USGS report)
- ⇒ **AHRA, Monarch Ski Area, Clear Creek Reservoir, hot springs, Browns Canyon National Monument**

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.

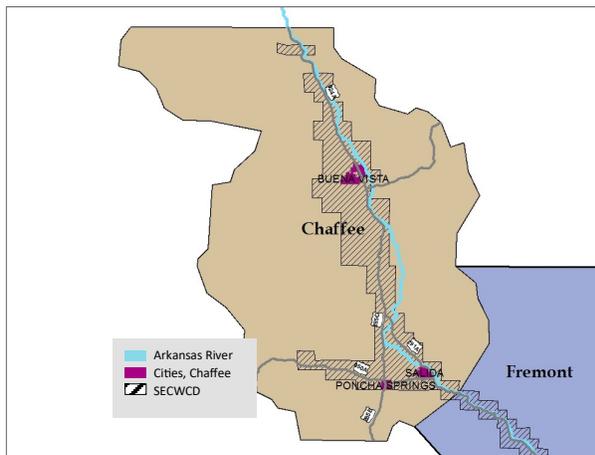
The Arkansas River Headwaters Area was created in 1989. Browns Canyon National Monument was designated in 2015.

Population characteristics

As tourism increased over the past 30 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.



Crowley County Snapshot



Carl McClure, 2005



Lake Meredith/Town of Sugar City

CROWLEY COUNTY

Population: 5,922
Growth Rate: 1.72%
(2020)
Housing Units: 1,601
Owner-occupied:
1,169 (73%)
Median Income:
\$42,135
Per Capita Income:
\$15,517
 (Adjusted Census data)

Major uses of water:

- ⇒ Irrigation, 85%
- ⇒ Livestock 7%
- ⇒ Domestic, 8%
 (2015 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

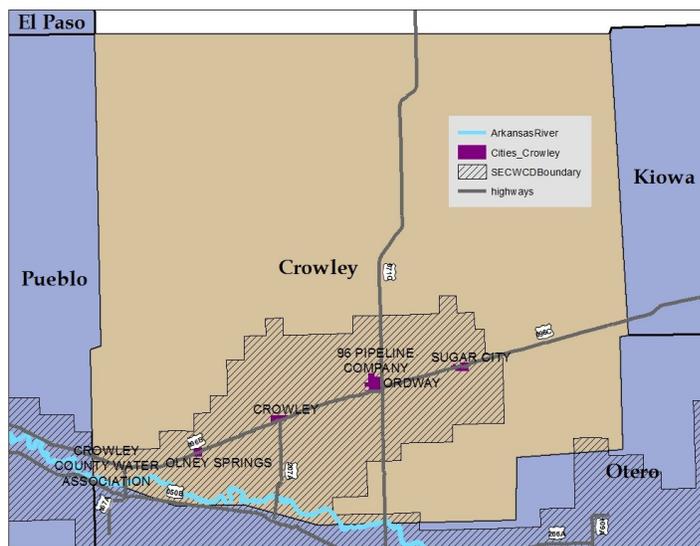
Historically an agricultural economy, Crowley County experienced an economic decline with the sales of Twin Lakes and Colorado Canal water rights to cities in the 1970s and 1980s.

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



Ann Nichols, 2006



Curtis Mitchell, 2014



Mark Pifher, 2016



Andrew Colosimo, 2018



Pat Edelmann, 2019



Cheyenne Mountain State Park/Colorado Parks and Wildlife

EL PASO COUNTY

Population: 730,395
Growth Rate: 1.14% (2020)
Housing Units: 280,178
Owner-occupied: 179,314 (64%)
Median Income: \$68,779
Per Capita Income: \$33,728
 (Adjusted Census data)

Major uses of water:

- ⇒ **Domestic, 85%**
 - ⇒ **Irrigation, 9%**
 - ⇒ **Power, 6%**
- (2015 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 Fryingpan-Arkansas Project.

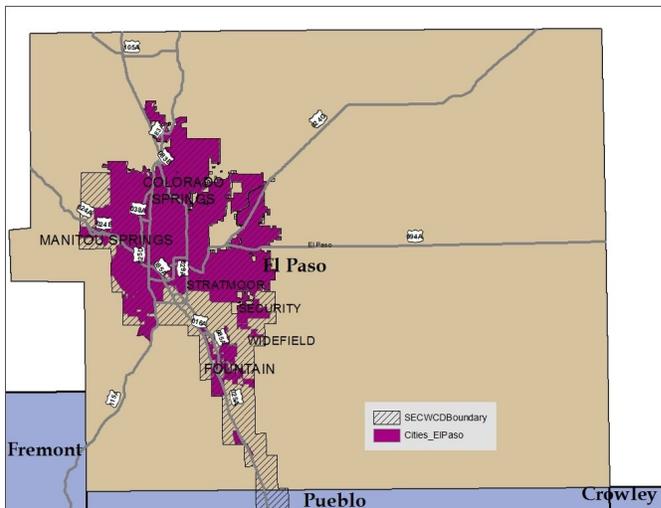
Most recently, Colorado Springs built the Southern Delivery System (along with Fountain, Security and Pueblo West) to fully use its Arkansas River water rights, reuse transmountain water, and provide water system redundancy.

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.

Fryingpan-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



Royal Gorge Trail/Tracy Harmon, Pueblo Chieftain

FREMONT COUNTY

Population: 48,939

Growth Rate: -0.25% (2020)

Housing Units: 20,088

Owner-occupied: 15,006 (75%)

Median Income: \$49,409

Per Capita Income: \$22,692

(Adjusted Census data)

Major uses of water:

- ⇒ **Irrigation, 92%**
- ⇒ **Domestic, 7%**
(2015 USGS report)
- ⇒ **Royal Gorge Bridge, AHRA**

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.

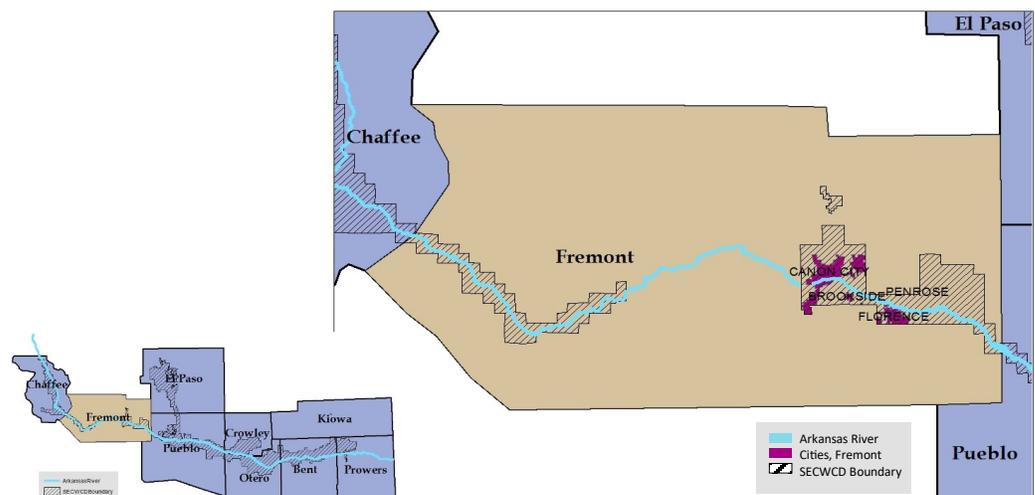
A coal-fired power plant was built in 1897, but closed by Black Hills Energy in 2012.

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 Counties Snapshot



Dallas May, 2016

PROWERS COUNTY

Population: 11,999
Growth Rate: 0.76% (2020)

Housing Units: 5,992
Owner-occupied: 3,895 (65%)

Median Income: \$41,929

Per Capita Income: \$23,698

(Adjusted Census data)

Major uses of water:

- ⇒ Irrigation, 97%
 - ⇒ Livestock, 1%
 - ⇒ Domestic, 2%
- (2015 USGS report)

KIOWA COUNTY

Population: 1,446
Growth Rate: -0.28% (2020)

Housing Units: 826
Owner-occupied: 611 (74%)

Median Income: \$41,731

Per Capita Income: \$25,937

(Adjusted Census data)

Major uses of water:

- ⇒ Irrigation, 46%
 - ⇒ Livestock, 44%
 - ⇒ Domestic, 9%
- (2015 USGS report)



Dallas May Cattle Ranch/Mike Sweeney

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

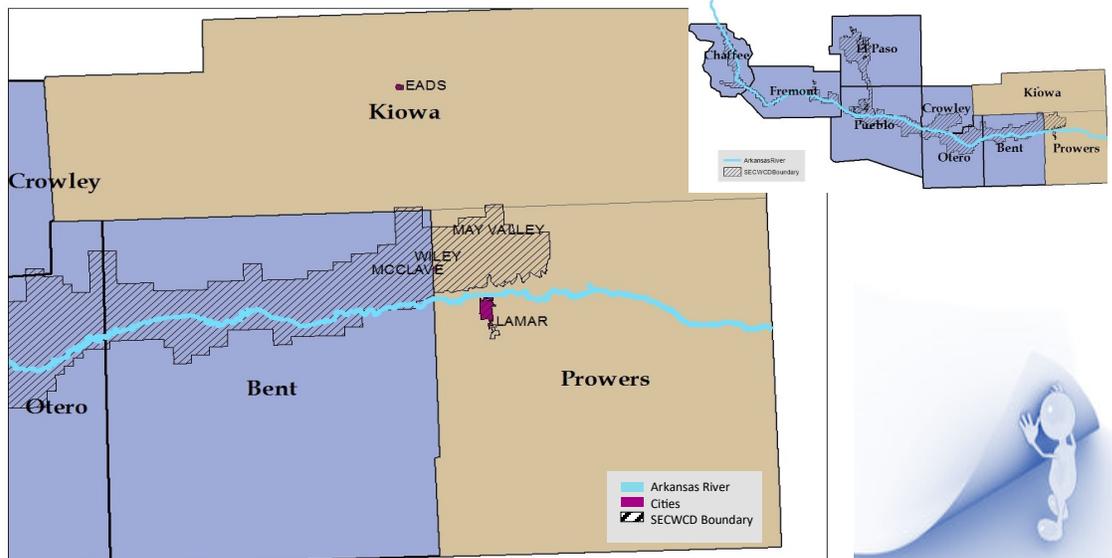
the 1990s. Large wind farms that supply renewable power are being expanded south of Lamar.

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



La Junta City Park Pond/City of La Junta

OTERO COUNTY

Population: 18,690

Growth Rate: -0.33% (2020)

Housing Units: 9,003

Owner-occupied: 5,762 (64%)

Median Income: \$38,169

Per Capita Income: \$21,110

(Adjusted Census data)

Major uses of water:

⇒ **Irrigation, 99%**

⇒ **Domestic, 1%**

(2015 USGS report)

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.

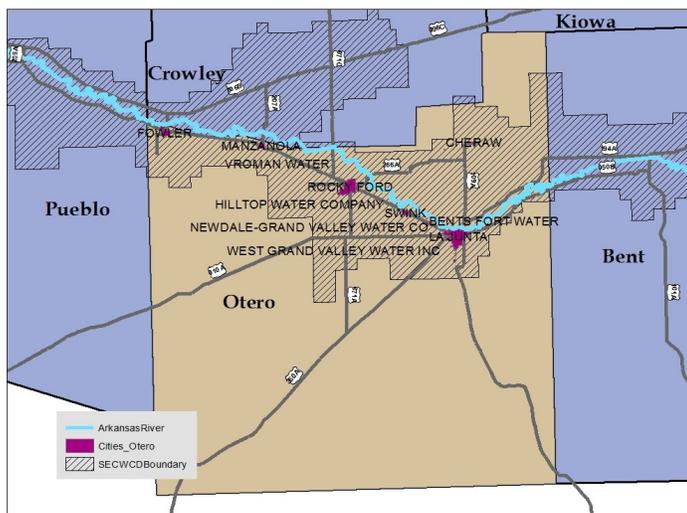
The Rocky Ford Growers Association was formed to strengthen the Rocky Ford cantaloupe brand.

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 in AVC, 25 are in Otero County.



Pueblo County Snapshot



Alan Hamel, 2017



Seth Clayton, 2017



Patrick Garcia, 2018

PUEBLO COUNTY

Population: 168,162

Growth Rate: 0.59% (2020)

Housing Units: 71,906

Owner-occupied: 46,739 (65%)

Median Income: \$46,783

Per Capita Income: \$25,501

(Adjusted Census data)

Major uses of water:

- ⇒ Irrigation, 74%
- ⇒ Domestic, 12%
- ⇒ Industrial, 9%
- ⇒ Power, 3%
- ⇒ Aquaculture, 1%
- (2015 USGS report)
- ⇒ Lake Pueblo State Park



Pueblo Reservoir/SECWCD

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.

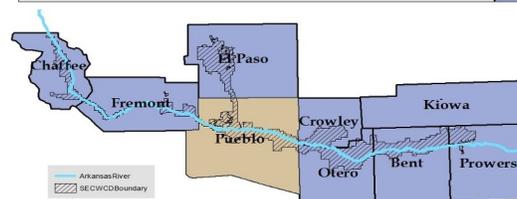
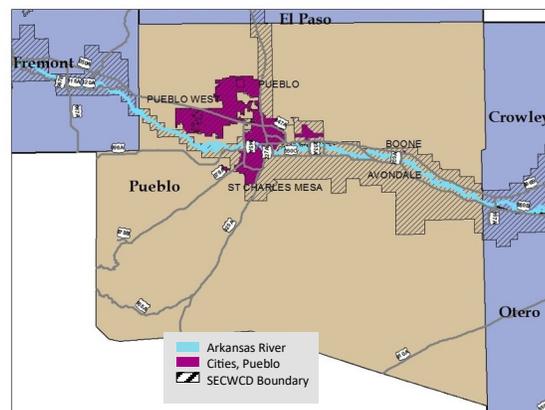
When the Southeastern Colorado Water Conservancy District was formed, Pueblo was the second-largest city in Colorado and its leaders were among the staunchest promoters of the Fryingpan-Arkansas Project.

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. Boone and Avondale are AVC participants. Pueblo West petitioned into the District in 1971, but was not able to receive Project water until 2007.

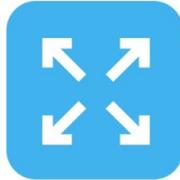




Section 2

Offices and Human Capital

The District’s professional staff is an asset to those who benefit from the Fryingpan-Arkansas Project and those in our Colorado communities. In 2022, the District will be adding staff members for increased workload related to the Arkansas Valley Conduit project and to meet workforce planning objectives.



RIGHT SIZE

Low friction
No vacancies
Not overstaffed



RIGHT SHAPE

Critical competencies
Succession management



RIGHT COST

Cost efficiency
Manageable cost



RIGHT AGILITY

Agile
Resilient
Flexible

Workforce planning goals and opportunities

The Southeastern Colorado Water Conservancy District staff grew throughout the years as the needs of the District changed. In the 1960s, a general manager oversaw operations with an office staff of two people. An outside attorney was also employed.

Throughout the years, employees with specialized skill sets were added for engineering, legal, financial, conservation, planning, and project management.

In response to an increasingly complex and technical work requirement, the District has relied on consultants and technology to maintain cost efficiency.

Today, the District has 12 full-time employees, to accomplish the needed work and manage outside contracts.

The District is poised for changes in the upcoming years, which presents both challenges and opportunities.

In 2022, new positions are included in the budget to reflect the changing workload, especially associated with the Arkansas Valley Conduit (AVC) project. Staff met the challenges of AVC development during the year, but it became apparent in the third and fourth quarters that more human resources will be needed as the AVC progresses.

Workforce Planning Model





Board of Directors



Executive Director Office

Jim Broderick
Executive Director
2002

Finance & Administrative Services Office



Leann Noga
Administrator
Finance & Administration
2004



Stephanie Shipley
Accountant
2016



Margie Medina
Administrative
Support Specialist
2000



Patty Rivas
Administrative
Support Specialist
2014



Lynette Holt
Accounting
Specialist
2020



**Part-time
Gardener**
2022



Intern
2022



Chris Woodka
Senior Policy and
Issues Manager
2016

(Dates show initial employment with the District)

General Counsel & Government Programs Office



Lee Miller
General Counsel
2011



Peter Levish
Staff Attorney
2022

Engineering Planning, Operations & Water Resources Offices



Garrett Markus
Water Resources
Engineer
2014



Kevin Meador
Principal
Engineer
2012



Mark Scott
Project
Coordinator
2022



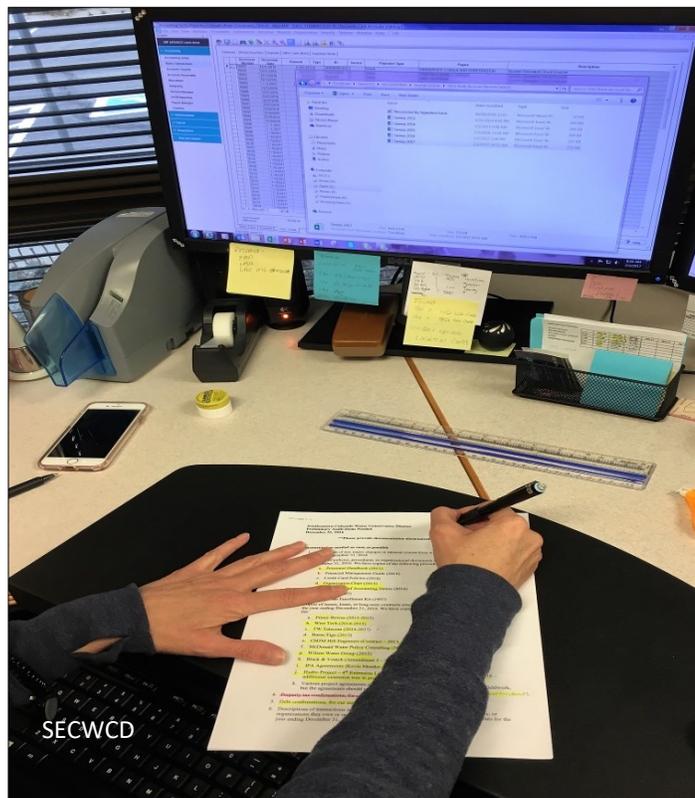
**Associate
Engineer**
2022

Issues, Programs & Communication Office

Offices and Human Capital Budgeting

Summary of Authorized Full/Part Time Staff By Department & Title							
	Authorized 2020	Actual 2020	Budget 2021	Actual 2021	Budget 2022	Forecasting 2023	Forecasting 2024
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
Staff Attorney	-	-	-	-	1.00	1.00	1.00
Finance & Administrative Services Office							
Administrator Finance & Administration	-	-	1.00	1.00	1.00	1.00	1.00
Administrative Manager	1.00	1.00	-	-	-	-	-
Finance Manager	1.00	1.00	-	-	-	-	-
Accountant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Intern	0.50	-	0.50	-	0.50	0.50	0.50
Administrative Support Specialist	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Administrative Support Associate	1.00	1.00	1.00	1.00	-	-	-
Garden Coordinator	0.50	0.50	-	-	0.50	0.50	0.50
Engineering, Planning, Operations & Water Resources Office							
Principal Engineer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Project Coordinator	-	-	-	-	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	-	-	-	-	1.00	1.00	1.00
Issues, Programs & Communications Office							
Senior Policy and Issues Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Employees	12.00	11.50	10.50	10.00	14.00	14.00	14.00

The staffing chart above reflects transitional changes in District staff in 2022, as well as Workforce Planning moves that fill District staffing needs at the right level, at the right cost, and with the appropriate skill sets. New positions are included for both workload and succession planning.



Summary of Offices — Introduction & Fund Relationship

2022 Budget Human Capital appropriation for Office and Activity	District Fund (General Fund)			Enterprise Water Fund & Hydroelectric Fund				
	48.92%			51.09%				
	(Core and Program Activities)	Reclamation Reform Act	Conservation	(Core and Program Activities)	Excess Capacity	Enlargement Project	Hydroelectric Power Project	Arkansas Valley Conduit
Executive Director	3.97%			3.39%				
General Counsel & Government Programs Office	7.50%			3.39%				
Finance & Information Technology	15.11%			5.39%	0.30%	0.16%	0.40%	2.63%
	0.00%							
Engineering, Planning & Operations Office	13.24%	0.16%		16.70%			1.07%	5.63%
Community Relations Outreach & Conservation Office	8.57%		0.37%	9.05%	0.24%	0.08%		2.63%
	48.39%	0.16%	0.37%	37.93%	0.55%	0.25%	1.47%	10.90%
	96.79%	0.16%	0.37%	37.93%	0.55%	0.25%	1.47%	10.90%

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 2022 Adopted Budget of human resource expenditures total \$2,187,631. The human resource budget includes wages and benefits and is expressed in the tables on this page as a percentage of each fund 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 2022 budget the Enterprise Water Fund, Hydroelectric and other projects are budgeted to cover 51 percent of the total human resource cost for services provided. The District funds will assume the expense of the other 59 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!**



2022 Adopted Budget District Human Resources	
Executive Director Office	15.38%
General Counsel & Government Programs Office	16.89%
Finance & Administration Services Office	25.71%
Engineering Water Resources, Planning & Operations	9.71%
Issues, Programs & Communication Office	25.71%

Executive Director Office

The Executive Director is responsible for providing leadership and management of the Southeastern 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.



Executive Director Office Responsibilities

- ◆ General Counsel & Government Programs Office
- ◆ Finance & Administrative Office
- ◆ Engineering & Water Resources Office
- ◆ Engineering Planning & Operation Office
- ◆ Issues, Programs & Communications Office



2021-2022 Office Summary	Filled 2021	Budget 2022
Executive Director Office		
Executive Director	1.00	1.00
Total Employees	1.00	1.00



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

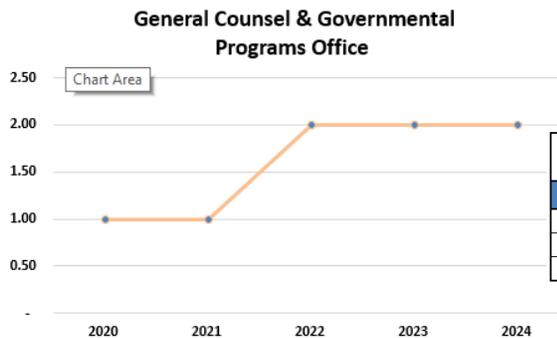
The General Counsel of the District manages all legal affairs, oversees special counsel, and provides a full range of legal services to the Board and District staff in the performance of their official duties. Specifically, the General Counsel ensures that District business is conducted according to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

GOVERNMENT PROGRAMS

This office leads activities related to state legislative relations. It 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.



2021-2022 Office Summary	Filled 2021	Budget 2022
General Counsel & Governmental Programs Office		
General Counsel	1.00	1.00
Staff Attorney		1.00
Total Employees	1.00	2.00

General Counsel & Government Programs Office

General Counsel & Government Programs Office

Administrative & Program Goals

Performance Objectives (2022)

- ◆ Arkansas Valley Conduit Contract with Reclamation and Pueblo Board of Water Works
- ◆ Arkansas Valley Conduit Repayment Contract
- ◆ Conditional Exchange Rights in Arkansas River Basin
- ◆ Colorado River Basin Issues
- ◆ Division 2 and Division 5 Water Rights Defense

General Counsel & Governmental Programs Office

Major Project Goals

Performance Objectives (2022)

- ◆ Arkansas Valley Conduit Contract with Reclamation and Pueblo Board of Water Works
- ◆ Arkansas Valley Conduit Repayment Contract
- ◆ Fountain Valley Authority Contract
- ◆ Diligence on Arkansas River (Division 2) Water Rights
- ◆ Professional Training of Staff Attorney, Succession Plan
- ◆ Colorado River Basin Issues

PERFORMANCE

Measurement of Completion

Summary	2021 Actual	2022 Projected Goal	Justification
Fry-Ark Contract Conversion	100%	100%	In-house Standard
Conditional Water Rights Division 2	100%	100%	In-house Standard
Conditional Water Rights Division 5	100%	100%	In-house Standard
Arkansas Valley Conduit Contracts	75%	100%	In-house Standard
Professional Training Staff Attorney	0%	25%	In-house Standard
AVC Three-Party Contract	75%	100%	In-house Standard

Performance Results (2021)

- ◆ Completed Conversion of the Fryingpan-Arkansas Project Contract
- ◆ State Legislation monthly updates to the Board of Directors
- ◆ Arkansas Valley Conduit (AVC) negotiations for three-party contract with Reclamation, Pueblo Water, and District
- ◆ Groundwork for AVC Repayment Contract
- ◆ Groundwork for Fountain Valley Authority Contract Renewal
- ◆ Colorado River Programs Bi-Monthly Report to the Board of Directors
- ◆ Water Court Case Monitoring and Intervention



Finance & Administrative Services Office

The Finance 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.

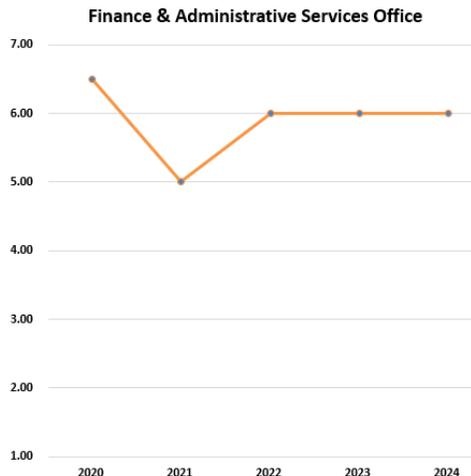
MATERIAL CONTROL & DISTRIBUTION

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.

2021-2022 Office Summary	Filled 2021	Budget 2022
Finance & Administrative Services Office		
Administrator Finance & Administration	1.00	1.00
Accountant	1.00	1.00
Accounting Specialist	1.00	1.00
Administrative Support Specialist	1.00	2.00
Administrative Support Associate	1.00	-
Intern	-	0.50
Garden Coordinator	-	0.50
Total Employees	5.00	6.00



Finance & Administrative Services Office

Finance Office

Administrative & Program Goals

Performance Objectives (2022)

- ◆ Timely water rate setting
- ◆ Ensure a satisfactory Annual Audit
- ◆ Ensure a satisfactory Annual Budget
- ◆ Safety of Dams on Pueblo Reservoir debt repayment
- ◆ Fry-Ark Contract debt repayment and OM&R prepayment
- ◆ Hydroelectric Power debt repayment
- ◆ Arkansas Valley Conduit (AVC) finances

Finance Office

Major Project Goals

Performance Objectives (2022)

- ◆ Launch Financial Study according to recommendation from 2019 study
- ◆ Hydroelectric Power Project finances, close loan
- ◆ Ensure Project cash flows and provide support as needed
- ◆ Review and update investment policy
- ◆ Review and update finance manual
- ◆ ARPA Contracting for AVC, and AVC finances

PERFORMANCE

Measurement of Completion

Summary	2021 Actual	2022 Projected Goal	Justification
Financial Study	90%	100%	In-house Standard
Fry-Ark Debt Repayment	83%	85%	In-house Standard
Arkansas Valley Conduit Finances	50%	100%	In-house Standard
Safety of Dams on Pueblo Reservoir	85%	90%	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 Setting	100%	100%	In-house Standard

Performance Results (2021)

- ◆ Developed Arkansas Valley Conduit Fund
- ◆ Investigation, development and implementation of federal funding nexus (ARPA funding)
- ◆ Fry-Ark Contract debt repayment & reconciliation
- ◆ Safety of Dams on Pueblo Reservoir debt repayment & reconciliation
- ◆ Ensure a satisfactory Annual Audit
- ◆ Ensure a satisfactory Annual Budget
- ◆ Quality Annual Budget Publications



Finance & Administrative Services Office

The Administrative 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 event arrangements, and safekeeping of official records.

LEARNING & DEVELOPMENT

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

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.

Administrative & Employee Service Office

Administrative Services Office

Administrative & Program Goals

Performance Objectives (2022)

- ◆ 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 Services Office

Major Project Goals

Performance Objectives (2022)

- ◆ Improve On Board software to more effectively manage remote meetings
- ◆ Strategically plan for equipment, software, and collaboration tools through technology
- ◆ Human Resources salary review
- ◆ Strategic Plan, Business Plan updates and improvements
- ◆ Electronic server replacement

PERFORMANCE

Measurement of Completion

Summary	2021 Actual	2022 Projected Goal	Justification
Headquarters Facilities	90%	100%	In-house Standard
Headquarters Grounds	75%	100%	In-house Standard
Fleet Management	83%	100%	In-house Standard
Human Capital Staffing	90%	100%	In-house Standard
Hardware, Software & Technology	80%	100%	In-house Standard

Performance Results (2021)

- ◆ District Headquarter facilities maintained and upgraded; conversion to full occupancy following COVID-19 limitations
- ◆ District Headquarter grounds maintained
- ◆ District Headquarter fleet vehicles maintained
- ◆ Human capital staffing transition planned
- ◆ Human capital education including and improved administrative technical skills
- ◆ Information technology up to date, Microsoft 365 upgrade features put to use, Zoom technology, electronic tablets for all Board members.
- ◆ Technology upgrades planned to conduct business, meetings remotely, including OnBoard software



Engineering Planning, Operations & Water Resources Office

The planning arm of the Engineering, Planning, Operations & Water Resources Office develops policies, and conducts strategic and long-term planning. Operations manages the James W. Broderick Hydro-power Plant at Pueblo Reservoir, assists in headquarters operations and will oversee activities related to the Arkansas Valley Conduit when it is build. The water resources department administers Enterprise water activities and coordinates activities with stakeholders and partners.



ENGINEERING SERVICE

This office provides technical assistance and/or for all engineering activities within the District, including design review, cost estimating, and other functions as required.

RESOURCE PLANNING & ANALYSIS

This office assists in 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 James W. Broderick Hydropower Plant at Pueblo Reservoir

PROJECT MANAGEMENT

This office service as the Project management of the District major projects, such as the Arkansas Valley Conduit



2021-2022 Office Summary	Filled 2021	Budget 2022
Engineering Planning, Operations & Water Resources Office		
Water Resource Engineer	1.00	1.00
Principal Engineer	1.00	1.00
Project Engineer	-	1.00
Water Resource Specialist/Engineer	-	1.00
Total Employees	2.00	4.00

Engineering Planning, Operations & Water Resources Office

Engineering, Planning & Operations Office

Administrative & Program Goals

Performance Objectives (2022)

- ◆ Operations of the James W. Broderick Hydropower Plant
- ◆ Oversee remaining contract items for the Hydro Plant
- ◆ Provide support for major projects in the District and Enterprise
- ◆ Interconnection of North and South Outlets at Pueblo Dam

Engineering, Planning & Operations Office

Major Project Goals

Performance Objectives (2022)

- ◆ Arkansas Valley Conduit: Coordinate activities with Reclamation and Enterprise to initiate construction
- ◆ Construction and placement of mechanical plugs at Hydro Plant
- ◆ Complete of the Hydropower financing package with Colorado Water Conservation Board

PERFORMANCE

Measurement of Completion

Summary	2021 Actual	2022 Goal	Justification
James W. Broderick Hydropower Plant Operations	100%	100%	In-house Standard
Support District and Enterprise Projects	100%	100%	In-house Standard
Arkansas Valley Conduit	50%	75%	In-house Standard
Pueblo Dam Interconnect	5%	5%	In-house Standard

Performance Results (2021)

- ◆ Maintain operations of the James W. Broderick Hydropower Plant
- ◆ Project management for the Arkansas Valley Conduit, and assistance to Reclamation on creation and implementation of Project Management Plan.
- ◆ Coordinated Arkansas Valley Conduit technical discussions and activities
- ◆ Participated in development and execution of Phase 2 of the Feature and Asset Valuation study
- ◆ Participated in development and execution of Phase 2 of the Recovery of Storage study



Engineering Planning, Operations & Water Resources Office

The planning arm of the Engineering, Planning, Operations & Water Resources Office develops policies, and conducts strategic and long-term planning. Operations manages the James W. Broderick Hydropower Plant at Pueblo Reservoir, assists in headquarters operations and will oversee activities related to the Arkansas Valley Conduit when it is build. The water resources department administers Enterprise water activities and coordinates activities with stakeholders and partners.



WATER OPERATIONS

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

ENGINEERING SERVICE

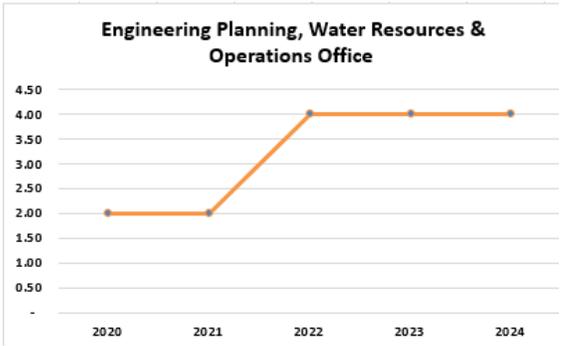
This office provides administration and legal stewardship of Fry-Ark technical records, provides technical engineering expertise, and supervises project management.

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 assists in the management of the James W. Broderick Hydropower Plant at Pueblo Reservoir



Engineering Planning, Operations & Water Resources Office

Engineering & Water Resources

Administrative & Program Goals

Performance Objectives (2021)

- ◆ Completion of District boundaries GIS mapping for true-up with counties
- ◆ Reclamation Reform Act ongoing program to track irrigated acres in the District boundaries
- ◆ Winter Water Storage ongoing program that allows Ag entities to store water during off-season
- ◆ Fountain Creek Transit Loss ongoing program to track Return Flows in Fountain Creek
- ◆ Restoration of Yield study, purchase, design, and implement storage to capture water releases downstream of Pueblo Reservoir
- ◆ Allocation of Project water and Return Flows
- ◆ Provide support for James W. Broderick Hydropower Plant at Pueblo Dam

PERFORMANCE

Measurement of Completion

Summary	2021 Actual	2022 Goal	Justification
Boundaries & Inclusion	50%	90%	In-house Standard
Reclamation Reform Act	100%	100%	In-house Standard
Water Sales & Storage	100%	100%	In-house Standard
Winter Water	100%	100%	In-house Standard
Water Quality Monitoring	100%	100%	In-house Standard
Voluntary Flow Management	100%	100%	In-house Standard
Fountain Creek Transit Loss	100%	100%	In-house Standard
Restoration of Yield	20%	60%	In-house Standard
Asset Valuation	50%	100%	In-house Standard
Condition Assessment	25%	50%	In-house Standard
Regional Resource Planning Group	0%	100%	In-house Standard

Engineering & Water Resources Office

Major Project Goals

Performance Objectives (2021)

- ◆ Complete Fryingpan-Arkansas Project Condition Assessment
- ◆ Develop Regional Resource Planning Group path forward
- ◆ Develop Irrigation First Right of Refusal policies and procedures

Performance Results (2021)

- ◆ Revised Allocation Policies following First Right of Refusal Pilot Program
- ◆ Provided support for James W. Broderick Hydropower Plant at Pueblo Dam
- ◆ Began process for true-up of District boundaries following mapping completion
- ◆ 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 Project water allocation



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

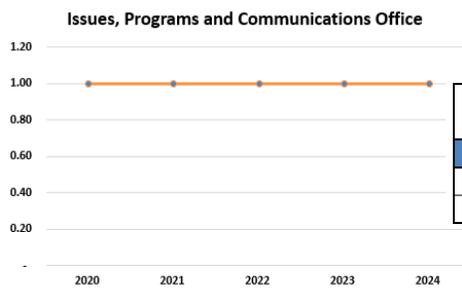
District projects and programs are coordinated to prove assurances that necessary actions are taken at the appropriate time in order to accomplish the best results.

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.



2021-2022 Office Summary		Filled 2021	Budget 2022
Issues, Programs and Communications Office			
Senior Policy and Issues Manager		1.00	1.00
Total Employees		1.00	1.00

Issues, Programs & Communication Office

Issues, Programs & Communications Office

Administrative & Program Goals

Performance Objectives (2022)

- ◆ Arkansas Valley Conduit planning, development and communication
- ◆ Coordination with state and federal agencies and associations
- ◆ Budget Publication, Strategic Plan, Business Plan updates and improvements
- ◆ Administer Excess Capacity Master Contract
- ◆ Coordinate Recovery of Storage Study

Issues, Programs & Communications Office

Major Project Goals

Performance Objectives (2022)

- ◆ Communication Contact for Arkansas Valley Conduit Project
- ◆ Coordinate Fryingpan-Arkansas Project 60th Anniversary Activities
- ◆ Solicit Reclamation participation in Recovery of Storage Study
- ◆ Planning liaison for Arkansas River Basin Water Forum, Water '22, Colorado Water Congress and other activities

PERFORMANCE

Measurement of Completion

Summary	2021 Actual	2022 Goal	Justification
Arkansas Valley Conduit Communications	100%	100%	In-house Standard
Coordination with outside agencies	100%	100%	In-house Standard
Tour and 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
Recovery of Storage	25%	50%	In-house Standard

Performance Results (2021)

- ◆ Communication (Board, Stakeholders, Staff, Public) During COVID-19 Pandemic, transition to live events
- ◆ Communication, administration for Recovery of Storage Study
- ◆ Completion Budget Publication, Business Plan, and Strategic Plan
- ◆ Communication for Arkansas Valley Conduit and Bureau of Reclamation
- ◆ Presentation of District projects and programs to various outside groups, including Water Education Colorado, congressional officials, state officials and community groups
- ◆ Participate in planning of Arkansas River Basin Water Forum
- ◆ Administration of Excess Capacity Master Contract



Measuring Progress

Interaction of Offices with the Business Plan

Fryingpan-Arkansas Project		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
Repayment Contract	Finance/Legal		Repay Fry-Ark Debt	83%	85%
Operation, Maintenance & Replacement	Finance		Payments for District Share	100%	100%
OM&R Credits	Finance		Credit to District OM&R	100%	100%
Fryingpan-Arkansas Reserve Fund	Finance		Increase Fund Balance	100%	100%
Miscellaneous Revenues	Finance		Reclamation Fund for AVC	100%	100%
Excess Capacity Master Contract	Programs		Contract for Pueblo Reservoir Accounts	100%	100%
Winter Water	Engineering Water Resources		Coordinate Winter Water Storage	100%	100%
Reclamation Reform Act	Engineering Water Resources		Track Irrigated Acres	100%	100%
District Operations		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
Human Resources	Administration		Transitional Planning and Stability	90%	100%
District Headquarters	Administration		Maintain District Building	100%	100%
District Grounds	Administration		Maintain District grounds	75%	100%
Records Management	Communications		Develop Electronic Filing System	5%	25%
Fleet Management	Administration		3 Vehicles, 6-Year Rotation	100%	100%
Boundaries & Inclusion	Engineering Water Resources		Accurate Boundaries & Inclusions	80%	100%
Water Rights Protection	Legal		Diligence, Protection of Water Rights	100%	100%
Outside & Professional Services	Administration		Outside help for all areas	75%	100%
Water Conservation & Education	Communications		Conservation Planning in 2022	50%	100%
Communications & Outreach	Communications		Develop Communication Plan	50%	100%
Financial Study	Finance		Financial Study in 2022	50%	100%
Reserve Funds	Finance		Establish Reserve Structure	50%	100%
Asset Valuation & Condition Assessment	Engineering Water Resources		Complete Condition Assessment	50%	100%
Recovery of Storage	Programs		Develop Storage Recovery Plan	50%	100%
Streamflow Forecasting	Engineering Water Resources		More Accurate Water Supply Forecast	50%	100%
CoAgMet Monitoring	Engineering Water Resources		Ongoing Weather Monitoring	100%	100%
Watershed Health	Programs		Cooperative Basinwide Program	5%	25%
Enterprise Operations		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
Water Quality Monitoring	Engineering Water Resources		USGS Cooperative Programs	100%	100%
Colorado River Programs	Legal		Colorado River Activities	100%	100%
Fountain Creek Transit Loss Model	Engineering Water Resources		Cooperative Basinwide Program	100%	100%
Regional Resource Planning Group	Engineering Water Resources		Cooperative Basinwide Program	50%	100%
Safety of Dams	Finance		Repay Safety of Dams Debt	88%	92%
Upper Basin Storage	Engineering Water Resources		Cooperative Basinwide Program	5%	25%
Restoration of Yield	Engineering Water Resources		Cooperative Basinwide Program	25%	25%
Arkansas Valley Conduit		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
AVC Construction Plan	Engineering Planning		Enterprise Construction Project	5%	25%
Hydroelectric Power		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
James W. Broderick Hydropower Plant	Engineering Planning		Enterprise Construction Project	100%	100%

Key:
Completion
Implementation
Design
Planning

This chart shows the progress of Business Plan elements according to the office of primary responsibility. In general, most projects, programs and operations overlap and interact.





Section 3

Financial Planning

Introduction

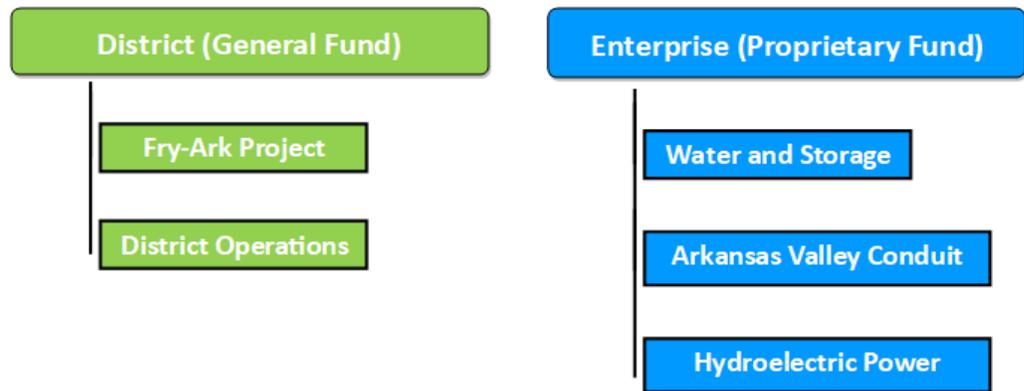
Planning Documents

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, comparison data, and 2022 Budget explanations and budget statements can be found in the Budget Overview section of this document.

The 2022 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, 2022.

The General Fund consists of the Fryingpan-Arkansas Project (Fry-Ark) subfund and the District Operations subfund. The Proprietary Fund consists of the Water and Storage, Arkansas Valley Conduit, and Hydroelectric Power subfunds.

A financial planning process has progressed since 2017 to align revenues and expenditures, retain accountability and plan for future needs. The past, present and future of this process is described in Section 3 of the Budget.



Financial Planning Takes Time

In recent years, the District has taken a hard look at its historical practices, financial structure and future needs. This summary looks at where we've been and where we're going from a financial point of view.

2017-18: Framing the Future

Framing the Future was a comprehensive look at all aspects of the District and Enterprise Budget .

2019: Financial Study

Jacobs Engineering completed the Financial Strategy and Sustainability Study, which led to several recommended actions .

2021: Surcharge Study

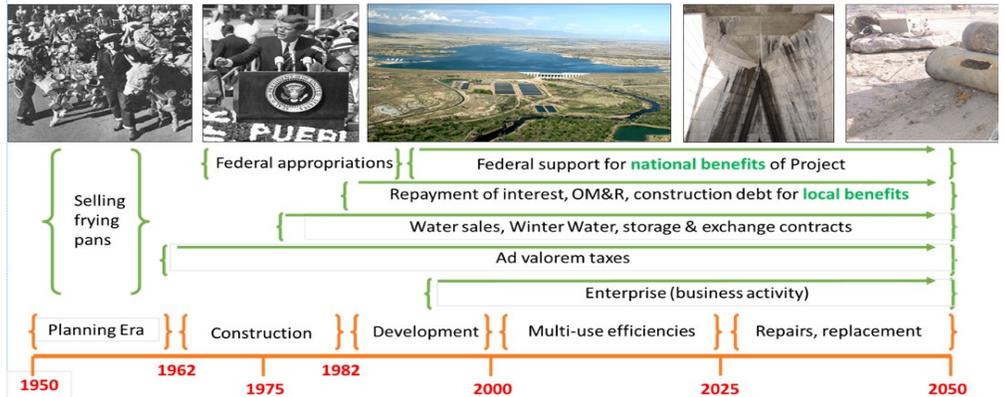
The Surcharge Study was delayed because of the 2020 COVID-19 pandemic.

Future: Reserves Decision

The Board still faces the question of defining capital reserve requirements and setting aside appropriate reserves to manage future expenditures.



Financial timeline of Fry-Ark Project



Framing the Future, 2017-2018

In 2017, the District began a process called Framing the Future, which took a long look at the financial history, current practices, and future needs of the District and Enterprise.

The discussions began in the Executive Committee, which includes all officers and the chairs of each of the District's six standing committees. The discussion was needed for several reasons:

- 1) The turnover of Board members. Many new members on the Board may not be aware of the historical basis for policies.
- 2) The debt for the original Fry- ingpan-Arkansas Project could be paid off as soon as 2022, but ongoing operations, maintenance and repairs must still be funded beyond that point, and a mechanism needs to be in place to assure that
- 3) The District's repayment contract with Reclamation would expire at the end of 2021, and a new contract needed to be negotiated.

- 4) Fryingpan-Arkansas Project infrastructure is aging and may need substantial repairs, or in some cases, replacement. A better understanding of maintenance and repairs was needed.

Four financial areas were discussed in depth:

- 1) **Fry-Ark Contract:** What it means and how it limits or enhances the District's financial controls.
- 2) **Finances:** how the District operates and the need to match expenditures with revenues.
- 3) **Property Taxes:** The Board's past, present and future options; state Constitution and statutes.
- 4) **Miscellaneous Revenues, Water Sales and Storage:** How these sources of funds fit into the budget.

At the conclusion of the Framing the Future discussion, the Board decided to seek an Amendment to the Fry-Ark Contract that would allow repayment over the full 50-year term, pre-pay annual OM&R and allow for a Fry-Ark Reserve Fund.

Amendment 11 to Fry-Ark Repayment Contract

Fry-Ark Debt History

Construction of the Fryingpan-Arkansas Project took place from 1964-1981, when it was deemed substantially complete. The total cost of the project was \$585 million, which included \$87 million of interest during construction.

The District’s share was \$134 million, about 23% of the total cost. When the Fry-Ark Repayment Contract was signed in 1982, the District had paid about \$2 million, leaving \$132 million in debt. The municipal & industrial portion, about 43% of the District’s debt, carried a 3.046% annual interest charge, and was paid off first. The agricultural portion, about 57%, is still being paid. Payment was ahead of schedule because of population growth within District boundaries. The term of the 1982 Fry-Ark Contract was 40 years, but the repayment period extended 50 years, and included a provision that hydroelectric revenues could be applied to the debt if other revenues were insufficient.



Pueblo City-County Library District

President John F. Kennedy signs the Fryingpan-Arkansas Project Act on August 16, 1962, as Congressmen and supporters of the Project observe.

Fryingpan-Arkansas Project Repayment Contract, 2018-21

In 2021, the District negotiated a conversion of the Fry-Ark Repayment Contract with the Bureau of Reclamation. The term of the contract is in perpetuity with periodic review.

Many issues already were addressed by Amendment 11 to the Fry-Ark Contract in 2018. With Amendment 11, the repayment period was extended to December 31, 2031, advance payment for routine Fry-Ark OM&R was established, and a reserve fund for extraordinary Fry-Ark OM&R was created.

Reimbursable Fry-Ark Revenue	Amount
SECWCD Municipal & Industrial	\$58,761,000
SECWCD Agricultural	\$76,028,000
Fountain Valley Conduit	\$64,869,000
Electrical power generation	\$147,509,000

Prior to Amendment 11, all of the revenue from the Project mill levy was provided to Reclamation, and reconciled by paying Fry-Ark debt interest, OM&R and debt balance. Under Amendment 11, the District pays the actual OM&R and a set payment for debt. Revenues not needed for those purposes are held in reserve, and cannot be spent without agreement by the District and Reclamation.

Interest from the Fry-Ark reserve account can be used for any purpose within the District and Enterprise.

The Fry-Ark conversion contract signed in 2021 aligns a healthy future for the Fry-Ark Project and its beneficiaries.



Financial Strategy and Sustainability Study



Why we did it

The Finance Study grew out of the Framing the Future discussion. In that discussion, the importance of maintaining the Fryingpan-Arkansas Project and its supporting activities was stressed. The District's role as the Project's sponsor was emphasized. The Financial Study was the logical next step in identifying and implementing changes that will allow the District to fulfill its role for the next 60 years and beyond.



Setting the stage for the financial future

The Southeastern Colorado Water Conservancy District completed a Financial Strategy and Sustainability Study to be completed in 2019. This study that will help to assure the future of the Fryingpan-Arkansas Project (Fry-Ark Project), as well as District and Enterprise projects and programs.

The Financial Study by Jacobs Engineering developed several financial tools to help the District adjust to change in an efficient way that has the least impact on District customers or program participants. The major elements of the study included:

- 1) A Financial Plan
- 2) Analysis of policies
- 3) Capital Improvement and Capital Project Plan
- 4) Revenue requirement analysis
- 5) Cost of service analysis
- 6) Rate design analysis

At the conclusion of the Financial Study, the Board of Directors voted to increase Fry-Ark Project water and Return Flow rates for the first time in more than 20 years, after realizing the need to increase revenues to meet expenditures. The Board also adopted four recommended financial policies for Rate Setting, Debt Management, Capital Planning, and Unrestricted Reserves.

Several issues remained outstanding, however, including surcharges, the amount to be charged for water storage of carryover Fry-Ark Project water, and the level of reserves.

The Finance Committee began discussions on surcharges in early 2020, but these were postponed because of COVID-19 restrictions. These will be evaluated in a future financial study.

The question of reserve levels is being addressed in part through the Asset Valuation, Condition Assessment, and Recovery of Storage studies as well.

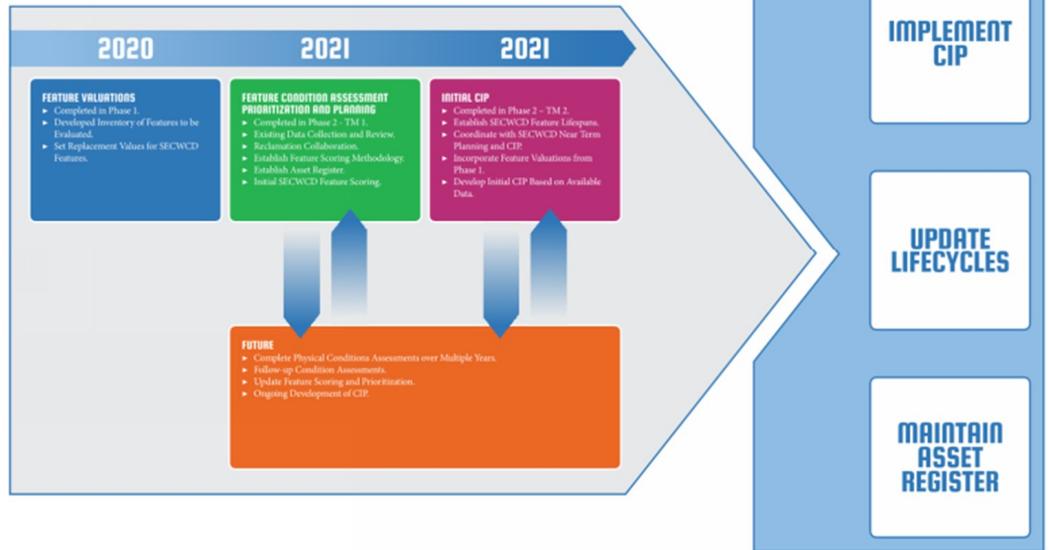
Looking Ahead: What are the next steps?

Future Considerations

There were four recommendations for future consideration in the Financial Strategy and Sustainability Study:

- Perform a follow-up cost-of-service rate study in approximately 3 years.
- Revisit the Hydroelectric Enterprise financials following startup and steady-state operations.
- Begin discussions on approaches for funding or financing the significant capital investment needs in the 20-year timeframe.
- Quantify and conduct sensitivity analysis of significant financial risks facing the District.

The District has begun to implement these suggestions, and has created a subfund for the Arkansas Valley Conduit, because of the significant Enterprise expense associated with increased federal funding.



Future: Capital Improvement Plan, Reserves

The District completed Phase 2 of its Feature Condition Assessment Prioritization and Planning in 2021 and will apply the knowledge gained from this study going forward.

The Condition Assessment will look at all Fryingpan-Arkansas Project, District and Enterprise assets under a scoring system recommended by Providence Infrastructure Consultants in the 2020-21 study.

The scoring system looks at the following factors:

- Probability of Failure
- Consequences of Failure
- Level of Risk to Performance

Under the scoring system, features of the Fry-Ark system can be prioritized. Up until now, this has been a tabletop exercise. The next step is to work with Reclamation to perform field work to determine the condition of each feature.

The District will be able to refine its capital improvement plan using this scoring system in order to identify when funding needs are likely to arise.

Fry-Ark Project Reserves are being accrued from ad valorem tax collections that are not needed for debt repayment or operations, maintenance and replacement costs.

District and Enterprise Reserves are funded through taxes, fees, investments and sales of water, storage and power.

Failure Mode	Definition	Tactical Aspects	Management Strategy
Capacity	Volume of Demand exceeds design capacity.	Growth and/or system expansion.	Redesign
Level of Service (LOS)	Functional requirements exceed design capacity.	Codes & permits, CSOs, OSHA, noise, odor, life safety service, etc.	O&M optimization, renewal
Mortality	Consumption of asset reduces performance below acceptable level.	Physical deterioration due to age, usage, and acts of nature.	O&M optimization, renewal
Efficiency	Operation costs exceed that of feasible alternatives.	Pay-back period.	Replace



Financial Policies

Financial Policies

The 2019 Finance Study recommended four new financial policies for the District, which were adopted by the Board in October 2019: Rate Setting, Debt Management, Capital Management, and Unrestricted Reserves.

The District has an Investment Policy in place, as well as guidelines for Accounting, Auditing, Budgeting, Cash Management, Financial Reporting, Internal Control, Records Management, and Other Issues.



Rate-Setting Policy

Water rates are set to recover costs, on a long-term basis, net of other revenue sources for the Southeastern Colorado Water Activity Enterprise (SECWAE).

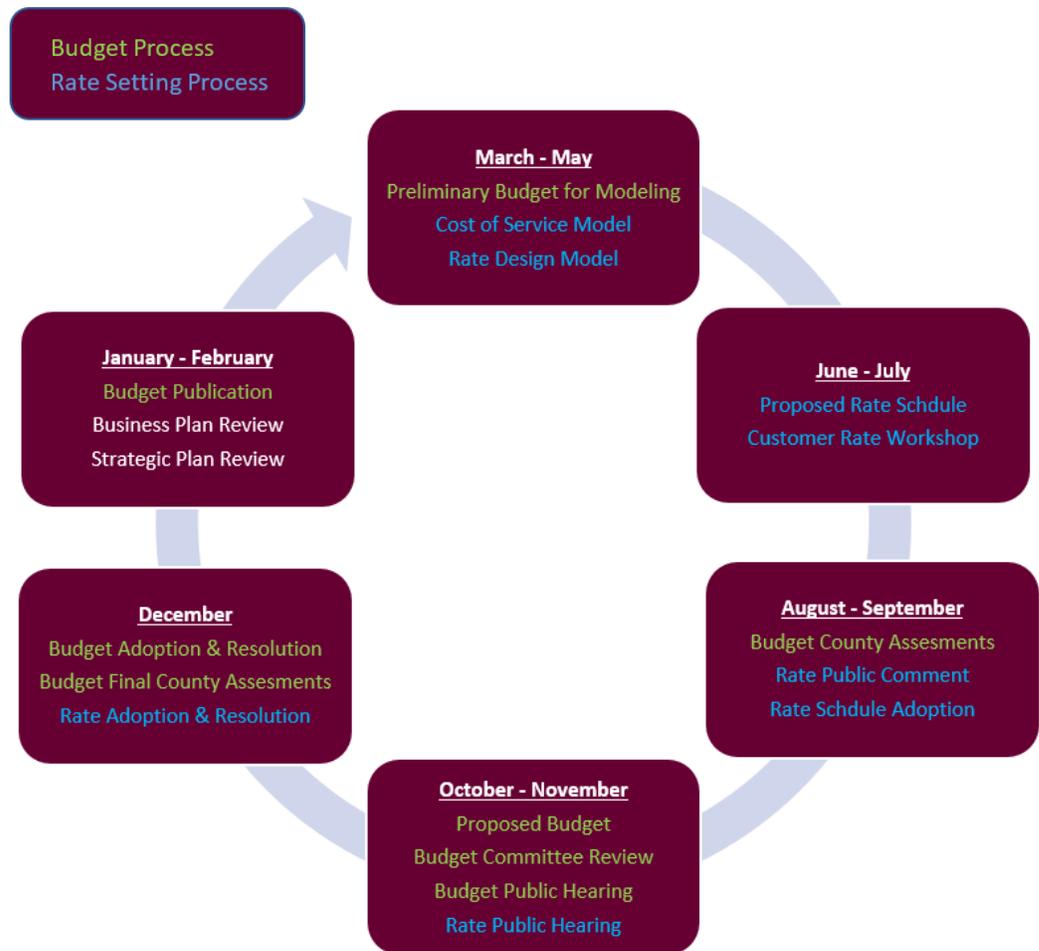
SECWAE will review rates, at least, annually as part of the long-term planning process.

A cost-of-service study will be performed every three years, or as necessary, to forecast the revenue requirement. The cost-of-service study is based on a 10-year planning horizon, called the Forecast Period. Rates are set for one year only, called the Firm Year. The second and third years are Advisory Years and align with the District's three-year Business Plan.

Costs shall be allocated to two customer groups: Municipal & Industrial and Irrigation customer groups.

Rates, under general circumstances, should only be set following public announcement and an adequate provision of time for public comment.

The Board retains its authority permitted under water delivery contracts to adjust rates, as deemed necessary, if rates prove inadequate to cover costs.



Financial Policies



Debt Management Policy

This policy is a guide to the Southeastern Colorado Water Conservancy District (SECWCD) and its Activity Enterprise (SECWAE) for the issuance and use of debt to fund capital projects or to refund/refinance/restructure outstanding debt. SECWCD and SECWAE will ensure compliance with all laws, legal agreements, contracts, best practices, and adopted policies related to debt issuance and management.

SECWCD and SECWAE will promote cooperation and coordination with all stakeholders in the financing and delivery of services by seeking the lowest cost of capital reasonably available and minimizing financing costs for capital projects and other debt issuances.

SECWCD’s and SECWAE’s Boards are responsible for authorizing all debt issuance via a Board resolution. The Board is also responsible for approving the Debt Policy and any material changes to it. SECWCD and SECWAE Board members and staff, District officials, and outside advisors are critical in the debt issuance process.



Capital Planning

The Southeastern Colorado Water Conservancy District (SECWCD) Capital Improvement Program (CIP) is a 20-year capital investment plan that encompasses all annual capital expenditures on individual capital projects—generally nonrecurring investments in new or existing infrastructure, including new construction, expansion, renovation, or replacement projects, with a useful life of at least 10 years.

This policy applies to the SECWCD and its Water Activity Enterprise.

The Executive Director, in consultation with the Board President, will be responsible for development of the CIP. The Finance Committee, a standing committee of the Board, will review the CIP annually and forward it to the Board for approval

The CIP presents the 20-year rolling plan for capital allocation and prioritization. The CIP will be updated and published each year. Capital projects will be required to identify benefits to justify the requested capital investment.



Financial Policies, Practices, and Guidelines

Policies	Practices	Guidelines	
Rate Setting	Rate Setting	Accounting	Financial Reporting
Debt Management	Debt Management	Auditing	Internal Control
Unrestricted Reserves	Unrestricted Re-	Budgeting	Records Management
Capital Planning	serves	Cash Management	Other Issues
Investment	Capital Planning		



Financial Policies



Unrestricted Reserves

The Southeastern Colorado Water Conservancy District (SECWCD) and its Water Activity Enterprise (SECWAE) have established Unrestricted Reserve funds for: (i) operations and maintenance activities in years of below average income due to drought or other events or contingencies, (ii) major infrastructure or equipment failures, (iii) extraordinary expenses associated with major maintenance and rehabilitation projects, and (iv) new capital projects and programs.

Reserve Category	Purpose	Target Funding Level
Cash Reserve	Working cash sufficient to fund cash-flow variations in a typical operating cycle.	(To be determined)
Operating Reserve	Covers potential interruptions in District Operations and District Enterprise Fund revenue streams; and may be used to smooth and stabilize water rates over the short term.	(To be determined)
Capital Reserve	Funds capital repair, replacement, or betterment of SECWCD properties; funds other capital activities that may be undertaken by SECWCD.	(To be determined)
Exposure Reserve	Covers extraordinary, unforeseen events not otherwise covered by reserves or insurance.	(To be determined)

Reserve policies are to be established and accomplished in accordance with statutory and contractual requirements. This policy does not modify or supersede requirements to maintain certain levels of restricted reserves as specified within various existing and future agreements, including but not limited to Amendment No. 11 To Contract No. 5-07-70-W0086, Between the United States of America and the Southeastern Colorado Water Conservancy District, Fryingpan-Arkansas Project, Colorado, as it may be amended, supplemented or converted. The board has the discretion to change funding priorities.

The SECWCD and SECWAE Board will establish funding targets and priorities of Unrestricted Reserves, and will adjust periodically as necessary.

The Executive Director is authorized to commit and expend reserve funds as necessary in his/her judgment to protect life and property, provided that as soon as practicable, the Executive Director shall notify the Board of such action and obtain Board approval for such commitment and expenditure in a timely manner.



Future Adjustments

The Board approved the Unrestricted Reserves policy in October, 2019, with the condition that target funding levels would be set in the future.

Target funding levels for specific elements were identified in September 2018 for both the District and Enterprise. However, no funding mechanisms or timetables were put in place.

The target levels of funding and reserve structure have not been finalized by the Board.



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.

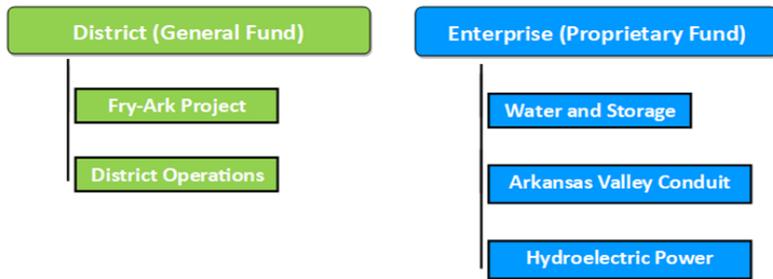
The Enterprise fund basis of budgeting is presented using an accrual basis of accounting, recognizing revenue when earned and expenses when the liability is incurred.

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: Major Funds and Subfunds



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 two subfunds the Fry-Ark Project and District Operations. The Fry-Ark subfund includes the Fryingpan-Arkansas Project activity. The District Operations include grant activity, operating expense, planning and development, and capital improvement.

The Government Activity 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 made up of the Water and Storage subfund, the Hydroelectric subfund and the Arkansas Valley Conduit subfund. The Water and Storage subfund includes grant activity, operations, and major projects, reoccurring capital, and capital improvement. The Hydroelectric subfund is the operation of the James W.

Broderick Hydropower Plant at Pueblo Dam. The Arkansas Valley Conduit subfund is for the final design, construction and operations of the Arkansas Valley Conduit project.

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 projects 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 include the Southeastern Colorado Water Activity Enterprise as a whole, Excess Capacity Master Contract project, Enlargement project, Arkansas Valley Conduit project, and the James W. Broderick Hydropower Plant at 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, unless there is a budgeted use of reserve funds.
- ◆ 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 subject 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 expenditures 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 one major project, which is the Fry-Ark Project supported by tax collection.
- ⇒ To finance the operations of the District, an Operating tax is levied on the property 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, storage and related surcharges and fees, reimbursement from Project participants, grants, partnership contributions, and investments.

Budgetary Guidelines & Practices

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-adopt the amended Budget.

On this page are the main statutes which affect financial practices.



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

Key District Practices

The following additional internal key policies are followed:

- All financial policies
- A balanced Governmental fund budget
- A balanced grant budget
- Project participation revenues with matching expenditure
- Fryingspan-Arkansas Project Water Allocation Principles

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)

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.



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

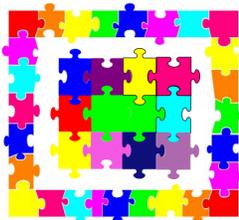
The Budget Officer meets with the Executive Director on several different occasions as each section of the budget is completed. Changes are sometimes made to the budget requests submitted by staff. Once the draft of the proposed budget is complete, copies are sent to department heads for final review 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 Statute 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 budget 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.”





Section 4 Budget Overview Description and Comparison Data

Introduction

One Budget, Two Funds

The *Government Activity, or General Fund*, encompasses all District business including the Fryingpan-Arkansas Project and District operations.

The *Business Activity, or Enterprise Fund*, focuses on programs and projects, and provides services to the Government Activity. Projects include the Hydroelectric Power Plant and the Arkansas Valley Conduit

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: 2021-2022 Total County Assessed Value

County		2020 Assessed Value	2021 Assessed Value	Value Change	Percent Change
Bent	11/24/2021	63,893,750	69,004,280	5,110,530	8.00%
Chaffee	11/19/2021	416,562,660	507,435,470	90,872,810	21.81%
Crowley	11/30/2021	39,760,020	43,832,057	4,072,037	10.24%
El Paso	11/24/2021	6,808,366,510	8,109,905,560	1,301,539,050	19.12%
Fremont	11/29/2021	350,715,155	411,360,116	60,644,961	17.29%
Kiowa	12/1/2021	2,891,710	3,323,560	431,850	14.93%
Otero	11/22/2021	142,390,766	147,801,859	5,411,093	3.80%
Prowers	12/1/2021	60,610,183	64,029,426	3,419,243	5.64%
Pueblo	11/29/2021	1,699,188,381	1,884,356,955	185,168,574	10.90%
Total		9,584,379,135	11,241,049,283	1,656,670,148	17.29%

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 Colorado Revised Statutes, the District receives a draft certification of assessed value of property for each county by August 25.

The final certification of assessed value of property for each county 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 2021 assessments are collected in 2022. The nine counties in the District estimate a total assessed value in 2021 of \$11,241,049,283. Table 4-1 illustrates a comparison between assessed values from

2020 to 2021. Table 4-2 illustrates final assessments and expected collection from each county.

The District certifies all three mill levies and submits them to each respective county no later than December 15, in accordance with the Colorado State Law (CRS 39-5-128). See Appendix for document titled *County Assessed Valuation and Certificate of Tax Levy*.

For 2022 Budget the District certified the following levies to ensure state revenue limits; Contract Repayment of 0.900 with a temporary mill levy rate reduction of .100 for a total of .800, Abatement and Refunds of 0.004, and Operations at 0.035.

Table 4-2 provides a layout of each county's estimated contribution regarding the three Tax Levies for 2022 collection.

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.

Table 4-2: Collections for all Levies - 2021 for 2022 Budget

Last Revised: 12/15/2021

County	2021 Assessed Value	Percent of Total	Contract Repayment		Operating		Abatements & Refunds		Total Collections
			Mill Levy	Collections	Mill Levy	Collections	Mill Levy	Collections	
Bent	69,004,280	0.61%	0.800	55,203	0.035	2,415	0.004	276	57,894.59
Chaffee	507,435,470	4.51%	0.800	405,948	0.035	17,760	0.004	2,030	425,738
Crowley	43,832,057	0.39%	0.800	35,066	0.035	1,534	0.004	175	36,775
El Paso	8,109,905,560	72.15%	0.800	6,487,924	0.035	283,847	0.004	32,440	6,804,211
Fremont	411,360,116	3.66%	0.800	329,088	0.035	14,398	0.004	1,645	345,131
Kiowa	3,323,560	0.03%	0.800	2,659	0.035	116	0.004	13	2,788
Otero	147,801,859	1.31%	0.800	118,241	0.035	5,173	0.004	591	124,006
Prowers	64,029,426	0.57%	0.800	51,224	0.035	2,241	0.004	256	53,721
Pueblo	1,884,356,955	16.76%	0.800	1,507,486	0.035	65,952	0.004	7,537	1,580,975
Total	11,241,049,283	1.00		8,992,839		393,437		44,964	9,431,240

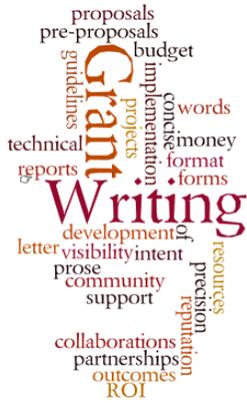
Contract + Operating Ad Valorem = 0.835 \$ 9,386,276

Total compared 2020 to 2021 Assessed Values & projected taxes

2021	11,241,049,283	0.800	8,992,839	0.035	393,437	0.004	44,964	9,431,240
2020	9,584,379,135	0.900	8,625,941	0.035	335,453	0.007	67,091	9,028,485
Increase(Decrease)			366,898		57,983		(22,126)	402,755



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 \$400,000 for the 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 levies titled “contract tax” and “abatements and refunds tax,” then adjusts prior year tax and subtracts 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 2022 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 and the Fry-Ark conversion contract signed in 2021 allows debt payments to be amortized through December 2031. That means the District makes payments in the amount of \$1,467,572 annually to decrease the debt of the Project. The amendment also allows the District to upfront OM&R expense and create a Fry-Ark reserve fund that is held by the District and used for the benefit of the Project.

As of December 31, 2021, the Fryingpan-Arkansas Project outstanding debt is \$14,675,721.

Table 4-4 reflects the total annual payment made to Reclamation for the Fryingpan-Arkansas Project debt and OM&R expenses. The decrease in expenditures in 2021 is a direct result of OM&R expense payment delayed by Reclama-

tion. This payment will be made in 2022.

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 January of each year; the matching expense is paid to Reclamation in the same month. The Fountain Valley Authority budget in 2022 is \$2,600,000. The 2022 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, fees assessed by Reclamation are paid to the District and then forward to Reclamation.

The 2022 Budget includes \$288,597 for 6,595 acre-feet of storage at a Reclamation contracted price of \$43.76.

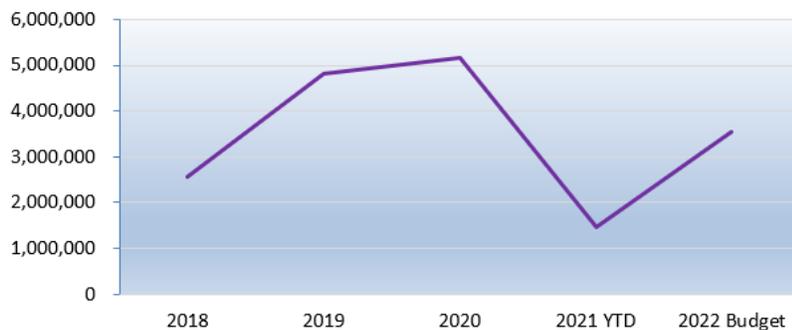
Reclamation Reform Act (RRA) is a project enacted by the Federal government that the District must remain in compliance with as a provision of the Fryingpan-Arkansas Project contract.

The District has budgeted \$20,000 for possible fee bills as a result of RRA compliance. In 2021 the District was expected to go through a Reclamation audit that occurs every five years, but the audit was delayed to 2022.

Table 4-3: Fry-Ark Project Tax Revenues

	2018	2019	2020	2021 YTD	2022 Budget
Contract Mill Levy Tax	7,441,763	7,548,181	8,153,736	8,597,840	8,992,839
Abatement & Refunds	31,866	75,489	85,314	66,869	44,964
Prior Year Tax	(6,488)	(4,150)	(6,250)	(8,181)	(8,900)
County Collection Fees	(128,716)	(131,215)	(141,592)	(148,204)	(158,273)
Total Annual Payment	7,338,425	7,488,305	8,091,208	8,508,324	8,870,630

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 that enables 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 respective 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 2022, the interfund reimbursements make up 57 percent of the total District operating revenue.

Table 4-6 illustrates a stable District revenue stream through tax collection and investments. Operating tax revenues have proven to be a dependable stream of revenue averaging \$308,134 annually. Specific Ownership Tax continues to have a steady income from consumer spending trends in the District's nine counties. Over the past four years Specific Ownership Tax revenues average \$1,002,564 per year. El Paso and Pueblo Counties have had the greatest impact 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 \$15,800,000 in short and long-

term investments. A portion of these funds are held for a specific purpose. Bonds held through Wells Fargo Securities make up 98 percent of the investment portfolio and 3 percent are made up of short-term liquid investments held with CO-LOTrust. The 2022 Budget for investment revenue, based on

projected fluctuations in the market, is \$91,418. Investment and interest revenue producing an average of \$161,326 per year, but are projected to decrease in 2022 due to the current inflation and early calls on investment. The District has \$1,242,000 in bonds or certificates of deposit maturing in 2022 and will be looking to reinvest the funds while managing risk and opportunity.

The District is driven by the 15-year Strategic Plan. This will allow leadership to look at the long-term future of the District to develop 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. Since these plans have been implemented, staff has begun to review policies and investigate additional revenue streams. In 2019 the District completed the Financial Strategy and Sustainability Study. *Please*

see Appendix for additional detail regarding the long and short-term planning.

The 2022 Budget forecasts that the District's operating revenues will consist of interfund reimbursements of 57 percent, Specific Ownership Tax of 27 percent, Operating tax of 13 percent, and investment revenue of 3 percent as shown in Table 4-7.

Table 4-5: Government Activity Operating Revenue

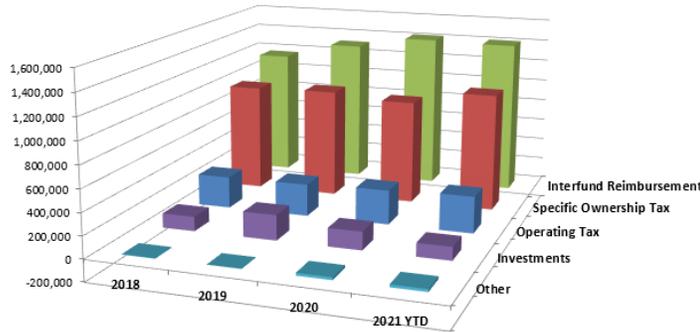


Table 4-6: District Operating Revenue Overview

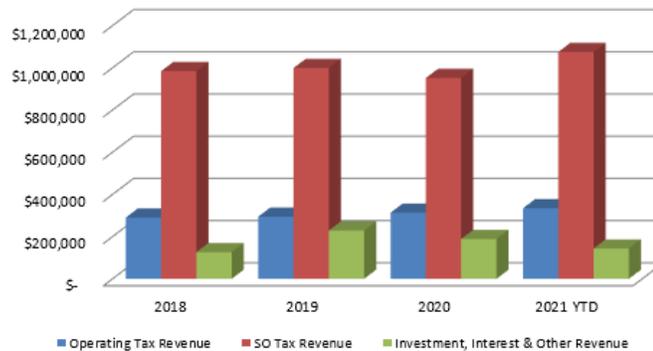
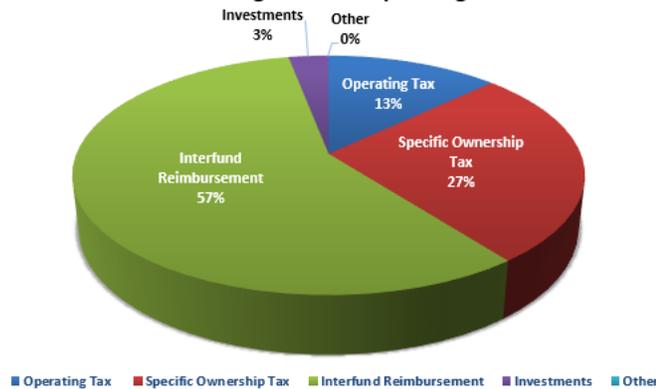


Table 4-7: 2021 Budget District Operating Revenue



Government Activity Expenditures

The budgeted Government Activity total expenditures for the 2022 Budget are \$11,345,908. The expenditures are considered in one of four categories; Fryingpan-Arkansas activity, \$6,567,772; Grant activity, \$400,000; operating expenditures, \$4,191,136; and Capital expenditures, \$187,000.

Operating expenditure policy requires that expenditures match operating revenue to present a balanced governmental budget, unless there is a planned use of reserve funds. In the 2022 Budget Recurring Capital expenditures have been retitled Planning and Development and are included in the analysis of operating expenditures as shown in the Budget financial statements. The 2022 Budget Operating expenditures are illustrated by percentage in Table 4-8.

TABLE 4-8: 2021 BUDGET DISTRICT OPERATING EXPENDITURES

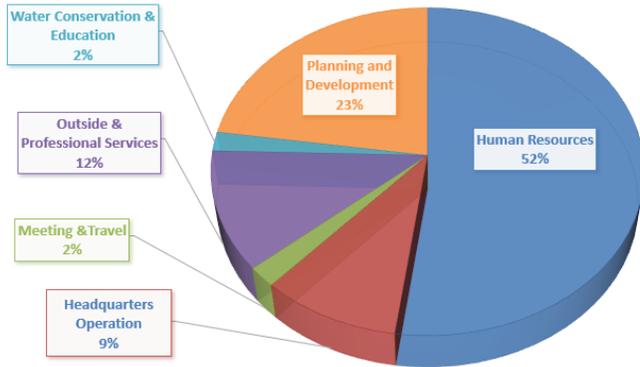
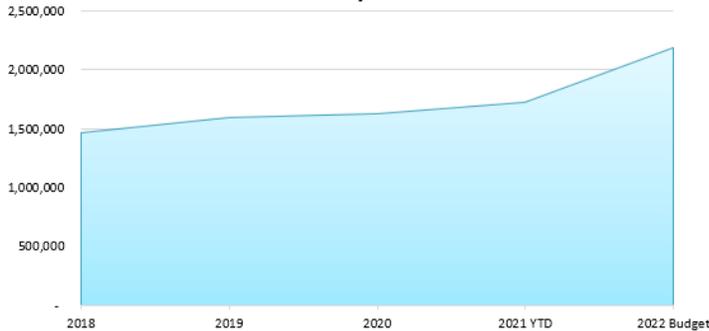


Table 4-9: Payroll & Benefits

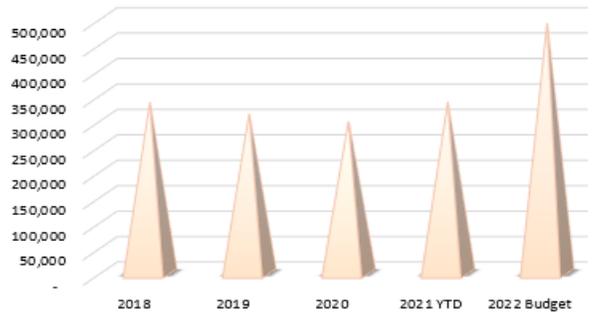


In 2022, the largest planned expenditure of the operating budget is Human Resources, this includes payroll and benefits and makes up 52 percent of District operations. A portion of the Interfund reimbursing revenue assist with coverage of this expense. Actual compared to 2022 Budget of Payroll and Benefits is shown in Table 4-9. The 2022 Budget increases due to staffing and benefit shifts.

The District experienced no change in staffing in 2021, but has three additional staff positions planned for 2022. This is explained in detail in workforce planning. (See Section 2).



Table 4-10: District Outside & Professional Services



The District completes a salary and benefits survey every three years, that survey will be completed in 2022.

Illustrated in Table 4-10 are outside and professional services also known as consulting activities, which account for 12 percent of the District 2022 Budget. This category includes the annual audit contracts, outside engineering consultants, salary and benefits survey consultant, general attorney fees, and other related expenses.

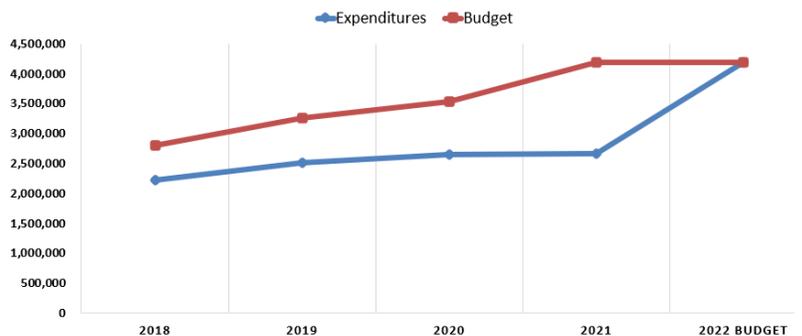
Headquarters operating expense includes insurance, office supplies, utilities, administrative expense, telephones, information technology, and automobile maintenance, which make up a total 9 percent of the operating budget.

Meetings and travel expense reflects 2 percent of the operating expense for all staffing positions and members of the Board of Directors.

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 \$2,514,341 actual expenses over the past four years.

TABLE 4-11: GOVERNMENT OPERATING EXPENDITURES COMPARED TO BUDGET



Government Activity Planning and Deployment & Capital Outlay

In 2021 the District removed the title of recurring capital and add the financial section of planning and development. The section of planning and development consists of projects and studies that may in time become capital outlay items, but currently reside in the operation.

Planning and development expenditures are listed in the operation expenditures until they become capital outlay items. The District 2022 Budget total for planning and development is \$950,000 and includes the following items: \$10,000 for Colorado River Issues, \$250,000 for the Fry -Ark Condition Assessment, \$300,000 for the study of Recovery of Storage, \$30,000 for Watershed and Healthy Forests, \$10,000 for streamflow forecasting, \$250,000 for water rights protection engineering and legal expenses and \$100,000 for the Finance study.

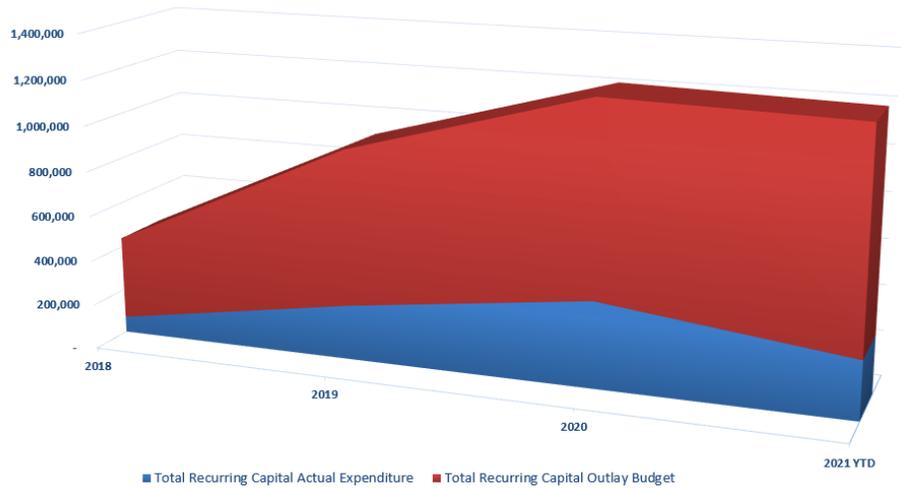
Capital Outlay items are depreciable items which can be found in the District capital improvement plan. In 2021 the District capital improvement expenditures totaled \$11,420 for the installation of one new heating and air unit.

The 2022 Budget includes the following capital outlay expenditures: \$45,000 for a District vehicle, \$30,000 for facility upgrade, \$20,000 landscape maintenance, and \$92,000 for technology upgrades such as a record management system, server and meeting audio and visual.

Over the years 2013 and 2014 the District expended reserve savings in the amount of \$2,018,219 for the 10825 Project. The 10825 relates to the protection of the District’s Frypan-Arkansas Project water rights. 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 can be seen in Table 4-12.

Table 4-12: Capital Budget vs Actual Expenditures



The schedule below reflects of Capital expenditures for 2022 actual through 2024 budget. This is a portion of the planning and development and 20-year Capital Improvement and Projects Plan.

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

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

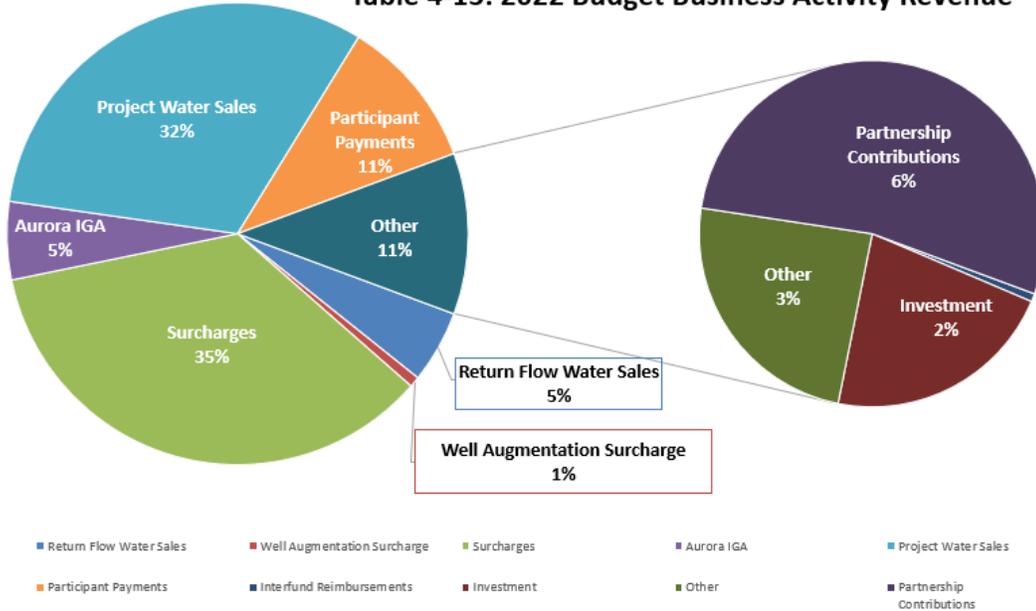
Planning and Development	2022	2023	2024
Future Water Supply & Storage			
Colorado River Issues	10,000	10,000	10,000
Recovery of Storage	300,000	300,000	300,000
Fry-Ark Condition Assessment	250,000	250,000	250,000
Watershed Management	10,000	10,000	10,000
Healthy Forest	20,000	50,000	-
Water Supply Protection & Efficiency			
Water Right Protection	235,000	235,000	235,000
Boundary Engineering	15,000	15,000	15,000
Water Supply Storage & Power			
Finance Study	100,000	-	-
Stream Forecasting	10,000	10,000	10,000
	\$950,000	\$880,000	\$830,000

Capital Outlay	2022	2023	2024
Vehicle	45,000	-	45,000
Facilities	30,000	30,000	30,000
Landscaping Maintenance	20,000	10,000	-
Information Technology	92,000	30,000	45,000
	\$187,000	\$70,000	\$120,000



Enterprise Water Fund Operating Revenue

Table 4-13: 2022 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, Arkansas Valley Conduit, and Hydroelectric Power.

Starting in the 2018 period Budget the Hydroelectric Power Project is presented separately, even though it is a part of the Enterprise. This was done to create transparency as a result of the start of the Project construction in 2017.

In 2021 the Budget for the Arkansas Valley Conduit is also presented separately, even though it is a part of the Enterprise. This was done because the project has gained ground, as the project is in final design stages and approaching construction beginning in late 2022.

The Enterprise Water Fund revenues are made up of water sales, surcharges assessed on water sales and storage, participants’ payments, federal appropriations through the Intergovernmental Personnel Act (IPA) contract, Federal American Rescue Plan Act (ARPA) Grants, investments, partnership contributions, interfund reimbursements and other sources.

The total 2022 Budgeted operating revenues can be found broken out by percentage in Table 4-13, making up a total of \$1,831,597.

The sale of Project water is one of the primary sources of operating revenue for the Enterprise

Water Fund, and is budgeted at \$577,805. Project water sales are budgeted based on a 20-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 \$93,168. Table 4-14 illustrates historical water sale revenue.

In October 2019, the Board of Directors implemented new rates as a recommendation of the Finance Strategy and Sustainability Study. The Board of Directors determined through resolution that that rates would remain unchanged for the 2022 budget.

For 2022 Water Rates and Surcharges see the Appendix.

For a detailed description of budgeted water calculations please see Section titled Major Fund Driving Factors.

Table 4-14: Water Sales Revenue



Enterprise Water Fund Operating Revenue

Surcharge revenue is the largest revenue generation in the Enterprise operations totaling \$760,522 in the 2022 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 2022 Water Rates and Surcharges*.

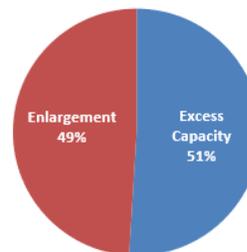
The Water Activity Enterprise surcharges are assessed for the use of Frylingpan-Arkansas Project facilities on the following types of Project water:

- ◆ 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 mechanism to Reclamation in addition to provide additional 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

Table 4-16: Business Activity Participant Revenue



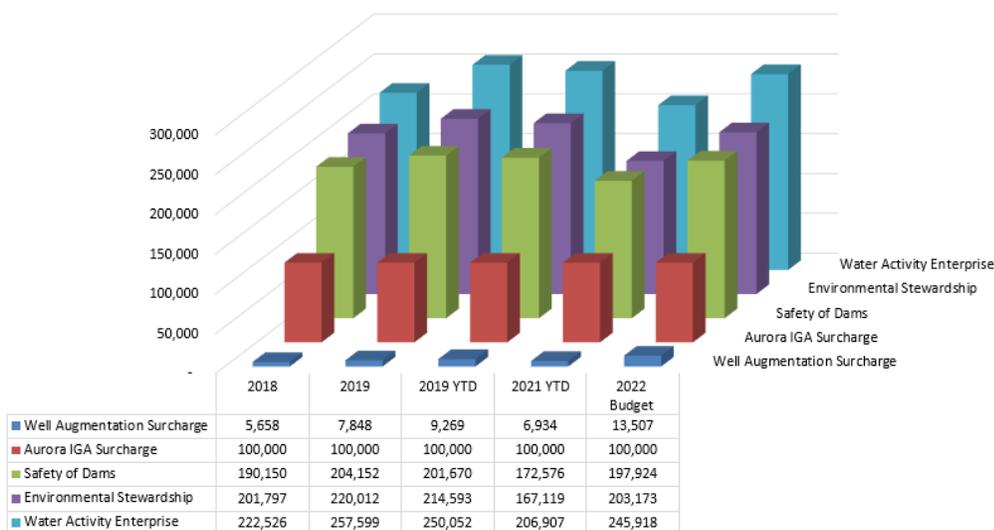
Safety of Dams surcharge is billed to participants purchasing the following:

- ◆ 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 11 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 and Enlargement.

The Long-Term Excess Capacity Master Contract is a long-term storage contract for 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 \$98,682 in 2022.

Table 4-15: Surcharge Revenue



The enlargement study is an ongoing project that focuses on enlarging Pueblo Dam and Sugar Loaf Dam. The single source of revenue comes from participant contributions. The major expenses are the ongoing United States Geological Survey (USGS) water studies. In 2022, budgeted participant revenue is \$94,883.



Other Enterprise & Arkansas Valley Conduit Revenues

Enterprise — Arkansas Valley Conduit Grants

The Enterprise for the Arkansas Valley Conduit grant budget includes a possible grant from the Colorado Water Conservation Board. In 2020 the CWCB committed \$10 million in grants for the AVC. The 2021 Budget also includes federal American Rescue Plan Act Grant fund for the AVC Project.



Enterprise Arkansas Valley Conduit Project Revenues

The total revenue in the 2022 Budget for the Arkansas Valley Conduit (AVC) is \$2,478,353.

In 2011, Each AVC participant signed a Memorandum of Agreement (MOA) with the District. The MOA allows the participants to reserve conveyance of water within the AVC. The 2022 participant payments are budgeted to be \$276,221.

The Enterprise has an Intergovernmental Personnel Act Agreement (IPA) contract with Reclamation to reimburse the District for costs associated with project personnel working to benefit

Reclamation and the participants on the development of the AVC project. The IPA significantly assists by lowering participants' costs of the AVC project. The 2022 IPA revenue is budgeted at \$222,904.

In 2020, the Enterprise secured a \$100 million funding package from the Colorado Water Conservation District (CWCB). The funds are made up of \$10 million in grants, and \$90 million in low-interest loans. The 2022 budget will not plan to utilize the CWCB loan or grants, but these funds will be a necessary element of the AVC project in the future as construction is expected to begin in late 2022.

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.

Between 2017 and 2019 the Enterprise pro-

cessed \$16,819,540 (including retainment calculations) in loan disbursements for the project, with the completion of the Hydroelectric Power Project construction in 2019. The CWCB Hydroelectric loan will be closed by the end of 2022

There is \$1,489,577 budgeted in revenue as energy generation for sale to Colorado Springs Utilities and the City of Fountain.

Other Enterprise Operating Revenues

Investment interest is another revenue source that the Enterprise relies on for operational funding.

The Enterprise currently has \$5,560,000 invested in purchased bonds held through Wells Fargo Securities, LLC and COLOTrust. COLOTrust is a Colorado local government investment pool for liquid funds.

The 2022 Budget for investment interest, based on projections are \$44,953. The Enterprise has approximately \$100,000 in bond maturity in 2022.

Other Revenues include \$50,000 as a con-

tractual 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 2022, revenue budgeted for RRPG is \$110,000.

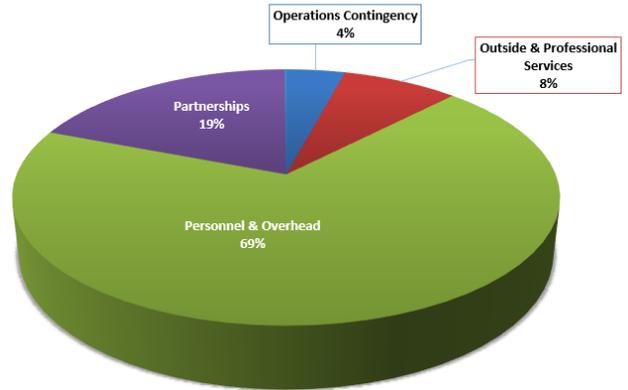
Enterprise Water Fund Operating & Capital Expenditures

Enterprise Water & Storage Operating Expenditures

The budgeted Enterprise Water Fund total expenditures for the 2022 Budget is \$2,513,776. The expenditures are comprised into three major categories; 1.) Operating Expenditures \$1,978,776. 2.) Planning and Development expenditures \$335,000, and 3.) Capital Project totaling \$200,000.

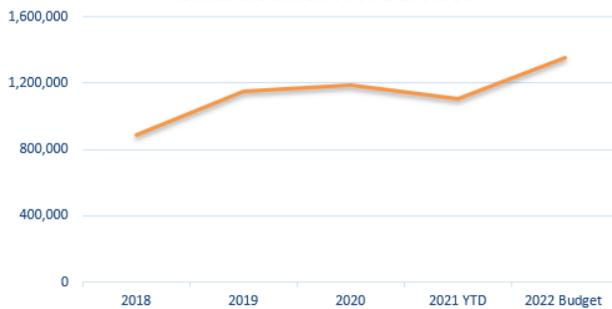
The Enterprise Water Fund has a 2022 budgeted total of \$2,313,776 in operating expenditures which includes Enterprise projects. The Enterprise administration expenses are matched with operating revenues such as water sales and surcharges. The Excess Capacity, and Enlargement projects are self-balancing budgets due to participant payments. The various 2022 budgeted operation expenditures are illustrated by percentage in Table 4-17.

Table 4-17: 2022 Budget Enterprise Business Activity Operating Expense



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 2022 Budget regarding interfund reimbursements can be located in Table 4-18.

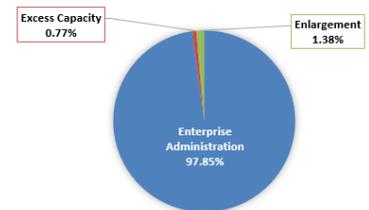
Table 4-18: Enterprise Interfund Reimbursement for Services



In 2022, the largest expense of the Enterprise Water Fund is the Interfund Reimbursement for Services from the Enterprise, which encompasses 69 percent of the budgeted operating expenditures. The Enterprise Interfund Reimbursement is

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 98 percent.

TABLE 4-19: 2022 BUDGET PERSONNEL & OVERHEAD DISTRIBUTION



Enterprise Water Fund Capital Outlay

The 2022 Budget Enterprise Water Fund Planning and development \$335,000 and Capital Outlay \$200,000. The total makes up; Interfund transfer funds and a portion to study Upper Basin Storage and the Restoration of Yield Project.

The Capital Project and development of the Restoration of Yield Storage Project is budgeted for \$200,000. In 2021, the land was purchase for a future reservoir site near Boone. The schedule below reflects the Enterprise Capital expenditures for 2022 through 2024 budget. This is a portion of the Dis-

Planning and Development	2022	2023	2024
Future Water Supply & Storage			
District Interfund Transfer	300,000	300,000	300,000
Restoration of Yield	10,000	10,000	10,000
Basin Storage	25,000	25,000	25,000
	335,000	335,000	335,000

Capital Outlay	2022	2023	2024
Restoration of Yield	200,000	200,000	200,000
	\$200,000	\$200,000	200,000

trict's 20-year Capital Improvement and Projects Plan.

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

Arkansas Valley Conduit & Hydroelectric Power Expenditures

Partnerships account for 19 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).

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 \$682,179 will be used from reserves for operations in 2022.

This is stated in the 2022 Budget Finance statements.

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



Arkansas Valley Conduit Expense

The Arkansas Valley Conduit (AVC) has budgeted a total of \$3,262,314 in expense. In 2020 the AVC project was awarded \$23 million in federal funding, and set the project moving forward. The Project is planned over a 15-year Project period with construction to begin in 2022.

The 2022 AVC budget includes operation expense of \$525,455. The remainder of \$2,736,859 is made up of final design and construction in capital expense. Most of the 2022 capital expenses is planned will be supported by American Rescue Act Funds (ARPA) and in the future the Colorado Water Conservation Board (CWCB) loan and grant package. The participant are responsible for \$276,221 of the operating expenses in 2022.

Based on the 2022 Budget, the AVC plans to use \$232,756 in reserve funds to continue the support of this major Enterprise project.



AVC Groundbreaking 2020

Hydroelectric Power Project Operating Expense

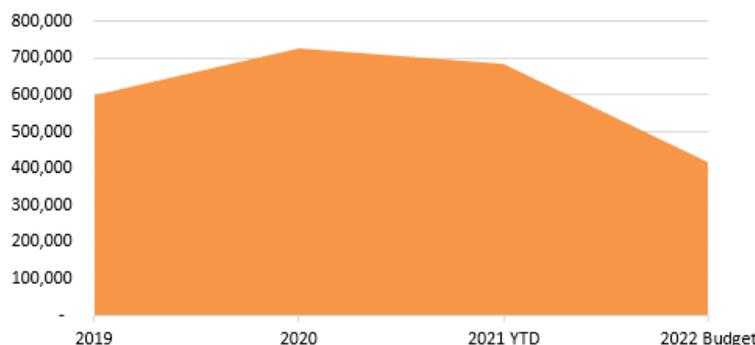
Between 2012 and 2017 the James W. Broderick Hydroelectric Power project expenditure budget was rolled into the Enterprise budget resolution. As a result of the start of construction on the project in 2017 and beyond, a separate budget resolution was presented and adopted to show members of the Board a clear view of the hydroelectric project.

In 2020, the hydroelectric power project experienced a positive increase in fund balance due to sales of energy. In late 2022, the Colorado Water Conservation Board (CWCB) loan which supported the construction of the hydroelectric plant will be closed, with the first debt payment being due 12 months after.

In 2022, the budgeted operating expense totals \$1,319,389 and encompassed headquarters operations, meeting and travel, outside professional services, personnel and overhead cost, travel expense, and expense associated with on-site tours.

Construction was completed in 2017-19. From 2019 through 2021, the project has expended an average of \$606,000 on operations. (See Table 4-20).

Table 4-20: Pueblo Dam Hydroelectric Power Operating Expense



Hydroelectric Power Capital Outlay & Budget in Brief Overview

Hydroelectric Power Capital

The 2022 Capital Outlay expense total for Pueblo Dam Hydroelectric Power is \$272,200. This includes \$100,000 for mechanical plugs and \$172,200 for the remaining amount on the Colorado Water Conservation Board (CWCB) loan.

The total Hydroelectric Project expense for 2022 is budgeted at \$1,035,804.

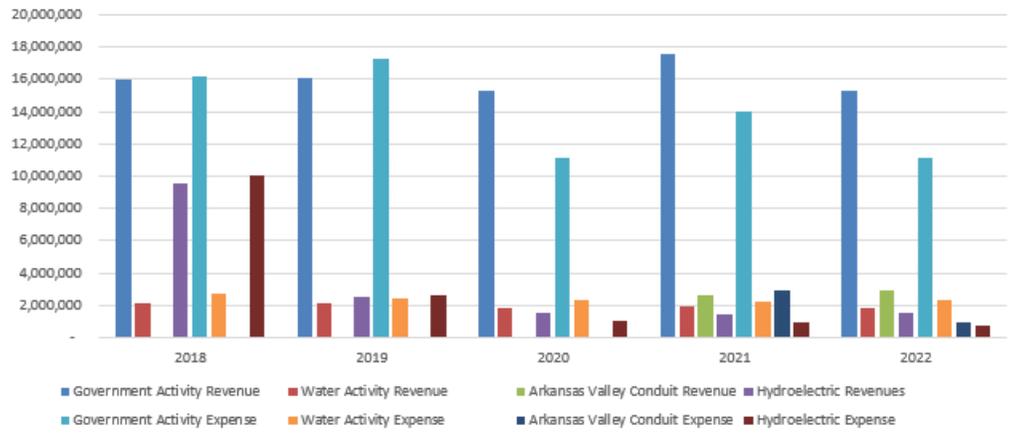
Table 4-21: 2022 Adopted Budget Government & Enterprise Presentation

	Government Activity	Water & Storage Fund	Arkansas Valley Conduit Fund	Hydroelectric Fund	Total
Revenue					
Fryingpan-Arkansas Activity	11,896,827	-	-	-	11,896,827
Loan Activity	-	-	-	172,200	172,200
Grant Activity	400,000	-	400,000	-	800,000
Federal IPA Activity	-	-	206,087	-	206,087
Federal ARPA Activity	-	-	1,973,000	-	1,973,000
Operating Activity	3,042,450	1,831,597	299,266	1,319,389	6,492,702
Total Revenue	15,339,277	1,831,597	2,878,353	1,491,589	21,540,816
Expenditures					
Fryingpan-Arkansas Activity	6,567,772	-	-	-	6,567,772
Grant Activity	400,000	-	400,000	-	800,000
Operating Activity	4,191,136	2,313,776	525,455	763,604	7,793,971
Total Expenditure	11,158,908	2,313,776	925,455	763,604	15,161,743
Total Fry-Ark Revenues over (under) Expenditures	5,329,055	-	-	-	6,379,073
Total Operations Revenues over (under) Expenditures	(1,148,686)	(482,179)	-	727,985	(902,880)
Capital Improvement/Project Expenses	-	-	2,336,859	272,200	2,609,059
Total Over (Under) Expenditures	4,180,369	(482,179)	(383,961)	455,785	3,770,014

The Government and Enterprise presentation (Table 4-21) provides an overview of the Government Activity and the Enterprise Water Fund.

Table 4-22 shows the 2022 Budget revenue for the Government Activity, which accounts for 71 percent; Enterprise Water Fund, 14 percent; the Arkansas Valley Conduit, 13 percent; and Hydroelectric Project accounts for 7 percent of the total Government and Enterprise appropriated expenditures. The District expense budgets remain consistent to prior periods.

Table 4-22: Five Year Budget Trends

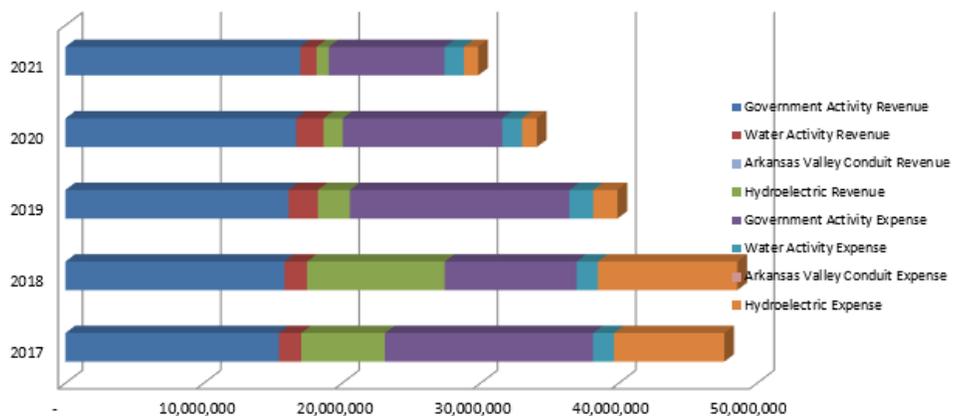


The Arkansas Valley Conduit Project is in the final design with an expectation for construction to begin in 2022.

The Hydroelectric Project forecasts indicate that the project will generate sufficient revenues to cover expenses in 2022.

Table 4-23 provides the comparison of actual revenue and expenditures and the trends of the past five years of the Government Activity and the Enterprise Water Fund.

Table 4-23: Five Year Actual Trends Government Wide



Fund Balances

The year-end 2021 estimates can be found in Table 4-24. This estimation is based on actual revenues and expenditures as of month end December 31, 2021, prior to year-end entries.

In 2021, the Fry-Ark Project estimated fund balance is expected to increase \$7,120,060. This increase would create a year-end 2021 fund balance in of \$15,127,477 in the Fry-Ark Reserve.

The District is expected to experience an increase of \$131,250 in general fund balance. This is a direct result of planned capital expenditures not being spent. The \$131,250 will be added to the reserve and create a year-end 2021 balance of \$11,121,781.

The Enterprise estimated fund balance is forecasted to decrease by \$208,156. This will create an estimated 2021 year-end fund balance of \$7,538,184.

In 2021, the Arkansas Valley Conduit estimated fund balance is forecasted to decrease by \$260,464, leaving an estimated 2021 year-end fund balance of \$4,403,642.

The Hydroelectric Project estimated fund balance is forecasted to increase by \$205,728. This was projected to be much higher, but due to low water flows through Pueblo Dam and lower than expected energy generation in 2021. The Hydroelectric Power experienced an overall decrease in the negative funds balance.

Table 4-25 applies the 2020 audited financial fund balances, applies the 2021 estimated fund balances and then applies the 2022 Adopted Budget.

Please note that this is an estimate and the final year-end fund balances can be found in the 2021 Annual Financial Report (audit).

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

Table 4-24: 2021 Estimated Year-End Government Wide Detail

	Government Activity		Enterprise Activity			Government Wide Total
	Fry-Ark	District	Water and Storage	Arkansas Valley Conduit	Hydroelectric Power	
Operating Revenue						
Fry-Ark Activity	14,695,581	-	-	-	-	14,695,581
Grant Activity	-	-	-	-	-	-
Loan Activity	-	-	-	-	-	-
Operating Revenue	-	2,430,080	1,210,953	248,439	888,819	4,778,291
Total Revenue	\$ 14,695,581	\$ 2,430,080	\$ 1,210,953	\$ 248,439	\$ 888,819	\$ 19,473,872
Operating Expenditures						
Fry-Ark Activity	7,575,521	-	-	-	-	7,575,521
Grant Activity	-	-	-	-	-	-
Operating Expenses	-	2,298,830	1,411,969	508,903	683,091	4,902,793
Capital Expenses	-	-	7,140	-	-	7,140
Total Expenditures	\$ 7,575,521	\$ 2,298,830	\$ 1,419,109	\$ 508,903	\$ 683,091	\$ 12,485,454
Net Total Revenues over (under) Expenditures	\$ 7,120,060	\$ 131,250	\$ (208,156)	\$ (260,464)	\$ 205,728	\$ 6,988,418

Table 4-25: 2021 Fund Balance Estimate

	Fry-Ark	District	Water and Storage	Arkansas Valley Conduit	Hydroelectric Power	Government Wide Total
2020 Audited Fund Balance	8,007,417	10,990,531	7,746,340	4,664,106	(2,013,150)	29,395,244
2021 Estimated Year-End Change in Fund Balance	7,120,060	131,250	(208,156)	(260,464)	205,728	6,988,418
2021 Forecasted Year-End Balance	15,127,477	11,121,781	7,538,184	4,403,642	(1,807,422)	36,383,662
2022 Adopted Budget	5,329,055	(1,335,686)	(682,179)	(383,961)	455,785	3,383,014
2022 Estimated Ending Fund Balance	20,456,532	9,786,095	6,856,005	4,019,681	(1,351,637)	39,766,676

Government Activity Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

District General Fund (Fry-Ark and District Operations)

Statement of Revenues and Expenditures

	2020 Budget	2020 Actual	2021 Budget	2021 Actual DRAFT	2022 Budget
Fry-Ark Project Revenue					
Tax Collections					
Contract Mill Levy Collections	8,218,775	8,153,736	8,625,941	8,597,120	8,992,839
Abatement and Refund of Tax Collections	86,010	85,314	67,091	66,864	44,964
Prior Year Tax	(12,050)	(6,250)	(6,623)	(8,225)	(8,900)
County Collection Fees	(147,629)	(141,592)	(144,226)	(148,183)	(158,273)
Total Tax Collections	8,145,106	8,091,207	8,542,183	8,507,576	8,870,630
Fountain Valley Authority					
Fountain Valley Authority	5,365,000	5,334,080	5,365,000	5,336,538	2,600,000
Total Fountain Valley Authority	5,365,000	5,334,080	5,365,000	5,336,538	2,600,000
Winter Water Storage					
Winter Water Storage	117,600	124,563	117,600	85,449	117,600
Total Winter Water Storage	117,600	124,563	117,600	85,449	117,600
Excess Capacity Master Contract					
Excess Capacity Master Contract	277,662	277,662	282,659	282,659	288,597
Total Excess Capacity Master Contract	277,662	277,662	282,659	282,659	288,597
Collection of RRA Fees					
RRA Fee Reimbursement	22,036	0	20,000	0	20,000
Total Collection of RRA Fees	22,036	0	20,000	0	20,000
Total Fry-Ark Project Revenue	13,927,404	13,827,512	14,327,442	14,212,223	11,896,827
Fry-Ark Project Expenditures					
Contract Payments					
Fry-Ark Debt Payment	1,467,572	0	1,467,572	1,467,572	1,467,572
Fry-Ark OM&R Charges	8,774,109	11,469,204	3,300,928	0	2,529,272
Fry-Ark OM&R Credits	(1,579,340)	(6,313,717)	(734,345)	0	(455,269)
Total Contract Payments	8,662,341	5,155,486	4,034,155	1,467,572	3,541,575
Fountain Valley Authority					
Payment - Fountain Valley Authority	5,365,000	5,334,080	5,365,000	5,336,538	2,600,000
Total Fountain Valley Authority	5,365,000	5,334,080	5,365,000	5,336,538	2,600,000
Winter Water Storage					
Payment - Winter Water Storage - USBR	117,600	124,563	117,600	85,449	117,600
Total Winter Water Storage	117,600	124,563	117,600	85,449	117,600
Excess Capacity Master Contract					
Payment - Excess Capacity Master Contract - USBR	277,662	277,662	282,659	282,659	288,597
Total Excess Capacity Master Contract	277,662	277,662	282,659	282,659	288,597
RRA Fees					
Reclamation Reform Act Audit	22,036	0	20,000	1,283	20,000
Total RRA Fees	22,036	0	20,000	1,283	20,000
Total Fry-Ark Project Expenditures	14,444,639	10,891,792	9,819,414	7,173,501	6,567,772
Total Fry-Ark Revenues Over (Under) Expenditures	(517,235)	2,935,721	4,508,028	7,038,722	5,329,055
Grant Revenue					
State					
Grant Revenue - Contingency	300,000	0	400,000	0	400,000
Total State	300,000	0	400,000	0	400,000
Total Grant Revenue	300,000	0	400,000	0	400,000
Grant Expenditures					
Expenditures					
Grant Expenditure	300,000	0	400,000	0	400,000
Total Expenditures	300,000	0	400,000	0	400,000



Government Activity Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

District General Fund (Fry-Ark and District Operations)

Statement of Revenues and Expenditures

	2020 Budget	2020 Actual	2021 Budget	2021 Actual DRAFT	2022 Budget
Total Grant Expenditures	300,000	0	400,000	0	400,000
Total Grant Revenues Over (Under) Expenditures	0	0	0	0	0
Operating Revenue					
Tax Revenue for Operations					
Specific Ownership Tax Collections	743,578	951,915	776,145	988,277	810,000
Operating Tax Revenue	315,372	313,517	335,453	334,329	393,437
Total Tax Revenue for Operations	1,058,950	1,265,432	1,111,598	1,322,606	1,203,437
Interfund Reimbursements					
Enterprise Admin Reimbursement	1,490,923	1,422,524	1,590,010	1,411,852	1,747,595
Total Interfund Reimbursements	1,490,923	1,422,524	1,590,010	1,411,852	1,747,595
Investment Revenue					
Interest Income	59,525	28,907	20,750	14,608	6,563
Income to Fair Market Adjust	0	(20,501)	0	(200,857)	0
Interest on Bonds	154,010	136,211	113,811	106,564	84,855
Total Investment Revenue	213,535	144,617	134,561	(79,686)	91,418
Other Operating Revenue					
Miscellaneous Revenue	0	23,700	0	24,044	0
Room Rental and Services	100	0	0	0	0
Xeriscape Tour and Garden Shows	900	0	0	0	0
Total Other Operating Revenue	1,000	23,700	0	24,044	0
Total Operating Revenue	2,764,408	2,856,272	2,836,169	2,678,816	3,042,450
Operating Expenditures					
Human Resources					
Staff Payroll	1,159,989	1,136,837	1,199,604	1,153,514	1,469,938
Incentive/Performance Capacity	22,250	13,750	23,678	20,000	42,000
Directors Payroll	36,000	36,000	36,000	36,000	36,000
Payroll Taxes	84,932	81,113	89,599	83,088	109,035
HSA Contributions	38,313	38,338	39,600	39,600	49,500
401 Retirement Contribution	112,063	105,942	115,660	106,560	141,104
457 Retirement Contribution	69,248	53,620	69,396	55,176	84,662
Health Insurance	146,841	131,059	141,973	148,200	212,139
Life Ins - Staff & Directors	10,187	7,947	8,188	7,798	10,089
Medical Reimbursement Expense	4,950	1,530	4,950	1,824	4,950
LT Disability Ins	8,247	7,107	7,052	7,221	8,564
Employee Assistance Program	907	704	739	704	910
Dental Insurance	10,769	8,779	10,386	9,441	12,751
Vision Insurance	2,016	1,705	1,742	1,659	2,739
Worker's Compensation Insurance	3,844	2,658	2,800	2,637	3,250
Total Human Resources	1,710,556	1,627,088	1,751,367	1,673,421	2,187,631
Headquarter Operations					
Admin Fees for Human Resources	6,681	4,567	4,867	4,519	4,737
Bank Fees	1,018	3,345	3,904	5,414	1,000
Board Awards/Gifts	1,055	0	102	120	103
Board Memberships/Subscriptions	8,881	8,256	9,050	8,392	8,996
Board Printing	546	305	556	109	216
Board Room Presentation Equipment and Maintenance	2,700	0	1,019	600	621
Board Room Accessories	316	30	306	72	391
Board/Committee Meals	8,121	1,275	6,345	1,784	6,469
Building Heating/Cooling	2,002	1,899	2,038	3,510	2,588

Government Activity Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

District General Fund (Fry-Ark and District Operations)

Statement of Revenues and Expenditures

	2020 Budget	2020 Actual	2021 Budget	2021 Actual DRAFT	2022 Budget
Building Other/Misc Maintenance	2,637	0	2,547	200	724
Building Plumbing & Electrical	2,373	2,559	2,418	119	2,035
Building Tools & Equipment	212	0	204	0	207
Computer - General Contracts	29,199	25,644	27,818	26,264	28,792
Computer - Supplies	802	434	172	247	250
Computer - Hardware	11,812	15,502	16,289	25,087	15,000
Computer - Software and Licenses	14,505	22,632	24,730	20,893	25,596
Depreciation Expense	0	83,559	0	0	0
Insurance - Automobile	2,047	1,859	1,894	1,685	1,744
Insurance - Excess Liability/Umbrella	3,500	3,339	3,402	2,913	3,015
Insurance - General Liability	14,461	14,326	14,598	12,488	12,925
Insurance - Property & Liability	6,935	5,284	5,384	5,047	5,224
Insurance - Public Official Liability	1,582	1,315	1,340	1,202	1,244
Legal Notices	5,090	1,124	676	1,840	2,262
Maintenance - Backflow Testing	158	140	143	220	228
Maintenance Fire System	126	450	357	3,930	500
Maintenance - Janitorial Services	3,543	3,180	3,610	3,180	3,291
Maintenance - Pest Control	368	303	309	361	531
Maintenance - Waste Disposal	2,036	1,897	1,841	1,914	1,986
Maintenance - Security	2,545	1,200	1,223	4,397	1,250
Maintenance - Snow Removal	1,073	1,495	1,916	1,170	2,246
Maintenance - Window Cleaning	1,160	885	1,182	885	890
Maintenance Facilities - Blacktop	5,484	750	1,019	0	1,000
Office - Equipment (New and Maintenance)	1,872	1,235	1,566	6,819	6,935
Office - Coffee/Snacks	1,055	262	685	713	700
Office - Copy Machine Color	9,000	3,172	8,720	3,812	5,000
Office - General/Staff Memberships	8,687	6,763	8,852	6,795	7,700
Awards & Gifts - Other	421	647	429	75	336
Office - Printing	3,233	6,103	3,537	2,787	3,661
Office - Publications & Subscriptions	890	523	907	852	758
Phone - Cell	5,090	4,496	5,000	5,979	7,500
Phone - Equipment Maintenance	2,545	1,350	1,579	1,436	1,487
Phone & Internet	15,400	12,527	14,429	13,519	14,056
Postage & Shipping	3,936	3,104	4,718	3,934	4,680
Staff Awards and Gifts	739	61	1,081	2,672	3,647
Supplies - Janitorial	527	228	537	259	360
Supplies - Office	2,656	4,964	3,954	3,277	4,291
Supplies - Paper	1,055	468	1,075	631	1,113
Supplies - Toner	1,600	1,079	1,149	1,217	1,189
Utilities	21,093	14,650	18,592	13,822	19,466
Utilities - Airport Fee	1,002	825	968	900	931
Vehicle R&M - 2014 Rav4	1,318	346	415	250	750
Vehicle R&M - 2017 Rav4	1,318	857	608	124	750
Vehicle R&M - 2019 Highlander	1,200	171	352	1,079	750
Web Contracts - Design & Support	3,054	1,200	1,997	120	1,242
Web Hosting	1,135	586	376	568	678
Landscape - Materials, Supplies and Plants	5,115	115	2,547	332	2,598
Landscape Maintenance & Contracts	7,427	7,032	13,024	11,655	20,725
Contingency - Operating	50,000	0	141,817	0	152,176
Total Headquarter Operations	294,336	280,317	380,173	222,188	399,540
Meetings and Travel					



Government Activity Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

District General Fund (Fry-Ark and District Operations)

Statement of Revenues and Expenditures

	2020 Budget	2020 Actual	2021 Budget	2021 Actual DRAFT	2022 Budget
Directors - Other Travel (Tip, Fax, Parking, Tel, etc.)	844	16	352	130	500
Directors Airfare	5,000	749	2,041	817	2,108
Directors Hotels	10,000	1,676	6,436	2,578	6,662
Directors Meals	2,600	212	370	552	500
Directors Meeting Registrations	10,535	2,130	6,417	3,158	6,630
Directors Mileage Reimbursement	13,711	2,329	12,310	5,230	12,760
Executive - Airfare	3,868	649	1,264	0	2,302
Executive - District Vehicle Gas	1,055	507	1,274	1,586	1,718
Executive - Hotels	5,274	869	3,302	1,372	3,417
Executive - Meals	1,055	164	587	590	607
Executive - Meeting Registrations	4,500	2,030	3,041	1,809	3,200
Executive - Other Travel Expense	865	74	263	0	300
Meeting Expense	1,546	0	1,419	0	1,477
Meeting Meals - Non Staff Member	646	63	300	290	300
Staff Travel -Airfare	13,566	4,220	5,000	871	5,240
Staff Travel - District Vehicle Gas	4,942	846	1,726	1,117	2,279
Staff Travel - Hotels	18,595	1,989	8,264	7,023	8,516
Staff Travel - Meals	4,478	587	1,955	2,556	2,018
Staff Travel - Registrations	15,759	4,563	9,055	4,999	9,273
Staff Travel - Other Travel	1,346	394	994	195	1,024
Staff Professional Certification /Licenses	1,785	1,425	2,504	1,052	1,915
Staff Education (General Skills)	23,566	6,061	10,000	4,137	10,000
Total Meetings and Travel	145,536	31,555	78,874	40,062	82,746
Outside and Professional Services					
Annual Audit	50,000	36,831	42,531	36,470	37,565
Financial/Other Consultants	10,000	0	0	12,000	0
Consultant HR Breadbasket	0	0	10,000	0	10,000
Consultant/Lobbying Services - Federal	33,326	29,483	43,337	32,512	41,901
Colorado River Services	22,000	0	20,000	0	20,500
Legal Representation	330,000	221,422	300,605	218,761	310,500
Legal Expense	22,000	0	0	0	0
Water Policy Management Consultants	19,000	11,662	30,000	8,441	22,019
Engineering Outside Contracts	3,054	0	0	0	50,000
Total Outside and Professional Services	489,380	299,398	446,473	308,184	492,485
Water Conservation and Education					
Xeriscape Garden Tours	713	0	0	0	0
Tours & Anniversary Events	12,000	572	3,309	4,284	33,000
Sponsorships, Exhibits & Ads	6,952	6,400	21,411	7,500	25,000
ANS - Aquatic Nuisance Species Program	19,750	19,750	19,750	0	20,000
Xeriscape Ed Programs & Publications	2,952	120	510	199	734
Total Water Conservation and Education	42,367	26,841	44,980	11,983	78,734
Planning and Development					
Core Business	100,000	0	0	0	0
Future Water Supply & Storage	340,000	280,949	640,000	176,747	590,000
Water Supply Protection & Efficiency	250,000	72,120	250,000	69,426	250,000
Water Supply Storage & Power	160,000	26,656	10,000	0	110,000
Total Planning and Development	850,000	379,725	900,000	246,173	950,000
Total Operating Expenditures	3,532,175	2,644,924	3,601,867	2,502,011	4,191,136
Total Operations Revenues Over (Under) Expenditures	(767,767)	211,348	(765,698)	176,805	(1,148,686)



Government Activity Budget Statement

Southeastern Colorado Water Conservancy District
2022 Adopted Budget
District General Fund (Fry-Ark and District Operations)
Statement of Revenues and Expenditures

	<u>2020 Budget</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual DRAFT</u>	<u>2022 Budget</u>
Capital Outlay and Improvements					
Capital Outlay - Core Business	<u>0</u>	<u>0</u>	<u>207,000</u>	<u>11,420</u>	<u>187,000</u>
Total Capital Outlay and Improvements	<u>0</u>	<u>0</u>	<u>207,000</u>	<u>11,420</u>	<u>187,000</u>
Total Revenues Over (Under) Expenditures	<u>(1,285,002)</u>	<u>3,147,069</u>	<u>3,535,330</u>	<u>7,204,107</u>	<u>3,993,369</u>



Enterprise Administration Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

Enterprise Operations (Water and Storage)

Statement of Revenues and Expenditures

	2020 Budget	2020 Actual	2021 Budget	2021 Actual DRAFT	2022 Budget
Grant Revenue					
State					
Grant Revenue - Contingency	300,000	0	0	0	0
Total State	300,000	0	0	0	0
Total Grant Revenue	300,000	0	0	0	0
Grant Expenditures					
Expenditures					
Grant Expenditure	300,000	0	0	0	0
Total Expenditures	300,000	0	0	0	0
Total Grant Expenditures	300,000	0	0	0	0
Total Grant Revenues Over (Under) Expenditures	0	0	0	0	0
Operating Revenue					
Water Sales, Surcharges and Fees					
Return Flow Water Sales	93,708	191,159	94,164	53,524	93,168
Well Augmentation Surcharge	13,593	9,269	13,671	6,934	13,507
Surcharge Revenue	580,763	666,315	632,965	546,146	647,018
Storage Fees	100,000	100,000	100,000	100,000	100,000
Project Water Sales	581,616	695,487	584,914	260,238	577,805
Total Water Sales, Surcharges and Fees	1,369,680	1,662,230	1,425,714	966,842	1,431,498
Investment Revenue					
Interest Income	45,218	19,515	19,740	728	1,212
Income to Fair Market Adjust	0	5,882	0	(93,719)	0
Interest on Bonds	150,204	82,480	88,253	58,167	43,741
Total Investment Revenue	195,422	107,878	107,993	(34,824)	44,953
Partnership Contributions					
Regional Resource Planning Payments	110,000	0	110,000	0	110,000
Total Partnership Contributions	110,000	0	110,000	0	110,000
Other Operating Revenue					
Aurora IGA - Administration Fee	50,000	50,000	50,000	50,000	50,000
Total Other Operating Revenue	50,000	50,000	50,000	50,000	50,000
Total Operating Revenue	1,725,102	1,820,108	1,693,707	982,018	1,636,451
Operating Expenditures					
Headquarter Operations					
Bank Fees	0	174	0	432	960
Contingency - Operating	50,000	0	84,685	0	81,823
Total Headquarter Operations	50,000	174	84,685	432	82,783
Outside and Professional Services					
Consultant/Lobbying Services - Federal	40,651	35,386	48,705	36,540	46,431
Colorado River Services	61,380	38,499	57,234	34,214	58,525
Legal Representation	7,634	0	0	0	0
Water Policy Management Consultants	26,367	0	0	0	0
Engineering Outside Contracts	10,000	2,138	10,000	851	51,000
Transit Loss Study Expenses	3,215	3,141	3,201	3,226	3,486
Research Project Support	28,368	2,000	2,000	2,000	2,000
Total Outside and Professional Services	177,615	81,165	121,140	76,830	161,442
Personnel and Overhead					
Office Overhead	483,898	489,687	435,633	435,672	447,414
Project Directors Allocation	24,120	24,120	24,120	24,120	24,120
Project Personnel	690,154	656,328	711,053	631,285	855,449
Total Personnel and Overhead	1,198,172	1,170,135	1,170,806	1,091,077	1,326,983



Enterprise Administration Budget Statement

Southeastern Colorado Water Conservancy District 2022 Adopted Budget

Enterprise Operations (Water and Storage) Statement of Revenues and Expenditures

	<u>2020 Budget</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual DRAFT</u>	<u>2022 Budget</u>
Partnerships					
Safety of Dams - Pueblo	60,000	0	60,000	60,000	60,000
Water Quality	20,173	14,874	15,318	15,318	15,841
RRPG Project Costs	<u>135,000</u>	<u>0</u>	<u>135,000</u>	<u>0</u>	<u>135,000</u>
Total Partnerships	215,173	14,874	210,318	75,318	210,841
Other Payments					
AVC Project Contributions	20,000	0	0	0	0
Reimbursement to Other Project/Fund	1,855	1,441	1,528	1,010	1,581
Transfer Out	<u>0</u>	<u>4,800,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Payments	21,855	4,801,441	1,528	1,010	1,581
Planning and Development					
Core Business	325,000	0	300,000	0	300,000
Future Water Supply & Storage	<u>25,000</u>	<u>0</u>	<u>32,500</u>	<u>7,140</u>	<u>35,000</u>
Total Planning and Development	<u>350,000</u>	<u>0</u>	<u>332,500</u>	<u>7,140</u>	<u>335,000</u>
Total Operating Expenditures	<u>2,012,815</u>	<u>6,067,788</u>	<u>1,920,977</u>	<u>1,251,807</u>	<u>2,118,630</u>
Total Operations Revenues Over (Under) Expenditures	<u>(287,713)</u>	<u>(4,247,680)</u>	<u>(227,270)</u>	<u>(269,789)</u>	<u>(482,179)</u>
Capital Outlay and Improvements					
Capital Outlay-Future Water Supply & Storage	<u>1,050,000</u>	<u>7,140</u>	<u>142,500</u>	<u>135,373</u>	<u>200,000</u>
Total Capital Outlay and Improvements	<u>1,050,000</u>	<u>7,140</u>	<u>142,500</u>	<u>135,373</u>	<u>200,000</u>
Total Revenues Over (Under) Expenditures	<u>(1,337,713)</u>	<u>(4,254,820)</u>	<u>(369,770)</u>	<u>(405,162)</u>	<u>(682,179)</u>



Enterprise Project Budget Statements

Southeastern Colorado Water Conservancy District 2022 Adopted Budget Enlargement Project Statement of Revenues and Expenditures

	<u>2020 Budget</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual DRAFT</u>	<u>2022 Budget</u>
Operating Revenue					
Participant Payments					
Payments - Participants	85,435	77,865	98,593	54,588	94,883
Total Participant Payments	85,435	77,865	98,593	54,588	94,883
Interfund Reimbursements					
Matching Project Contribution	1,855	1,441	1,528	1,010	1,581
Total Interfund Reimbursements	1,855	1,441	1,528	1,010	1,581
Total Operating Revenue	87,290	79,305	100,121	55,598	96,464
Operating Expenditures					
Meetings and Travel					
Executive - Airfare	633	0	0	0	0
Executive - Hotels	212	0	0	0	0
Executive - Meals	106	0	0	0	0
Meeting Expense	106	0	0	0	0
Meeting Meals - Non Staff Member	106	0	0	0	0
Total Meetings and Travel	1,163	0	0	0	0
Personnel and Overhead					
Office Overhead	3,182	3,180	4,787	4,812	4,996
Project Personnel	5,668	2,181	4,468	2,208	5,468
Total Personnel and Overhead	8,850	5,361	9,255	7,020	10,464
Partnerships					
Water Quality	77,277	73,944	90,866	90,866	86,000
Total Partnerships	77,277	73,944	90,866	90,866	86,000
Total Operating Expenditures	87,290	79,305	100,121	97,886	96,464
Total Operations Revenues Over (Under) Expenditures	0	0	0	(42,287)	0
Total Revenues Over (Under) Expenditures	0	0	0	(42,287)	0



Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

Excess Capacity Project

Statement of Revenues and Expenditures

	<u>2020 Budget</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual DRAFT</u>	<u>2022 Budget</u>
Operating Revenue					
Participant Payments					
Payments - Participants	<u>103,489</u>	<u>78,093</u>	<u>100,678</u>	<u>52,005</u>	<u>98,682</u>
Total Participant Payments	<u>103,489</u>	<u>78,093</u>	<u>100,678</u>	<u>52,005</u>	<u>98,682</u>
Total Operating Revenue	<u>103,489</u>	<u>78,093</u>	<u>100,678</u>	<u>52,005</u>	<u>98,682</u>
Operating Expenditures					
Meetings and Travel					
Directors Mileage Reimbursement	212	0	0	0	0
Executive - Hotels	316	0	0	0	0
Executive - Meals	316	0	0	0	0
Executive - Other Travel Expense	316	0	0	0	0
Meeting Expense	527	0	0	0	0
Meeting Meals - Non Staff Member	527	0	0	0	0
Staff Travel - Hotels	527	0	0	0	0
Staff Travel - Meals	<u>421</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Meetings and Travel	<u>3,162</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Outside and Professional Services					
Legal Representation	5,180	0	0	0	0
Water Policy Management Consultants	<u>7,634</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Outside and Professional Services	<u>12,814</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Personnel and Overhead					
Office Overhead	5,249	5,244	4,787	4,812	5,161
Project Personnel	<u>11,806</u>	<u>4,075</u>	<u>11,378</u>	<u>2,208</u>	<u>13,521</u>
Total Personnel and Overhead	<u>17,055</u>	<u>9,319</u>	<u>16,165</u>	<u>7,020</u>	<u>18,682</u>
Partnerships					
Water Quality	<u>70,458</u>	<u>68,775</u>	<u>84,513</u>	<u>84,383</u>	<u>80,000</u>
Total Partnerships	<u>70,458</u>	<u>68,775</u>	<u>84,513</u>	<u>84,383</u>	<u>80,000</u>
Total Operating Expenditures	<u>103,489</u>	<u>78,093</u>	<u>100,678</u>	<u>91,403</u>	<u>98,682</u>
Total Operations Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>(39,398)</u>	<u>0</u>
Total Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>(39,398)</u>	<u>0</u>

Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

Arkansas Valley Conduit Project

Statement of Revenues and Expenditures

	2020 Budget	2020 Actual	2021 Budget	2021 Actual DRAFT	2022 Budget
Grant Revenue					
State					
Grant Revenue State/Local	0	0	0	0	400,000
Grant Revenue	0	0	218,827	0	0
Total State	0	0	218,827	0	400,000
Total Grant Revenue	0	0	218,827	0	400,000
Grant Expenditures					
Expenditures					
Grant Expenditure	0	0	0	0	400,000
Total Expenditures	0	0	0	0	400,000
Total Grant Expenditures	0	0	0	0	400,000
Total Grant Revenues Over (Under) Expenditures	0	0	218,827	0	0
Operating Revenue					
Participant Payments					
Payments - Participants	178,449	205,717	248,439	199,873	276,221
Total Participant Payments	178,449	205,717	248,439	199,873	276,221
Federal Appropriations & USBR					
Federal IPA USBR Contract	166,160	124,183	218,000	189,979	206,087
Total Federal Appropriations & USBR	166,160	124,183	218,000	189,979	206,087
Loan Revenue					
Loan Revenue	0	0	1,969,443	0	0
Total Loan Revenue	0	0	1,969,443	0	0
Other Grants					
Other Grants	0	0	0	0	1,973,000
Total Other Grants	0	0	0	0	1,973,000
Investment Revenue					
Interest Income	0	0	0	22	100
Income to Fair Market Adjust	0	(753)	0	(64,534)	0
Interest on Bonds	0	11,328	0	34,261	22,945
Total Investment Revenue	0	10,575	0	(30,251)	23,045
Other Operating Revenue					
Transfer In	0	4,800,000	0	0	0
Total Other Operating Revenue	0	4,800,000	0	0	0
Total Operating Revenue	344,609	5,140,475	2,435,882	359,601	2,478,353
Operating Expenditures					
Headquarter Operations					
Bank Fees	0	200	0	2,412	500
Board/Committee Meals	106	0	116	0	1,200
Office - Printing	0	0	0	36	500
Supplies - Office	0	24	0	(24)	0
Contingency - Operating	0	0	54,774	0	42,647
Total Headquarter Operations	106	224	54,890	2,424	44,847
Meetings and Travel					
Directors Airfare	7,602	0	1,000	0	1,000
Directors Hotels	10,077	0	500	0	500
Directors Meals	2,534	0	200	73	200
Directors Mileage Reimbursement	1,267	0	200	0	200
Executive - Airfare	3,801	0	1,000	0	1,000
Executive - Hotels	5,067	0	500	0	500
Executive - Meals	1,267	0	200	74	200

Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

Arkansas Valley Conduit Project

Statement of Revenues and Expenditures

	2020 Budget	2020 Actual	2021 Budget	2021 Actual DRAFT	2022 Budget
Executive - Other Travel Expense	1,267	0	200	0	200
Meeting Expense	528	0	2,180	50	2,017
Meeting Meals - Non Staff Member	528	0	0	374	500
Staff Travel - District Vehicle Gas	5,806	187	6,329	193	750
Staff Travel - Hotels	1,690	0	500	0	1,000
Staff Travel - Meals	422	0	460	982	500
Staff Travel - Other Travel	212	0	0	0	0
Total Meetings and Travel	42,068	187	13,269	1,746	8,567
Outside and Professional Services					
Annual Audit	0	0	0	0	20,000
Financial/Other Consultants	0	1,645	0	0	0
Consultant/Lobbying Services - Federal	36,623	32,698	39,919	31,686	39,009
Legal Representation	0	0	25,000	0	25,875
Water Policy Management Consultants	25,000	111,800	25,000	42,050	35,000
Engineering Outside Contracts	26,368	47,605	0	0	0
Project Studies	5,000	5,000	0	0	0
Total Outside and Professional Services	92,991	198,748	89,919	73,736	119,884
Water Conservation and Education					
Tours & Anniversary Events	2,000	5,702	2,180	0	2,000
Total Water Conservation and Education	2,000	5,702	2,180	0	2,000
Personnel and Overhead					
Office Overhead	11,570	5,781	19,149	19,176	19,787
Project Personnel	186,769	187,784	330,004	264,388	322,811
Total Personnel and Overhead	198,339	193,565	349,153	283,564	342,598
Partnerships					
Water Quality	9,105	5,169	6,352	6,483	7,559
Total Partnerships	9,105	5,169	6,352	6,483	7,559
Total Operating Expenditures	344,609	403,597	515,763	367,952	525,455
Total Operations Revenues Over (Under) Expenditures	0	4,736,878	1,920,119	(8,351)	1,952,898
Capital Outlay and Improvements					
Water Policy Management Consultants	0	0	25,000	30,503	25,000
Engineering Outside Contracts	0	72,772	2,413,270	106,674	2,311,859
Project Studies	0	0	5,450	0	0
Total Capital Outlay and Improvements	0	72,772	2,443,720	137,177	2,336,859
Total Revenues Over (Under) Expenditures	0	4,664,107	(304,774)	(145,528)	(383,961)

Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

Hydroelectric Power Project

Statement of Revenues and Expenditures

	2020 Budget	2020 Actual	2021 Budget	2021 Actual DRAFT	2022 Budget
Operating Revenue					
Investment Revenue					
Interest Income	594	553	600	269	312
Income to Fair Market Adjust	0	0	0	(16,757)	0
Interest on Bonds	0	0	0	7,010	1,700
Total Investment Revenue	<u>594</u>	<u>553</u>	<u>600</u>	<u>(9,479)</u>	<u>2,012</u>
Hydroelectric Generation Revenue					
Hydroelectric Power Loan	400,460	0	172,200	0	172,200
Hydroelectric Generation Revenue-CS-U	593,750	671,330	607,941	430,172	637,500
Hydroelectric Generation Revenue-Fountain	618,750	678,231	629,269	442,266	650,875
Hydroelectric Power Transmission	<u>70,000</u>	<u>23,237</u>	<u>20,380</u>	<u>16,381</u>	<u>29,002</u>
Total Hydroelectric Generation Revenue	<u>1,682,960</u>	<u>1,372,799</u>	<u>1,429,790</u>	<u>888,819</u>	<u>1,489,577</u>
Other Operating Revenue					
Miscellaneous Revenue	0	(248)	0	(1,024)	0
Total Other Operating Revenue	<u>0</u>	<u>(248)</u>	<u>0</u>	<u>(1,024)</u>	<u>0</u>
Total Operating Revenue	<u>1,683,554</u>	<u>1,373,104</u>	<u>1,430,390</u>	<u>878,316</u>	<u>1,491,589</u>
Operating Expenditures					
Headquarter Operations					
Bank Fees	0	3,209	3,171	4,056	500
Building Tools & Equipment	500	4,039	4,277	434	4,427
Depreciation Expense	0	364,348	0	0	0
Insurance - Automobile	400	396	404	401	415
Insurance - Excess Liability/Umbrella	18,000	18,385	18,734	9,811	10,154
Insurance - General Liability	15,000	15,076	15,362	15,429	15,969
Insurance - Property & Liability	34,000	35,598	36,274	40,646	42,068
Maintenance Fire System	0	0	0	3,002	3,020
Maintenance - Security	0	0	0	2,573	200
Phone & Internet	1,866	1,294	1,218	1,210	1,261
Postage & Shipping	0	15	100	0	103
Supplies - Office	0	0	100	0	103
Utilities	20,600	15,643	15,283	12,303	15,818
Landscape Maintenance & Contracts	0	2,332	2,800	0	2,898
Contingency - Operating	<u>50,000</u>	<u>0</u>	<u>71,520</u>	<u>0</u>	<u>74,579</u>
Total Headquarter Operations	<u>140,366</u>	<u>460,335</u>	<u>169,243</u>	<u>89,866</u>	<u>171,515</u>
Meetings and Travel					
Executive - Airfare	600	0	0	0	0
Executive - Hotels	1,000	0	0	0	0
Executive - Meals	200	0	0	0	0
Meeting Expense	400	0	0	0	0
Meeting Meals - Non Staff Member	200	0	0	0	0
Staff Travel -Airfare	800	0	0	0	0
Staff Travel - District Vehicle Gas	500	59	102	27	100
Staff Travel - Hotels	1,200	89	611	680	500
Staff Travel - Meals	200	45	102	42	100
Staff Travel - Other Travel	<u>300</u>	<u>0</u>	<u>102</u>	<u>0</u>	<u>100</u>
Total Meetings and Travel	<u>5,400</u>	<u>193</u>	<u>917</u>	<u>749</u>	<u>800</u>
Outside and Professional Services					
Legal Representation	5,000	0	0	0	0
Water Policy Management Consultants	5,000	0	0	0	0
Engineering Outside Contracts	<u>30,000</u>	<u>7,200</u>	<u>12,814</u>	<u>0</u>	<u>0</u>
Total Outside and Professional Services	<u>40,000</u>	<u>7,200</u>	<u>12,814</u>	<u>0</u>	<u>0</u>
Water Conservation and Education					

Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District

2022 Adopted Budget

Hydroelectric Power Project

Statement of Revenues and Expenditures

	2020 Budget	2020 Actual	2021 Budget	2021 Actual DRAFT	2022 Budget
Tours & Anniversary Events	5,000	0	0	61	0
Total Water Conservation and Education	5,000	0	0	61	0
Personnel and Overhead					
Office Overhead	20,996	21,000	14,362	14,388	17,313
Project Personnel	47,511	23,144	30,269	8,782	31,555
Total Personnel and Overhead	68,507	44,144	44,631	23,170	48,868
Debt Service					
Hydroelectric Interest During Construction	347,844	345,826	347,844	0	347,844
Total Debt Service	347,844	345,826	347,844	0	347,844
Annual Project Expense					
Energy Transmission (BH)	140,000	50,109	56,590	31,741	58,005
Operations & Maintenance Operator	50,000	46,203	54,009	45,587	55,899
Operations & Maint Lubrication & Routine	30,750	14,253	14,524	13,438	20,673
Operation & Maintenance (USBR & OM&R)	20,000	5,534	5,639	10,735	6,000
Lease of Power Privilege-Annual Fee	75,000	47,920	48,830	101,951	54,000
Scheduling & Firming	41,000	51,175	40,760	0	0
Total Annual Project Expense	356,750	215,194	220,352	203,452	194,577
Total Operating Expenditures	963,867	1,072,892	795,801	317,298	763,604
Total Operations Revenues Over (Under) Expenditures	719,687	300,211	634,589	561,018	727,985
Capital Outlay and Improvements					
Capital Improvement - Hydroelectric (CWCB)	460,000	0	172,200	0	172,200
Capital Improvement - Hydroelectric (Other)	0	0	0	0	100,000
Capital Outlay - Core Business	30,000	0	0	0	0
Total Capital Outlay and Improvements	490,000	0	172,200	0	272,200
Total Revenues Over (Under) Expenditures	229,687	300,211	462,389	561,018	455,785



Budget and Rate Resolutions

In December 2021, the Board of Directors adopted five resolutions relating to Budgets and rates. They are presented in full on the following pages. Resolutions are for:

- 1) District Adopted Budget Resolution
- 2) Enterprise Adopted Budget Resolution
- 3) Water Sales and Storage Rate Resolution
- 4) Arkansas Valley Conduit Budget Resolution
- 5) Hydroelectric Power Budget Resolution



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 2020 TO BE COLLECTED IN THE YEAR 2022.

RESOLUTION AND ORDER NO. 2021-01DF

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, Administrator of Finance and Administration of the District, was appointed by this Board of Directors as Budget Officer, to prepare a Budget for the year 2022, and submitted same to said Board on October 15, 2021; 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 18, 2021.

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 9, 2021, 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 **\$11,345,908**, of which **\$6,567,772** is for Contract Obligations as part of the Contract with the U.S. Bureau of Reclamation (Reclamation Contract), 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 2022, levied on the 2021 assessed valuation of **\$11,269,775,000** will produce revenue of **\$8,992,839**. The District certifies a mill levy at **.900 with a temporary mill levy rate reduction of .100 for a total of .800** in compliance with Colo. Rev. Stat section 29-1-301, *et seq.*, for the Reclamation Contract. The District also certifies a mill levy at **.035** in compliance with Colo. Rev. Stat section 29-1-301, *et seq.*, for Operating Expenses, both totaling **.835** mills.

BE IT FURTHER RESOLVED that the Board of Directors of said District certifies an additional **.004** 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 **\$44,964**.



District Adopted Budget Resolution

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 net **(including temporary mill levy rate reduction)** of **.835** mill so fixed for said purposes of said District (including **.800** mill for the Reclamation Contract 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 **.835** 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 **.004** 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 9, 2021, 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 2021 to be collected in the year 2022.


Bill Long, President

ATTEST:


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 – ENTERPRISE WATER OPERATION.

RESOLUTION AND ORDER NO. 2021-03EF

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 9, 2021, for the Enterprise Water Operating Fund within the Enterprise and appropriates the funds for the purpose shown within the 2022 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 **\$2,513,776**, 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 9, 2021, determining the amount of money to be appropriated for expenditures by the Southeastern Colorado Water Activity Enterprise.



Bill Long, President

ATTEST:



James W. Broderick, Assistant Secretary-Treasurer



Water Sales and Storage Rate Resolution

CERTIFIED RESOLUTION AND ORDER DETERMINING THE RATE OF WATER, STORAGE, SURCHARGE, AND FEES TO BE ASSESSED TO THE SALE OF ALL TYPES OF WATER ALLOCATED BY THE SOUTHEASTERN COLORADO WATER ACTIVITY ENTERPRISE.

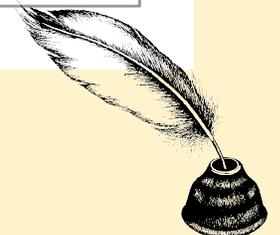
RESOLUTION AND ORDER NO. 2021-01E

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 C.R.S. 37-45.1-101, *et. seq.*), in each year to determine the amount of rates and fees to be assessed in the next water year.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Southeastern Colorado Water Activity Enterprise hereby adopts the water rate and surcharges as Presented in the 2022 Budget Public Hearing on November 18, 2021 for the 2022 water year, and,

BE IT RESOLVED, the Board of Directors of the Southeastern Colorado Water Activity Enterprise hereby approves and adopts the below rate and fee schedule. This schedule includes no increase or decrease to the rate adopted and approved for water year 2021.

Description	2022 Rates and Surcharges (\$ per acre-foot)					
	Proposed Water Rate (\$)	Safety of Dams (\$)	Water Activity (\$)	Environmental Stewardship (\$)	Augmentation (\$)	Proposed Total Charge (\$)
Project Water Sales						
Irrigation	13.14	0.50	0.75	0.75	--	15.14
Municipal	13.14	0.50	1.50	0.75	--	15.89
Project Water Sales used for Well Augmentation						
Irrigation used for Well Augmentation	13.14	0.50	0.75	0.75	2.60	17.74
Municipal used for Well Augmentation	13.14	0.50	1.50	0.75	2.60	18.49
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 and When Storage						
In District	--	0.50	0.50	0.75	--	1.75
Out of District	--	2.00	4.00	0.75	--	6.75
Aurora	--	--	10.00	--	--	10.00
Project Water Return Flows						
Irrigation	12.00	0.50	--	0.75	--	13.25
Municipal	12.00	0.50	--	0.75	--	13.25



Water Sales and Storage Rate Resolution

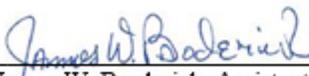
STATE OF COLORADO) §
COUNTY OF PUEBLO)

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 9, 2021, determining the rate of all water sales and storage assessments by the Southeastern Colorado Water Activity Enterprise.

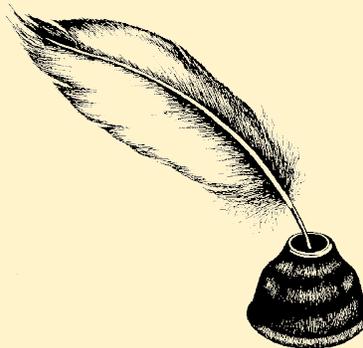


Bill Long, President

ATTEST:



James W. Broderick, Assistant Secretary-Treasurer



Arkansas Valley Conduit Budget Resolution

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



RESOLUTION AND ORDER NO. 2021-04EF

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 9, 2021 for the Arkansas Valley Conduit Funds within the Enterprise and appropriates the funds for the purpose shown within the 2022 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 **\$3,262,314**, 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 9, 2021, determining the amount of money to be appropriated for expenditures by the Southeastern Colorado Water Activity Enterprise.


Bill Long, President

ATTEST:


James W. Broderick, Assistant Secretary-Treasurer



Hydroelectric Power 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. 2021-05EF

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 9, 2021 for the Hydropower Funds within the Enterprise and appropriates the funds for the purpose shown within the 2022 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 **\$1,035,804**, 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 9, 2021, determining the amount of money to be appropriated for expenditures by the Southeastern Colorado Water Activity Enterprise.


Bill Long, President

ATTEST:


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.



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, investments.

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

Arkansas Valley Conduit: Participant payments, Reclamation IGA, loans, grants, Aurora payments for fund balance.

Hydroelectric Power: Sales of electrical power to Fountain, Colorado Springs Utilities.

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.

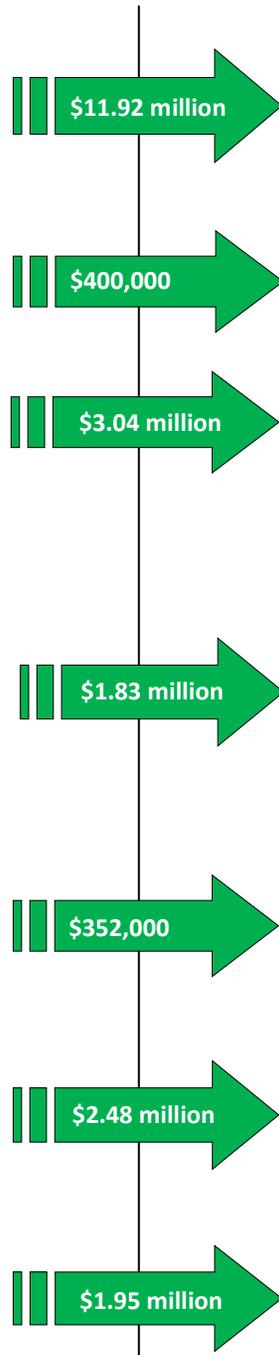
ENTERPRISE

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, U.S. Geological Survey co-op programs, Enlargement, Excess Capacity contract.

Arkansas Valley Conduit: Personnel, overhead, outside services.

Hydro expenses: Debt service, fees, overhead, OM&R.



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. Under Amendment 11 to the Repayment Contract, a reserve fund has been established to pay unknown future costs. The fund balance at the end of 2020 was estimated to be about \$7.65 million.



In 2021, Project revenue is projected to be \$11,919,931. This amount includes:

- ◆ A net collection of \$8,893,734 in Contract mill levy taxes.
- ◆ A payment of \$2,600,000 from the Fountain Valley Authority.
- ◆ Collection of \$117,600 from the Winter Water Storage Program.
- ◆ Collection of \$288,597 from Excess Capacity Master Contract participants.
- ◆ RRA \$20,000

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.

The District's primary source 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 December 2019, the remaining debt totaled \$17.6 million. Two payments totaling \$1,467,572 annually will be made until 2031 under the Contract.

Projected routine OM&R costs for the Project have been about \$1.8 million annually.

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.

Miscellaneous Revenues

Reclamation collects revenue from miscellaneous revenues, including excess capacity contracts at Pueblo Reservoir and outside contracts for use of the project.

Under PL 111-11, these revenues are applied to the Arkansas Valley Conduit construction or repayment. They will total \$3.5 million in 2022.



Pueblo Dam Construction 1972/SECWCD

Those revenues are not accounted for in the District Budget.

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's final payment is estimated to be \$2.6 million.

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 \$117,600, according to 20-year average storage, which can be applied to the Arkansas Valley Conduit.

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 6,595 acre-feet of storage. The amount can increase, but not decrease. In 2022, participants paid \$288,597. Payment is made in November of the preceding year.

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 stakeholders. 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.

Return Flows

Commingling plans assure that Fry-Ark Project water is delivered only to eligible lands under the RRA rules. Water delivered within a ditch system must be proportionately delivered to match native flows or other sources of water.

In 2022, the District Board will look at revising policies on return flows, which comes from a study of Agricultural First Right of Refusal that began in 2014 with the Fort Lyon Canal Pilot Project.

District Boundaries

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 2022, the District will continue to align recorded boundaries with actual boundaries using GIS mapping. Staff also applied the 2018 Inclusion Manual to new boundaries, and prepared inclusions during the past year for District Court.

Fry-Ark Facilities OM&R

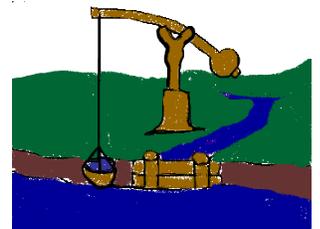
The District works with Reclamation each year to pay its portion of operations, maintenance and replacement for the Fry-Ark Project. Reclamation reconciles costs on an annual basis, Routine maintenance is estimated to be \$2 million in 2022.

In addition, the District has the responsibility to pay for extraordinary maintenance charges that vary from year to year.

The District receives credits for OM&R based on Reclamation charges added to other contracts.



2022 Budget: \$20,000 for possible fee expenses.



2022 Budget: Included within Engineering, Planning, and Operations expenditures.



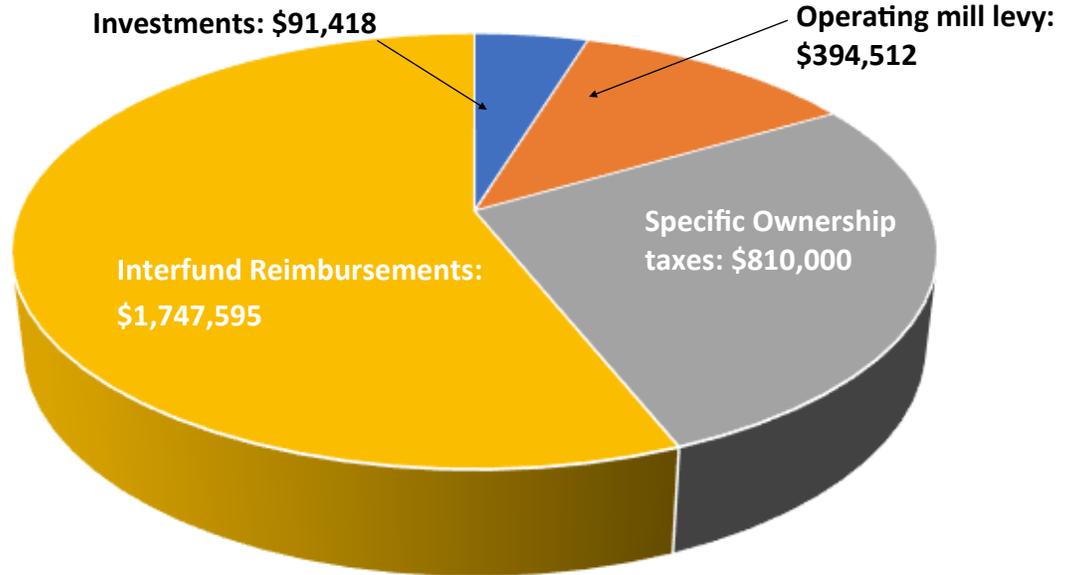
2022 Budget: Included within Engineering, Planning, and Operations expenditures.



2022 Budget: Included within Contract payments.

District Operating Revenue

The District has a \$3,043,525 in operating revenues budgeted for 2022. This 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 0.035 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. No amount has been budgeted for 2021.

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 a portion of 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.
- ◆ **1996-2022:** The creation of the Enterprise changed the fund structure for the District, providing a new source of revenue through inter-fund reimbursements. Interest rates have decreased in recent years, but Specific Ownership taxes remain strong. The District fund balance was estimated to be about \$20.9 million at the end of 2021.



District Operating Expenses

This page describes how District funds are spent, and outlines capital projects that are anticipated in 2021. Operating expenditures are budgeted at \$3,808,867 in 2021, while recurring capital projects total \$1,107,000.

Human Resources

Human Resources expenditures total \$2,187,631 in the 2022 budget, an increase of 19.9 percent over the 2021 budget. This covers wages and benefits of District staff and Directors.

The District is adding staff members in 2022 to handle a growing workload. This also includes succession planning and hiring a part-time gardener.

Headquarters Operations

Operation of the District's headquarters at 31717 United Avenue in Pueblo are expected to total \$399,450 in 2022, an increase of 4.7 percent.

Upgrades to Board meeting facilities are planned in response to optimizing in-person and remote meeting requirements.

Meetings and Travel

The budget for meetings and travel includes staff and Board members. In 2022, the District budgeted for spending capacity of \$82,746.

As in 2021, this number was reduced from previous budgets because it is anticipated that remote meetings will continue to be an option.

In most years, travel is important for maintaining contact and building relationships with stake-

holders, outside agencies and various water associations.

Outside and Professional Services

A total of \$492,485 has been budgeted for outside services, which is a 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.

This reflects a 9 percent increase, reflecting increased workload.

Water Conservation and Education

The 2022 budget includes \$78,734 for outreach activities. This is a large increase from 2021, because of anticipated activities for the 60th anniversary of the Fry-Ark Project and Arkansas Valley Conduit activities.

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

In 2022, the District will again contribute \$20,000 toward a boat inspection program at Pueblo Reservoir to reduce the threat of aquatic nuisance species.



District Headquarters/SECWCD



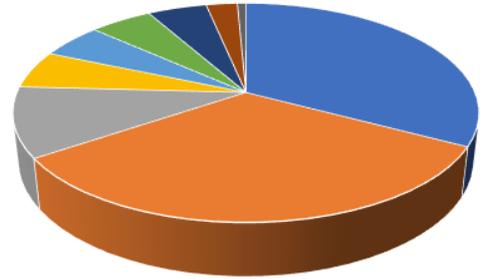
Enterprise Operating Revenue

Enterprise revenue is variable, depending on the water available for sales, storage and hydroelectric generation. For budgeting purposes, the District relies on 20-year averages for water sales and Return Flows. Surcharges on storage remain more consistent, as the level of Project carryover and Excess Capacity storage has not fluctuated in recent years. Water sales rates were increased for 2020 and will remain at the same level in 2022.

Enterprise operating revenue is expected to come from the following sources in 2022:

- Water Sales:** \$577,805
- Return Flow Water Sales:** \$93,168
- Surcharges:** \$647,018
- Well Augmentation:** \$13,507
- Storage Fees:** \$100,000
- Interest Income:** \$44,953
- Partnerships:** \$110,000
- Aurora Administrative Fee:** \$50,000
- Project Participants:** \$193,495

2022 Enterprise Revenues



- Surcharges
- Water Sales
- Participants
- Interest Income
- Storage Fees
- Partnerships
- Return Flows
- Aruora Fee
- Well Augmentation

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 \$13.14 per acre-foot.

The budget is calculated on the 20-year running average for Project water imports, which is about 57,000 acre-feet. After deductions, that would yield about 44,000 acre-feet. Revenues for 2021 are projected to total \$577,805.

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 total amount they are expected to generate in 2022, based on 20-year averages for water delivery and storage.

- 1998 – Safety of Dams
- 2002 – Water Activity Enterprise
- 2005—Well Augmentation
- 2013 – Environmental Stewardship

Total Surcharges:
\$647,018



Enterprise Projects & Programs

The Enterprise has four major projects or programs. Listed below are expenditures (including capital outlay and water quality studies) in the 2022 budget :

1. Arkansas Valley Conduit, \$2,862,314
2. James W. Broderick Hydropower Plant, \$1,035,804
3. Excess Capacity Master Contract, \$98,682
4. Enlargement, \$96,464

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 will begin construction on the first reach of the AVC this year. Revenues will include payments from loans, grants, program participants and Reclamation IPA payments. Aurora funds were used to create a fund balance



James W. Broderick Hydropower Plant

The hydroelectric power generation plant at Pueblo Dam was completed in 2019. The 2022 Budget estimates \$1.49 million in revenues, and \$1,035,804 in expenditures. Closure on the \$17.2 million Colorado Water Conservation Board loan is expected in 2022, with the first debt payment due in 2023.

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.



Enlargement

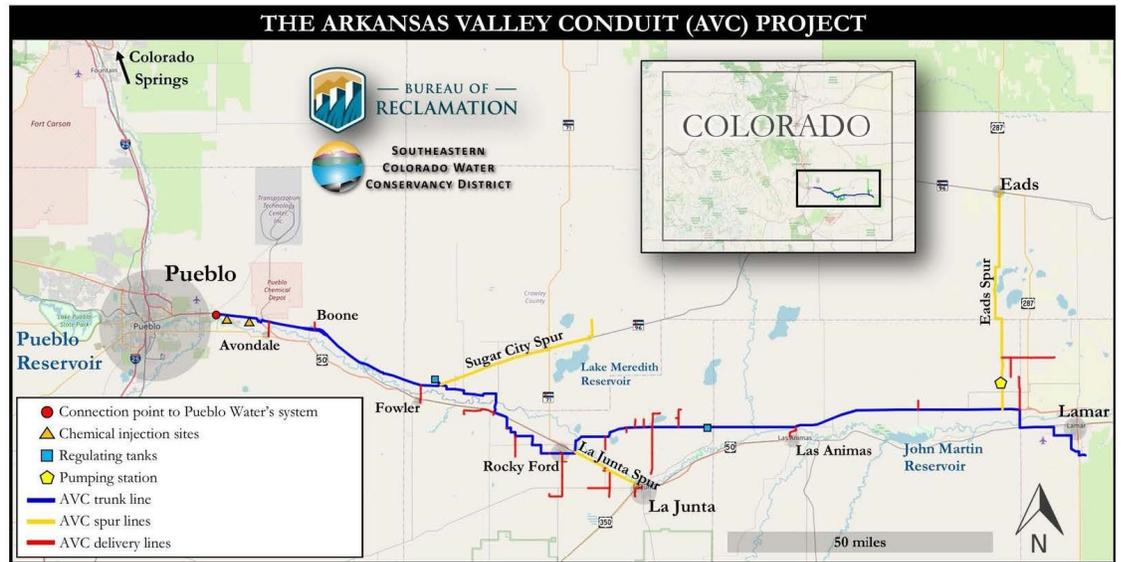
The Enlargement participants are obligated through agreements made during the Preferred Storage Options Plan. Payments cover administrative expenses, and USGS cooperative programs. Revenues are payments from program participants.



Arkansas Valley Conduit

The Arkansas Valley Conduit (AVC) is a 130-mile drinking water pipeline from Pueblo Reservoir to Lamar. The AVC project has been broken down

into a trunk line, which will be built by the Bureau of Reclamation, and spurs and delivery lines that will be built by the Enterprise. When the AVC is complete, participants will be responsible for 35 percent of construction costs (which include Enterprise payments to build the spurs and delivery lines), and 100 percent of the OM&R. Revenues from the James W. Broderick Hydropower Plant will offset OM&R costs.



Arkansas Valley Conduit Construction to Begin in '22

Construction of the Arkansas Valley Conduit (AVC) is scheduled to begin in late 2022, both on the Reclamation and Enterprise side of the AVC project.

The first reach of the AVC will be the accomplished using capacity in the Pueblo Water system to filter AVC water at the Whitlock Treatment Plant, and move it through the citywide transmission and distribution system to a point at U.S. Highway 50 and 36th Lane, east of Pueblo. From there, the water will flow by gravity through a trunk line being built by Reclamation.

Reclamation has completed final design of the first 12 miles of AVC, which will bring the trunk line to Boone. The work is expected to start in late 2022, with completion in 2024.

At the same time, the Enterprise has secured funds to design and build delivery lines to Avondale and Boone, the only AVC participants in Pueblo County. The funds will come through American Rescue Plan (ARP) allocations to Pueblo County.

Other counties, and some of the participants, also have been asked to contribute ARP funds for design work on spur and delivery lines at points farther down the AVC route.

Reclamation is working on design on the remainder of AVC as well in advance of construction that will occur in future years.

Enterprise staff has been working with participants to look for improvements in the design of AVC that will make deliveries more efficient in some areas of the AVC. Regionalization and consolidation of systems where possible will reduce overall construction and OM&R costs.

The Enterprise will use several consultants, and possibly increase staff in order to complete the work.

The Enterprise has been working with the federal government on finding ways to use infrastructure funding to expedite construction of AVC, possibly reducing the construction time by 5-7 years, and will continue this course in 2022.

James W. Broderick Hydropower Plant



The Enterprise signed a Lease of Power Privilege with the Bureau of Reclamation in 2017, and constructed a 7.5 megawatt, \$20 million hydroelectric generation plant at Pueblo Dam. The plant was completed in May 2019. After loans are repaid, revenues will be used to offset OM&R costs of the Arkansas Valley Conduit.

Power play: Revenues drop with low flows in 2022

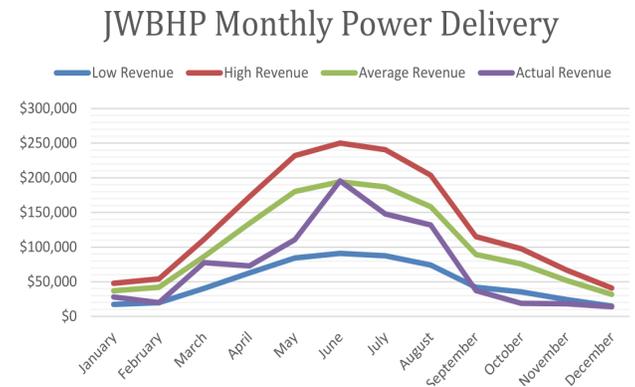
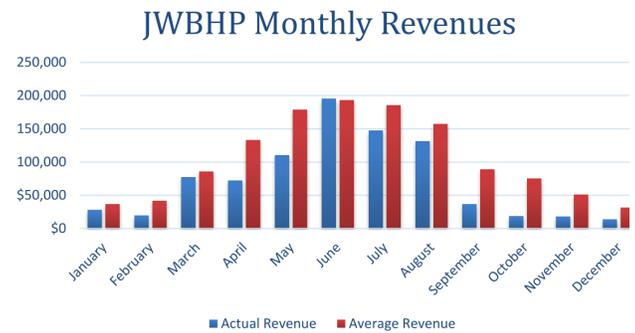
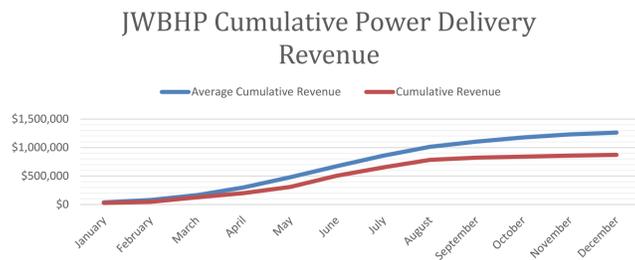
The James W. Broderick Hydropower Plant successfully completed its second full year of operation in 2021.

Revenues were less than the projected amounts based on historic flows from the North Outlet of Pueblo Dam. About 60 percent of the annual release from Pueblo Dam comes through the North Outlet. Flows in 2021 overall were below average, particularly in the spring and summer months.

The top chart at right shows how cumulative revenues fell short of expectations.

The middle chart shows monthly amounts compared to average.

The bottom chart shows hydro-power revenues were consistently below the average revenue range throughout the year.





Section 5

Focus on Partnerships



The District and Enterprise continue 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.



Fry-Ark Project Turns 60 in 2022

The Southeastern Water Conservancy District and Bureau of Reclamation celebrate the 60th anniversary of the Fryingpan-Arkansas Project in 2022.



— BUREAU OF —
RECLAMATION

The District formed in 1958 to represent both municipal & industrial and irrigation water users in parts of nine counties. The dream was to bring a new source of water into the Arkansas River basin during the frequent drought seasons, and to control the flooding which occasionally occurs.



SOUTHEASTERN COLORADO

Water Conservancy District

"Your investment in water"

Reclamation began building the Fry-Ark Project in 1963, after federal legislation was signed in 1962. Today, Reclamation owns and operates the Fry-Ark Project, with the Southeastern District as its local partner.

Supplemental water sales have benefitted these stakeholders since Fry-Ark Project water deliveries began in 1972. Storage in Pueblo Reservoir was first made available in 1975, and has expanded to include excess-capacity storage of non-Project water. Twin Lakes and Turquoise Lake have been enlarged as part of the Fry-Ark Project. Ruedi Reservoir benefits the western slope, while helping Arkansas River basin water users meet their obligations. Hydroelectric power from the Mount Elbert Power Plant benefits the entire western United States.

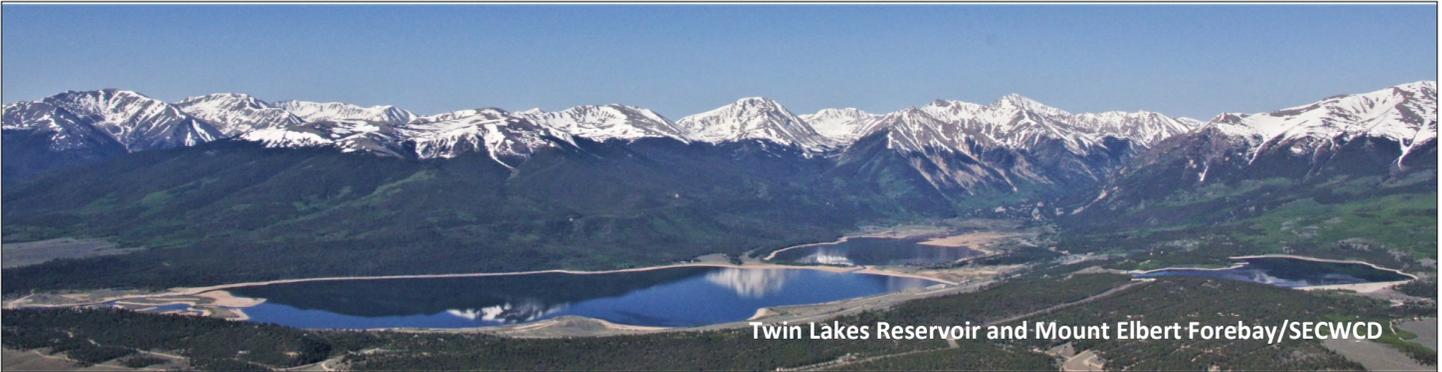


President John F. Kennedy speaks in Pueblo after signing the Fryingpan-Arkansas Project legislation in 1962.

In 1982, following substantial completion of the Fry-Ark Project, the District began repaying its share of the construction costs. A 40-year contract was signed, but the District was

Continued on Next Page →

Partnerships



Twin Lakes Reservoir and Mount Elbert Forebay/SECWCD

Continued from Previous Page

afforded the obligation of paying off the debt in 50 years. In 2021, the District signed a converted contract that guarantees repayment by the end of 2031, but extends the Fry-Ark Contract in perpetuity.

The converted Contract assures that the valuable assets of the Fryngpan-Arkansas Project will continue to benefit the people of southeastern Colorado, as well as those who reap the benefits of Ruedi Reservoir on the western slope, for years to come.

The District, through its Water Activity Enterprise, also moved into full swing to begin construction on the Arkansas Valley Conduit — the last piece of the Fry-Ark Project to be built.

Planning for the AVC stretches back many years, from the initial planning stages in the 1960s and 1970s, to the revival of the AVC project in 2000.

Beginning in 2017, the AVC project was reimagined and a way was found to overcome the hurdles which might have once again thwarted this vital endeavor.

In 2021, the District and Reclamation made major headway into bringing the AVC into reality. In addition, the 39 communities that are in the project reconnected with the Enterprise to learn more about the AVC project, and their own role in helping to bring the dream about. In 2022, construction is expected to begin at last.



In looking forward to the next 60 years, the District has initiated programs to maintain the jewels of the Fry-Ark Project.

In 2020, the District launched two far-reaching efforts to improve our understanding of the changes the Fry-Ark Project has witnessed so far, and to anticipate the future needs of the Fry-Ark Project. Phase I of both the Asset Valuation and Recovery of Storage studies looked at some of the future costs the District will face as the Fry-Ark Project ages. A Condition Assessment began in 2021 to determine which actions are critical. Additionally, the Recovery of Storage study moved toward assessing the impact of continued sedimentation and when the risk of further losses becomes critical.

In 2022, the District will move toward completion of the Condition Assessment. The Recovery of Storage study will identify the need for future projects. Just as the initial construction of the Fry-Ark Project took years to complete, these next steps will require persistence and patience to complete.

Reclamation will be included as these studies progress. Certainly all of the findings of the Condition Assessment study will involve not only the cost to the District, but to Reclamation as well. The cooperative effort will provide Reclamation with more information in advance to aid in making decisions.

The first 60 years of the Fry-Ark Project mark a great beginning to the “Golden Future” promised in 1962. These are generational tasks, and the work completed today will benefit others for decades to come.



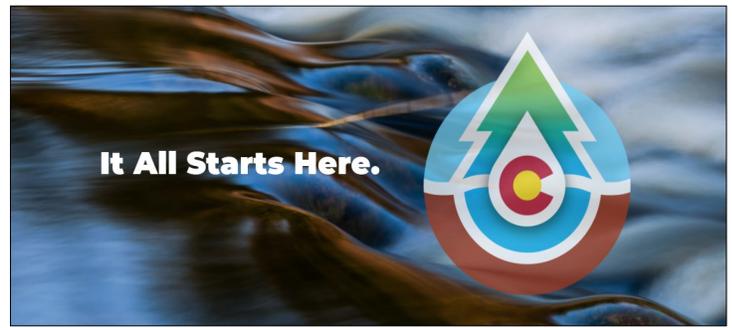
Colorado Water Congress

Colorado Water Congress sponsors an annual convention in January, and a summer conference in August. The District participates as a sponsor and maintains membership in the CWC. The CWC is a statewide organization made up of municipal, industrial and agricultural interests, including conservancy districts.

Jim Broderick receives Aspinall Award at CWC 2021 Summer Conference/SECWCD

Water '22: WECO Year of Water

Water Education Colorado will host a year of activities highlighting water development in Colorado. The 100th anniversary of the Colorado River Compact is in 2022, as well as the 60th anniversary of the Fryingpan-Arkansas Project and the 120th anniversary of the Bureau of Reclamation. The campaign was officially launched at the Colorado Water Congress annual conference. Southeastern is a co-sponsor of Water '22.



National Water Resources Association

The NWRA is a federation of state associations and caucuses representing a broad spectrum of water supply interests. It is the oldest and most active national association concerned with water resources policy and development. The District is a member and participates in many of the group's activities.

Colorado River Water Users Association

The Colorado River Water Users Association is a forum for exchanging ideas and perspectives on Colorado River use and management with the intent of developing and advocating common objectives, initiatives and solutions. The Southeastern District is an active participant in the group throughout the year and at its annual convention each year in Las Vegas.



Family Farm Alliance

The Southeastern District is a member of the Family Farm Alliance, a powerful advocate for family farmers, ranchers, irrigation districts, and allied industries in seventeen Western states. The Alliance is focused on one mission – To ensure the availability of reliable, affordable irrigation water supplies to Western farmers and ranchers.



Partnerships



School children tour the James W. Broderick Hydropower Plant in May 2021/SECWCD

Public outreach continues during the pandemic

Public interaction began to re-emerge in mid-2021, as Colorado restrictions on social isolation were lifted, and some live events again were possible.

The District participated in virtual events during the first six months of 2021, including the Colorado Water Congress (CWC), Water Education, and Arkansas River Basin Water Forum. Board meetings and meetings with other organizations continued on virtual platforms.

In May, 2021, however, live events could resume, and the Dis-

trict hosted several tours of the James W. Broderick Hydropower Plant, attended the rededication of the Pueblo Levee (built after the flood of 1921), and participated in the summer convention of the CWC.

Outreach for the Arkansas Valley Conduit and other District programs involved many hours of staff and Board members time during the final half of the year as well.

In 2022, the District will continue to look for opportunities to spread its message in the age of the “New Normal.”

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 2022, these programs add up to more than \$78,500. Some of the activities include:

- ◆ **Weather modification:** The District contributes \$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.

- ◆ **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.

- ◆ **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.

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

2022 BUDGET IMPACT: \$33,000

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, and has committed to 12 percent of the annual costs.

The Group spent much of 2021 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

2022 BUDGET IMPACT: \$135,000
(Southeastern District contributes \$25,000)

The group met in late 2021 and agreed to resume studies in 2022, after a three-year hiatus. The USGS will resume studies in order to improve the analysis of water quality data throughout the basin.

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 2022, 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

2022 BUDGET IMPACT: \$3,486

Partnerships



Colorado Parks & Wildlife

Lake Pueblo, rated a fishing hot spot, provides over 4,600 surface acres of water, 60 miles of shore, and almost 10,000 acres of land.

Colorado Parks & Wildlife

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

At Pueblo Reservoir, the District participates in discussions regarding water levels, keeping in mind recreation activities while managing accounts of Project and Excess Capacity water to the full benefit of stakeholders.

In 2022, the District, along with Pueblo Water and Colorado Springs Utilities, will contribute \$20,000 each toward winter boat inspections for Aquatic Nuisance Species (ANS). The inspections are necessary to assure that boaters do not spread ANS from lake to lake, the most common way such species spread.

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 2019, the District was involved with programs and tours which promote the efficient use of water, conservation, and collaboration. The Demonstration Garden at District headquarters regularly hosts guests and answers questions about native plants. Staff works with community groups to provide information on these topics.

2020 WATER CONSERVATION & EDUCATION	
⇒ Tours & Anniversary Events.....	\$33,000
Sponsorships, Exhibits & Ads.....	\$25,000
Xeriscape Education.....	\$ 734
Garden Tours.....	\$ 0

District staff made presentations to numerous outside groups throughout the year. One of the most intensive efforts were meetings throughout the District on the Arkansas Valley Conduit. In December meetings explained proposed changes in allocation policies.

The District also provided sponsorship and support for several events throughout the year, including the Arkansas River Basin Water Forum, water tours, and the Leadership Pueblo program.

There were many formal and informal tours of the newly completed James W. Broderick Hydropower Plant throughout the year.



SECWDC

Demonstration garden in full bloom.

Partnerships



Monarch Pass Watershed and Forest Health Project/Arkansas River Watershed Collaborative

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 will update its Basin Implementation Plan in 2022 as part of a statewide update of Colorado’s Water Plan. The District has participated in technical discussions related to the plan.

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.

No forum was held in 2021, because of COVID pandemic restrictions. Quarterly newsletters were sent out, and tours of Browns Canyon Rafting, Lake Pueblo-centered activities, and Lower Arkansas River basin farming were staged instead.

The Forum in 2022 is planning to gather in Salida in April, a continuation of the canceled 2020 event.

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.

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. The most recent contract was signed in 2022.



Arkansas River Tours



Section 6

Strategic Long-Range Planning

Strategic Plan, Budget, Mission, Vision, and Goals

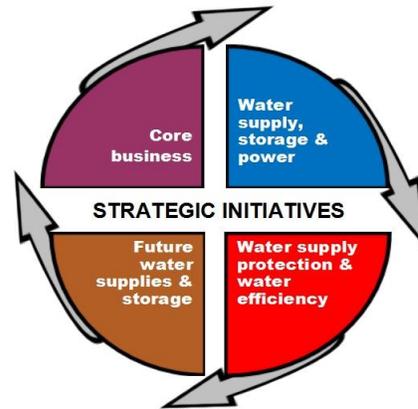
The Strategic Plan clarifies the relationship of the budget to the mission, vision, and goals of the District.

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.

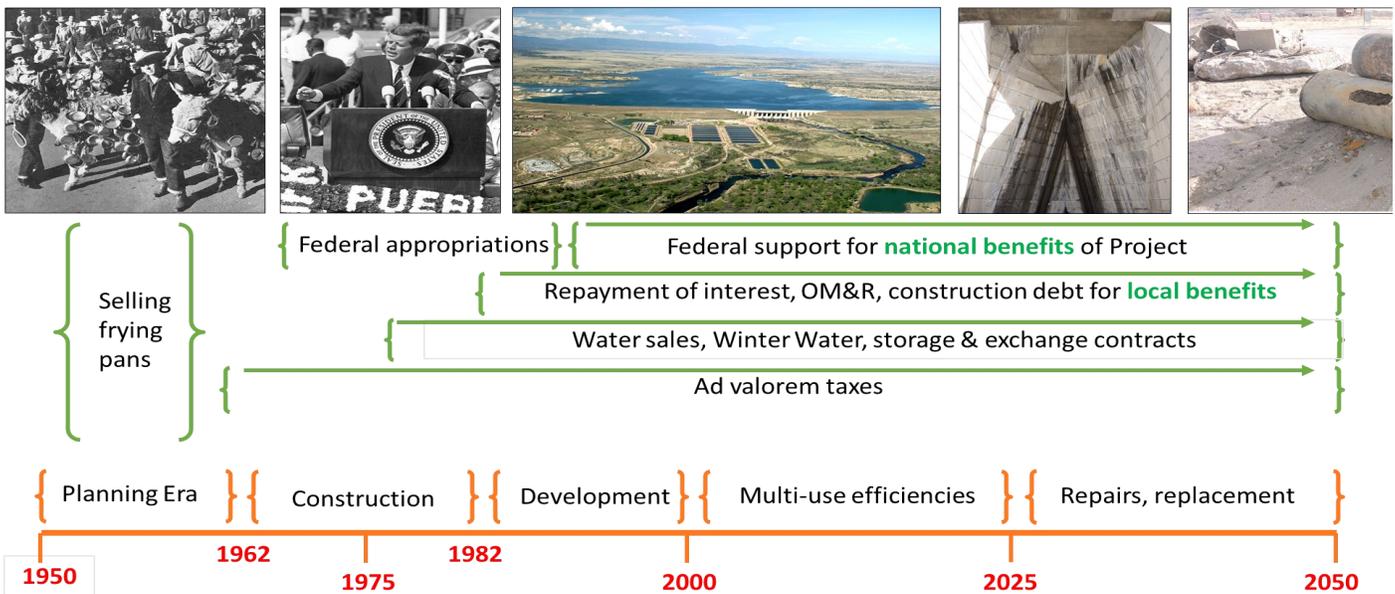
A promise of responsible and professional service and action.

A focus on fairness and equity.



Planning Matrix

Financial timeline of Fry-Ark Project



The Historic Planning Cycle for the Southeastern District

In the 60th anniversary year of the Frypan-Arkansas Project, it is important to remember the parallel steps taken by the Southeastern Colorado Water Conservancy District.

The District was formed in the post-World War II era, when America was building a prosperous future. Dedicated citizens rallied behind a plan to bring new water into the Arkansas River basin to ease the worst effects of flooding and drought.

The golden frying pans that were sold to raise money to fund trips to Washington D.C. in support of the Fry-Ark Project also served a symbolic purpose: to promote the “Golden Future” of the Arkansas Valley.

President John F. Kennedy’s visit to Pueblo on August 17, 1962, marked the beginning of the Fry-Ark Project. He visited just one day after signing legislation authorizing the Fry-Ark Project.

Construction began in 1964. It was a mammoth effort that forever changed the landscape of the Arkansas River basin by assuring a stable supply of supplemental water for growth, as well as protection from periodic disastrous flooding.

Over time, the focus of the District has shifted from construction to operations. In the past two decades, the operations have become more integrated with water systems in the Arkansas River basin to encompass purposes for storage and water movement.

As we round the corner into the final stretch of the first century of the Fry-Ark Project, the District faces new challenges. Sedimentation has diminished water storage space. Infrastructure used to collect and move water is aging. New technology has opened the door for improvements that could improve the Fry-Ark Project efficiency.

The District has begun multi-year programs to look at the most effective way to meet these new challenges.

The Strategic Plan, first developed in 2017, and designed to guide the District’s work through 2032, reflects the overall goals of the District for preserving and improving the Fry-Ark Project.

Together with the Business Plan, Annual Budget and Financial Report, this strategic vision is meant to assure the “Golden Future” remains a reality.

Fryingpan-Arkansas Project Goals & Strategies

Moving into the Future

2017:

The Executive Committee and Board review District history and finances in the “Framing the Future” discussion.

2018:

Amendment 11 to the Fryingpan-Arkansas Project restructures construction debt and OM&R payments. Reserves for Fry-Ark Project extraordinary maintenance and improvements were established.

2019:

The Board took action to increase water rates for the first time in more than 20 years as a first step toward financial sustainability.

2021:

The Board approved a new Repayment Contract with Reclamation that establishes water delivery from the Fry-Ark Project in perpetuity.



Asset Valuation, Condition Assessment & Recovery of Storage Studies

The District began a series of studies that will increase the understanding of the Fryingpan-Arkansas Projects long-term needs, risks, and investments needed to maintain this incredible resource.

The first component of this process is the Asset Valuation Study, which was concluded in 2021. The study looks at the present-day worth of Project features, as well as District and Enterprise assets, to give the Board and stakeholders an idea of the costs which would be incurred to repair or replace critical Project infrastructure.

The Asset Valuation will be followed by a Condition Assessment, in which the District will work with Reclamation to evaluate when action may be needed to rehabilitate or replace critical pieces of the Project.



At the same time, the District has initiated a Recovery of Storage study that will look at how to regain the nearly 25,000 acre-feet of storage that has been lost since Pueblo Reservoir began storing water in 1975. The study also is looking at avoiding further losses to sedimentation.

Contracts and negotiations spotlighted

The District successfully negotiated a converted Repayment Contract with Reclamation in 2021, fulfilling a condition of the 1982 Contract. The new contract will establish the delivery of Fryingpan-Arkansas Project in perpetuity, a major step ahead for the District and its stakeholders.

The Arkansas Valley Conduit (AVC) will require a three-party contract among Reclamation, the District and Pueblo Water. This will allow AVC water to receive initial treatment by using capacity in Pueblo Water’s Whitlock Treatment Plant. Pueblo Water’s transmission system will move the water to the eastern end of the system, where it will enter the AVC pipeline.

Negotiations for the three-party contract began in 2021, and the contract will now go to the Pueblo Board of Water Works and the Southeastern Colorado Water Conservancy District Board for approval.

An AVC Repayment Contract will be negotiated in 2022, in order to establish the



repayment of the 35% local share of AVC, operating conditions, and operation, maintenance and replacement payments. That contract will be the basis for payments to the District from participants, or an authority representing the participants.

The District also will be negotiating a contract with Reclamation and the Fountain Valley Authority (FVA) in the near future. The FVA contract was signed in 1985, for a 40-year term, and expires at the end of 2024.

The FVA will pay off the construction debt on the pipeline in 2022, but will still carry an obligation to pay OM&R on the pipeline.

District Goals & Strategies

District Objectives

The District provides support for both the Fryingpan-Arkansas Project and the Water Activity Enterprise. From a financial planning standpoint, the District has to have the proper tools and resources to accomplish that end. The District strives to maintain state-of-the-art technology, a skilled and competent workforce, and up-to-date facilities to achieve its objectives.



Headquarters improvements

In 2022, the District plans to upgrade the Board Room to optimize both in-person and remote meetings. This planning goes back to 2019, and priorities shifted during the COVID-19 isolation period, when remote meetings became more common.

The District also plans improvements to the Demonstration Garden and grounds surrounding the building, refilling the part-time gardener position on staff.

Electronic Records Management

In 2022, the District is scheduled to move on a plan to digitize records in order to conserve space and maximize efficiency in retrieving information.

State laws require electronic access in a usable format for public information requests.

District staff is investigating which system to choose in order to get the maximum benefit at the most affordable price.



Workforce Planning

As Arkansas Valley Conduit activity increased in 2021, the District realized the need for additional employees to manage the workload.

Other personnel changes are anticipated to assist in succession planning as key employees near retirement.

The District also will conduct a salary survey in 2022 to assure that positions remain competitive.

Workforce Planning Model



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.
- ◆ 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 water in Pueblo Reservoir. Storage in 2021 is 6,575 acre-feet. As much as 29,938 acre-feet could be stored under the Contract, and another 21 participants eventually will join.

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

Revenue from that storage will help pay construction and repayment costs of the Arkansas Valley Conduit.

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.

James W. Broderick Hydropower Plant

The James W. Broderick Hydropower Plant was completed in 2019, and continued to produce power in 2021. All systems are go for 2022.

This is a monumental step in the history of the District that is the result of years of planning.

Working under a lease of Power Privilege with the Bureau of Reclamation, the District was able to fulfill a goal that had been dreamed about for decades, ever since the completion of Pueblo Dam in 1975.

During the 18-month construction period, Mountain States Hydro, the general contractor, worked with the District under a design-build agreement. This

allowed the completion of the \$20.5 million, 7.5 megawatt plant.

The Hydropower Plant is able to generate power from flows ranging from 35-810 cubic feet per second through the North Outlet of Pueblo Dam. The plant will produce an average of 28 million

kilowatt-hours annually, enough to power 2,500 homes. The power will be sold to Fountain and Fort Carson (through Colorado Springs Utilities), which is expected to generate an average of \$1.2 million annually.

In the near future, the revenues from the Hydropower Plant will pay off the \$17.2 million loan from the Colorado Water Conservation Board, and the loan from the Water Activity Enterprise, along with various fees associated with transmitting the power.

Years from now, the revenues will help fund Enterprise activ-

ities, such as the OM&R payments for the Arkansas Valley Conduit.

The District is in the forefront of a national effort to develop sustainable renewable sources of power. The James W. Broderick Hydropower Plant is just the first step into a brighter future.



Enterprise Goals & Strategies



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

Watershed Protection

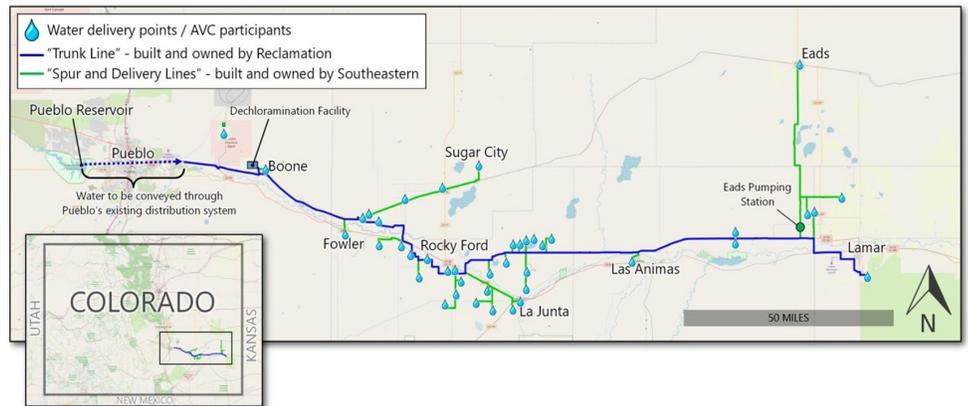
Wildfires throughout Colorado and other western states have increased erosion and sedimentation in river basins.

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.

A small amount has been budgeted in 2022 to help form partnerships.



Arkansas Valley Conduit

The Arkansas Valley Conduit (AVC) was part of the original Fryingpan-Arkansas Project, but was not completed because participants could not afford to pay 100 percent of the costs.

The AVC was rejuvenated in 2000, when citizens from the Lower Arkansas Valley approached the Southeastern Board with renewed interest. The cost of mitigating water quality issues in order to meet state and federal water quality issues was becoming more expensive.

The District worked to get new legislation in 2009 to put a 65-35 federal-local cost share in place, and allow miscellaneous revenues from the Fry-Ark Project to pay for construction or repayment of the local share.

The District also shepherded the environmental review of the project, and worked with Reclamation to develop efficiencies and reduce costs.

Arkansas Valley Conduit

Cost: \$564-610 million

Reclamation: \$441-476 million

SECWAE: \$123-134 million

Completion: 7-15 years

The District will complete a three-party contract among Reclamation, the District and Pueblo Water for treatment and delivery of AVC water, and an AVC repayment contract with Reclamation in 2022.

The work plan for AVC could be expedited with either infrastructure funds or Reclamation funds freed from other projects to complete the project ahead of schedule. That could reduce the time needed to build AVC to just seven years, rather than 15.

Restoration of Yield

A 2004 agreement to support Arkansas River flows through Pueblo commits the District to a portion of costs for the Restoration of Yield program.

The program allows participants to store water that is passed through Pueblo in support of the ROY program in order to exchange it into Pueblo Reservoir at a later date.

The group purchased land for a reservoir downstream from Pueblo, in 2021. Construction of the reservoir is 10 years out.

The largest entities in the program are Colorado Springs Utilities, Aurora Water, and Pueblo Water, who collectively hold 86 percent interest. The District, Fountain, and Pueblo West are minority partners.

Because new storage is expensive, and the timing and control of funding are in the hands of the larger partners, the District included this as a capital reserve item in financial planning.

The Board makes the final determination for expenditures related to ROY.

BUSINESS PLAN STRUCTURE



Strategic Plan

The Business Plan is aligned to the Strategic Plan. The Business Plan is a mid-range view of the District’s long-range objectives, which are embodied in the Strategic Plan.

Business Plan Review

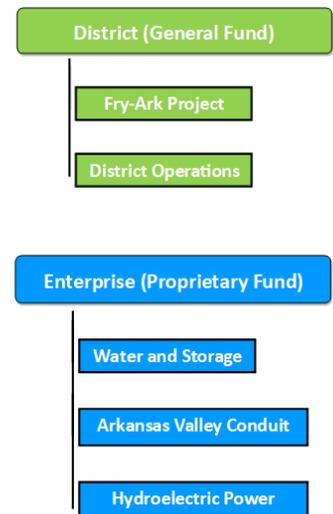
The District adopted a new Business Plan in 2017. It provides a three-year guide as both a planning and budget tool.

In the past five years, it has expanded to better incorporate more of the goals in the Strategic Plan, while reflecting the annual work that is done in each area.

The 2022 Business Plan has been reworked to more closely align to funds and subfunds within the Annual Budget. An executive summary has been added to the Business Plan to better define the plan of work for the upcoming year.

Funds and Subfunds

The Southeastern Colorado Water Conservancy District has two funds, which are the District and Enterprise funds. The District fund has the Fryingpan-Arkansas Project subfund and District Operations subfund. The Enterprise fund has the Water and Storage subfund, the Arkansas Valley Conduit subfund, and the Hydroelectric subfund.



Winter Water program	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Payments to Reclamation, based on 20-year average	\$85,449	\$117,600	\$117,600	\$117,600

Revenues and Expenditures

For each program, project or operation in the Business Plan, a summary of 2021 expenditures or revenues, 2022 Budget, and projections for 2023 and 2024 are included.

Future Activities

Activities such as building the Interconnect at Pueblo Dam, acquiring water rights, developing storage, and storage in John Martin Reservoir that are not in the current budget are included in a separate section.



Fry-Ark Project

The District works in partnership with the Bureau of Reclamation to operate the Fryingpan-Arkansas Project, sharing costs for construction, OM&R and betterments. District investigations will help identify future funding needs, which can be paid through the Fry-Ark Reserve Fund.

Fry-Ark Debt Repayment

Under the Fryingpan-Arkansas Project Contract, payments to the Bureau of Reclamation are set at \$1,467,572 per year until 2031, when the existing debt will be paid off.

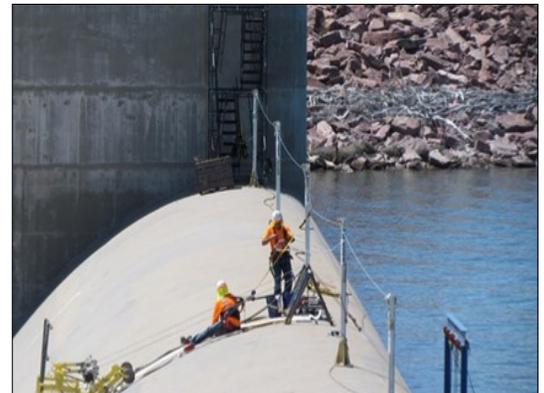


Fry-Ark OM&R

Project operations, maintenance, and replacements are funded from the Contract mill levy. Costs are determined by annual reconciliation by Reclamation. The District gets OM&R credits from other Reclamation contracts.

Fry-Ark Reserve

A reserve has been established to hold revenues from the Contract mill levy for future Fry-Ark Project expenses. Interest from the reserve contributes to District Operating Fund revenues. Revenues over expenditures were \$14.9 million at the end of 2021.



Excess Capacity Master Contract

The Excess Capacity Master Contract was signed in 2016 and allows for storage of up to 29,938 acre-feet for District stakeholders. Currently, 6,595 acre-feet are contracted. Payments go into Miscellaneous Revenues, which help fund the Arkansas Valley Conduit.

Miscellaneous Revenues

Miscellaneous Revenues are collected through Reclamation contracts, and are available for construction and repayment of the AVC. The primary source of Miscellaneous Revenues are for excess capacity storage in Pueblo Reservoir, along with older Fry-Ark contracts.

Winter Water

Winter Water operations are coordinated by the District. Water stored in Pueblo Reservoir is charged a fee, which benefits the AVC.

Reclamation Reform Act

The District maintain acreage records for stakeholders who receive Project Water, in order to comply with the 1982 Reclamation Reform Act.



Fry-Ark Project

STRATEGIC FOCUS: FRY-ARK'S FUTURE



The Fryingpan-Arkansas Project turns 60 years old in 2022. Construction on the final piece of the Project, the Arkansas Valley Conduit (AVC) will begin as the year closes. And the District's attention is focused on looking ahead to keep the Project viable for another 60 years and beyond.

The buzz right now is about Colorado River issues, looking at the sustainability of imports that are so vital to the Arkansas River basin.

The District maintains legal diligence of its water rights on the Colorado River, has an engineering program to study the efficiency of the Fry-Ark Project, works cooperatively with the Front Range Water Council, Colorado Water Conservation Board, and others to meet environmental commitments made to the West Slope.

The District also is looking toward the future with studies that look at maintaining the infrastructure developed over the past 60 years.

The Recovery of Storage program is looking at maintaining the amount of storage originally intended for the Fry-Ark Project. Pueblo Reservoir has lost about 25,000 acre-feet of storage since it began filling in 1974. The study will look at how to slow the trend and the most cost-effective way to recover lost storage.

The Condition Assessment program is looking at Fry-Ark features with an eye toward ensuring that adequate funds are kept in reserve to meet extraordinary needs in the future.

In the long-term plan for the Fry-Ark Project is an interconnection at Pueblo Dam between the north and south municipal outlets.

This will be needed in future years when routine maintenance or an emergency requires one of the outlets to be taken out of operation.



District Operations

District operations support the Fryingpan-Arkansas Project, District activities and Enterprise activities. People, buildings, vehicles, and technology are included in this category.



Human Resources

Staffing changes to support the Arkansas Valley Conduit (AVC) and to meet succession planning goals are planned in 2022. The part-time gardener's job will be filled to support the District's demonstration garden. The District will continue to work with its team of outside consultants to provide excellent service.

District Headquarters

Improvements will continue in order to enhance both the virtual and in-person meeting experience. The grounds will continue to be developed to demonstrate water-wise landscaping strategies. The purchase of a new vehicle is planned as the District anticipates increased travel following pandemic isolation.

Information Technology

Work will continue in 2022 to improve the meeting environment after several advances in 2021. The District began the process of migrating meeting materials to OnBoard, a software program designed specifically for that purpose. Board members were issued electronic tablets to take advantage of the program. Also in 2022, staff will continue to investigate the best way to implement an electronic records management system.

Boundaries & Inclusion

The District has spent several years working with Colorado Springs to define boundaries. More work is needed, however, particularly in the remainder of El Paso County, Pueblo County, and Fremont County.

Water Rights Protection

The District general counsel works with outside legal counsel and outside engineering to protect water rights in Division 2 and Division 5. A staff attorney has been hired in 2022 in order to assure succession planning, and to help meet a growing workload related to the AVC and other Fry-Ark contracts.

Water Conservation & Education

A program to prevent aquatic nuisance species from being introduced to Pueblo Reservoir will receive continued funding from the District and partners. The District will continue to work with various agencies, such as Water Education Colorado, Arkansas River Basin Water Forum, Arkansas Basin Roundtable, Colorado Water Congress, National Water Resources Association, Family Farm Alliance and others to provide timely, accurate information about water use.



District Operations

STRATEGIC FOCUS: DISTRICT ACTIVITIES



The Southeastern Colorado Water Conservancy District headquarters were built in 2000, and have begun showing signs of wear.

In 2020, the floor on the east end of the building was leveled after years of slowly sinking. A demonstration project on the north-east corner of the building, next to the drainage area, is planned to stabilize the foundation in that area to prevent future shifting.

In 2021, offices were remodeled to provide an enclosed working space for all employees, a necessity brought on by the COVID-19 pandemic. One of the five air conditioning units failed, and the need to replace all of them, as well as two heating units, has become apparent.

In 2022, the District will undertake a financial study, as recommended in the 2019 financial study. A financial model created in the 2019 study will allow District staff to reassess

its needs and provide recommendations for rates to the Board. Rates were increased for 2020 allocations, and have remained at the level in 2021 and 2022.

The District also is refining its capital improvement plan following the completion of the asset valuation study.

In Human Resources, the District has added a staff attorney to meet increased workload and for succession planning. An engineering position is planned as well. More employees or outside consultants will be needed for the Arkansas Valley Conduit.

In 2022, the District plans to hire a part-time gardener to fill a position left vacant by a retirement in 2020.

An employee salary survey is planned for 2022.



Water & Storage

The Southeastern Colorado Water Activity Enterprise was formed in 1996 as the business arm of the District. Originally, the Enterprise revenues consisted of Return Flow sales, but expanded over time to include surcharges and Project Water sales revenues. The Enterprise also collects fees from stakeholders for the Excess Capacity, Enlargement and Arkansas Valley Conduit programs. Two subfunds of the Enterprise were created for the Hydroelectric Power and Arkansas Valley Conduit projects.



Water and Storage Sales

Project Water, Return Flows and Storage sales are the major source of revenue for the Enterprise fund. These include surcharges which have been added to cover specific revenue streams. Water sales are dependent upon hydrologic conditions, while storage surcharges in many cases are tied to less variable, long-term contracts.

Water Quality Monitoring

Water quality reports are a useful tool for those who manage water in the Arkansas River basin. The District has played a key role in establishing river gauges throughout the basin by supporting USGS programs. Together with stream gauges maintained by the Colorado Division of Water Resources, such stream reading provide both real-time and historic information about how water is moved, diverted and used.

Colorado River Programs

Support for Colorado River programs assures that supplemental water supplies will remain available to the Arkansas River basin. These programs are in addition to the environmental commitments made by the District under the Fryingpan-Arkansas Project Operating Principles.

Future Storage Options

Several Enterprise activities are geared toward future storage that may be beneficial to stakeholders. In 2021, Restoration of Yield partners purchased a reservoir site near Boone. It may be 10 years or more before a reservoir is built, but planning for those future needs is now occurring. Other storage options include a cooperative effort in the Upper Arkansas River basin, and potential accounts in John Martin Reservoir.



Water & Storage

STRATEGIC FOCUS: ENTERPRISE ACTIVITIES



The Southeastern Colorado Water Activity Enterprise has entered a new era of building projects as the Fry-Ark Project passes the 60-year mark.

The District was focused on Reclamation construction of the Fry-Ark Project and debt for nearly all of the time since it was formed in 1958.

With the creation of the Enterprise in 1996, the focus of the District began to shift toward improvements that could be made to the Fry-Ark Project to increase the benefit to stakeholders.

The first project of this sort was the Safety of Dams program that started in 1997, which was undertaken by Reclamation. Repayment of the District's share is being made through the Enterprise.

A water needs assessment in 1998 was the next step taken by the Enterprise and was

driven by actions that could be taken on a local level. The study determined that needs will grow over time, and that the costs would need to be met. Planning for that future started with a surcharge added in 2002 to fund the Enterprise.

In the first decade after adopting the surcharge, the Enterprise laid the groundwork for future projects.

The James W. Broderick Hydropower Plant was constructed through the Enterprise. The Arkansas Valley Conduit is becoming a reality. Future projects include construction of a restoration of yield reservoir, sediment reduction of Pueblo Reservoir, an interconnection between Pueblo Dam outlets, and other actions that continue to enhance the Fry-Ark Project.



Arkansas Valley Conduit

AVC Project on the Move

Construction of the Arkansas Valley Conduit (AVC) will begin in late 2022, after more than three years of cooperative efforts between the District and Reclamation on a revised plan.

Efforts to create the new plan took shape in 2019, when it was determined Reclamation would build the trunk line and the District would build delivery lines and spurs. Capacity in Pueblo Water's system would be used to treat and bring water to a point about 15 miles east of Pueblo Dam, where AVC begins. Initial federal, state and Enterprise funding was secured and planning activities commenced in 2020.

In 2021, the District solicited American Rescue Plan funds from local entities to help with planning and in some cases construction of the spurs and delivery lines.

In 2022, the three-party contract among Reclamation, the District and Pueblo Water will be signed; a contract for Repayment between Reclamation and District will be signed; and a governance structure for AVC will be put in place.



Hydroelectric Power

Hydro Project Humming Along

The James W. Broderick Hydropower Plant began producing power in 2019, following eight years of planning activities and construction. The plant was built at Pueblo Dam under a Lease of Power Privilege from the Bureau of Reclamation.

Power from the plant is being sold to the city of Fountain and Fort Carson (through Colorado Springs Utilities) and revenues are projected to average \$1.2 million annually. Revenues vary from year to year, depending on the amount of water released through the North Outlet of Pueblo Dam.

Revenues from the Hydro Plant initially will pay off the \$20.4 million debt, including \$17.2 million to the Colorado Water Conservation Board, and \$3.2 million to the Enterprise. When the debt is paid off, a portion of the revenues will offset operation, maintenance and replacement costs for the AVC.





Section 7

Appendix

2022 Rates and Surcharges (\$ per acre-foot)						
Description	Water Rate (\$)	Safety of Dams (\$)	Water Activity (\$)	Environmental Stewardship (\$)	Augmentation (\$)	Proposed Total Charge (\$)
<i>Project Water Sales</i>						
Irrigation	13.14	0.50	0.75	0.75	--	15.14
Municipal	13.14	0.50	1.50	0.75	--	15.89
<i>Project Water Sales used for Well Augmentation</i>						
Irrigation for Well Augmentation	13.14	0.50	0.75	0.75	2.60	17.74
Municipal for Well Augmentation	13.14	0.50	1.50	0.75	2.60	18.49
<i>Storage Charges</i>						
Winter Water Storage*	2.80	0.25	--	0.75	--	3.80
Carry-Over Project Water	--	1.00	1.25	0.75	--	3.00
<i>If and When Storage</i>						
In District	--	0.50	0.50	0.75	--	1.75
Out of District	--	2.00	4.00	0.75	--	6.75
Aurora	--	--	10.00	--	--	10.00
<i>Project Water Return Flows</i>						
Irrigation	12.00	0.50	--	0.75	--	13.25
Municipal	12.00	0.50	--	0.75	--	13.25



County Assessed Valuations and Certification of Tax Levies

Bent County Certification of Valuation and Certification of Tax Levies



CERTIFICATION OF VALUATION BY COUNTY ASSESSOR

NAME OF TAX ENTITY: SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT

IN ACCORDANCE WITH §§ 2-12(2)(b) AND 2-13(1)(b) C.R.S., AND NO LATER THAN 30 DAYS BEFORE THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$	69,004,280
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2. \$	69,004,280
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$	69,004,280
5. NEW CONSTRUCTIONS:	5. \$	0
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 (29-1-101(C)(6), C.R.S.):	9. \$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-30(C)(6), C.R.S.):	10. \$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-30(C)(6), C.R.S.):	11. \$	0

IN ACCORDANCE WITH ARS 26, SEC 26, USAL COMPTON AND 29-1-127(C)(6), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY:	1. \$	266,043,646
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2. \$	2,000,000
3. ANNEXATIONS/INCLUSIONS:	3. \$	0
4. INCREASED MINE/OIL 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:	7. \$	2,000,000

IN ACCORDANCE WITH ARS 26, SEC 26, USAL COMPTON AND 29-1-127(C)(6), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUE OF ALL ENHANCED PROPERTY:

1. ENHANCED PROPERTY:	1. \$	0
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IN ACCORDANCE WITH 29-1-127(C)(6), C.R.S., THE ASSESSOR CERTIFIES THE NET ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED):

1. NET ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED):	1. \$	0
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NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONER NO LATER THAN DECEMBER 31.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Bent 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 assessed valuation of: 69,004,280

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:

Submitted: 12/10/2021 for budget/fiscal year 2022

PURPOSE (see notations for definitions and examples)	LEVY ³	REVENUE ³
1. General Operating Expenses ⁴	.900 mills	\$ 62,103.85
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁵	< .100 > mills	\$ < (6,900.43) >
SUBTOTAL FOR GENERAL OPERATING:	.800 mills	\$ 55,203.42
3. General Obligation Bonds and Interest ⁶	_____ mills	\$ _____
4. Contractual Obligations ⁶	_____ mills	\$ _____
5. Capital Expenditures ⁶	_____ mills	\$ _____
6. Refunds/Abatements ⁶	.004 mills	\$ 278.02
7. Other ⁶ (specify):	_____ mills	\$ _____
TOTAL: [Sum of General Operating Budget and Line 1-7]	0.804 mills	\$ 55,479.44

Contact person: Leann Hogg Daytime phone: (719) 348-9950

Signed: [Signature] Title: Administrator of Finance / Budget Officer

Include one copy of this tax entity's completed form when filing the local government's Budget by January 31st, per 29-1-211 C.R.S., with the Division of Local Government Services, Room 311, 1111 Sherman Street, Denver, CO 80202. Phone: (303) 861-3131. Fax: 303-861-3132.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Bent 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 assessed valuation of: 69,004,280

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:

Submitted: 12/10/2021 for budget/fiscal year 2022

PURPOSE (see notations for definitions and examples)	LEVY ³	REVENUE ³
1. General Operating Expenses ⁴	.075 mills	\$ 2,415.15
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁵	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	.075 mills	\$ 2,415.15
3. General Obligation Bonds and Interest ⁶	_____ mills	\$ _____
4. Contractual Obligations ⁶	_____ mills	\$ _____
5. Capital Expenditures ⁶	_____ mills	\$ _____
6. Refunds/Abatements ⁶	_____ mills	\$ _____
7. Other ⁶ (specify):	_____ mills	\$ _____
TOTAL: [Sum of General Operating Budget and Line 1-7]	.075 mills	\$ 2,415.15

Contact person: Leann Hogg Daytime phone: (719) 348-9950

Signed: [Signature] Title: Administrator of Finance / Budget Officer

Include one copy of this tax entity's completed form when filing the local government's Budget by January 31st, per 29-1-211 C.R.S., with the Division of Local Government Services, Room 311, 1111 Sherman Street, Denver, CO 80202. Phone: (303) 861-3131. Fax: 303-861-3132.

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).

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** CHAFFEE COUNTY DN 11/18/2021 New Entry No: _____

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.6% LIMIT) ONLY

IN ACCORDANCE WITH 18A-1213(1)(a) AND 18A-1213(1)(c), AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN CHAFFEE COUNTY, COLORADO:

1. PREVIOUS YEARS NET TOTAL TAXABLE ASSESSED VALUATION:	\$11,260,840
2. CURRENT YEARS GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$827,020,470
3. LESS THE DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEARS NET TOTAL TAXABLE ASSESSED VALUATION:	\$827,020,470
5. NEW CONSTRUCTION: **	\$6,117,436
6. INCREASED PRODUCTION OF PRODUCING MINES: †	\$0
7. AMMUNITION/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ‡	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING U.S. AND GAS (LEASEHOLD, OR OR LAND (28-1-301)(1)(C) R.S.):	\$0
10. TAKEN COLLECTED LAST YEAR OR CRIFTED PROPERTY AS OF AUG. 1 (28-1-301)(1)(B) C.R.S.):	\$21,200
11. TAKES ABATED AND REFUNDED AS OF AUG. 1 (28-1-301)(1)(C) R.S.) AND (28-1-301)(1)(D) C.R.S.):	\$1,261,132

* This value reflects general property exemptions provided by the jurisdiction as authorized by Art. X, Sec. 20(2)(C), (2)(D).
 † This value includes all mineral property valuations not the general property valuations included with the structure.
 ‡ Jurisdiction must submit appropriate certification (Form DLS 22 AND 24) to the Division of Local Government in order for the value to be included as gross in the 2021 calculation.
 §§ Jurisdiction must apply (Form DLS 25) to the Division of Local Government in order for the value to be included as gross in the 2021 calculation.

USE FOR TARIFF LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE X, SECTION 20, COLORADO, AND 18A-1213(2)(C), THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 IN CHAFFEE COUNTY, COLORADO (BY AUGUST 25, 2021):

1. CURRENT YEARS TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: †	\$482,960,470
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: ‡	\$11,828,840
3. AMMUNITION/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: ††	\$0
5. PREVIOUSLY EXEMPT PROPERTY: ‡‡	\$100,000
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEARS TAX WARRANT:	\$0

† This value includes all real property valuations not the general property valuations included with the structure.
 ‡ Includes production from new wells and increases in production of existing producing wells.
 †† Includes production from new wells and increases in production of existing producing wells.
 ‡‡ Includes production from new wells and increases in production of existing producing wells.

IN ACCORDANCE WITH 18A-1213(1)(c), AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: ** TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: \$482,960,470

NOTE: An appeal must be certified to the Board of County Commissioners NO LATER THAN DECEMBER 14, 2021.

IN ACCORDANCE WITH 18A-1213(1)(c), AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: ** TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: \$482,960,470

† The tax reported first due to this jurisdiction will be remitted to the tax authority by the County Treasurer in accordance with 18A-1213(1)(c), C.R.S.

Chaffee County Certification of Valuation and Certification of Tax Levies



CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of **Chaffee County**, Colorado.

On behalf of the **Southeastern Colorado Water Conservancy District** (issuing entity)²

the **Board of Directors** (governing body)³

of the **Southeastern Colorado Water Conservancy District** (local government)⁴

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ **507,435,470** assessed valuation of: (GROSS assessed valuation, Line 1 of the Certification of Valuation Form DLS 17)⁵

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increase Financing (TIF) Area⁶ 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 DLS 17) **507,435,470** USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 14

Submitted: **12/30/2021** for budget/fiscal year **2022** (use the Dec. 15) (2021/2022)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ⁸	.900 mills	\$ 456,691.92
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁷	< .100 > mills	\$ < (96,743.55) >
SUBTOTAL FOR GENERAL OPERATING:	.800 mills	\$ 456,691.92
3. General Obligation Bonds and Interest ⁹	mills	\$
4. Contractual Obligations ⁸	mills	\$
5. Capital Expenditures ⁸	mills	\$
6. Refunds/Abatements ⁸	.004 mills	\$ 2,029.74
7. Other ⁸ (specify):	mills	\$
TOTAL: (Tax of General Operating District and Line 1 only)	.804 mills	\$ 458,721.11

Contact person: **Loren Hoga** Daytime phone: **(719) 248-9950**

Signed: **[Signature]** Title: **Finance Administrator / Budget Officer**

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st per 28A-213 C.R.S., with the Division of Local Government, 2000-2001, 1111 Sherman Street, Denver, CO 80202. (303) 861-7770.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of **Chaffee County**, Colorado.

On behalf of the **Southeastern Colorado Water Conservancy District** (issuing entity)²

the **Board of Directors** (governing body)³

of the **Southeastern Colorado Water Conservancy District** (local government)⁴

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ **507,435,470** assessed valuation of: (GROSS assessed valuation, Line 1 of the Certification of Valuation Form DLS 17)⁵

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increase Financing (TIF) Area⁶ 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 DLS 17) **507,435,470** USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 14

Submitted: **12/30/2021** for budget/fiscal year **2022** (use the Dec. 15) (2021/2022)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ⁸	.035 mills	\$ 17,760.24
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁷	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 17,760.24
3. General Obligation Bonds and Interest ⁹	mills	\$
4. Contractual Obligations ⁸	mills	\$
5. Capital Expenditures ⁸	mills	\$
6. Refunds/Abatements ⁸	mills	\$
7. Other ⁸ (specify):	mills	\$
TOTAL: (Tax of General Operating District and Line 1 only)	.035 mills	\$ 17,760.24

Contact person: **Loren Hoga** Daytime phone: **(719) 248-9950**

Signed: **[Signature]** Title: **Administrator of Finance / Budget Officer**

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st per 28A-213 C.R.S., with the Division of Local Government, 2000-2001, 1111 Sherman Street, Denver, CO 80202. (303) 861-7770.

¹ If the taxing entity's jurisdiction includes 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 DLS17 on the County Assessor's FINAL certification of valuation).

¹ If the taxing entity's jurisdiction includes 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 DLS17 on the County Assessor's FINAL certification of valuation).

County Assessed Valuations and Certification of Tax Levies

Crowley County Certification of Valuation and Certification of Tax Levies



County Tax Levy Code _____ **CERTIFICATION OF VALUATION BY** _____ **DELA LORBERG**
 How Taxed? TR RD **Crowley County** **COUNTY ASSESSOR** Date: **11/30/2021**

NAME OF TAX ENTITY: SEWCID ABATEMENT/REFUNDS

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION (FORM DLO 17)

IN ACCORDANCE WITH 29-5-121(1) AND 29-5-121(1.5), C.R.S., AND NO LATER THAN AUGUST 23, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$ 18,780,039
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2.	\$ 4,432,057
3. LESS TOTAL TIP AREA INCREASES, IF ANY:	3.	\$ 0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$ 4,432,057
5. NEW CONSTRUCTION:	5.	\$ 1,463,599
6. INCREASED PRODUCTION OF PRODUCING MINE:	6.	\$ 0
7. ANDEKATIONS/EXCLUSIONS:	7.	\$ 0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY:	8.	\$ 0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS:	9.	\$ 0
10. LEASEHOLD OR LAND (29-1-101)(3), C.R.S.):	10.	\$ 0
11. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-6-301)(a), C.R.S.):	11.	\$ 0
12. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301)(a), C.R.S.) AND (29-10-114)(1)(b), C.R.S.):	12.	\$ 0

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 29-5-112(3), C.R.S., THE Crowley County County ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY:	1.	\$ 211,955,262
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$ 5,426,901
3. ANDEKATIONS/EXCLUSIONS:	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 under a structure is picked up as omitted property for multiple years, only the most recent year's actual value can be reported as omitted property.)	7.	\$ 77,620

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$ 5,387,077
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$ 0
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$ 0

TOTAL ACTUAL VALUE OF ALL TAXABLE REAL PROPERTY \$ 211,955,262

IN ACCORDANCE WITH 29-5-112(3), C.R.S., THE ASSESSOR CERTIFIES TO REPORT OMITTED PROPERTY: \$ 126,391,689

IN ACCORDANCE WITH 29-1-112(3), C.R.S., THE ASSESSOR CERTIFIES:

29-1-112(3) ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ 145,597

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners of **Crowley 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 assessed valuation of: **43,832,057**

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area, 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 **43,832,057**

Submitted: **12/10/2021** for budget/fiscal year **2022**

PURPOSE (see and note for definition and example)	LEVY ²	REVENUE ²
1. General Operating Expenses ¹	.900 mills	\$ 20,448.95
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ³	< .100 > mills	\$ < (4,383.21) >
SUBTOTAL FOR GENERAL OPERATING:	.800 mills	\$ 25,065.74
3. General Obligation Bonds and Interest ¹	mills	\$
4. Contractual Obligations ¹	mills	\$
5. Capital Expenditures ¹	mills	\$
6. Refunds/Abatements ¹	.004 mills	\$ 175.33
7. Other ¹ (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3-7)	.804 mills	\$ 25,241.07

Contact person: **Learn Hoga** Daytime phone: **(719) 248-9950**

Signed: **[Signature]** Title: **Finance Administrator / Budget Officer**

Include one copy of this tax entity's completed form when filing the local government's budget by January 15th, per 29-2-113 C.R.S., with the Bureau of Local Government Services, Room 311, 1114 Sherman Street, Denver, CO 80202. Commission's Office 2020-2021: 2020-2021

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners of **Crowley 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 assessed valuation of: **43,832,057**

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area, 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 **43,832,057**

Submitted: **12/10/2021** for budget/fiscal year **2022**

PURPOSE (see and note for definition and example)	LEVY ²	REVENUE ²
1. General Operating Expenses ¹	.035 mills	\$ 1,534.12
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ³	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 1,534.12
3. General Obligation Bonds and Interest ¹	mills	\$
4. Contractual Obligations ¹	mills	\$
5. Capital Expenditures ¹	mills	\$
6. Refunds/Abatements ¹	mills	\$
7. Other ¹ (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3-7)	.035 mills	\$ 1,534.12

Contact person: **Learn Hoga** Daytime phone: **(719) 248-9950**

Signed: **[Signature]** Title: **Administrator of Finance / Budget Officer**

Include one copy of this tax entity's completed form when filing the local government's budget by January 15th, per 29-2-113 C.R.S., with the Bureau of Local Government Services, Room 311, 1114 Sherman Street, Denver, CO 80202. Commission's Office 2020-2021: 2020-2021

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 DLO 17) as the County Assessor's FINAL certification of valuation.

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 DLO 17) as the County Assessor's FINAL certification of valuation.

County Assessed Valuations and Certification of Tax Levies

CERTIFICATION OF VALUATION BY EL PASO COUNTY ASSESSOR

NAME OF TAX ENTITY: SOUTHEASTERN COLORADO WATER CONSERVANCY

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT ON VALUATION (NET ASSESSMENT) ONLY

IN ACCORDANCE WITH 26-5-1102(4) AND 26-5-1201(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR THE TAXABLE YEAR 2021:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$ 8,888,366,510
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2. \$ 8,232,143,080
3. LESS: TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$ 122,237,520
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 8,109,905,560
5. NEW CONSTRUCTION:	5. \$ 286,467,000
6. INCREASED PRODUCTION OF PRODUCING MINE:	6. \$ 0
7. ANNEXATION/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 (26-1-301(1)(b), C.R.S.):	9. \$ 0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(a), C.R.S.):	10. \$ 1,099.72
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(b)(a), C.R.S.) AND (29-10-114)(a)(ii), C.R.S.):	11. \$ 35,914.99

USE FOR TABOR LOCAL GROWTH CALCULATION ONLY

IN ACCORDANCE WITH ART. 5, SEC. 28, COLORADO CONSTITUTION AND 26-5-1211(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY:	1. \$ 76,793,524,833
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2. \$ 2,686,802,551
3. ANNEXATION/INCLUSIONS:	3. \$ 0
4. INCREASED MINE PRODUCTION:	4. \$ 0
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$ 23,301,676
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 under a structure is picked up as omitted property for multiple years, only the most recent year's actual value can be reported as omitted property.)	7. \$ 3,969

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners of El Paso 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 \$ 8,232,143,080 assessed valuation of: SOUTHERN assessed valuation, Line 2 of the Certificate of Valuation Form DLO 17*

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area, 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: 8,109,905,560 (NET assessed valuation, Line 4 of the Certificate of Valuation Form DLO 17) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 31

Submitted: 12/10/2021 for budget/fiscal year 2022
(or later than Dec. 31) (2021-2022) (2021)

El Paso County Certification of Valuation and Certification of Tax Levies



CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners of El Paso 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 \$ 8,905,876,790 assessed valuation of: (GROSS assessed valuation, Line 2 of the Certificate of Valuation Form DLO 17*)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area, 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: 8,808,366,510 (NET assessed valuation, Line 4 of the Certificate of Valuation Form DLO 17) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 31

Submitted: 12/10/2020 for budget/fiscal year 2021
(or later than Dec. 31) (2020-2021) (2020)

PURPOSE (see and define the definition and amount)	LEVY ¹	REVENUE ²
1. General Operating Expenses ³	.050 mills	\$ 236,292.83
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁴	< > mills	< >
SUBTOTAL FOR GENERAL OPERATING:	.050 mills	\$ 236,292.83
3. General Obligation Bonds and Interest ⁵	mills	\$
4. Contractual Obligations ⁶	mills	\$
5. Capital Expenditures ⁶	mills	\$
6. Refunds/Abatements ⁶	mills	\$
7. Other ⁶ (specify):	mills	\$
TOTAL: [Sum of General Operating and 3-7, Line 1-7]	.050 mills	\$ 236,292.83

Contact person: Leann Hoga Daytime phone: (719) 248-9950
Signed: [Signature] Title: Finance Manager / Budget Officer

PURPOSE (see and define the definition and amount)	LEVY ¹	REVENUE ²
1. General Operating Expenses ³	.800 mills	\$ 7,296,915.00
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁴	< .100 > mills	< (850,990.56) >
SUBTOTAL FOR GENERAL OPERATING:	.800 mills	\$ 6,445,924.44
3. General Obligation Bonds and Interest ⁵	mills	\$
4. Contractual Obligations ⁶	mills	\$
5. Capital Expenditures ⁶	mills	\$
6. Refunds/Abatements ⁶	.004 mills	\$ 32,439.62
7. Other ⁶ (specify):	mills	\$
TOTAL: [Sum of General Operating and 3-7, Line 1-7]	.804 mills	\$ 6,520,364.06

Contact person: Leann Hoga Daytime phone: (719) 248-9950
Signed: [Signature] Title: Finance Administrator / Budget Officer

* 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.
¹ Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLO17 or the County Assessor's FINAL certification of valuation).

* 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.
¹ Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLO17 or the County Assessor's FINAL certification of valuation).

County Assessed Valuations and Certification of Tax Levies

Fremont County Certification of Valuation and Certification of Tax Levies



AMENDED CERTIFICATION OF VALUATION BY _____ COUNTY ASSESSOR

NAME OF TAX ENTITY: SE. COLO. WATER CONSV.

USE FOR STATUTORY PROPERTY TAX REVENUE STATE CALCULATION (FIN/DEPT ONLY)

IN ACCORDANCE WITH §§ 4-201(2)(a) & 4-201(2)(b), C.R.S., AND RELATED TRAP ACTS TO THE ASSESSOR (HEREIN THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021):

1. PREVIOUS YEAR'S NET TOTAL TAXABLE & ADJUSTED VALUATION	1.	\$ 208,711,111
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ADJUSTED VALUATION	2.	\$ 411,380,118
3. LESS TOTAL TIP AREA DISCOUNTS & ADJ.	3.	\$ 0
4. CURRENT YEAR'S NET TOTAL TAXABLE ADJUSTED VALUATION	4.	\$ 411,380,118
5. SRM CONSTRUCTION *	5.	\$ 0
6. INCREASED PRODUCTION OF PRODUCTION HOME *	6.	\$ 0
7. ADJUSTED PRODUCTION *	7.	\$ 0
8. PREVIOUSLY TAXABLE FEDERAL PROPERTY **	8.	\$ 0
9. NEW FEDERAL TAX OR GAS PRODUCTION FROM GAS PRODUCTION USE ADJUSTED VALUATION (OR LAND ON-1-BUILDING) C.R.S. #	9.	\$ 0
10. TAXES RECEIVED LAST YEAR ON UNSETTLED PROPERTY AS OF APRIL 30 OF 2021 (MUTUAL C.R.S.) Includes all revenue collected on valuations not previously certified.	10.	\$ 0
11. TAXES ADJUSTED AND DEFERRED AS OF APRIL 30 OF 2021 (MUTUAL C.R.S.) AND (OR) (IF-1) TAXES (C.R.S.)	11.	\$ 0

USE FOR EACH YEAR'S LOCAL GOVERNMENT CALCULATION ONLY

IN ACCORDANCE WITH ART. 5, SECT. 10 AND 10-1-1, C.R.S., THE _____ COUNTY ASSESSOR HEREBY CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY	1.	\$ 411,380,118
2. DEDUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS *	2.	\$ 0
3. ASSOCIATED INTERESTS	3.	\$ 0
4. INCREASED PRODUCTION	4.	\$ 0
5. PREVIOUSLY TAXABLE FEDERAL PROPERTY **	5.	\$ 0
6. GAS OR GAS PRODUCTION FROM A NEW WELL	6.	\$ 0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX	7.	\$ 0

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: **\$ 411,380,118**

IN ACCORDANCE WITH §§ 4-201(2)(a), 4-201(2)(b) AND RELATED TRAP ACTS TO THE ASSESSOR (HEREIN THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021):

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY	1.	\$ 411,380,118
2. DEDUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS *	2.	\$ 0
3. ASSOCIATED INTERESTS	3.	\$ 0
4. INCREASED PRODUCTION	4.	\$ 0
5. PREVIOUSLY TAXABLE FEDERAL PROPERTY **	5.	\$ 0
6. GAS OR GAS PRODUCTION FROM A NEW WELL	6.	\$ 0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX	7.	\$ 0

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: **\$ 411,380,118**

IN ACCORDANCE WITH §§ 4-201(2)(a), 4-201(2)(b) AND RELATED TRAP ACTS TO THE ASSESSOR (HEREIN THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021):

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY	1.	\$ 411,380,118
2. DEDUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS *	2.	\$ 0
3. ASSOCIATED INTERESTS	3.	\$ 0
4. INCREASED PRODUCTION	4.	\$ 0
5. PREVIOUSLY TAXABLE FEDERAL PROPERTY **	5.	\$ 0
6. GAS OR GAS PRODUCTION FROM A NEW WELL	6.	\$ 0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX	7.	\$ 0

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: **\$ 411,380,118**

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Fremont County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District (having within² the Board of Directors (governing body³) of the Southeastern Colorado Water Conservancy District (local government⁴).

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 411,380,118 assessed valuation of (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLO 17⁵).

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁶ 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 DLO 17⁵).

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15.

Submitted: 12/10/2021 for budget/fiscal year 2022 (on line item DLO 17)

PURPOSE (see note for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ⁸	.900 mills	\$ 370,224.10
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁹	< .100 > mills	\$ < (41,138.01) >
SUBTOTAL FOR GENERAL OPERATING:	.800 mills	\$ 329,086.09
3. General Obligation Bonds and Interest ⁷	_____ mills	\$ _____
4. Contractual Obligations ⁸	_____ mills	\$ _____
5. Capital Expenditures ⁸	_____ mills	\$ _____
6. Refunds/Abatements ⁸	.004 mills	\$ 1,645.44
7. Other ⁸ (specify): _____	_____ mills	\$ _____
TOTAL: [Sum of General Operating District and Lines 3-7]	.804 mills	\$ 330,731.53

Contact person: Learn Inga Daytime phone: (719) 248-9950

Signed: _____ Title: Finance Administrator / Budget Officer

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Fremont County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District (having within² the Board of Directors (governing body³) of the Southeastern Colorado Water Conservancy District (local government⁴).

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 411,380,118 assessed valuation of (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLO 17⁵).

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁶ 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 DLO 17⁵).

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15.

Submitted: 12/10/2021 for budget/fiscal year 2022 (on line item DLO 17)

PURPOSE (see note for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ⁸	.035 mills	\$ 14,397.60
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁹	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 14,397.60
3. General Obligation Bonds and Interest ⁷	_____ mills	\$ _____
4. Contractual Obligations ⁸	_____ mills	\$ _____
5. Capital Expenditures ⁸	_____ mills	\$ _____
6. Refunds/Abatements ⁸	_____ mills	\$ _____
7. Other ⁸ (specify): _____	_____ mills	\$ _____
TOTAL: [Sum of General Operating District and Lines 3-7]	.035 mills	\$ 14,397.60

Contact person: Learn Inga Daytime phone: (719) 248-9950

Signed: _____ Title: Administrator of Finance / Budget Officer

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 DLO 17) on the County Assessor's FINAL certification of valuation.

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 DLO 17) on the County Assessor's FINAL certification of valuation.

County Assessed Valuations and Certification of Tax Levies

Kiowa County Certification of Valuation and Certification of Tax Levies



CERTIFICATION OF VALUATION BY COUNTY ASSESSOR

NAME OF TAX ENTITY: SOUTHEAST COLORADO WATER CONSERVANCY DISTRICT

IN ACCORDANCE WITH 19-6-112(1)(b) AND 19-6-120(1), C.R.S., AND NO LATER THAN ACCEPT 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSIGNMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION	1. \$ 2,891,740
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION	2. \$ 3,323,580
3. LESS TOTAL TIF AREA INCREASEMENTS, IF ANY	3. \$
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION	4. \$ 3,323,580
5. NEW CONSTRUCTION *	5. \$ 15,800
6. INCREASED PRODUCTION OF PRODUCING MINES **	6. \$
7. ANNEXATIONS/EXCLUSIONS	7. \$
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY ***	8. \$
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASES/BOLE-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.) Includes all streams collected on valuation not previously certified	10. \$
11. TAXES ADATED AND REFUNDED AS OF AUG. 1 (29-1-301)(a), C.R.S.) and (24-35-114)(a)(2)(B), C.R.S.)	11. \$

IN ACCORDANCE WITH ART. X, SEC. 20, C.R.S. CONSTITUTION AND 19-6-120(1)(a), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY	1. \$ 27,884,027
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ADDITION TO TAXABLE REAL PROPERTY

2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS *	2. \$ 153,800
3. ANNEXATIONS/EXCLUSIONS	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 placed up as omitted property for multiple years, only the most recent year's actual value can be reported as omitted property.)	7. \$

DEDUCTIONS FROM TAXABLE REAL PROPERTY

8. DEDUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS	8. \$
9. DISCONNECTED/EXCLUSIONS	9. \$
10. PREVIOUSLY TAXABLE PROPERTY	10. \$

IN ACCORDANCE WITH 19-6-112(1)(c), C.R.S., AND NO LATER THAN ACCEPT 25, THE ASSESSOR CERTIFIES THE GROSS TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ 3,323,580

IN ACCORDANCE WITH 19-6-112(1)(d), C.R.S., THE ASSESSOR PROVIDES THE NET ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED) ** \$ 14,442

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Kiowa County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District, (taxing entity)²

the Board of Directors, (governing body)³

of the Southeastern Colorado Water Conservancy District, (local government)⁴

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 3,323,580 (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLO 17)⁵

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁶ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be determined from the mill levy multiplied against the NET assessed valuation of: \$ 3,323,580 (NET assessed valuation, Line 4 of the Certification of Valuation Form DLO 17)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15

Submitted: 12/10/2021 for budget/fiscal year 2022 (no later than Dec. 15) (2021-01-17)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Kiowa County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District, (taxing entity)²

the Board of Directors, (governing body)³

of the Southeastern Colorado Water Conservancy District, (local government)⁴

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 3,323,580 (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLO 17)⁵

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁶ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be determined from the mill levy multiplied against the NET assessed valuation of: \$ 3,323,580 (NET assessed valuation, Line 4 of the Certification of Valuation Form DLO 17)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15

Submitted: 12/10/2021 for budget/fiscal year 2022 (no later than Dec. 15) (2021-01-17)

PURPOSE (see note for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ³	.800 mills	\$ 2,991.20
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁴	< .100 > mills	\$ < (332.36) >
SUBTOTAL FOR GENERAL OPERATING:	.800 mills	\$ 2,658.84
3. General Obligation Bonds and Interest ⁵	mills	\$
4. Contractual Obligations ⁶	mills	\$
5. Capital Expenditures ⁷	mills	\$
6. Refunds/Abatements ⁸	.004 mills	\$ 13.29
7. Other ⁹ (specify):	mills	\$
TOTAL: (Sum of General Operating Expenses and Lines 3-7)	.804 mills	\$ 2,672.13

PURPOSE (see note for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ³	.025 mills	\$ 116.32
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁴	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.025 mills	\$ 116.32
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: (Sum of General Operating Expenses and Lines 3-7)	.025 mills	\$ 116.32

Contact person: Lewin Hogg Daytime phone: (719) 248-9950

Signed: [Signature] Title: Finance Administrator / Budget Officer

Include one copy of this tax entity's completed form when filing the local government's budget by January 15th, per 29-2-113 C.R.S., with the Division of Local Government Services, Room 322, 1111 Sherman Street, Denver, CO 80202. Questions? Call 303-861-3534 or 303-861-3778.

Contact person: Lewin Hogg Daytime phone: (719) 248-9950

Signed: [Signature] Title: Administrator of Finance / Budget Officer

Include one copy of this tax entity's completed form when filing the local government's budget by January 15th, per 29-2-113 C.R.S., with the Division of Local Government Services, Room 322, 1111 Sherman Street, Denver, CO 80202. Questions? Call 303-861-3534 or 303-861-3778.

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 DLO57 on the County Assessor's FINAL certification of valuation).

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 DLO57 on the County Assessor's FINAL certification of valuation).

County Assessed Valuations and Certification of Tax Levies

Otero County Certification of Valuation and Certification of Tax Levies



CERTIFICATION OF VALUATION BY OTERO COUNTY ASSESSOR

Name of Jurisdiction: **030 - Southeast Colo Water Cons Dist** IN OTERO COUNTY ON: **11/22/2021** New Entry No: _____

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (8.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-3-112(4a) AND 39-3-112(1), 2.5, AND NO LATER THAN AUGUST 31, THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUE FOR ASSIGNMENT PER THE TAXABLE YEAR 2021 IN OTERO COUNTY, COLORADO

1. PREVIOUS YEARS NET TOTAL TAXABLE ASSESSED VALUATION:	\$162,381,038
2. CURRENT YEARS GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$210,755,887
3. LESS: 1% DISTRICT INCREMENT, IF ANY:	\$2,107,559
4. CURRENT YEARS NET TOTAL TAXABLE ASSESSED VALUATION:	\$208,648,328
5. NEW CONSTRUCTION: -	\$208,347
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 LEASE/HELD: ## OR LARD (29-9-103(1)(C) P.R.S.)	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-9-103(1)(B) C.R.S.):	\$0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-9-103(1)(B) C.R.S.) AND (29-9-114(1)(D)(2)(B) C.R.S.):	\$0

* This value reflects personal property exemptions # entered by the assessor as authorized by Art. 5, Sec. 40(2)(C)(4).
New construction is defined as: "Newly constructed property, structures and the personal property contained within the structures."
Application must submit negative certifications (Forms DLS 10 AND 13) to the Director of Local Government in order for the values to be treated as given in the 2021 valuations.
Application must apply (Form DLS 10) to the Director of Local Government before the value can be treated as given in the final valuations.

USE FOR TABOR LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE X, SECTION 10, COLORADO CONSTITUTION AND 39-3-112(3)(C), THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 IN OTERO COUNTY, COLORADO ON AUGUST 23, 2021

1. CURRENT YEARS TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: #	\$173,671,706
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: †	\$2,098,128
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$220,000
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEARS TAX WARRANT:	\$0

† This includes the actual value of all taxable real property plus the actual value of oil/gas, 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 existing mines.

IN ACCORDANCE WITH 39-3-112(1) B.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: † TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: \$2

IN ACCORDANCE WITH 39-3-112(1) B.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: † TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: \$2

IN ACCORDANCE WITH 39-3-112(1) B.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: † TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: \$2

IN ACCORDANCE WITH 39-3-112(1) B.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: † TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: \$2

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners of **Otero 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 assessed valuation of: **150,705,887** (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLS 17)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area¹ 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 **147,601,859** (NET assessed valuation, Line 4 of the Certification of Valuation Form DLS 17) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 31

Submitted: **12/10/2021** for budget fiscal year **2022**
(see law Sec. 11) (see law Sec. 11)

PURPOSE (see law for definitions and examples)	LEVY ²	REVENUE ³
1. General Operating Expenses ⁴	.900 mills	\$ 133,021.67
2. <Misc> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁵	< .100 > mills	\$ < (14,780.19) >
SUBTOTAL FOR GENERAL OPERATING:	.800 mills	\$ 118,241.48
3. General Obligation Bonds and Interest ⁶	mills	\$
4. Contractual Obligations ⁶	mills	\$
5. Capital Expenditures ⁶	mills	\$
6. Refunds/Abatement ⁶	.004 mills	\$ 591.21
7. Other ⁶ (specify):	mills	\$
TOTAL: [Sum of General Operating Expenses and Line 1-7]	.804 mills	\$ 118,832.68

Contact person: **Laura Hogg** Daytime phone: **(719) 248-9950**
Signed: **[Signature]** Title: **Finance Administrator / Budget Officer**

Include one copy of this tax levy's completed form when filing the local government's budget by January 31st per 29-2-113 C.R.S., with the Director of Local Government, P.O. Box 101, 1212 Sherman Street, Denver, CO 80202. Otherwise, call 303-855-7779.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners of **Otero 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 assessed valuation of: **150,705,887** (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLS 17)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area¹ 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 **147,601,859** (NET assessed valuation, Line 4 of the Certification of Valuation Form DLS 17) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 31

Submitted: **12/10/2021** for budget fiscal year **2022**
(see law Sec. 11) (see law Sec. 11)

PURPOSE (see law for definitions and examples)	LEVY ²	REVENUE ³
1. General Operating Expenses ⁴	.025 mills	\$ 5,173.07
2. <Misc> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁵	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.025 mills	\$ 5,173.07
3. General Obligation Bonds and Interest ⁶	mills	\$
4. Contractual Obligations ⁶	mills	\$
5. Capital Expenditures ⁶	mills	\$
6. Refunds/Abatement ⁶	mills	\$
7. Other ⁶ (specify):	mills	\$
TOTAL: [Sum of General Operating Expenses and Line 1-7]	.025 mills	\$ 5,173.07

Contact person: **Laura Hogg** Daytime phone: **(719) 248-9950**
Signed: **[Signature]** Title: **Administrator of Finance / Budget Officer**

Include one copy of this tax levy's completed form when filing the local government's budget by January 31st per 29-2-113 C.R.S., with the Director of Local Government, P.O. Box 101, 1212 Sherman Street, Denver, CO 80202. Otherwise, call 303-855-7779.

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 DLS17) on the County Assessor's FINAL certification of valuation.

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 DLS17) on the County Assessor's FINAL certification of valuation.

County Assessed Valuations and Certification of Tax Levies

Prowers County Certification of Valuation and Certification of Tax Levies



22 County Tax Levy Code
CERTIFICATION OF VALUATION BY PROWERS COUNTY ASSESSOR
 New Tax Entry? YES NO
 Date: 12-1-2021

NAME OF TAX ENTITY: SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION (2.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-102(2)(a) and 39-5-130(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021:

1. PREVIOUS YEARS NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$ 63,234,610
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2. \$ 66,636,419
3. LESS TOTAL TR AREA INCREMENTS, IF ANY:	3. \$ 2,006,993
4. CURRENT YEARS NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 64,629,426
5. NEW CONSTRUCTION:	5. \$ 245,000
6. INCREASED PRODUCTION OF PRODUCING MINE:	6. \$
7. ANNEXATIONS/EXCLUSIONS:	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.):	10. \$
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (29-1-1143(6)(3)(b), C.R.S.):	11. \$ 24,000

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-102(2)(a), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY:	1. \$ 406,368,972
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2. \$ 2,189,502
3. ANNEXATIONS/EXCLUSIONS:	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 structure is picked up as taxable property for multiple years, only the most current year's actual value can be reported on this certified property.)	7. \$
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$ 19,567
9. DISCONNECTIONS/EXCLUSIONS:	9. \$
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$

IN ACCORDANCE WITH 39-5-131(1)(C), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$

IN ACCORDANCE WITH 39-5-131(1)(C), C.R.S., THE ASSESSOR PROVIDES: EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED) ** \$ 489,039

NOTE: ALL VALUES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 31.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Prowers County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District (issuing entity)²

the Board of Directors (issuing body)³

of the Southeastern Colorado Water Conservancy District (local government)⁴

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 66,636,419 (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 17)⁵

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁶, 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: \$ 64,629,426 (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 17)

Submitted: 12/01/2021 for budget/fiscal year 2022 (on line this Dec. 15) (ISSUE DATE) (FISCAL YEAR)

PURPOSE (see note for definitions and examples)	LEVY ⁷	REVENUE ⁸
1. General Operating Expenses ⁹	.900 mills	\$ 57,626.48
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹⁰	< .100 > mills	\$ < (6,402.94) >
SUBTOTAL FOR GENERAL OPERATING:	.800 mills	\$ 51,223.54
3. General Obligation Bonds and Interest ¹¹	mills	\$
4. Contractual Obligations ¹²	mills	\$
5. Capital Expenditures ¹³	mills	\$
6. Refunds/Abatements ¹⁴	.004 mills	\$ 258.12
7. Other ¹⁵ (specify):	mills	\$
TOTAL: (Sum of General Operating and all other levies)	.804 mills	\$ 51,479.66

Contact person: Leann Hoiga Daytime phone: (719) 348-9950

Signed: [Signature] Title: Finance Administrator / Budget Officer

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 provided to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG17) as the County Assessor's FINAL certification of valuation.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Prowers County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District (issuing entity)²

the Board of Directors (issuing body)³

of the Southeastern Colorado Water Conservancy District (local government)⁴

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 66,636,419 (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 17)⁵

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁶, 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: \$ 64,629,426 (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 17)

Submitted: 12/01/2021 for budget/fiscal year 2022 (on line this Dec. 15) (ISSUE DATE) (FISCAL YEAR)

PURPOSE (see note for definitions and examples)	LEVY ⁷	REVENUE ⁸
1. General Operating Expenses ⁹	.036 mills	\$ 2,241.03
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹⁰	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.036 mills	\$ 2,241.03
3. General Obligation Bonds and Interest ¹¹	mills	\$
4. Contractual Obligations ¹²	mills	\$
5. Capital Expenditures ¹³	mills	\$
6. Refunds/Abatements ¹⁴	mills	\$
7. Other ¹⁵ (specify):	mills	\$
TOTAL: (Sum of General Operating and all other levies)	.036 mills	\$ 2,241.03

Contact person: Leann Hoiga Daytime phone: (719) 348-9950

Signed: [Signature] Title: Administrator of Finance / Budget Officer

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 provided to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG17) as the County Assessor's FINAL certification of valuation.

County Assessed Valuations and Certification of Tax Levies

Pueblo County Certification of Valuation and Certification of Tax Levies



CERTIFICATION OF VALUATION FORM

CERTIFICATION OF VALUATION BY PUEBLO COUNTY COUNTY ASSESSOR

NAME OF TAX ENTITY: **SE COLORADO DIST**

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("50%") LIMIT ONLY

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1,780,918,200
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1,847,244,489
3. NET TOTAL (IF AREA INCREASES, IF ANY):	66,326,289
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1,854,598,955
5. NEW CONSTRUCTION:	2,127,800
6. INCREASED PRODUCTION OF PRODUCTION:	0
7. ANNEALED PRODUCTION:	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY:	1,830,045
9. NEW PRIMARY TEL OR GAS PRODUCTION FROM ANY PRODUCTION OR GAS LEASER OR ON-LAND (ON-LEASE) C.R.S.:	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS PER 125-1-1001 (C.R.S.):	2,217,000
11. DOUBLE ABATED AND REFUNDED AS PER 125-1-1001 (C.R.S.):	12,834,000

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY:	16,149,808,900
2. IMPROVEMENTS TO TAXABLE REAL PROPERTY:	14,182,081
3. ANNEALED IMPROVEMENTS:	0
4. DECREASED MARKET PRODUCTION:	0
5. PREVIOUSLY EXEMPT PROPERTY:	6,495,470
6. DELEGATED PRODUCTION FROM A NEW WELL:	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	0
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	331,582
9. DECOMMISSIONED LUMBER:	0
10. PREVIOUSLY TAXABLE PROPERTY:	491,281

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: **16,947,377,700**

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners 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 assessed valuation of: **1,947,244,489**

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area, 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: **1,854,598,955**

Submitted: 12/10/2021 for budget fiscal year 2022

PURPOSE (see end user for definitions and examples)	LEVY ¹	REVENUE ²
1. General Operating Expenses ³	.900 mills	\$ 1,695,921.26
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁴	< .100 > mills	\$ < (168,435.70) >
SUBTOTAL FOR GENERAL OPERATING:	.800 mills	\$ 1,527,485.56
3. General Obligation Bonds and Interest ⁵	mills	\$
4. Contractual Obligations ⁶	mills	\$
5. Capital Expenditures ⁷	mills	\$
6. Refunds/Abatements ⁸	.004 mills	\$ 7,537.43
7. Other ⁹ (specify):	mills	\$
TOTAL: (Sum of General Operating (Levy and Rate) 1-7)	.804 mills	\$ 1,535,022.99

Contact person: **Leann Hoga** Daytime phone: **(719) 248-9950**

Signed: **[Signature]** Title: **Finance Administrator / Budget Officer**

Include one copy of this non-entity's completed form when filing the local government's budget by January 15th per 29-1-111 C.R.S., with the Division of Local Government Services, Room 311, 1333 Sherman Street, Denver, CO 80202. Operating: Call 303.639.6250 or 303.639.6778

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners 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 assessed valuation of: **1,947,244,489**

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area, 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: **1,854,598,955**

Submitted: 12/10/2021 for budget fiscal year 2022

PURPOSE (see end user for definitions and examples)	LEVY ¹	REVENUE ²
1. General Operating Expenses ³	.035 mills	\$ 65,952.49
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁴	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	.035 mills	\$ 65,952.49
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: (Sum of General Operating (Levy and Rate) 1-7)	.035 mills	\$ 65,952.49

Contact person: **Leann Hoga** Daytime phone: **(719) 248-9950**

Signed: **[Signature]** Title: **Administrator of Finance / Budget Officer**

Include one copy of this non-entity's completed form when filing the local government's budget by January 15th per 29-1-111 C.R.S., with the Division of Local Government Services, Room 311, 1333 Sherman Street, Denver, CO 80202. Operating: Call 303.639.6250 or 303.639.6778

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).

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 2022 BUDGET

