



2023 Adopted Budget



Southeastern Colorado Water Conservancy District

www.secwcd.com

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



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



Matt Heimerich
Crowley County



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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"

We're moving into the second 60 years of the Fryingpan-Arkansas Project with a renewed enthusiasm as the 2023 year begins. The Southeastern Colorado Water Conservancy District continues to grow in a way that will improve water quality for many communities, maximize the yield and storage potential of the Fry-Ark Project, and protect both the financial structure and physical assets of both the District and the Fry-Ark Project.

At the same time, the District is taking steps to ensure the smooth operation and continued benefits of the Fry-Ark Project for future generations.

Arkansas Valley Conduit

The top priority for the District in 2023 will remain the construction of the Arkansas Valley Conduit. The AVC is an original part of the Fry-Ark Project – a promise made to the people of the Lower Arkansas Valley to remedy poor-quality drinking water. In the intervening years, the need for clean drinking water has become even more paramount both for the safety and economic success of Southeastern Colorado.

Through concerted efforts since 2000, the District has moved the AVC project into position for construction beginning this year. Federal funding has exceeded expectations with an additional allocation of \$60 million at the end of the 2022 fiscal year. This brings the total federal allocation to \$111 million since 2020. The first federal contract for construction of the AVC was finalized in September 2022. The first payment to Pueblo Water per the three party agreement for AVC was made by Reclamation in December 2022.

At the same time, the Colorado Water Conservation Board (CWCB) has approved an additional \$20 million grant, bring the total CWCB grant to \$30 million. The grant funds will help kick-start the District's construction program. This amount will be included in the 2023 CWCB Projects Bill for approval by the General Assembly and governor.

The AVC project is moving in a way few

Through concerted efforts since 2000, the District has moved the AVC project into position for construction beginning this year. Federal funding has exceeded expectations with an additional allocation of \$60 million at the end of the 2022 fiscal year.

would have thought possible. The commitment of the Southeastern Board of Directors, along with valuable partnerships with the Bureau of Reclamation, the congressional delegation and state agencies, has swiftly moved the AVC project forward, it will now be built and put into service in the shortest possible time.

While the AVC has been paramount on the list of District priorities, significant progress is being made on several other fronts as we move forward in 2023.

Recovery of Storage

The Recovery of Storage program, implemented in 2020, has now been integrated into a Reclamation work plan that will deal with the unceasing problem of sedimentation in Pueblo Reservoir. This program does not seek to increase storage in the reservoir, but simply aims to restore the original storage provided by the Fry-Ark Project.

Since its completion nearly 40 years ago, Pueblo Reservoir has become the most important storage vessel in the Arkansas River basin. Not only is it terminal storage for deliveries of Project water, but it serves the 30 municipalities, 34 domestic water companies and 44 ditches that depend on Fry-Ark water as a supplemental source of supply.

Message from the Executive Director

Condition Assessment

The Condition Assessment program is moving toward completion to assure the District and the Fry-Ark Project can continue to serve the people of Southeastern Colorado.

We are working closely with Reclamation to evaluate the risk and criticality of every piece of the Project from the collection system above Ruedi Reservoir, through the Boustead Tunnel and all along the Arkansas River to Pueblo Reservoir. Most of the features have been in use for 50 years or more, and it is absolutely necessary to ensure that all parts remain in top condition.

The District will complete the Asset Valuation for headquarters and the James W. Broderick Hydropower Plant in the spring of 2023, which will help to build a meaningful capital improvement plan that brings the needs of the District in line with its revenue stream.

Water Sales and Storage

The sale and storage of water continue as primary objectives for the District, and these programs are moving ahead smoothly through the efforts of staff to assure that notices are sent out in a timely manner, Reclamation Reform Act guidelines are being followed and payments are processed efficiently.

We have had three consecutive dry years in the Arkansas River basin, as well as sub-par imports (80 percent of average) during each of those years. This makes the role of Fryingpan-Arkansas water doubly important, both to make up for deficiencies in native water supply and to ensure that the supply forecast in May can be delivered. In 2022, the forecast was accurate, and our stakeholders were kept informed as deliveries took shape.

Cooperative Programs

The Fountain Valley Authority fully repaid its debt to Reclamation for the Fountain Valley Pipeline in 2022, ahead of schedule thanks to the 2009 federal legislation that allowed the use of Fry-Ark Project miscellaneous revenues for this purpose. The District will offer its assistance in converting the Fountain Valley contract to a more permanent status.

In the Upper Arkansas Basin, our partnership in the Voluntary Flow Management Program also continued successfully in 2022. Native flows for the rafting season were minimal throughout the peak season because of an early runoff and less-than-average monsoon activity. The full commitment of 10,000 acre-feet dedicated to this program was moved during the summer months to support the economy of the Upper Arkansas Basin.

In the Lower Arkansas Basin, Regional Resource Planning Group activities began again, following a hiatus during the COVID era. The interagency group is looking at water quality to

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determine the impact of moving water in new ways.

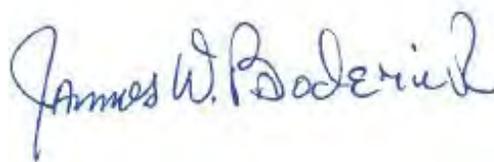
These are just a few of the many partnerships maintained by the District to ensure that water is used wisely to minimize waste. In an era of uncertain climate and increasing demand on water resources, this will become even more important.

Financial Roadmap

Last, and not least, the Board will resume financial discussions that began with the 2017-18 exercise called “Framing the Future.” Initial presentations reviewed the history of the Southeastern District and the Fry-Ark Project through several lenses – governmental, operational, legal and financial. This led to a Financial Strategy and Sustainability Study in 2019, which showed the need for action on the District’s Repayment Contract with the Bureau of Reclamation, charges for water sales and storage, and the long-term financial health of the District.

Many of the ideas generated by Framing the Future came to fruition: the Board voted in 2019 to raise rates for the first time in more than 20 years, a capital improvement plan and financial model were created, and a new Repayment Contract between the District and Reclamation was signed in 2021.

In 2023, we hope will begin planning a financial roadmap for the future, resuming some of the discussions which were interrupted by the uncertainty of the past few years. Just as past generations have shaped the District for more than 60 years, the plans that we set in motion today will help to nurture and develop this precious resource – water – for generations to come.





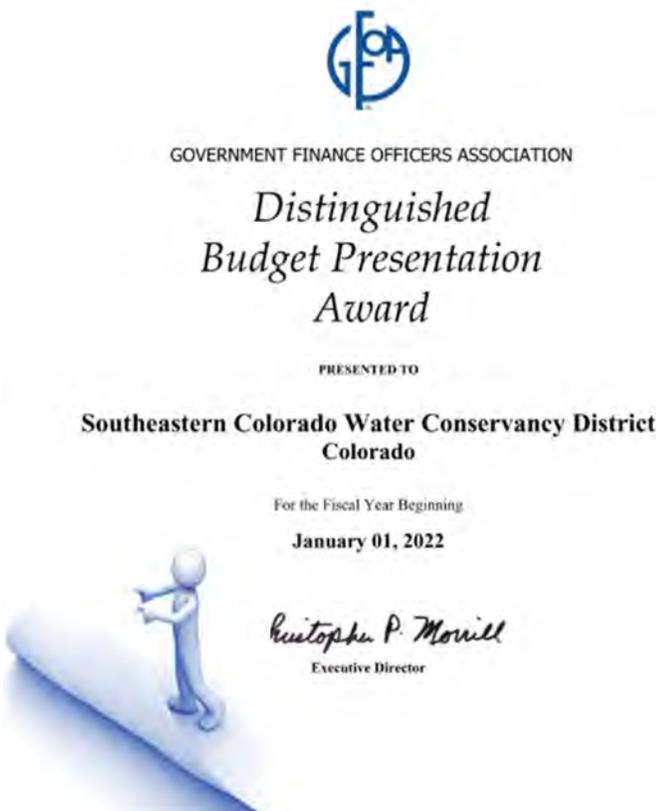
The Southeastern Colorado Water Conservancy District budget team, from left, Senior Policy and Issues Manager Chris Woodka, Accountant Stephanie Shipley, Executive Director Jim Broderick, Accounting Specialist Lynette Holt, and Administrator of Finance and Administration Leann Noga.

Distinguished Budget Presentation

The District has earned the Government Finance Officers Association Distinguished Budget Award for 11 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, Andy Colosimo, Ann Nichols, Bill Long, James Broderick

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

Chair: Andy Colosimo

Vice-Chair: Howard “Bub” Miller

Members: Matt Heimerich, Tom Goodwin, Alan Hamel, Curtis Mitchell, Bill Long, James Broderick

Arkansas Valley Conduit: Reviews AVC funding, planning and construction..

Chair: Kevin Karney

Vice-Chair: Howard “Bub” Miller

Members: Matt Heimerich, Dallas May, Bill Long, 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, Bill Long, James Broderick

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

Chair: Ann Nichols

Vice-Chair: Kevin Karney

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

Human Resources: Sets employee policy, and reviews performance.

Chair: Alan Hamel

Vice-Chair: Ann Nichols

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



Mission

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

Vision

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

Core Values

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



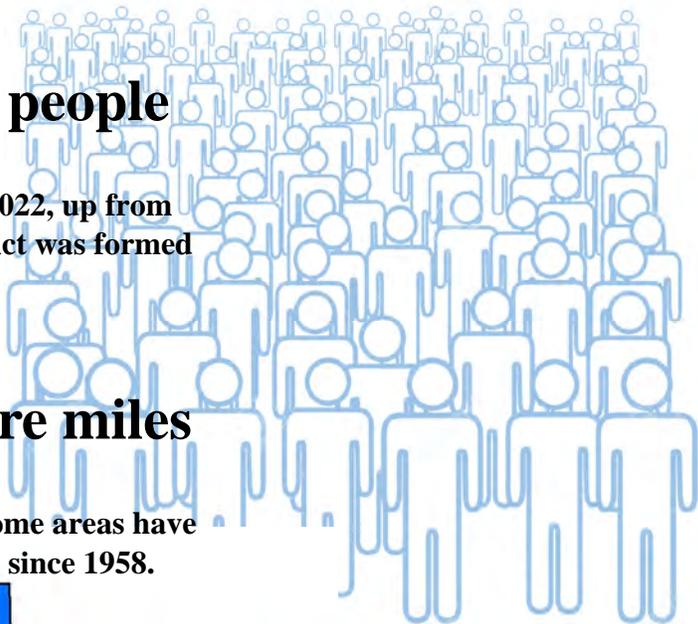
By the Numbers...



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.

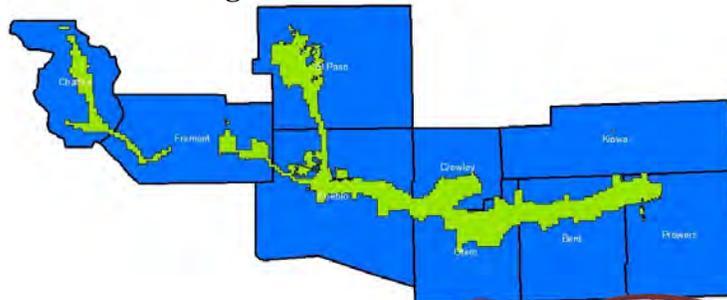
952,000 people

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



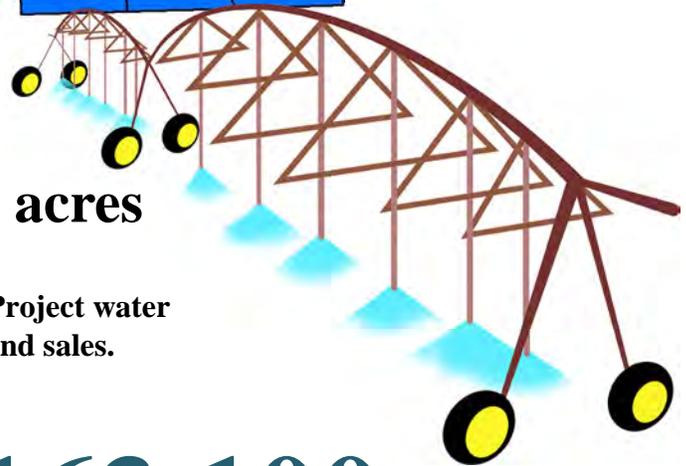
5,142 square miles

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



246,000 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.

123,079 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.

59,206 acre-feet

The 20-year average for Project imports.

44,552 acre-feet

20-year average for allocations after deductions.

16,969 acre-feet

The 20-year average for Municipal & Industrial allocations.

27,583 acre-feet

The 20-year average for Irrigation allocations.

9,496 acre-feet

The 20-year average for Return Flows

116,443 acre-feet

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

42,599 acre-feet

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

7,585 acre-feet

This amount of space is contracted in 2023 on behalf of Enterprise stakeholders through the Excess Capacity Master Contract. The maximum amount of the contract is 29,938 acre-feet.

\$44.54/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 2007, the Board passed a resolution 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

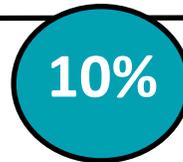


East of Pueblo

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

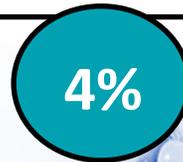


Pueblo Water



West of Pueblo

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



Region	Initial Delivery	Total	Average
Fountain Valley	1972	427,931 af	8,391 af
Pueblo Water	2002	43,027 af	2,048 af
East of Pueblo	1972	151,462 af	2,926 af
West of Pueblo	1980	37,216 af	865 af
Pueblo West	2007	1,600 af	100 af
Manitou Springs	2003	2,216 af	111 af

Totals through 2022; includes years when no water was taken

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

45.41%



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, about 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 allows irrigation users to take a first right of refusal on return flows generated by Project water, applied equitably on a farm-unit basis.

A pilot program in 2023 will allow storage of Fry-Ark Project Irrigation allocations for more than one year if space is available.

Water Rates for 2023						
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 2023.

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 2023 is 0.887 mills, which is divided into three parts.

These are:

- 0.850 mills for Contract repayment and

OM&R (reflects a one-time reduction of 0.050 mills);

- 0.032 mills for District administration (reflects a one-time reduction of 0.003 mills); and
- 0.005 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 87-590), 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 & Storage 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.



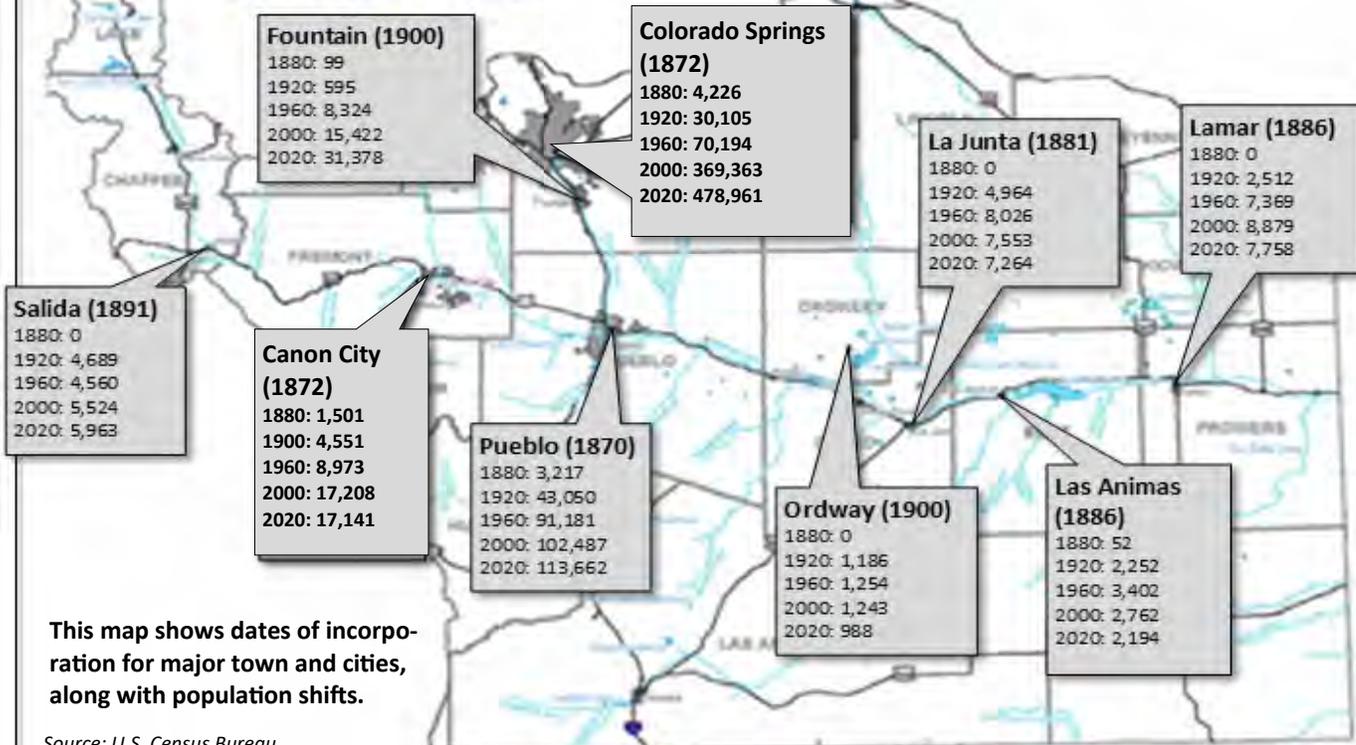
Settling the Arkansas Valley

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

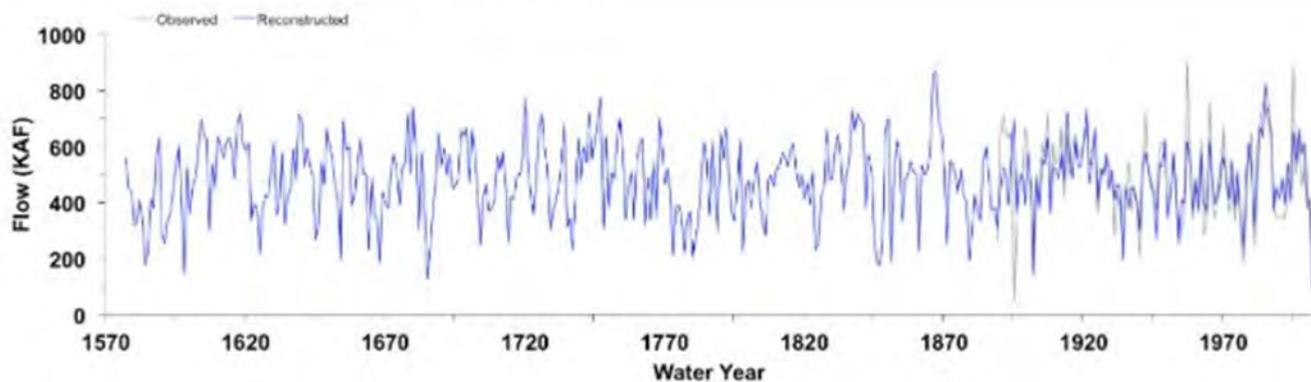


THE THREAT FROM FLOODING

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.

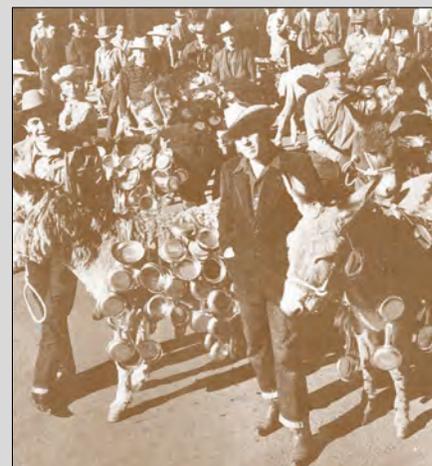


Water Development Association members traveled to Washington D.C. to promote Project.



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.



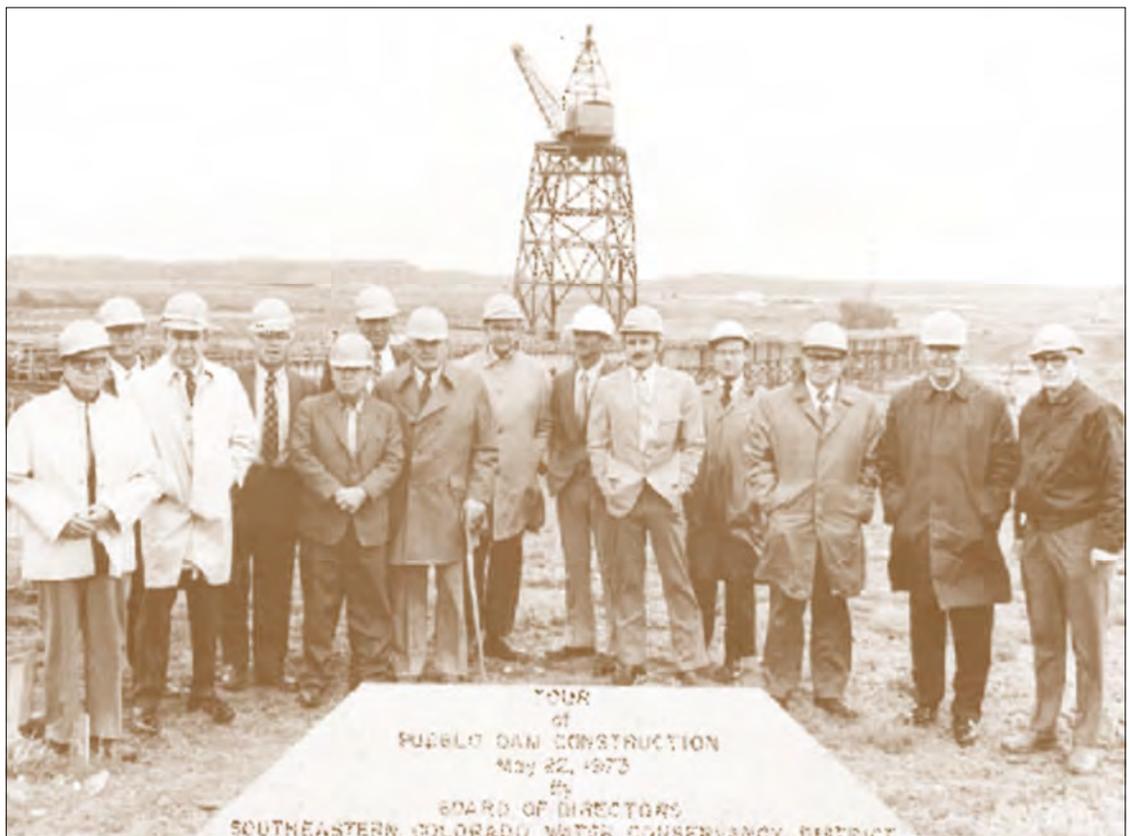
Southeastern Colorado Water Conservancy District History

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 \$498 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

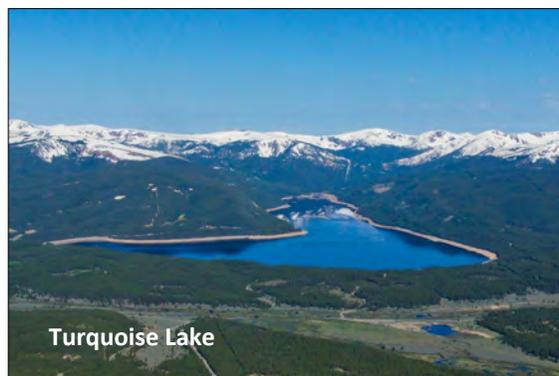
Elements of the Fryingpan-Arkansas Project

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



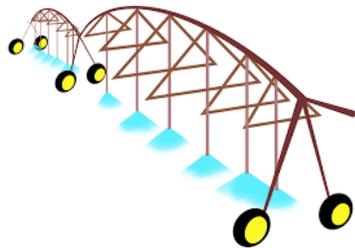
Ruedi Reservoir



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.



- ◆ 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

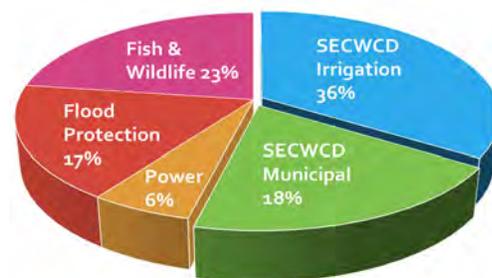
In 2021, the District and the Bureau of Reclamation signed a converted contract, which extends the operation of the Fryingpan-Arkansas Project in perpetuity. Under the terms of the new contract, the District's share of the debt will be paid off at the end of 2031. The District will continue to pay its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



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 22	FY 23*
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	\$ 8,420,000
Facility Maintenance & Rehabilitation	\$ 483,000	\$ 1,967,000
Total Reclamation Allotment	\$ 9,434,000	\$ 10,463,000

Source: FY2023 Bureau of Reclamation Budget Justification

*Pending congressional action



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 cost at least \$10,000 per acre-foot, according to recent estimates in the Arkansas River basin.

Agricultural Water

Water Sales: \$88.5 million/year

Agricultural sales of Project water, including Return Flows, and Winter Water stored in Pueblo Reservoir have averaged 88,500 acre-feet each year for the past 50 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.



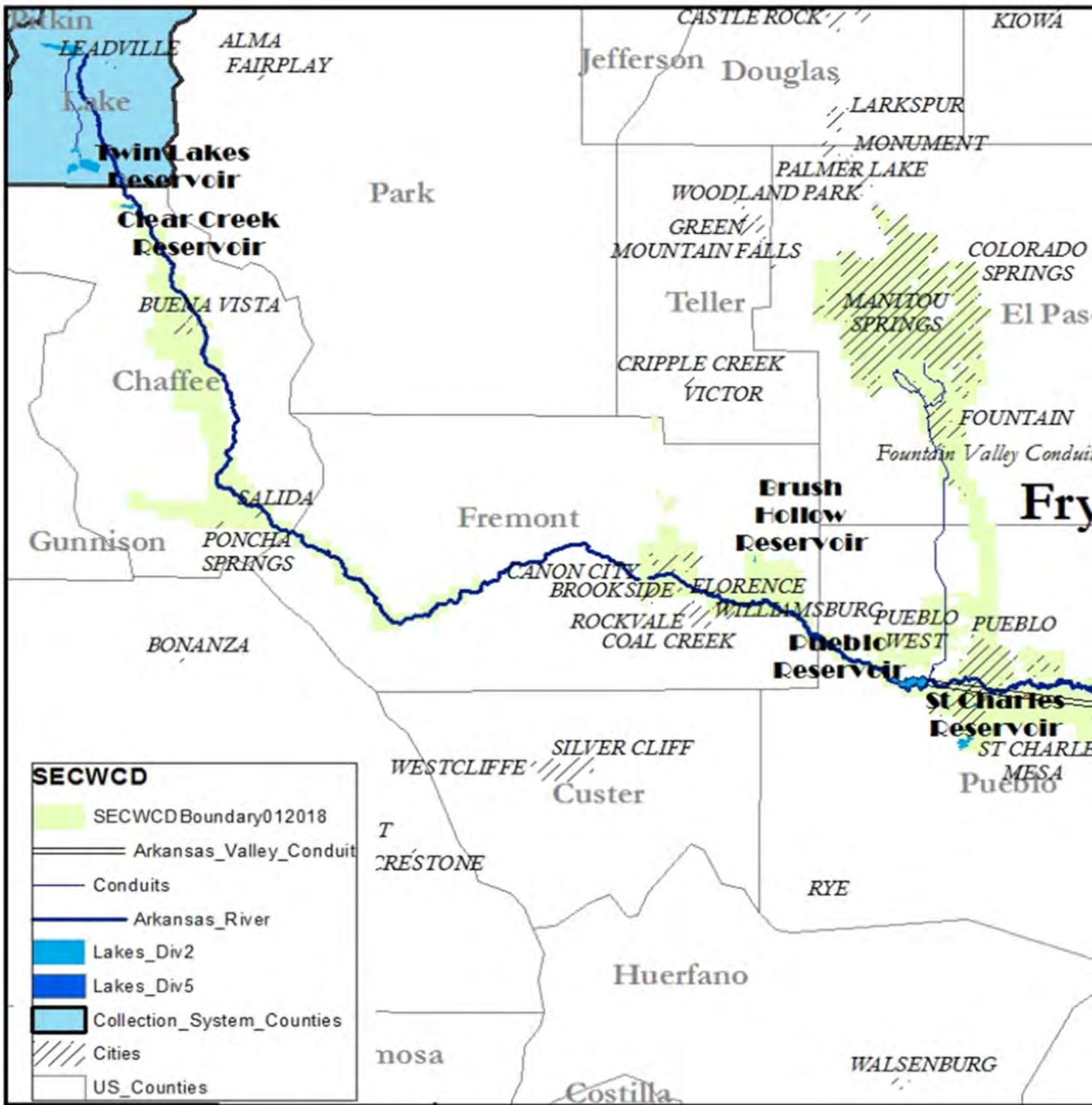
Flood Control

Pueblo Dam: \$36.8 million (1976-2022)

Ruedi Dam: \$19.7 million (1983-2022)

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



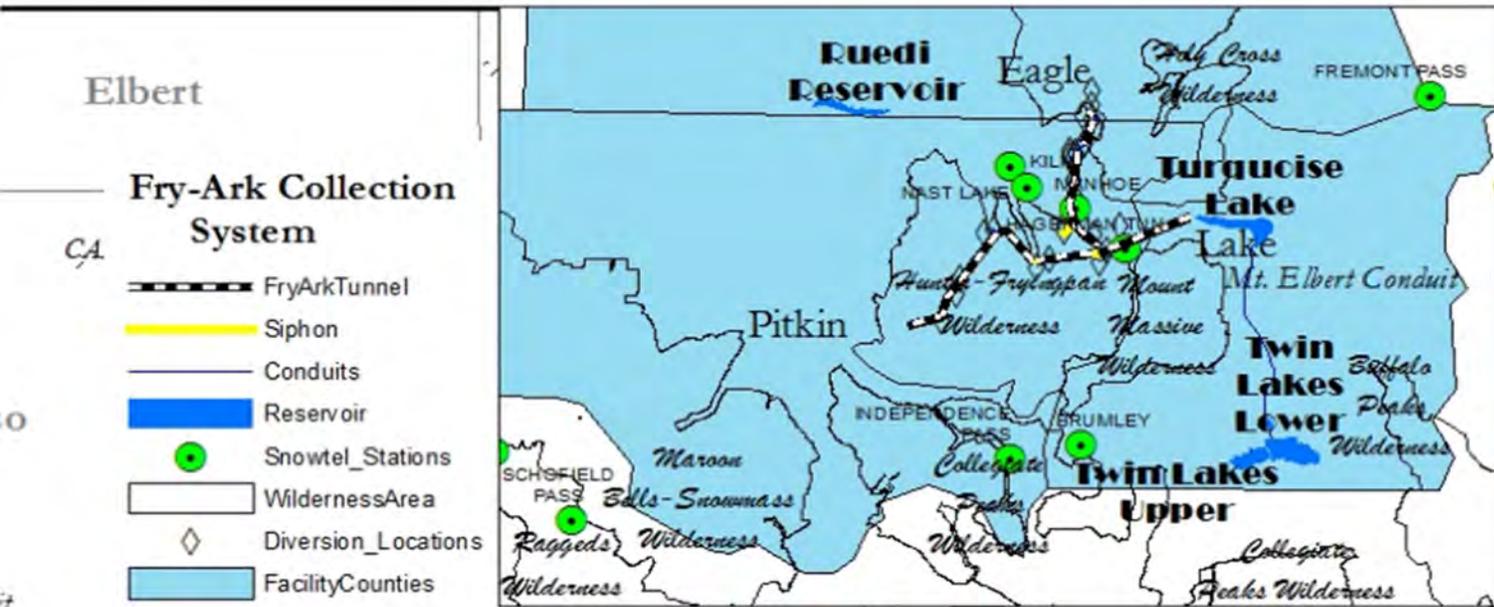


Colorado



BUREAU OF RECLAMATION

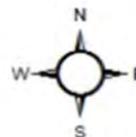




Fry-Arkansas Project



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



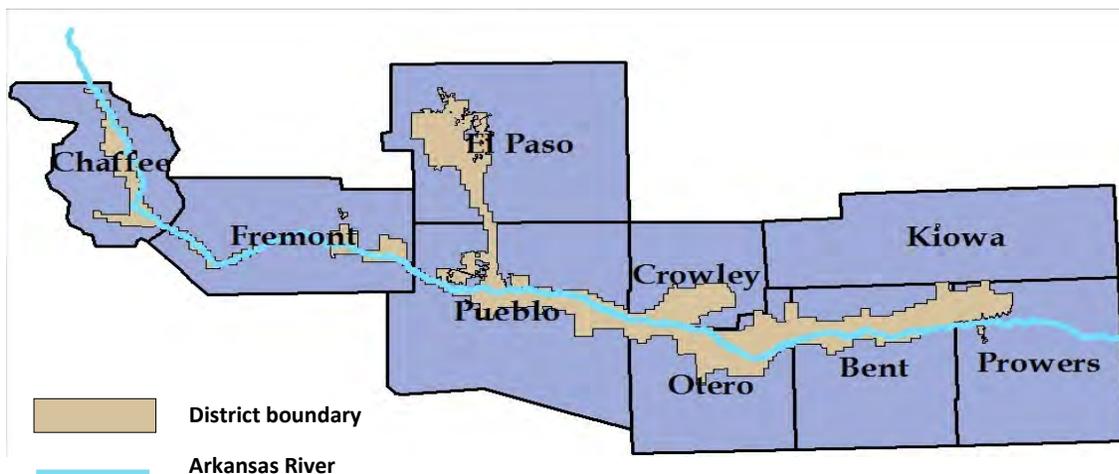
SECWCD County Snapshots

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: 5,759
Growth Rate: 1.9%
(2021)
Housing Units: 2,143
Owner-occupied:
1,292 (60.3%)
Median Income:
\$38,083
Per Capita Income:
\$15,738
 (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

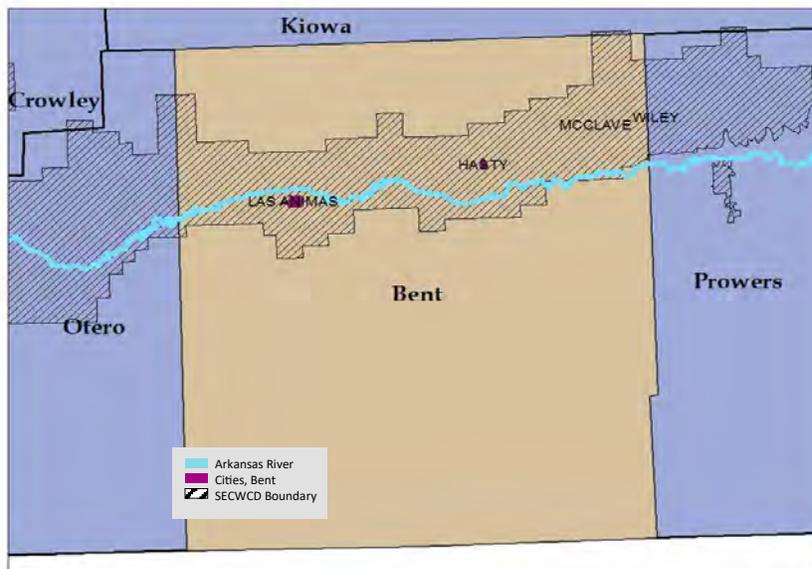
Agriculture remains an important part of the local economy. New jobs were created when a private prison opened there 20 years ago. Later, Fort Lyon State Correctional Facility was repurposed as a homeless treatment facility.

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 River Homestake Project boat chute and fish ladder improvements/SECWCD

CHAFFEE COUNTY

Population: 20,074

Growth Rate: 3.1% (2021)

Housing Units: 11,271

Owner-occupied: 8,013 (71%)

Median Income: \$55,176

Per Capita Income: \$31,960

(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.

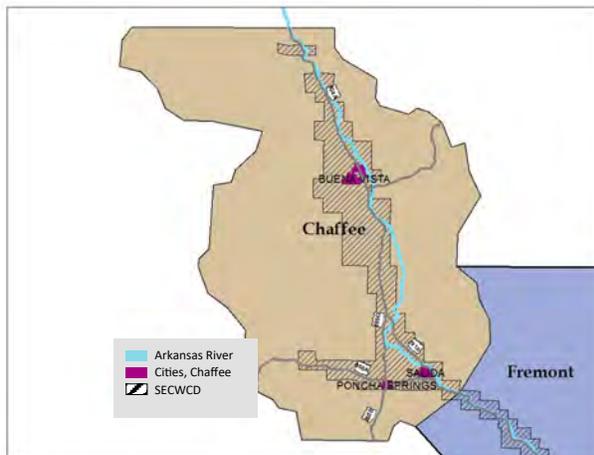
The Arkansas River Headwaters Area was created in 1989. Browns Canyon National Monument was designated in 2015.

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



Matt Heimerich, 2022



Pronghorns in Crowley County/Colorado Parks and Wildlife

CROWLEY COUNTY

Population: 6012

Growth Rate: 1.5% (2021)

Housing Units: 1,524

Owner-occupied: 1,117 (73%)

Median Income: \$40,785

Per Capita Income: \$16,593

(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

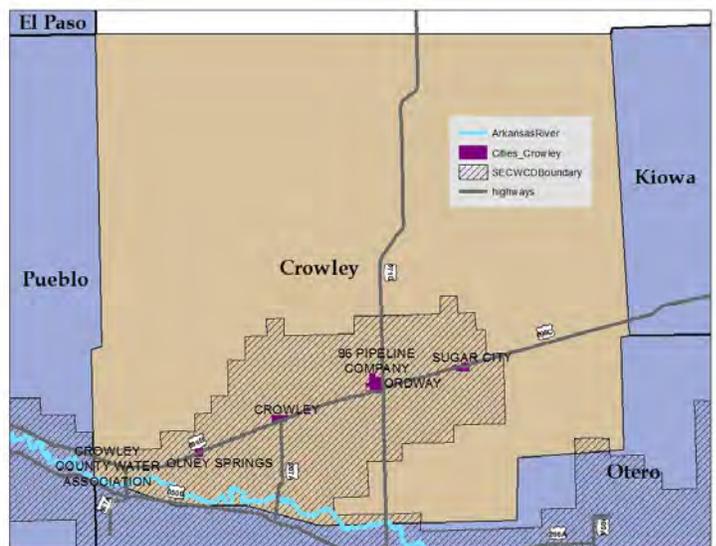
Historically an agricultural economy, Crowley County experienced an economic decline with the sales of Twin Lakes and Colorado Canal water rights to cities in the 1970s and 1980s.

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: 737,867
Growth Rate: 1.0% (2021)
Housing Units: 295,342
Owner-occupied: 179,314 (64%)
Median Income: \$71,517
Per Capita Income: \$35,177
 (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.

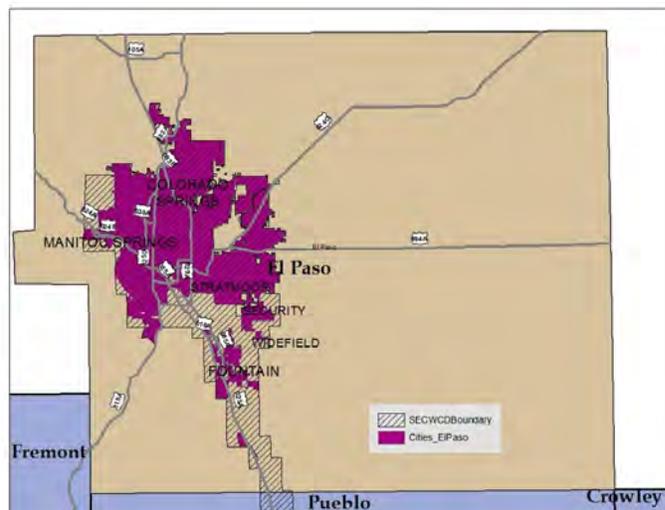
Most recently, Colorado Springs built the Southern Delivery System (along with Fountain, Security and Pueblo West) to fully use its Arkansas River water rights, reuse transmountain water, and provide water system redundancy.

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



Canon City Blossom Day Parade/SECWCD

FREMONT COUNTY

Population: 49,661

Growth Rate: 1.5% (2021)

Housing Units: 20,432

Owner-occupied: 15,324 (76%)

Median Income: \$52,364

Per Capita Income: \$24,703

(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.

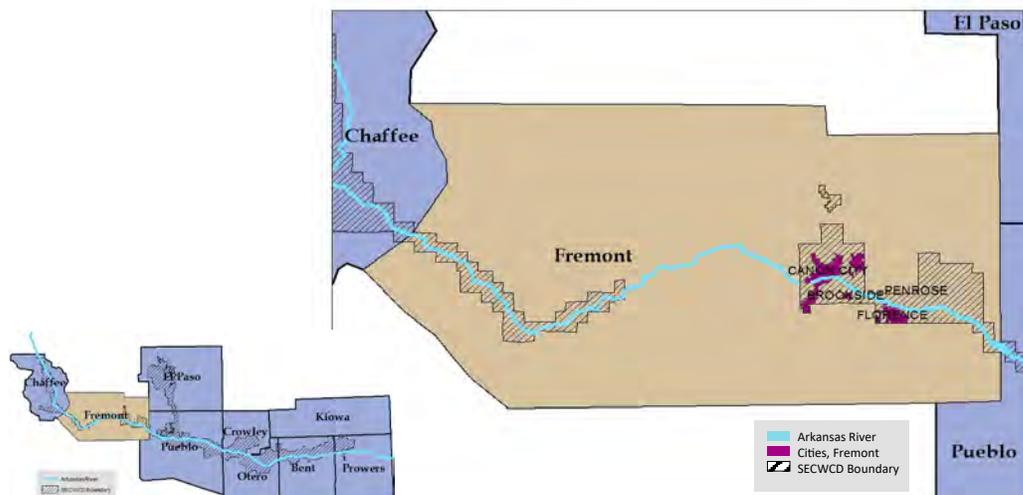
A coal-fired power plant was built in 1897, but closed by Black Hills Energy in 2012.

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



Dallas May Cattle Ranch/Mike Sweeney

PROWERS COUNTY

Population: 11,996

Growth Rate: 0.0% (2021)

Housing Units: 5,454

Owner-occupied: 3,441 (63%)

Median Income: \$42,648

Per Capita Income: \$23,496

(Adjusted Census data)

Major uses of water:

⇒ **Irrigation, 97%**

⇒ **Livestock, 1%**

⇒ **Domestic, 2%**

(2015 USGS report)

KIOWA COUNTY

Population: 1,452

Growth Rate: 0.4% (2021)

Housing Units: 738

Owner-occupied: 553 (75%)

Median Income: \$39,503

Per Capita Income: \$23,275

(Adjusted Census data)

Major uses of water:

⇒ **Irrigation, 46%**

⇒ **Livestock, 44%**

⇒ **Domestic, 9%**

(2015 USGS report)

History

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

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

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

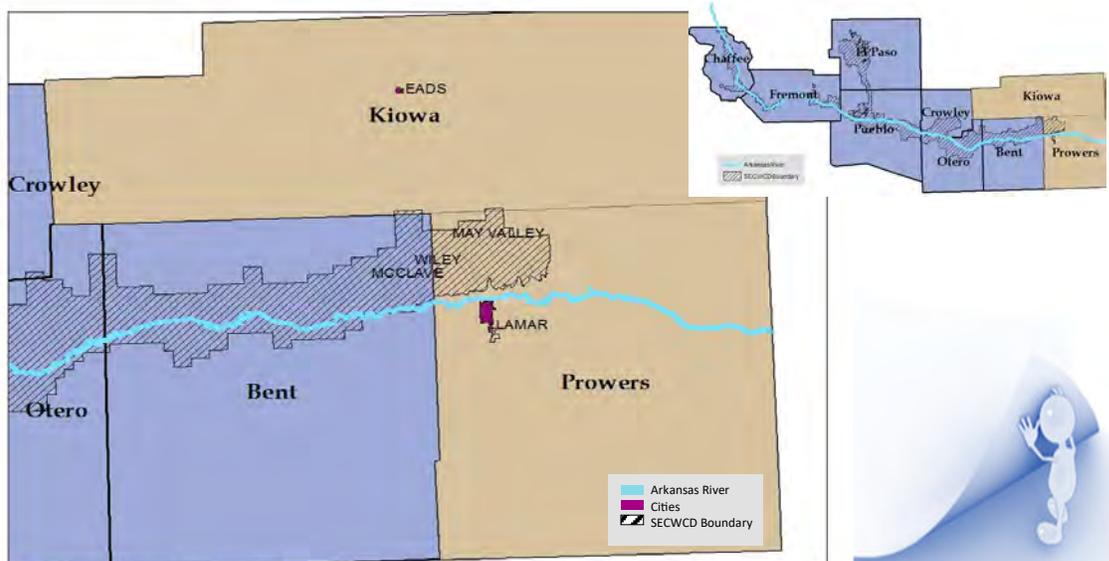
the 1990s. Large wind farms that supply renewable power are being expanded south of Lamar.

Population characteristics

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

Fryingpan-Arkansas Project impacts

Lamar petitioned to join the District in 1968 so that it could join the Arkansas Valley Conduit when it is built. May Valley and Wiley also are AVC participants. Eads is the sole AVC participant from Kiowa County. Prowers County has received municipal and irrigation Project water since 1972. Kiowa County has not yet received Project water.



Otero County Snapshot



Howard "Bub" Miller, 2005



Irrigation in Otero County/SECWCD

OTERO COUNTY

Population: 18,594

Growth Rate: -0.5% (2021)

Housing Units: 8,721

Owner-occupied: 5,834 (67%)

Median Income: \$43,075

Per Capita Income: \$23,275

(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.

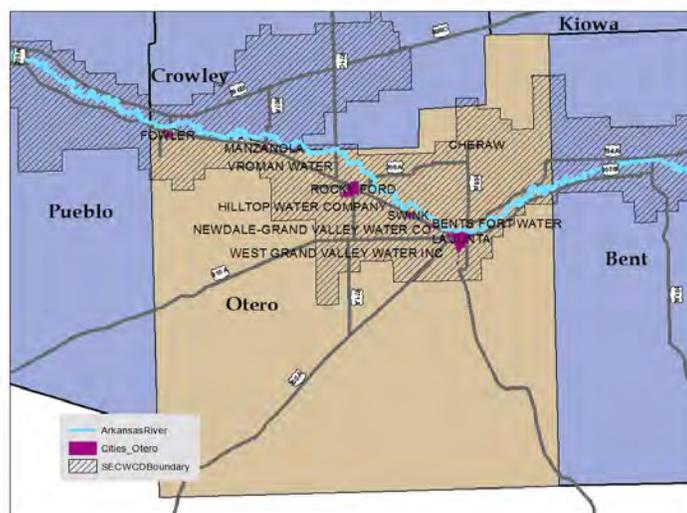
The Rocky Ford Growers Association was formed to strengthen the Rocky Ford cantaloupe brand.

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: 169,662

Growth Rate: 0.9% (2021)

Housing Units: 72,796

Owner-occupied: 47,390 (65%)

Median Income: \$49,979

Per Capita Income: \$26,504

(Adjusted Census data)

Major uses of water:

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



Arkansas River, James W. Broderick Hydropower Plant from atop Pueblo Dam/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.

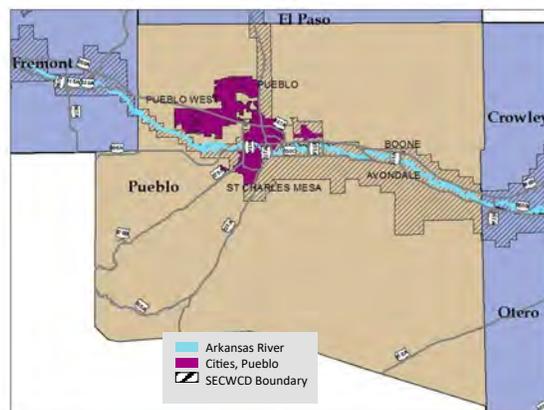
When the Southeastern Colorado Water Conservancy District was formed, Pueblo was the second-largest city in Colorado and its leaders were among the staunchest promoters of the Fryingpan-Arkansas Project.

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 completed a in-house Compensation review.

This type of review is completed every three years and presented to the Human Resource Committee and Board of Directors to ensure that District salary ranges align with competitive targets.

In 2023, 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 and 1 part-time employee 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.

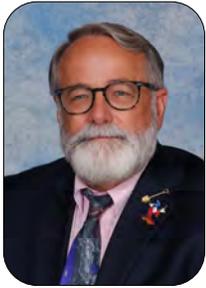
In 2023, new positions are included in the budget to reflect the changing workload, especially associated with the Arkansas Valley Conduit (AVC) project. Staff met the challenges of AVC development during the year, but it became apparent in the third and fourth quarters that more human resources will be needed as the AVC progresses.

Workforce Planning Model





Board of Directors



Executive Director Office

Jim Broderick
Executive Director
2002

Issues, Programs & Communication Office



Chris Woodka
Senior Policy and
Issues Manager
2016

Engineering Planning, Operations & Water Resources Offices



Kevin Meador
Principal
Engineer
2012



Garrett Markus
Principal Water
Resources
Engineer
2014



Mark Scott
Project
Coordinator
2022



**Water
Distribution
Operator
2023**



**Associate
Engineer
2023**



Lee Miller
General
Counsel
2011



Peter Levisch
Staff Attorney
2022

General Counsel & Government Programs Office



Leann Noga
Administrator
Finance &
Administration
2004



**Stephanie
Shipley**
Finance Manager
2016



Margie Medina
Administrative
Support Specialist
2000



Patty Rivas
Administrative
Support Specialist
2014



Lynette Holt
Accounting
Specialist
2020



Justin Mair
Garden & Grounds Associate
2022



**Intern
2023**

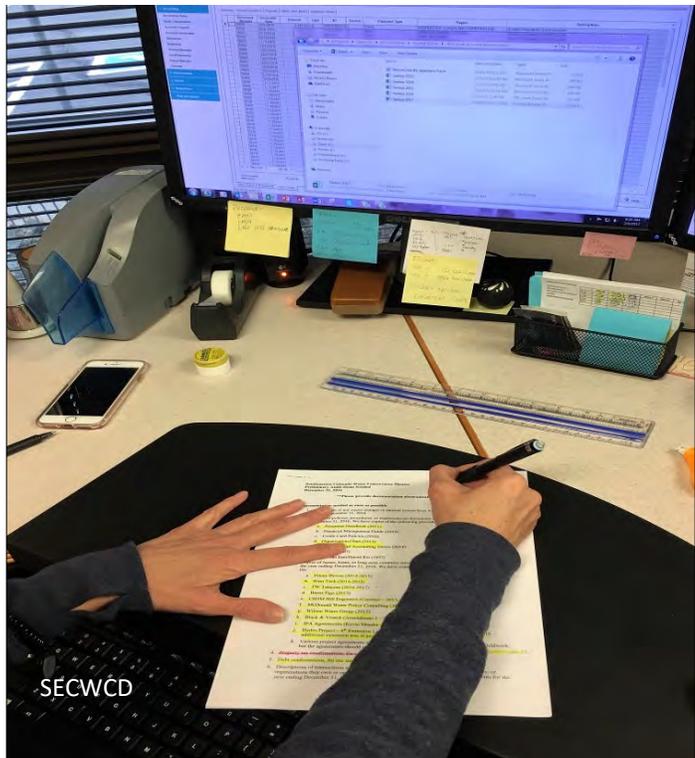
Finance & Administrative Services Office

(Dates show initial employment with the District)

Offices and Human Capital Budgeting

Summary of Authorized Full/Part Time Staff By Department & Title							
2022-2025 Office Summary							
	Budget 2021	Actual 2021	Budget 2022	Actual 2022	Budget 2023	Forecasted 2024	Forecasted 2025
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	1.00	1.00
Finance & Administrative Services Office							
Administrator Finance & Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance Manager	-	-	-	-	1.00	1.00	1.00
Accountant	1.00	1.00	1.00	1.00	-	-	-
Accounting Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Support Specialist	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Administrative Support Associate	1.00	1.00	-	-	-	-	-
Garden & Grounds Associate	-	-	0.50	0.50	0.50	0.50	0.50
Intern	0.50	-	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	1.00	1.00
Water Resource Engineer	1.00	1.00	1.00	1.00	-	-	-
Water Resource Principal Engineer	-	-	-	-	1.00	1.00	1.00
Water Distribution Operator	-	-	-	-	1.00	1.00	1.00
Water Resource Specialist / Engineer	-	-	1.00	-	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	10.50	10.00	14.00	13.00	15.00	15.00	15.00

The staffing chart above reflects transitional changes in District staff in 2023, 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 increased workload and succession planning.



Measuring Progress

Interaction of Offices with the Business Plan

Fryingpan-Arkansas Project		Lead Office (s)	Description/Goals	2022 Progress	2023 Target
Repayment Contract	Finance/Legal	Repay Fry-Ark Debt	85%	87%	
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	2022 Progress	2023 Target
Human Resources	Administration	Transitional Planning and Stability	90%	100%	
District Headquarters	Administration	Maintain District Building	90%	100%	
District Grounds	Administration	Maintain District grounds	90%	100%	
Records Management	Communications	Develop Electronic Filing System	5%	25%	
Fleet Management	Administration	3 Vehicles, 6-Year Rotation	67%	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 contracting for all areas	75%	100%	
Water Conservation & Education	Communications	Conservation Plan in 2023	90%	100%	
Communications & Outreach	Communications	Develop Communication Plan	50%	100%	
Financial Study	Finance	Financial Study in 2023	50%	100%	
Reserve Funds	Finance	Establish Reserve Structure	50%	100%	
Asset Valuation & Condition Assessment	Engineering Water Resources	Complete Condition Assessment	75%	100%	
Recovery of Storage	Programs	Develop Storage Recovery Plan	60%	80%	
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	2022 Progress	2023 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%	80%	
Safety of Dams	Finance	Repay Safety of Dams Debt	92%	95%	
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	2022 Progress	2023 Target
AVC Construction Plan	Engineering Planning	Enterprise Construction Project	10%	25%	
Hydroelectric Power		Lead Office (s)	Description/Goals	2022 Progress	2023 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.



Summary of Offices — Introduction & Fund Relationship

2023 Budget Human Capital appropriation for Office and Activity	District Fund 47.24%			Enterprise Water Fund, Arkansas Valley Conduit & Hydroelectric Fund 52.76%				
	Administration (Core and Program Activities)	Reclamation Reform Act	Conservation	Administration (Core and Program Activities)	Excess Capacity	Enlargement Project	Hydroelectric Power Project	Arkansas Valley Conduit
Executive Director	2.87%			2.64%				
General Counsel & Government Programs Office	5.74%			5.28%				
Finance & Administration Services Office	11.49%	2.56%		10.56%	0.26%	0.12%	0.82%	2.70%
Engineering Planning, Operations & Water Resources Office	20.10%	1.28%		18.48%	0.26%	0.12%	0.82%	8.09%
Issues, Programs & Communication Office	2.87%		0.32%	2.64%				
	43.08%	3.84%	0.32%	39.59%	0.51%	0.24%	1.63%	10.79%

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 2023 Adopted Budget of human resource expenditures total \$2,813,055. 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 2023 budget the Enterprise Water Fund, Hydroelectric and other projects are budgeted to cover 52.76 percent of the total human resource cost for services provided. The District funds will assume the expense of the other 47.24 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!**



2023 Adopted Budget—District Fund Human Resources	
Executive Director	13%
General Counsel & Government Programs Office	15%
Finance & Administration Services Office	30%
Engineering Planning, Operations & Water Resources Office	34%
Issues, Programs & Communication Office	8%



Executive Director Office

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

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

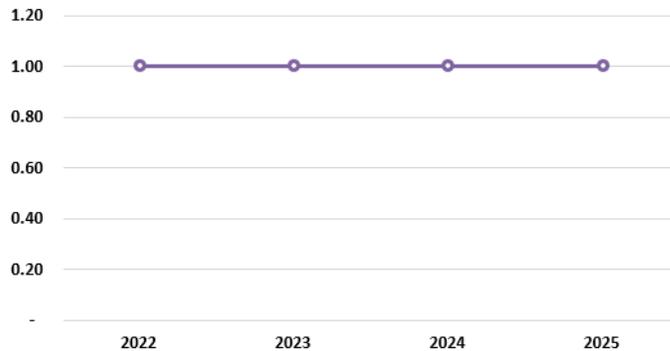


Executive Director Office Responsibilities

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



Executive Director Office



2022-2025 Office Summary					
	Budget 2022	Actual 2022	Budget 2023	Forecasted 2024	Forecasted 2025
Executive Director Office					
Executive Director	1.00	1.00	1.00	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.

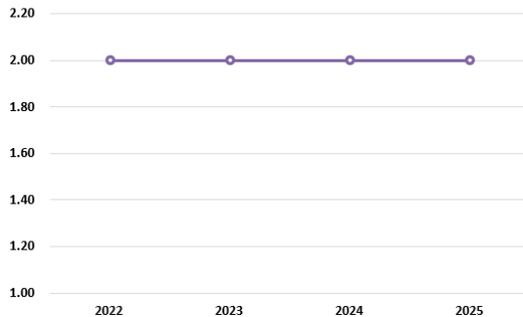
GOVERNMENT PROGRAMS

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.

General Counsel & Governmental Programs Office



2022-2025 Office Summary					
	Budget 2022	Actual 2022	Budget 2023	Forecasted 2024	Forecasted 2025
General Counsel & Governmental Programs Office					
General Counsel	1.00	1.00	1.00	1.00	1.00
Staff Attorney	1.00	1.00	1.00	1.00	1.00

General Counsel & Government Programs Office

General Counsel & Government Programs Office

Administrative & Program Goals

Performance Objectives (2023)

- ◆ 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 (2023)

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

PERFORMANCE

Measurement of Completion

Summary	2022 Actual	2023 Projected Goal	Justification
Fountain Valley Authority Contract	50%	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	50%	100%	In-house Standard
Professional Training Staff Attorney	50%	100%	In-house Standard

Performance Results (2022)

- ◆ Arkansas Valley Conduit (AVC) three-party contract with Reclamation, Pueblo Water, and District signed
- ◆ Groundwork for AVC Repayment Contract
- ◆ Discussions with stakeholders on governance structure for AVC
- ◆ Groundwork for Fountain Valley Authority Contract Renewal
- ◆ Colorado River Programs Bi-Monthly Report to the Board of Directors
- ◆ State Legislation monthly updates 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 Office

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.

2022-2025 Office Summary					
	Budget 2022	Actual 2022	Budget 2023	Forecasted 2024	Forecasted 2025
Finance & Administrative Services Office					
Administrator Finance & Administration	1.00	1.00	1.00	1.00	1.00
Finance Manager	-	-	1.00	1.00	1.00
Accountant	1.00	1.00	-	-	-
Accounting Specialist	1.00	1.00	1.00	1.00	1.00
Administrative Support Specialist	2.00	2.00	2.00	2.00	2.00
Administrative Support Associate	-	-	-	-	-
Garden Coordinator	0.50	0.50	0.50	0.50	0.50
Intern	0.50	0.50	0.50	0.50	0.50



Finance & Administrative Services Office

Finance Office

Administrative & Program Goals

Performance Objectives (2023)

- ◆ 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 (2023)

- ◆ 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

PERFORMANCE

Measurement of Completion

Summary	2022 Actual	2023 Projected Goal	Justification
Fry-Ark Debt Repayment	85%	87%	In-house Standard
Arkansas Valley Conduit Finances	100%	100%	In-house Standard
Safety of Dams on Pueblo Reservoir	90%	95%	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
Hydroelectric Debt Repayment	50%	100%	In-house Standard

Performance Results (2022)

- ◆ Secured American Rescue Plan Act (ARPA) funding for Arkansas Valley Conduit
- ◆ Fry-Ark Contract debt repayment & OM&R reconciliation
- ◆ Contract for Recovery of Storage investigation.
- ◆ 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.

Administrative Services Office

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.

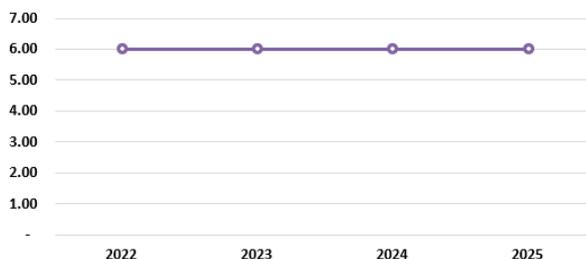
LEARNING & DEVELOPMENT

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.

Finance & Administrative Services Office



Administrative & Employee Service Office

Administrative Services Office

Administrative & Program Goals

Performance Objectives (2023)

- ◆ 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
- ◆ Human capital education including and improved administrative technical skills

Administrative Services Office

Major Project Goals

Performance Objectives (2023)

- ◆ Strategically plan for equipment, software, and collaboration tools through technology
- ◆ Strategic Plan, Business Plan updates and improvements
- ◆ Technology upgrades and new audio visual improvements planned to conduct business, meetings remotely and in person.

PERFORMANCE

Measurement of Completion

Summary	2022 Actual	2023 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 (2022)

- ◆ District Headquarter facilities maintained and upgraded
- ◆ District Headquarter grounds maintained
- ◆ District Headquarter fleet vehicles maintained
- ◆ Human capital staffing transition planned
- ◆ Human Resources salary review
- ◆ Electronic server replacement



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 Planning & Operations Office

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.

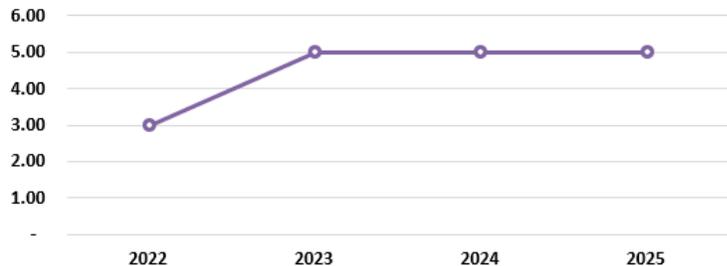
POWER SERVICE

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

Engineering, Planning, Operations & Water Resources Office



Engineering Planning, Operations & Water Resources Office

Engineering, Planning & Operations Office

Administrative & Program Goals

Performance Objectives (2023)

- ◆ 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

Engineering, Planning & Operations Office

Major Project Goals

Performance Objectives (2023)

- ◆ 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	2022 Actual	2023 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%	100%	In-house Standard

Performance Results (2023)

- ◆ Maintain operations of the James W. Broderick Hydropower Plant
- ◆ Project management for the Arkansas Valley Conduit, and assistance to Reclamation on design and contraction activities.
- ◆ Coordinated Arkansas Valley Conduit technical discussions and activities
- ◆ Participated in development and execution of the condition assessment of Fry-Ark, District Headquarters and Hydroelectric Power facility.



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.

Engineering Water Resources Office

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

2022-2025 Office Summary					
	Budget 2022	Actual 2022	Budget 2023	Forecasted 2024	Forecasted 2025
Engineering, Planning, Operations & Water Resources Office					
Principal Engineer	1.00	1.00	1.00	1.00	1.00
Project Coordinator	1.00	1.00	1.00	1.00	1.00
Water Resource Engineer	1.00	1.00	-	-	-
Water Resource Principal Engineer	-	-	1.00	1.00	1.00
Water Distribution Operator	-	-	1.00	1.00	1.00
Water Resource Specialist / Engineer	1.00	-	1.00	1.00	1.00



Engineering Planning, Operations & Water Resources Office

Engineering & Water Resources

Administrative & Program Goals

Performance Objectives (2023)

- ◆ 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	2022 Actual	2023 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	100%	100%	In-house Standard
Condition Assessment	50%	100%	In-house Standard
Regional Resource Planning Group	50%	100%	In-house Standard

Engineering & Water Resources Office

Major Project Goals

Performance Objectives (2023)

- ◆ Complete Fryingpan-Arkansas Project Condition Assessment
- ◆ Regional Resource Planning Group path forward implementation
- ◆ Upgrade audio-visual experience at headquarters to accommodate live or online interaction

Performance Results (2022)

- ◆ Revised Allocation Policies following First Right of Refusal Pilot Program
- ◆ Provided support for James W. Broderick Hydropower Plant at Pueblo Dam
- ◆ Continued 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.

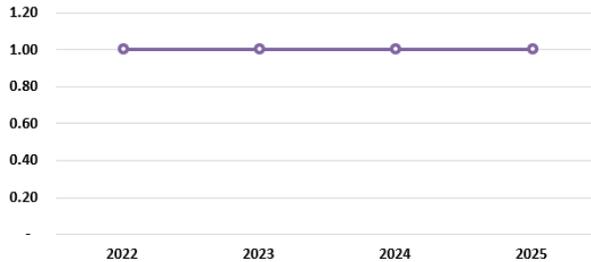
COMMUNITY RELATIONS

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.

Issues, Programs & Communications Office



2022-2025 Office Summary					
	Budget 2022	Actual 2022	Budget 2023	Forecasted 2024	Forecasted 2025
Issues, Programs & Communications Office					
Senior Policy and Issues Manager	1.00	1.00	1.00	1.00	1.00

Issues, Programs & Communication Office

Issues, Programs & Communications Office

Administrative & Program Goals

Performance Objectives (2023)

- ◆ 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 (2023)

- ◆ Communication Contact for Arkansas Valley Conduit Project
- ◆ Reclamation coordination 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	2022 Actual	2023 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 (2022)

- ◆ Produced videos and coordinated activities for Fry-Ark 60th Anniversary
- ◆ Communication, administration for Recovery of Storage Study, developed Reclamation as a partner for the 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





Section 3

Financial Planning

Introduction

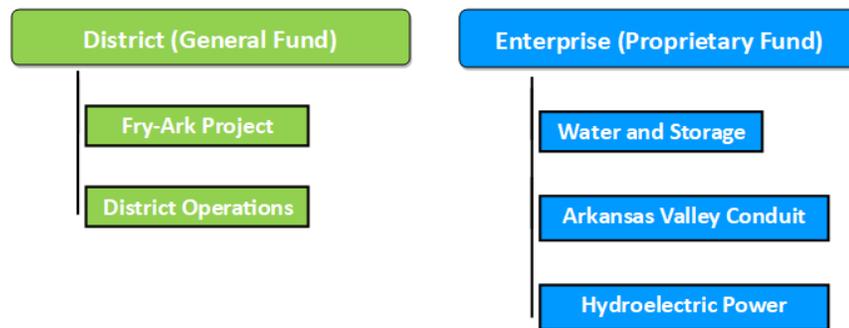
Planning Documents

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 2023 Budget explanations and budget statements can be found in the Budget Overview section of this document.

The 2023 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, 2023.

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 has been a major topic of discussion for the Board of Directors since 2017. All financial planning discussions was delayed in 2020 due to Covid. The Board will start 2023 by resuming discussion to secure the future though financial planning. 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

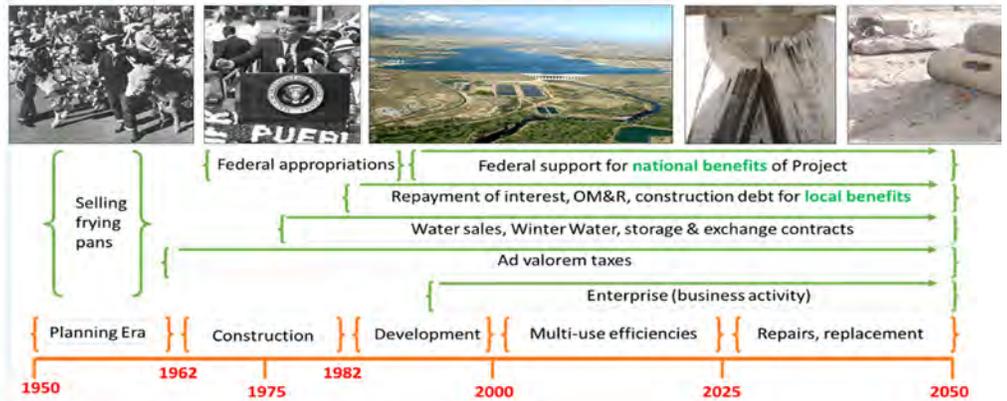
Jacobs Engineering completed the Financial Strategy and Sustainability Study, which led to several recommended actions .

2023: Financial Discussion

The Board will consider water rates, storage rate, surcharge rates and determining appropriate reserves.



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.

Discussion on surcharges were started on early 2020, but were postponed because of COVID-19 restrictions.

Several issues remained outstanding, including surcharges, the rate to be charged for water storage of carryover Fry-Ark Project water, and reserve levels. These discussions will resume in 2023.

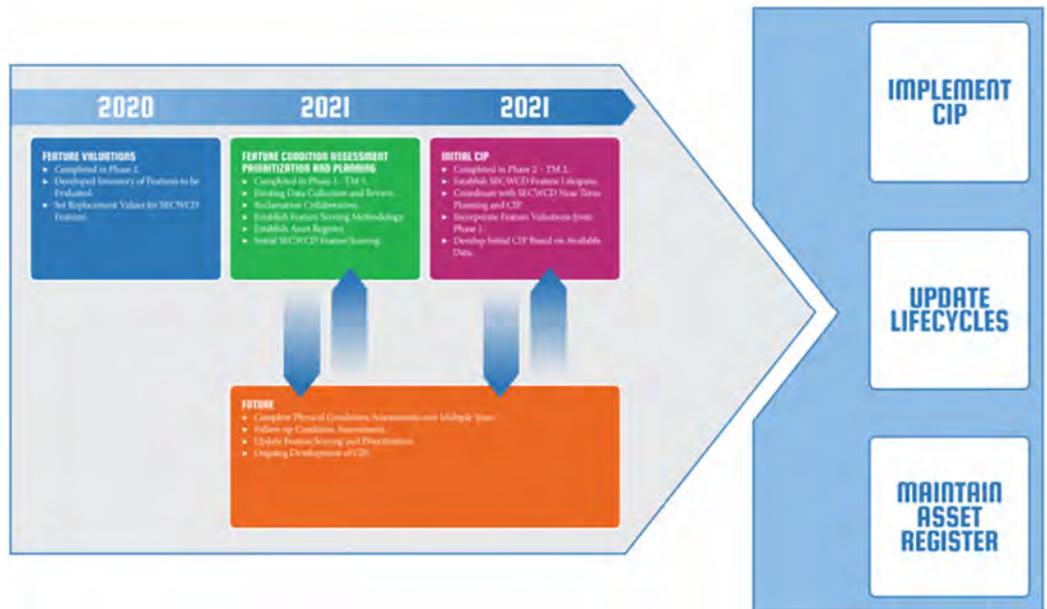
Looking Ahead: What are the next steps?

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).

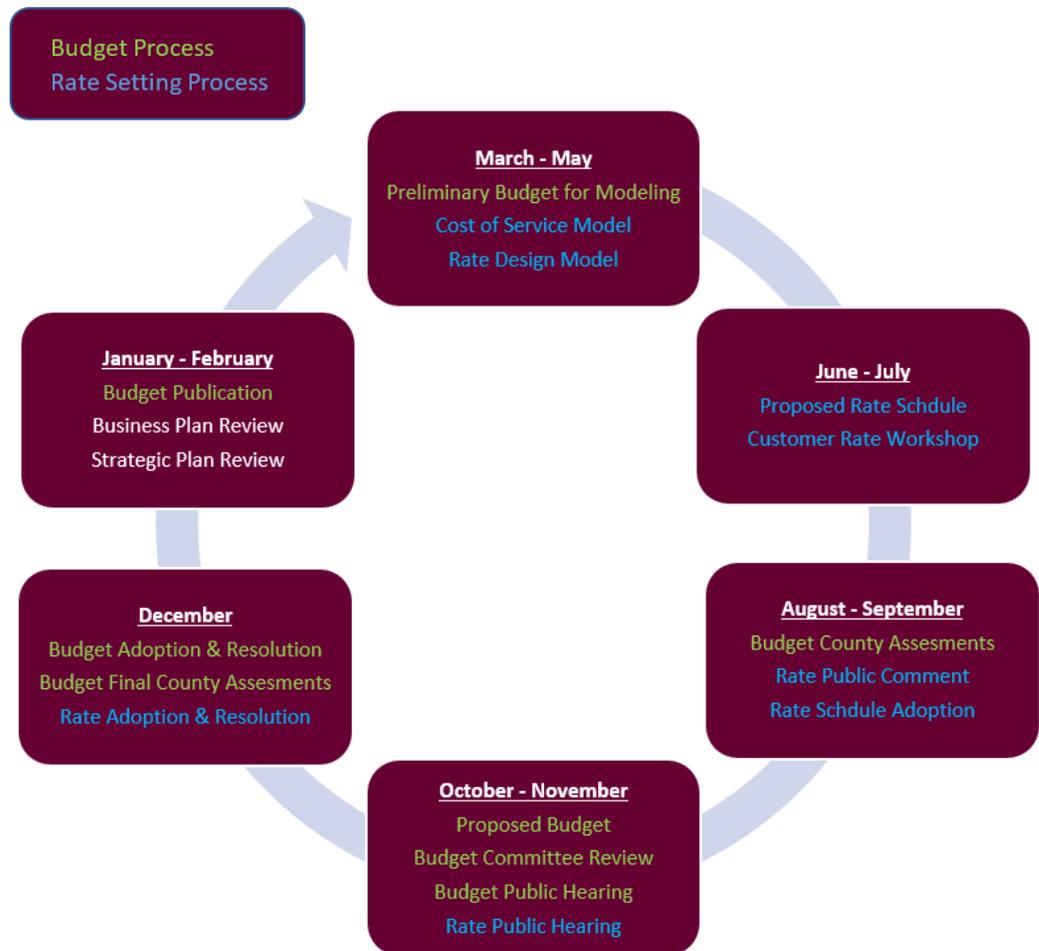
SECWAE will review rates, at least, annually as part of the long-term planning process.

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 re-fund/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.

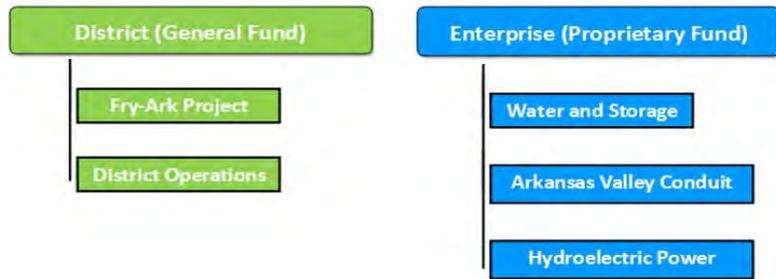
The Enterprise fund basis of budgeting is presented using an accrual basis of accounting, recognizing revenue when earned and expenses when the liability is incurred.

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
- Fryingpan-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: 2022-2023 Total County Assessed Value

County		2022 Assessed Value	2023 Assessed Value	Value Change	Percent Change
Bent	12/1/2022	69,004,280	69,987,220	982,940	1.42%
Chaffee	11/30/2022	507,435,470	513,937,860	6,502,390	1.28%
Crowley	11/23/2022	43,832,057	44,821,537	989,480	2.26%
El Paso	11/23/2022	8,109,905,560	8,217,668,000	107,762,440	1.33%
Fremont	11/29/2022	411,360,116	404,754,813	(6,605,303)	-1.61%
Kiowa	11/29/2022	3,323,560	3,248,880	(74,680)	-2.25%
Otero	11/21/2022	147,801,859	146,582,540	(1,219,319)	-0.82%
Prowers	12/9/2022	64,029,426	61,580,005	(2,449,421)	-3.83%
Pueblo	11/28/2022	1,884,356,955	1,855,998,903	(28,358,052)	-1.50%
Total		11,241,049,283	11,318,579,758	77,530,475	0.69%

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 2022 assessments are collected in 2023. The nine counties in the District estimate a total assessed value in 2022 of \$11,318,579,758. Table 4-1 illustrates a comparison between assessed values from 2021 to 2022. Table 4-2 illustrates final as-

sessments 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 2023 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 .050 for a total of .850, Operating at 0.035 with a temporary mill levy rate reduction of .003 for a total of .032, and Abatement and Refunds of 0.005.

Table 4-2 provides a layout of each county's estimated contribution regarding the three Tax Levies for 2023 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 - 2022 for 2023 Budget

Last Revised: 12/12/2022 SS

County	2022 Assessed Value	Percent of Total	Contract		Operating		Abatements & Refunds		Total Collections
			Mill Levy	Collections	Mill Levy	Collections	Mill Levy	Collections	
Bent	69,987,220	0.62%	0.850	59,489.14	0.032	2,239.59	0.005	349.94	62,078.66
Chaffee	513,937,860	4.54%	0.850	436,847.18	0.032	16,446.01	0.005	2,569.69	455,863
Crowley	44,821,537	0.40%	0.850	38,098.31	0.032	1,434.29	0.005	224.11	39,757
El Paso	8,217,668,000	72.60%	0.850	6,985,017.80	0.032	262,965.38	0.005	41,088.34	7,289,072
Fremont	404,754,813	3.58%	0.850	344,041.59	0.032	12,952.15	0.005	2,023.77	359,018
Kiowa	3,248,880	0.03%	0.850	2,761.55	0.032	103.96	0.005	16.24	2,882
Otero	146,582,540	1.30%	0.850	124,595.16	0.032	4,690.64	0.005	732.91	130,019
Prowers	61,580,005	0.54%	0.850	52,343.00	0.032	1,970.56	0.005	307.90	54,621
Pueblo	1,855,998,903	16.40%	0.850	1,577,599.07	0.032	59,391.96	0.005	9,279.99	1,646,271
Total	11,318,579,758	1.00		9,620,792.79		362,194.55		56,593	10,039,580

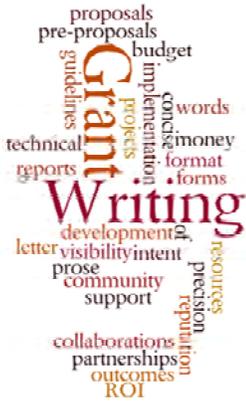
Contract + Operating Ad Valorem = 0.882 \$ 9,982,987.35

Total compared 2020 to 2021 Assessed Values & projected taxes

	2022 Assessed Value	2021 Assessed Value	2022 Mill Levy	2021 Mill Levy	2022 Collections	2021 Collections	2022 Abatements & Refunds	2021 Abatements & Refunds	2022 Total Collections	2021 Total Collections
2022	11,318,579,758		0.850		9,620,793		362,195		10,039,580	
2021	11,241,049,283		0.800		8,992,839		393,437		9,431,240	
Increase/Decrease					627,953		(31,242)		608,340	



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 2023 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, 2022, the Fryingpan-Arkansas Project outstanding debt is \$13,208,149.

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 Reclamation. This payment was 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 did not receive payment from the Fountain Valley Authority in 2022, as Reclamation concluded that the Fountain Valley Authority debt obligation had been paid. The 2023 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 2023 Budget includes \$337,836 for 7,585 acre-feet of storage at a Reclamation contracted price of \$44.54.

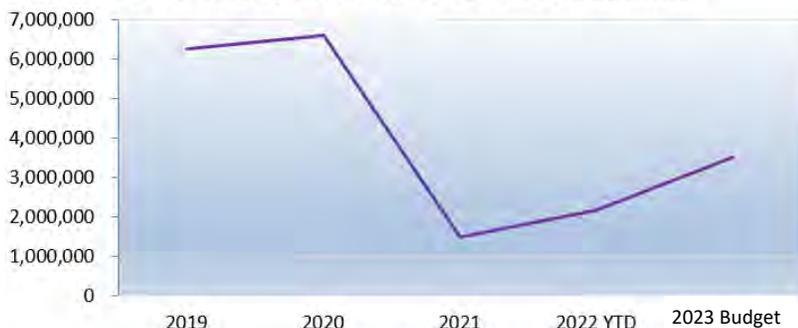
Reclamation Reform Act (RRA) is a project enacted by the Federal government that the District must remain in compliance with as a provision of the Fryingpan-Arkansas Project contract.

The District has budgeted \$2,000 for possible fee bills as a result of RRA compliance. In 2022 District walked through a Reclamation audit which occurs every five years.

Table 4-3: Fry-Ark Project Tax Revenues

	2019	2020	2021	2022 YTD	2023 Budget
Contract Mill Levy Tax	7,548,181	8,153,736	8,597,840	8,963,422	9,620,793
Abatement & Refunds	75,489	85,314	66,869	44,827	56,593
Prior Year Tax	(4,150)	(6,250)	(8,181)	(10,438)	(9,078)
County Collection Fees	(131,215)	(141,592)	(148,204)	(155,613)	(174,100)
Total Annual Payment	7,488,305	8,091,208	8,508,324	8,842,198	9,494,208

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 2023, the interfund reimbursements make up 60 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 \$333,861 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 \$1,006,880 per year. El Paso and Pueblo Counties have the greatest impact to Specific Ownership Tax due to their population. Specific Ownership Tax is a less dependable income because it is economically driven.

The District manages \$7.8 million 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 99 percent of the investment portfolio and 2 percent are made up of short-term liquid investments held with CO-LOTrust. The 2023 Budget for investment revenue, based on

projected fluctuations in the market, is \$283,545. Investment and interest revenue producing an average of \$193,640 per year, but is projected to increase in 2023 due to the market and current interest rates. The District has \$600,000 in bonds or certificates of deposit maturing in 2023 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. In 2023, the District plans to

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

The 2023 Budget forecasts that the District's operating revenues will consist of interfund reimbursements of 60 percent, Specific Ownership Tax of 22 percent, Operating tax of 10 percent, and investment revenue of 8 percent as shown in Table 4-7.

Table 4-5: Government Activity Operating Revenue

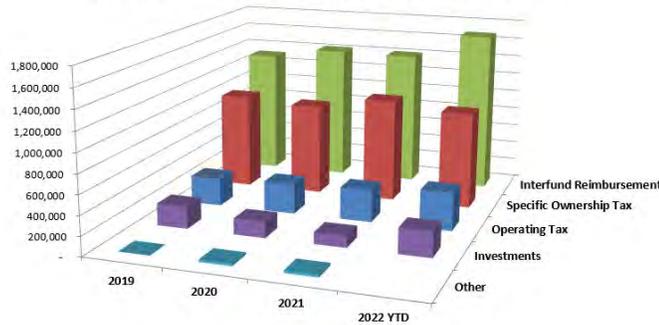


Table 4-6: District Operating Revenue Overview

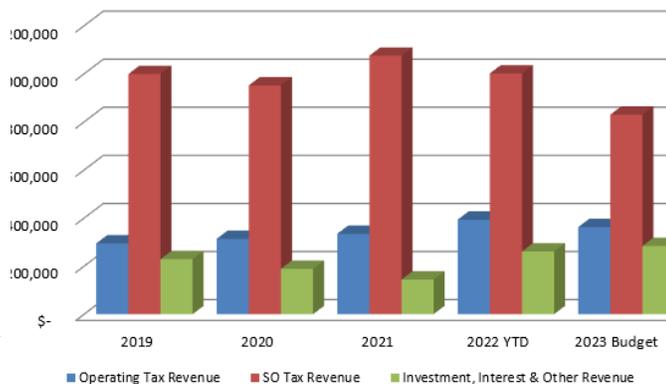
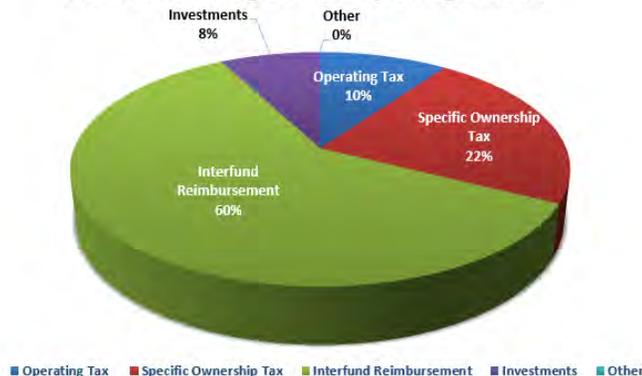


Table 4-7: 2023 Budget District Operating Revenue

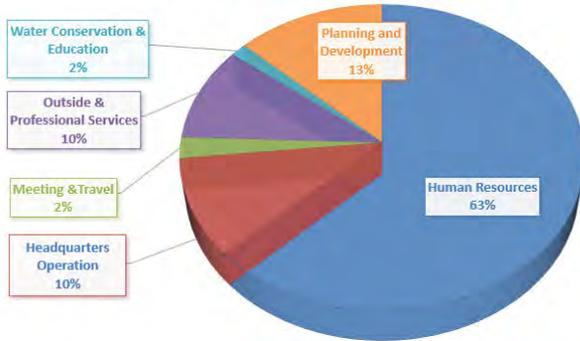


Government Activity Expenditures

The Government Activity total expenditures for the 2023 Budget are \$11,897,844. The expenditures are considered in one of four categories; Fryingpan-Arkansas activity, \$6,716,423; Grant activity, \$400,000; Operating expenditures, \$4,467,421; and Capital expenditures, \$314,000.

Operating expenditure policy requires that expenditures match operating revenue to reflect a balanced governmental budget, unless there is a planned use of reserve funds. The 2023 Budget pertaining to Planning and Development are included as part of the operating expenditures as shown in the Budget financial reports. The 2023 Budget Operating

TABLE 4-8: 2023 BUDGET DISTRICT OPERATING EXPENDITURES



expenditures are illustrated by percentage in Table 4-8.

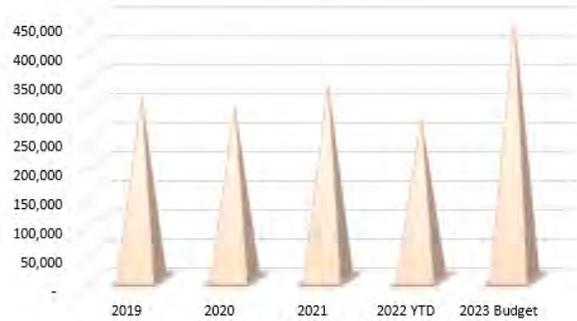
In 2023, the largest planned expenditure of the operating budget is Human Resources, which relates to payroll and benefits and makes up 63 percent of District operating budget. A portion of the Interfund reimbursement revenue helps offset the expense related to Human Resource expense. Actual compared to 2023 Budget for Payroll and Benefits is shown in Table 4-9.

The District hired two additional staff members in 2022, and has two additional staff positions planned for 2023. This is explained in detail in workforce planning. (See Section 2).

The District performs a salary and benefits survey every three years. The survey was completed and accepted by the Board of Directors in 2022.

Illustrated in Table 4-10 are outside and professional services also known as consulting activities, which account for 10 percent of the District 2023 Budget. This category includes the annual audit contracts, outside engineering consultants, salary and benefits survey consultants, general attorney fees,

Table 4-10: District Outside & Professional Services



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 10 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 \$2,693,859 based on actual expenses over the past four years.

Table 4-9: Payroll & Benefits

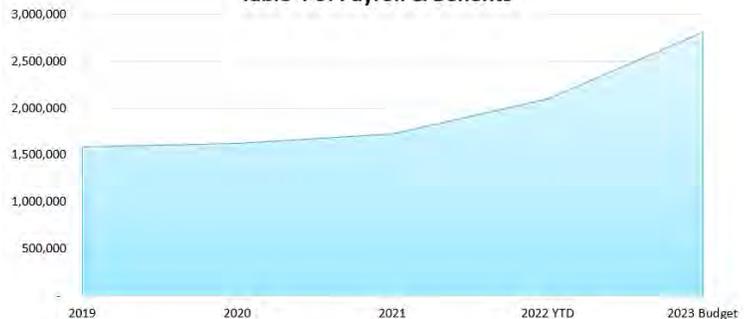
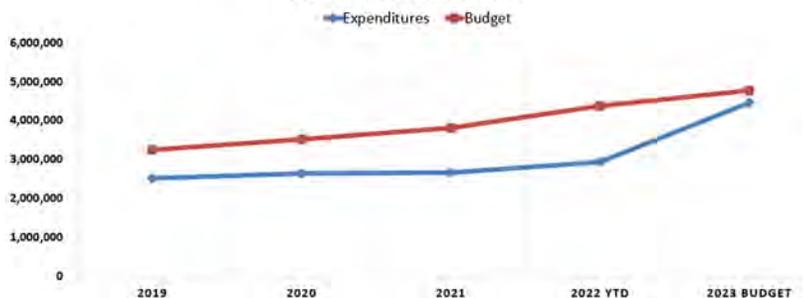


TABLE 4-11: GOVERNMENT OPERATING EXPENDITURES COMPARED TO BUDGET



Government Activity Planning and Deployment & Capital Outlay

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 2023 Budget total for planning and development is \$583,000 and includes the following items: \$11,000 for Colorado River Issues, \$172,000 for a Fry-ark Condition Assessment, \$30,000 for Watershed and Healthy Forests, \$20,000 for streamflow forecasting, \$237,500 for Water Right Protection of engineering and legal, \$12,500 for GIS mapping of District boundaries, and \$100,000 for the Finance study.

Capital Outlay items are depreciable items which can be found in the District capital improvement plan. In 2022 the District capital improvement expenditures totaled \$86,906 for the upgrade of the District’s headquarters interior lighting fixtures, server replacement and additional desk units or workstations.

The 2023 Budget includes the following capital outlay expenditures: \$45,000 for a District vehicle, \$38,000 for facility upgrade, \$20,000 landscape maintenance, and \$211,000 for technology upgrades for meeting audio and visual capabilities.

Due to timing factors and what is adopted in the annual budget is not always what is expended, as can be shown in Table 4-12.

The schedule below reflects Capital expenditures for 2022 actual through 2025 budget. The schedule represents only a portion of the 20-year Capital Improvement plan in addition to the Planning and Development Plans.

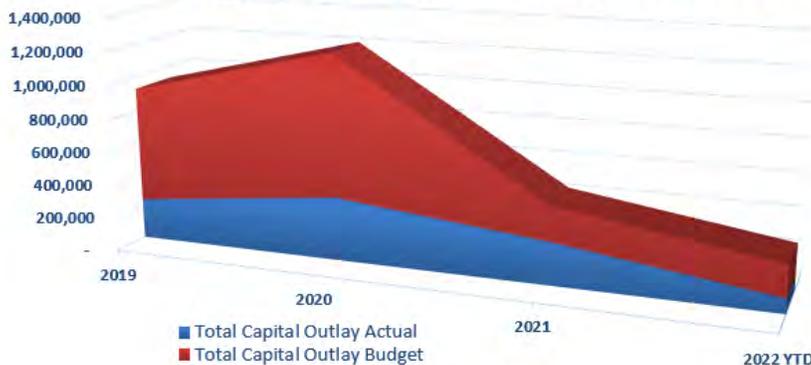
This will assist the District to ensure that all assets are repaired or replaced through their useful life as well as ensure the District is working with innovative tools.

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	2025
Future Water Supply & Storage				
Colorado River Issues	10,000	11,000	10,000	9,403
Recovery of Storage	300,000	-	-	-
Fry-Ark Condition Assessment	250,000	172,000	143,000	148,000
Watershed Management	10,000	10,000	10,000	10,000
Healthy Forest	20,000	20,000	20,000	20,000
Water Supply Protection & Efficiency				
Water Right Protection	235,000	237,500	236,875	236,481
Boundary Engineering	15,000	12,500	13,125	13,519
Water Supply Storage & Power				
Finance Study	100,000	100,000	-	-
Stream Forecasting	10,000	20,000	20,000	20,000
	\$950,000	583,000	\$453,000	\$457,403

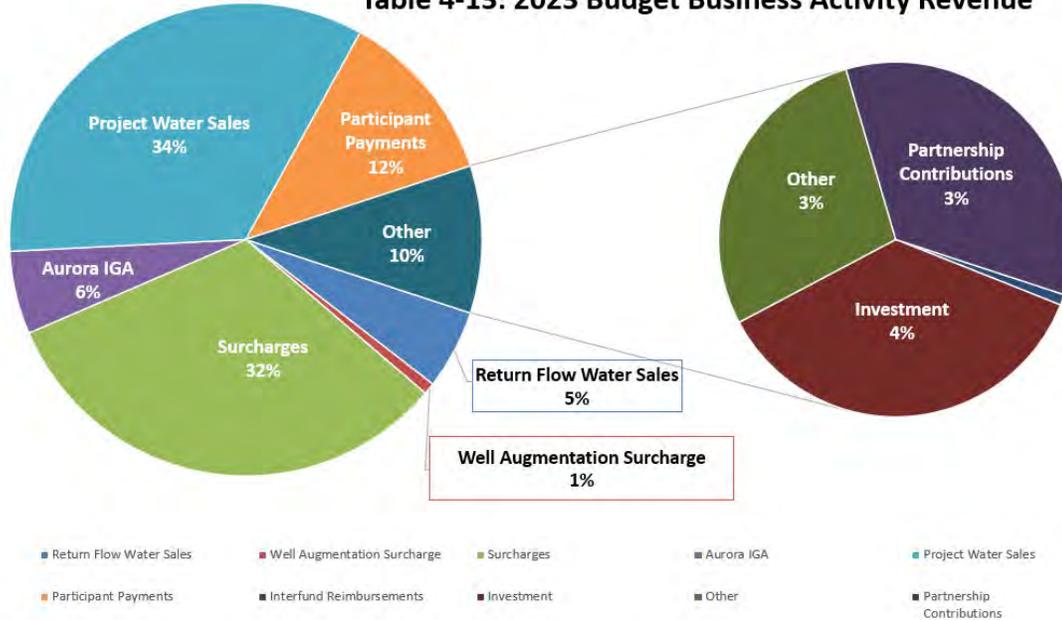
Capital Outlay	2022	2023	2024	2025
Vehicle	45,000	45,000	-	45,000
Facilities	30,000	38,000	46,200	63,500
Landscaping Maintenance	20,000	20,000	10,000	10,000
Information Technology	92,000	211,000	25,000	25,000
	\$187,000	\$314,000	\$81,200	\$143,500

Table 4-12: Capital Outlay vs Actual Expenditures



Enterprise Water Fund Operating Revenue

Table 4-13: 2023 Budget Business Activity Revenue



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

The Arkansas Valley Conduit and Hydroelectric Power budgets are presented as separate funds even though they are part of the Enterprise.

The Enterprise Water Fund revenues are made up of water sales, surcharges assessed on water sales and storage, participants’ payments, interest on investments, partnership contributions, interfund reimbursements and other sources.

The 2023 budgeted operating revenues make up a total of \$1,760,776 and are broke down by percentages shown in Table 4-13.

The sale of Project Water is one of the primary sources of operating revenue for the Enterprise Water Fund, and is budgeted at \$595,899 for 2023. Project wa-

ter 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 for a total of \$95,712. Table 4-14 illustrates historical water revenue sales.

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 2023 budget.

In 2023 the Board will resume discussions regarding the Financial Plan and Water and Storage rates that were delayed in prior years due to Covid-19.

For 2023 Water Rates and Surcharges see the Appendix.

Table 4-14: Water Sales Revenue



Enterprise Water Fund Operating Revenue

Surcharge revenue is the largest revenue generation in the Enterprise operations totaling \$595,899 in the 2023 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 2023 Water Rates and Surcharges*.

The Water Activity Enterprise surcharges are assessed for the use of Frylingpan-Arkansas Project facilities and 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.

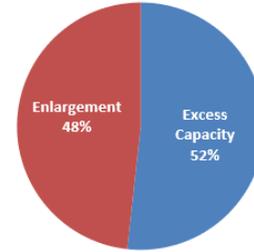
The Well Augmentation surcharge is assessed to Municipal and Irrigation customers using “First Use” Project water for well augmentation purposes rather than for direct irrigation or municipal use.

The Safety of Dams began in July 1998 and is a repayment mechanism to Reclamation in addition to providing additional revenue for the Enterprise operations. Safety of Dams is the reimbursable costs for modification of the Pueblo Dam and other facilities, and includes M&I and Ag beneficiaries. The Safety of Dams modifications was implemented to fully restore the previous conservation

Table 4-15: Surcharge Revenue



Table 4-16: Business Activity Participant Revenue



storage capacity and operations of the Pueblo Reservoir. The Safety of Dams surcharge is assessed to participants that purchase 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 12 percent of the total Enterprise Water Fund revenues. These revenues are based on participation in the Long-Term Excess Capacity Master Contract and Enlargement projects.

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 to the storage fees and surcharges, the participants are also responsible for administration fees of \$108,605 in 2023.

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 include the ongoing United States Geological Survey (USGS) water studies. The 2023 participant revenue is budgeted at \$101,277.



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. The 2023 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 2023 Budget for the Arkansas Valley Conduit (AVC) is \$2,931,346.

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 project. The 2023 participant payments are budgeted to be \$329,599.

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 develop-

ment of the AVC project. The IPA significantly assists by lowering participants' costs of the AVC project. The 2023 IPA revenue is budgeted at \$223,069.

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 rate loans. In 2022 the CWCB took action to increase the grant portion by an additional \$20 million, totaling \$30 million in CWCB grants. There is no plan to utilize loan or grant funds within the 2023 budget period, but these funds will be a necessary element of the AVC project in the future as construction is expected to begin in late 2024.

Enterprise Hydroelectric Power Project Revenues

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

In 2019, the Enterprise completed construc-

tion of the Hydroelectric Power Project. The CWCB Hydroelectric loan was closed in January 1, 2023 with the first debt payment due by January 1, 2024.

There is \$1,524,610 in revenues budgeted for 2023. Energy generation sales to Colorado Springs Utilities and the City of Fountain make up \$1,314,375 of total revenues.

Other Enterprise Operating Revenues

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

The Enterprise currently has approximately \$5,600,000 invested in purchased bonds held through Wells Fargo Securities, LLC and COLOTrust. COLOTrust is a Colorado local government investment pool for liquid assets.

The 2023 Budget for investment interest, based on projections are \$64,290. The Enterprise has approximately \$3,000,000 in bond that will mature in 2023.

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 2023, revenue budgeted for RRPG is \$61,324.

Enterprise Water Fund Operating & Capital Expenditures

Enterprise Water & Storage Operating Expenditures

The budgeted Enterprise Water Fund total expenditures for the 2023 Budget is \$2,858,245. The expenditures are comprised into three major categories; 1.) Operating Expenditures \$2,323,245. 2.) Planning and Development expenditures \$335,000, and 3.) Capital Project totaling \$200,000.

The Enterprise Water Fund has a 2023 budgeted total of \$2,323,245 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 2023 budgeted operation expenditures are illustrated by percentage in Table 4-17.

In 2023, the largest expense of the Enterprise Water Fund is the Interfund Reimbursement for Services from the Enterprise, which encompasses 75 percent of the budgeted operating expenditures. The Enterprise Interfund Reimbursement is budgeted based on estimated hours worked per project and/

Table 4-17: 2023 Budget Enterprise Business Activity Operating Expense



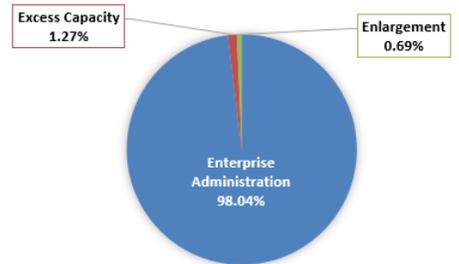
or program and a calculated overhead charge. The overhead charge includes facilities use and other regular annual expenditures such as insurance, utilities, supplies, etc. This is a strong indicator that the Enterprise projects are moving forward as outlined in the Strategic Plan. An illustration of the past four years and 2023 Budget regarding interfund reimbursements can be located in Table 4-18.

Table 4-19 provides a view of the percentage distribution of the total Enterprise Interfund Reimbursement. Please note that the Intergovernmental Personnel Act (IPA) for the Arkansas Valley Conduit provides a revenue to cover the majority of the AVC personnel cost but does not provide revenue for overhead costs. The Enterprise Administration has assumed the costs of this portion of the overhead and is included in the 98 percent.

Table 4-18: Enterprise Interfund Reimbursement for Services



TABLE 4-19: 2023 BUDGET PERSONNEL & OVERHEAD DISTRIBUTION



Enterprise Water Fund Capital Outlay

The 2023 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

2023 through 2025 budget. This is a portion of the District'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.

Planning and Development	2022	2023	2024	2025
Future Water Supply & Storage				
District Interfund Transfer	300,000	300,000	315,000	324,450
Restoration of Yield	10,000	10,000	10,000	10,000
Basin Storage	25,000	25,000	25,000	25,000
	335,000	335,000	350,000	359,450
Capital Outlay				
Restoration of Yield	200,000	200,000	200,000	200,000
	\$200,000	\$200,000	200,000	200,000



Arkansas Valley Conduit & Hydroelectric Power Expenditures

Partnerships account for 3 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 \$897,469 will be used from reserves for operations in 2023.

This is stated in the 2023 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 \$3,677,018 in expense. In 2020 the AVC project was awarded \$23 million in federal funding, and set the project moving forward. In 2022 the Project received an additional \$60 million in federal funding. The Project is planned over a 15-year Project period with construction to begin in 2023.

The 2023 AVC budget includes operation expense of \$698,768. The remainder is made up of final design and construction in capital expense. Most of the 2023 capital expenses will be supported by American Rescue Act Funds (ARPA) and in the future the Colorado Water Conservation Board (CWCB) loan and grant package. The participants of the AVC project are responsible for \$329,599 of the operating expenditures.

Based on the 2023 Budget, the AVC plans to use \$345,672 in reserve funds to continue the support of this major Enterprise project.



AVC Groundbreaking 2020

Hydroelectric Power Project Operating Expense

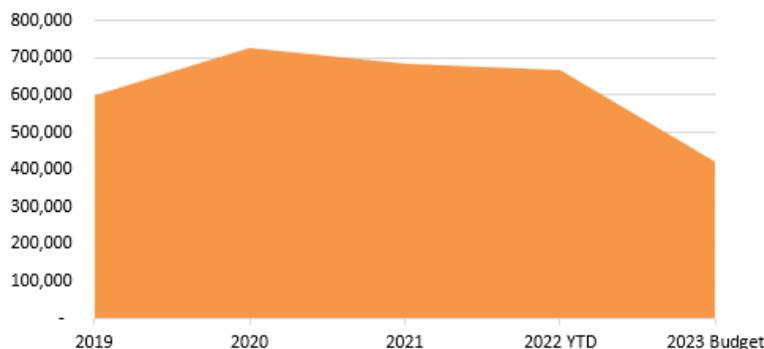
Between 2012 and 2017 the James W. Broderick Hydroelectric Power project expenditure budget was rolled into the Enterprise budget resolution. As a result of the start of construction on the project in 2017 and beyond, a separate budget resolution was presented and adopted to show members of the Board 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. The CWCB Hydroelectric loan was closed in January 1, 2023 with the first payment due by January 1, 2024.

In 2023, the budgeted operating expense totals \$769,256 and includes headquarters operations, outside professional services, personnel and overhead cost, travel expense, and expense associated with on-site tours.

Construction was completed in 2019. Between 2019 through 2022, the project has expended an average of \$669,374 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 2023 Capital Outlay expense total for Pueblo Dam Hydroelectric Power is \$222,200. This includes \$50,000 for flow meters and \$172,200 for the remaining amount on the Colorado Water Conservation Board (CWCB) loan.

The total Hydroelectric Project expense for 2023 is budgeted at \$991,456.

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 2023 Budget revenue for the Government Activity, which accounts for 72 percent; Enterprise Water Fund, 8 percent; the Arkansas Valley Conduit, 14 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.

The Arkansas Valley Conduit Project is in the final design with an expectation for construction to begin in 2023.

The Hydroelectric Project forecasts indicate that the project will generate sufficient revenues to cover expenses in 2023.

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 4-21: 2023 Adopted Budget Government & Enterprise Presentation

	Government Activity	Water & Stroage Fund	Arkansas Valley Conduit Fund	Hydroelectric Fund	Total
Revenue					
Fryingpan-Arkansas Activity	12,701,644	-	-	-	12,701,644
Loan Activity	-	-	-	172,200	172,200
Grant Activity	400,000	-	400,000	-	800,000
Federal IPA Activity	-	-	223,069	-	223,069
Federal ARPA Activity	-	-	2,363,250	-	2,363,250
Operating Activity	3,673,879	1,760,776	345,027	1,352,410	7,132,092
Total Revenue	16,775,523	1,760,776	3,331,346	1,524,610	23,392,255
Expenditures					
Fryingpan-Arkansas Activity	6,716,423	-	-	-	6,716,423
Grant Activity	400,000	-	400,000	-	800,000
Operating Activity	4,467,421	2,658,245	698,768	769,256	8,593,690
Total Expenditure	11,583,844	2,658,245	1,098,768	769,256	16,110,113
Total Fry-Ark Revenues over (under) Expenditures	5,985,221	-	-	-	7,282,142
Total Operations Revenues over (under) Expenditures	(793,542)	(897,469)	2,232,578	755,354	1,296,921
Capital Improvement/Project Expenses	314,000	200,000	2,578,250	222,200	3,314,450
Total Over (Under) Expenditures	4,877,679	(1,097,469)	(345,672)	533,154	3,967,692

Table 4-22: Five Year Budget Trends

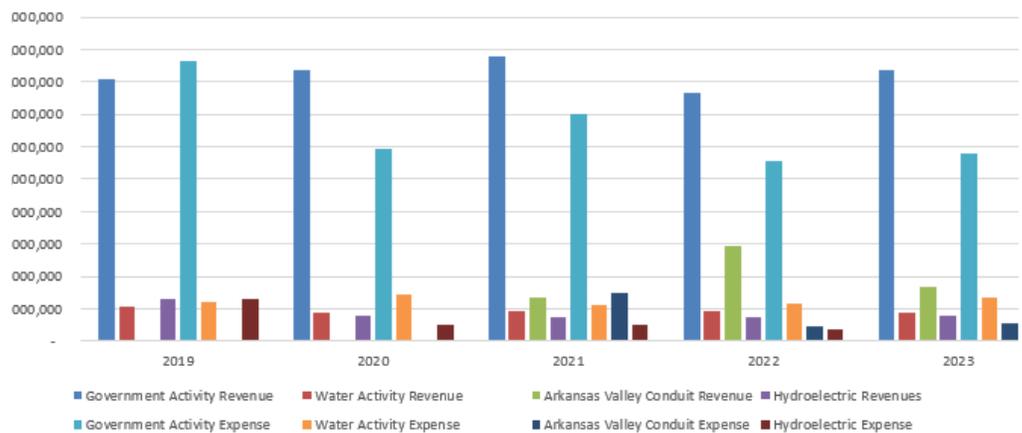
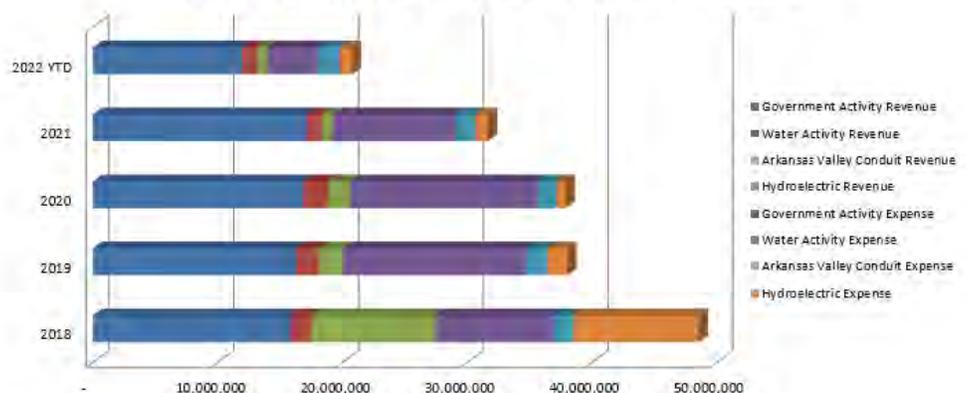


Table 4-23: Five Year Actual Trends Government Wide



Fund Balances

The year-end 2022 estimates can be found in Table 4-24.

This estimation is based on actual revenues and expenditures as of month end December 31, 2022, prior to year-end entries.

In 2022, the Fry-Ark Project estimated fund balance is expected to increase \$6,469,660. This increase would create a year-end 2022 fund balance of \$21,448,566 in the Fry-Ark Reserve.

The District is expected to experience an decrease of \$716,052 in general fund balance. The decrease in fund balance relates to increase in expenditures related to human resource activity and a decrease in investment income.

This will create a 2022 year-end fund balance of \$10,554,250.

The Enterprise estimated fund balance is forecasted to decrease by \$507,594. The decrease in fund balance relates to an increase in personnel cost and a decrease in investment income. This will create an estimated 2022 year-end fund balance of \$7,030,591.

In 2022, the Arkansas Valley Conduit estimated fund balance is forecasted to increase by \$36,932, leaving an estimated 2022 year-end fund balance of \$4,499,979.

The Hydroelectric Project estimated fund balance is forecasted to increase the negative fund balance by \$410,679. This is a result of decrease in energy production due to a maintenance issue in addition to a one time increase in loan fee expense related to the CWCB loan.

Table 4-25 applies the 2021 audited financial fund balances, applies the 2022 estimated fund balances and then applies the 2023 Adopted Budget.

Please note that this is an estimate and the final year-end fund balances can be found in the 2022 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: 2022 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	9,777,824	-	-	-	-	9,777,824
Grant Activity	-	-	-	-	-	-
Loan Activity	-	-	-	-	-	-
Operating Revenue	-	2,178,295	1,363,268	276,221	832,115	4,649,899
Total Revenue	\$ 9,777,824	\$ 2,178,295	\$ 1,363,268	\$ 276,221	\$ 832,115	\$ 14,427,723
Operating Expenditures						
Fry-Ark Activity	3,308,164	-	-	-	-	3,308,164
Grant Activity	-	-	-	-	-	-
Operating Expenses	-	2,894,347	1,870,862	239,289	1,242,794	6,247,292
Capital Expenses	-	-	-	-	-	-
Total Expenditures	\$ 3,308,164	\$ 2,894,347	\$ 1,870,862	\$ 239,289	\$ 1,242,794	\$ 9,555,456
Net Total Revenues over (under) Expenditures	\$ 6,469,660	\$ (716,052)	\$ (507,594)	\$ 36,932	\$ (410,679)	\$ 4,872,267

Table 4-25: 2022 Fund Balance Estimate

	Fry-Ark	District	Water and Storage	Arkansas Valley Conduit	Hydroelectric Power	Government Wide Total
2021 Audited Fund Balance	14,978,906	11,270,302	7,538,185	4,463,047	(2,159,968)	36,090,472
2022 Estimated Year-End Change in Fund Balance	6,469,660	(716,052)	(507,594)	36,932	(410,679)	4,872,267
2022 Forecasted Year-End Fund Balance	21,448,566	10,554,250	7,030,591	4,499,979	(2,570,647)	40,962,739
2023 Adopted Budget	5,985,221	(1,107,542)	(1,097,469)	(345,672)	533,154	3,967,692
2023 Estimated Ending Fund Balance	27,433,787	9,446,708	5,933,122	4,154,307	(2,037,493)	44,930,431



Government Activity Budget Statement

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

District General Fund (Fry-Ark and District Operations)

Statement of Revenues and Expenditures

	2021 Budget	2021 Actual	2022 Budget	2022 Actual DRAFT	2023 Budget
Fry-Ark Project Revenue					
Tax Collections					
Contract Mill Levy Collections	8,625,941	8,597,840	8,992,839	8,962,821	9,620,793
Abatement and Refund of Tax Collections	67,091	66,869	44,964	44,824	56,593
Prior Year Tax	(6,623)	(8,181)	(8,900)	(10,581)	(9,078)
County Collection Fees	<u>(144,226)</u>	<u>(148,204)</u>	<u>(158,273)</u>	<u>(155,587)</u>	<u>(174,100)</u>
Total Tax Collections	8,542,183	8,508,324	8,870,630	8,841,478	9,494,208
Fountain Valley Authority					
Fountain Valley Authority	5,365,000	5,336,538	2,600,000	0	2,600,000
Fountain Valley Authority- Conduit	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,750</u>	<u>0</u>
Total Fountain Valley Authority	5,365,000	5,336,538	2,600,000	1,750	2,600,000
Winter Water Storage					
Winter Water Storage	117,600	85,449	117,600	96,492	117,600
Total Winter Water Storage	117,600	85,449	117,600	96,492	117,600
Excess Capacity Master Contract					
Excess Capacity Master Contract	<u>282,659</u>	<u>282,659</u>	<u>288,597</u>	<u>288,597</u>	<u>337,836</u>
Total Excess Capacity Master Contract	282,659	282,659	288,597	288,597	337,836
Extraordinary Maintenance Revenues					
Extraordinary Maintenance Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>150,000</u>
Total Extraordinary Maintenance Revenues	0	0	0	0	150,000
Collection of RRA Fees					
RRA Fee Reimbursement	<u>20,000</u>	<u>0</u>	<u>20,000</u>	<u>0</u>	<u>2,000</u>
Total Collection of RRA Fees	20,000	0	20,000	0	2,000
Total Fry-Ark Project Revenue	14,327,442	14,212,971	11,896,827	9,228,317	12,701,644
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	3,300,928	0	2,529,272	936,686	2,629,261
Fry-Ark OM&R Credits	<u>(734,345)</u>	<u>0</u>	<u>(455,269)</u>	<u>(238,692)</u>	<u>(587,846)</u>
Total Contract Payments	4,034,155	0	3,541,575	2,165,566	3,508,987
Fountain Valley Authority					
Payment - Fountain Valley Authority	5,365,000	5,336,538	2,600,000	0	2,600,000
Fountain Valley Authority - Conduit	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,750</u>	<u>0</u>
Total Fountain Valley Authority	5,365,000	5,336,538	2,600,000	1,750	2,600,000
Winter Water Storage					
Payment - Winter Water Storage - USBR	117,600	85,449	117,600	96,492	117,600
Total Winter Water Storage	117,600	85,449	117,600	96,492	117,600
Excess Capacity Master Contract					
Payment - Excess Capacity Master Contract - USBR	282,659	282,659	288,597	288,597	337,836
Total Excess Capacity Master Contract	282,659	282,659	288,597	288,597	337,836
Extraordinary Maintenance Expenditure					
Extraordinary Maintenance Expenditure	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>150,000</u>
Total Extraordinary Maintenance Expenditure	0	0	0	0	150,000
RRA Fees					
Reclamation Reform Act Audit	<u>20,000</u>	<u>0</u>	<u>20,000</u>	<u>0</u>	<u>2,000</u>
Total RRA Fees	20,000	0	20,000	0	2,000
Total Fry-Ark Project Expenditures	9,819,414	5,704,647	6,567,772	2,552,405	6,716,423
Total Fry-Ark Revenues Over (Under) Expenditures	<u>4,508,028</u>	<u>8,508,324</u>	<u>5,329,055</u>	<u>6,675,912</u>	<u>5,985,221</u>
Grant Revenue					
State					
Grant Revenue - Contingency	<u>400,000</u>	<u>0</u>	<u>400,000</u>	<u>0</u>	<u>400,000</u>
Total State	400,000	0	400,000	0	400,000



Government Activity Budget Statement

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

District General Fund (Fry-Ark and District Operations)

Statement of Revenues and Expenditures

	2021 Budget	2021 Actual	2022 Budget	2022 Actual DRAFT	2023 Budget
Total Grant Revenue	400,000	0	400,000	0	400,000
Grant Expenditures					
State					
Grant Expenditure - State	400,000	0	400,000	0	400,000
Total State	400,000	0	400,000	0	400,000
Total Grant Expenditures	400,000	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	776,145	1,075,191	810,000	919,430	830,000
Operating Tax Revenue	335,453	334,357	393,437	393,147	362,195
Total Tax Revenue for Operations	1,111,598	1,409,548	1,203,437	1,312,578	1,192,195
Interfund Reimbursements					
Enterprise Admin Reimbursement	1,590,010	1,411,852	1,747,595	1,678,835	2,198,139
Total Interfund Reimbursements	1,590,010	1,411,852	1,747,595	1,678,835	2,198,139
Investment Revenue					
Interest Income	20,750	14,823	6,563	16,798	6,525
Income to Fair Market Adjust	0	(200,857)	0	(762,782)	0
Interest on Bonds	113,811	105,227	84,855	165,832	277,020
Total Investment Revenue	134,561	(81,007)	91,418	(580,153)	283,545
Other Operating Revenue					
Miscellaneous Revenue	0	24,044	0	0	0
Total Other Operating Revenue	0	24,044	0	0	0
Total Operating Revenue	2,836,169	2,764,436	3,042,450	2,411,260	3,673,879
Operating Expenditures					
Human Resources					
Staff Payroll	1,199,604	1,200,191	1,469,938	1,407,518	1,936,897
Incentive/Performance Capacity	23,678	20,000	42,000	36,000	48,000
Directors Payroll	36,000	36,000	36,000	36,000	36,000
Payroll Taxes	89,599	83,038	109,035	103,202	150,934
HSA Contributions	39,600	39,600	49,500	46,686	54,450
401 Retirement Contribution	115,660	106,560	141,104	118,011	170,653
457 Retirement Contribution	69,396	55,176	84,662	68,580	93,557
Health Insurance	141,973	148,200	212,139	178,422	270,433
Life Ins - Staff & Directors	8,188	7,798	10,089	8,995	12,202
Medical Reimbursement Expense	4,950	1,824	4,950	6,121	4,950
LT Disability Ins	7,052	7,221	8,564	8,798	11,415
Employee Assistance Program	739	704	910	1,034	1,355
Dental Insurance	10,386	9,441	12,751	11,530	15,573
Vision Insurance	1,742	1,659	2,739	1,997	2,636
Worker's Compensation Insurance	2,800	2,637	3,250	2,597	4,000
Total Human Resources	1,751,367	1,720,098	2,187,631	2,035,490	2,813,055
Headquarter Operations					
Admin Fees for Human Resources	4,867	4,519	4,737	5,268	5,987
Bank Fees	3,904	5,414	1,000	821	1,094
Board Awards/Gifts	102	120	103	440	488
Board Memberships/Subscriptions	9,050	8,392	8,996	8,584	9,442
Board Printing	558	109	216	158	284
Board Room Presentation Equipment and Maintenance	1,019	800	621	0	550
Board Room Accessories	306	72	391	463	619
Board/Committee Meals	6,345	1,784	6,469	6,907	9,113
Building Heating/Cooling	2,038	3,510	2,588	1,360	2,847
Building Other/Misc Maintenance	2,547	200	724	893	1,202



Government Activity Budget Statement

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

District General Fund (Fry-Ark and District Operations)

Statement of Revenues and Expenditures

	2021 Budget	2021 Actual	2022 Budget	2022 Actual DRAFT	2023 Budget
Building Plumbing & Electrical	2,418	119	2,035	1,438	2,239
Building Tools & Equipment	204	0	207	0	110
Computer - General Contracts	27,818	26,264	28,792	26,629	33,700
Computer - Supplies	172	247	250	139	276
Computer - Hardware	16,289	25,087	15,000	28,141	16,500
Computer - Software and Licenses	24,730	20,893	25,596	24,458	30,600
Depreciation Expense	0	82,361	0	0	0
Insurance - Automobile	1,894	1,885	1,744	1,525	1,500
Insurance - Excess Liability/Umbrella	3,402	2,913	3,015	3,194	3,790
Insurance - General Liability	14,598	12,488	12,925	14,525	17,410
Insurance - Property & Liability	5,384	5,047	5,224	4,229	4,985
Insurance - Public Official Liability	1,340	1,202	1,244	1,187	1,375
Legal Notices	676	1,840	2,262	463	1,000
Maintenance - Backflow Testing	143	220	228	110	121
Maintenance Fire System	357	3,930	500	554	609
Maintenance - Janitorial Services	3,810	3,180	3,291	5,080	5,330
Maintenance - Pest Control	309	361	531	384	535
Maintenance - Waste Disposal	1,841	1,914	1,986	2,162	2,336
Maintenance - Security	1,223	4,397	1,250	1,200	1,925
Maintenance - Snow Removal	1,916	1,170	2,246	1,395	2,471
Maintenance - Window Cleaning	1,182	885	890	980	979
Maintenance Facilities - Blacktop	1,019	0	1,000	0	1,000
Office - Equipment (New and Maintenance)	1,586	6,819	6,935	1,166	2,033
Office - Coffee/Snacks	685	713	700	858	688
Office - Copy Machine Color	8,720	4,723	5,000	8,019	9,693
Office - General/Staff Memberships	8,852	6,795	7,700	7,290	8,580
Awards & Gifts - Other	429	75	336	442	427
Office - Printing	3,537	2,787	3,661	2,955	4,027
Office - Publications & Subscriptions	907	852	758	500	935
Phone - Cell	5,000	5,979	7,500	6,327	10,177
Phone - Equipment Maintenance	1,579	1,436	1,487	1,350	2,150
Phone & Internet	14,429	13,519	14,056	12,489	12,245
Postage & Shipping	4,718	3,934	4,680	3,083	5,148
Staff Awards and Gifts	1,081	2,672	3,647	172	1,650
Supplies - Janitorial	537	259	360	439	458
Supplies - Office	3,954	3,277	4,291	2,739	4,720
Supplies - Paper	1,075	631	1,113	735	1,224
Supplies - Toner	1,149	1,217	1,189	752	1,308
Utilities	18,592	13,822	19,466	18,150	21,413
Utilities - Airport Fee	968	900	931	900	990
Vehicle R&M - 2014 Rav4	415	250	750	347	825
Vehicle R&M - 2017 Rav4	608	124	750	584	825
Vehicle R&M - 2019 Highlander	352	1,079	750	1,930	825
Web Contracts - Design & Support	1,997	120	1,242	0	2,200
Web Hosting	376	568	678	368	746
Landscape - Materials, Supplies and Plants	2,547	332	2,598	977	2,500
Landscape Maintenance & Contracts	13,024	11,655	20,725	16,076	24,654
Contingency - Operating	141,817	0	152,176	0	183,686
Total Headquarter Operations	380,173	305,461	399,540	231,335	464,544
Meetings and Travel					
Directors - Other Travel (Tip, Fax, Parking, Tel, etc.)	352	233	500	406	550
Directors Airfare	2,041	817	2,108	2,044	2,319
Directors Hotels	6,436	3,193	6,662	7,414	8,428
Directors Meals	370	708	500	1,176	550



Government Activity Budget Statement

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

District General Fund (Fry-Ark and District Operations)

Statement of Revenues and Expenditures

	2021 Budget	2021 Actual	2022 Budget	2022 Actual DRAFT	2023 Budget
Directors Meeting Registrations	8,417	3,158	8,630	8,535	7,843
Directors Mileage Reimbursement	12,310	5,290	12,760	6,517	9,638
Executive - Airfare	1,264	0	2,302	518	2,532
Executive - District Vehicle Gas	1,274	1,586	1,718	2,594	2,440
Executive - Hotels	3,302	1,372	3,417	4,624	4,309
Executive - Meals	587	590	607	824	668
Executive - Meeting Registrations	3,041	1,809	3,200	2,797	5,277
Executive - Other Travel Expense	263	0	300	74	330
Meeting Expense	1,419	0	1,477	460	1,625
Meeting Meals - Non Staff Member	300	290	300	795	550
Staff Travel -Airfare	5,000	871	5,240	4,033	5,764
Staff Travel - District Vehicle Gas	1,726	1,117	2,279	2,340	3,057
Staff Travel - Hotels	8,264	7,023	8,516	14,517	13,000
Staff Travel - Meals	1,955	2,556	2,018	4,099	3,320
Staff Travel - Registrations	9,055	4,999	9,273	11,024	13,500
Staff Travel - Other Travel	994	195	1,024	1,466	1,126
Staff Professional Certification /Licenses	2,504	1,052	1,915	1,405	2,547
Staff Education (General Skills)	10,000	4,137	10,000	1,784	10,000
Total Meetings and Travel	78,874	40,994	82,746	77,434	99,371
Outside and Professional Services					
Annual Audit	42,531	36,470	37,565	35,345	39,980
Financial/Other Consultants	0	12,000	0	0	0
Consultant HR Breadbasket	10,000	0	10,000	0	0
Consultant/Lobbying Services - Federal	43,337	39,081	41,901	50,402	46,091
Colorado River Services	20,000	0	20,500	0	22,550
Legal Representation	300,605	241,920	310,500	156,223	300,000
Water Policy Management Consultants	30,000	8,441	22,019	1,050	11,000
Engineering Outside Contracts	0	0	50,000	15,235	25,000
Total Outside and Professional Services	446,473	337,912	492,485	258,256	444,621
Water Conservation and Education					
Tours & Anniversary Events	3,309	4,284	33,000	15,489	15,000
Sponsorships, Exhibits & Ads	21,411	7,500	25,000	6,500	25,000
ANS - Aquatic Nuisance Species Program	19,750	0	20,000	20,000	20,000
Xeriscape Ed Programs & Publications	510	199	734	149	2,830
Total Water Conservation and Education	44,980	11,983	78,734	42,118	62,830
Planning and Development					
Future Water Supply & Storage	640,000	176,747	590,000	10,701	213,000
Water Supply Protection & Efficiency	250,000	78,352	250,000	126,132	250,000
Water Supply Storage & Power	10,000	0	110,000	0	120,000
Total Planning and Development	900,000	255,099	950,000	136,833	583,000
Total Operating Expenditures	3,601,867	2,671,547	4,191,136	2,781,466	4,467,421
Total Operations Revenues Over (Under) Expenditures	(765,698)	92,889	(1,148,688)	(370,206)	(793,542)
Capital Outlay and Improvements					
Capital Outlay - Core Business	207,000	0	187,000	83,564	314,000
Total Capital Outlay and Improvements	207,000	0	187,000	83,564	314,000
Total Revenues Over (Under) Expenditures	3,535,330	8,601,214	3,993,369	6,222,142	4,877,679



Enterprise Administration Budget Statement

Southeastern Colorado Water Conservancy District 2023 Adopted Budget Enterprise Operations (Water and Storage) Statement of Revenues and Expenditures

	2021 Budget	2021 Actual	2022 Budget	2022 Actual DRAFT	2023 Budget
Total Fry-Ark Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Grant Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating Revenue					
Water Sales, Surcharges and Fees					
Return Flow Water Sales	94,164	57,892	93,168	80,355	95,712
Well Augmentation Surcharge	13,671	6,934	13,507	8,251	13,926
Surcharge Revenue	632,965	546,601	647,018	557,201	568,004
Storage Fees	100,000	100,000	100,000	100,000	100,000
Project Water Sales	584,914	260,238	577,805	383,543	595,899
Total Water Sales, Surcharges and Fees	<u>1,425,714</u>	<u>971,665</u>	<u>1,431,498</u>	<u>1,129,351</u>	<u>1,373,541</u>
Investment Revenue					
Interest Income	19,740	728	1,212	977	400
Income to Fair Market Adjust	0	(93,719)	0	(265,435)	0
Interest on Bonds	88,253	59,954	43,741	35,841	63,890
Total Investment Revenue	<u>107,993</u>	<u>(33,037)</u>	<u>44,953</u>	<u>(228,617)</u>	<u>64,290</u>
Partnership Contributions					
Regional Resource Planning Payments	110,000	0	110,000	40,920	61,324
Total Partnership Contributions	<u>110,000</u>	<u>0</u>	<u>110,000</u>	<u>40,920</u>	<u>61,324</u>
Other Operating Revenue					
Aurora IGA - Administration Fee	50,000	50,000	50,000	50,000	50,000
Total Other Operating Revenue	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Total Operating Revenue	<u>1,693,707</u>	<u>988,628</u>	<u>1,636,451</u>	<u>991,654</u>	<u>1,549,155</u>
Operating Expenditures					
Headquarter Operations					
Bank Fees	0	432	960	60	176
Contingency - Operating	84,685	0	81,823	0	77,458
Total Headquarter Operations	<u>84,685</u>	<u>432</u>	<u>82,783</u>	<u>60</u>	<u>77,634</u>
Outside and Professional Services					
Consultant/Lobbying Services - Federal	48,705	39,861	46,431	37,238	51,074
Colorado River Services	57,234	35,101	58,525	35,098	78,010
Engineering Outside Contracts	10,000	851	51,000	17,950	27,500
Transit Loss Study Expenses	3,201	3,226	3,486	3,430	3,773
Research Project Support	2,000	2,000	2,000	2,000	2,000
Total Outside and Professional Services	<u>121,140</u>	<u>81,039</u>	<u>161,442</u>	<u>95,717</u>	<u>162,357</u>
Personnel and Overhead					
Office Overhead	435,633	435,672	447,414	447,408	481,803
Project Directors Allocation	24,120	24,120	24,120	24,120	24,120
Project Personnel	711,053	631,285	855,449	876,406	1,190,034
Total Personnel and Overhead	<u>1,170,806</u>	<u>1,091,077</u>	<u>1,326,983</u>	<u>1,347,934</u>	<u>1,695,957</u>
Partnerships					
Safety of Dams - Pueblo	60,000	0	60,000	60,000	60,000
Water Quality	15,318	15,318	15,841	15,749	16,537
RRPG Project Costs	135,000	0	135,000	52,960	87,400
Total Partnerships	<u>210,318</u>	<u>15,318</u>	<u>210,841</u>	<u>128,709</u>	<u>173,937</u>
Other Payments					
Reimbursement to Other Project/Fund	1,528	1,778	1,581	1,267	1,739
Total Other Payments	<u>1,528</u>	<u>1,778</u>	<u>1,581</u>	<u>1,267</u>	<u>1,739</u>
Planning and Development					
Core Business	300,000	0	300,000	0	300,000
Future Water Supply & Storage	32,500	7,140	35,000	0	35,000
Total Planning and Development	<u>332,500</u>	<u>7,140</u>	<u>335,000</u>	<u>0</u>	<u>335,000</u>
Total Operating Expenditures	<u>1,920,977</u>	<u>1,196,784</u>	<u>2,118,630</u>	<u>1,573,667</u>	<u>2,446,624</u>



Enterprise Administration Budget Statement

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

Enterprise Operations (Water and Storage)

Statement of Revenues and Expenditures

	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual DRAFT</u>	<u>2023 Budget</u>
Total Operations Revenues Over (Under) Expenditures	<u>(227,270)</u>	<u>(208,157)</u>	<u>(482,179)</u>	<u>(582,032)</u>	<u>(897,469)</u>
Capital Outlay and Improvements					
Capital Outlay-Future Water Supply & Storage	<u>142,500</u>	<u>0</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
Total Capital Outlay and Improvements	<u>142,500</u>	<u>0</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
Total Revenues Over (Under) Expenditures	<u><u>(369,770)</u></u>	<u><u>(208,157)</u></u>	<u><u>(682,179)</u></u>	<u><u>(582,032)</u></u>	<u><u>(1,097,469)</u></u>



Enterprise Project Budget Statements

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

Enlargement Project

Statement of Revenues and Expenditures

	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual DRAFT</u>	<u>2023 Budget</u>
Operating Revenue					
Participant Payments					
Payments - Participants	<u>98,593</u>	<u>96,107</u>	<u>94,883</u>	<u>68,456</u>	<u>101,277</u>
Total Participant Payments	<u>98,593</u>	<u>96,107</u>	<u>94,883</u>	<u>68,456</u>	<u>101,277</u>
Interfund Reimbursements					
Matching Project Contribution	<u>1,528</u>	<u>1,778</u>	<u>1,581</u>	<u>1,267</u>	<u>1,739</u>
Total Interfund Reimbursements	<u>1,528</u>	<u>1,778</u>	<u>1,581</u>	<u>1,267</u>	<u>1,739</u>
Total Operating Revenue	<u>100,121</u>	<u>97,886</u>	<u>96,464</u>	<u>69,722</u>	<u>103,016</u>
Operating Expenditures					
Personnel and Overhead					
Office Overhead	<u>4,787</u>	<u>4,812</u>	<u>4,996</u>	<u>4,996</u>	<u>5,420</u>
Project Personnel	<u>4,468</u>	<u>2,208</u>	<u>5,468</u>	<u>3,431</u>	<u>6,567</u>
Total Personnel and Overhead	<u>9,255</u>	<u>7,020</u>	<u>10,464</u>	<u>8,427</u>	<u>11,987</u>
Partnerships					
Water Quality	<u>90,866</u>	<u>90,866</u>	<u>86,000</u>	<u>85,028</u>	<u>91,029</u>
Total Partnerships	<u>90,866</u>	<u>90,866</u>	<u>86,000</u>	<u>85,028</u>	<u>91,029</u>
Total Operating Expenditures	<u>100,121</u>	<u>97,886</u>	<u>96,464</u>	<u>93,455</u>	<u>103,016</u>
Total Operations Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>(23,733)</u>	<u>0</u>
Total Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>(23,733)</u>	<u>0</u>

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

Excess Capacity Project

Statement of Revenues and Expenditures

	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual DRAFT</u>	<u>2023 Budget</u>
Operating Revenue					
Participant Payments					
Payments - Participants	<u>100,678</u>	<u>91,403</u>	<u>98,682</u>	<u>65,057</u>	<u>108,605</u>
Total Participant Payments	<u>100,678</u>	<u>91,403</u>	<u>98,682</u>	<u>65,057</u>	<u>108,605</u>
Total Operating Revenue	<u>100,678</u>	<u>91,403</u>	<u>98,682</u>	<u>65,057</u>	<u>108,605</u>
Operating Expenditures					
Personnel and Overhead					
Office Overhead	<u>4,787</u>	<u>4,812</u>	<u>5,161</u>	<u>5,159</u>	<u>5,962</u>
Project Personnel	<u>11,378</u>	<u>2,208</u>	<u>13,521</u>	<u>3,161</u>	<u>16,007</u>
Total Personnel and Overhead	<u>16,165</u>	<u>7,020</u>	<u>18,682</u>	<u>8,320</u>	<u>21,969</u>
Partnerships					
Water Quality	<u>84,513</u>	<u>84,383</u>	<u>80,000</u>	<u>78,963</u>	<u>86,636</u>
Total Partnerships	<u>84,513</u>	<u>84,383</u>	<u>80,000</u>	<u>78,963</u>	<u>86,636</u>
Total Operating Expenditures	<u>100,678</u>	<u>91,403</u>	<u>98,682</u>	<u>87,283</u>	<u>108,605</u>
Total Operations Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>(22,226)</u>	<u>0</u>
Total Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>(22,226)</u>	<u>0</u>



Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District 2023 Adopted Budget Arkansas Valley Conduit Project Statement of Revenues and Expenditures

	2021 Budget	2021 Actual	2022 Budget	2022 Actual DRAFT	2023 Budget
Grant Revenue					
State					
Grant Revenue State/Local	0	0	400,000	0	400,000
Grant Revenue	<u>218,827</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total State	<u>218,827</u>	<u>0</u>	<u>400,000</u>	<u>0</u>	<u>400,000</u>
Total Grant Revenue	218,827	0	400,000	0	400,000
Grant Expenditures					
State					
Grant Expenditure - State	<u>0</u>	<u>0</u>	<u>400,000</u>	<u>0</u>	<u>400,000</u>
Total State	<u>0</u>	<u>0</u>	<u>400,000</u>	<u>0</u>	<u>400,000</u>
Total Grant Expenditures	0	0	400,000	0	400,000
Total Grant Revenues Over (Under) Expenditures	<u>218,827</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating Revenue					
Participant Payments					
Payments - Participants	<u>248,439</u>	<u>248,439</u>	<u>276,221</u>	<u>276,221</u>	<u>329,599</u>
Total Participant Payments	248,439	248,439	276,221	276,221	329,599
Federal Appropriations & USBR					
Federal IPA USBR Contract	<u>218,000</u>	<u>193,176</u>	<u>206,087</u>	<u>201,862</u>	<u>223,069</u>
Total Federal Appropriations & USBR	218,000	193,176	206,087	201,862	223,069
Loan Revenue					
Loan Revenue	<u>1,969,443</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Loan Revenue	1,969,443	0	0	0	0
Other Grants					
Other Grants	<u>0</u>	<u>0</u>	<u>1,973,000</u>	<u>89,887</u>	<u>2,363,250</u>
Total Other Grants	0	0	1,973,000	89,887	2,363,250
Investment Revenue					
Interest Income	0	22	100	144	100
Income to Fair Market Adjust	0	(64,534)	0	(209,026)	0
Interest on Bonds	<u>0</u>	<u>35,839</u>	<u>22,945</u>	<u>25,953</u>	<u>15,328</u>
Total Investment Revenue	<u>0</u>	<u>(28,673)</u>	<u>23,045</u>	<u>(182,929)</u>	<u>15,428</u>
Total Operating Revenue	2,435,882	412,942	2,478,353	385,040	2,931,348
Operating Expenditures					
Headquarter Operations					
Bank Fees	0	2,412	500	0	55
Board/Committee Meals	116	0	1,200	176	744
Office - Printing	0	36	500	0	550
Supplies - Office	0	(24)	0	0	0
Contingency - Operating	<u>54,774</u>	<u>0</u>	<u>42,647</u>	<u>0</u>	<u>148,567</u>
Total Headquarter Operations	54,890	2,424	44,847	176	147,916
Meetings and Travel					
Directors Airfare	1,000	0	1,000	0	1,100
Directors Hotels	500	0	500	0	550
Directors Meals	200	73	200	136	220
Directors Mileage Reimbursement	200	0	200	651	220
Executive - Airfare	1,000	0	1,000	0	1,100
Executive - Hotels	500	0	500	51	550
Executive - Meals	200	74	200	88	220
Executive - Other Travel Expense	200	0	200	0	220
Meeting Expense	2,180	50	2,017	0	2,000
Meeting Meals - Non Staff Member	0	374	500	76	550
Staff Travel - District Vehicle Gas	6,329	193	750	757	1,200
Staff Travel - Hotels	500	0	1,000	2,478	3,300
Staff Travel - Meals	<u>460</u>	<u>982</u>	<u>500</u>	<u>1,100</u>	<u>1,320</u>
Total Meetings and Travel	13,269	1,746	8,567	5,338	12,550

Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

Arkansas Valley Conduit Project

Statement of Revenues and Expenditures

	2021 Budget	2021 Actual	2022 Budget	2022 Actual DRAFT	2023 Budget
Outside and Professional Services					
Annual Audit	0	0	20,000	0	20,000
Consultant/Lobbying Services - Federal	39,919	34,409	39,009	30,082	37,410
Legal Representation	25,000	0	25,875	0	27,500
Water Policy Management Consultants	25,000	42,050	35,000	30,900	38,500
Total Outside and Professional Services	89,919	76,458	119,884	60,982	123,410
Water Conservation and Education					
Tours & Anniversary Events	2,180	0	2,000	0	2,000
Total Water Conservation and Education	2,180	0	2,000	0	2,000
Personnel and Overhead					
Office Overhead	19,149	19,176	19,787	19,787	27,098
Project Personnel	330,004	264,388	322,811	263,564	378,347
Total Personnel and Overhead	349,153	283,564	342,598	283,351	405,445
Partnerships					
Water Quality	6,352	6,483	7,559	6,065	7,447
Total Partnerships	6,352	6,483	7,559	6,065	7,447
Total Operating Expenditures	515,763	370,675	525,455	355,912	698,768
Total Operations Revenues Over (Under) Expenditures	1,920,119	42,267	1,952,898	29,128	2,232,578
Capital Outlay and Improvements					
Water Policy Management Consultants	25,000	30,503	25,000	26,761	10,000
Engineering Outside Contracts	2,413,270	212,824	2,311,859	716,175	2,543,250
Project Studies	5,450	0	0	0	0
Capital Outlay - Core Business	0	0	0	8,368	25,000
Total Capital Outlay and Improvements	2,443,720	243,327	2,336,859	751,305	2,578,250
Total Revenues Over (Under) Expenditures	(304,774)	(201,060)	(383,961)	(722,177)	(345,672)



Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

Hydroelectric Power Project

Statement of Revenues and Expenditures

	2021 Budget	2021 Actual	2022 Budget	2022 Actual DRAFT	2023 Budget
Operating Revenue					
Investment Revenue					
Interest Income	600	269	312	2,490	100
Income to Fair Market Adjust	0	(16,757)	0	(54,177)	0
Interest on Bonds	0	8,424	1,700	14,019	20,168
Total Investment Revenue	600	(8,065)	2,012	(37,667)	20,268
Hydroelectric Generation Revenue					
Hydroelectric Power Loan	172,200	0	172,200	0	172,200
Hydroelectric Generation Revenue-CS-U	607,941	430,172	637,500	401,377	652,500
Hydroelectric Generation Revenue-Fountain	629,269	442,266	650,875	414,633	661,875
Hydroelectric Power Transmission	20,380	16,381	29,002	16,105	17,767
Total Hydroelectric Generation Revenue	1,429,790	888,819	1,489,577	832,115	1,504,342
Other Operating Revenue					
Miscellaneous Revenue	0	(1,024)	0	0	0
Total Other Operating Revenue	0	(1,024)	0	0	0
Total Operating Revenue	1,430,390	879,730	1,491,589	794,448	1,524,610
Operating Expenditures					
Headquarter Operations					
Bank Fees	3,171	4,056	500	40	132
Building Tools & Equipment	4,277	434	4,427	0	2,000
Equipment Maint and Repairs	0	0	0	17,833	10,000
Depreciation Expense	0	365,287	0	0	0
Insurance - Automobile	404	401	415	0	0
Insurance - Excess Liability/Umbrella	18,734	9,811	10,154	18,890	20,779
Insurance - General Liability	15,362	15,429	15,969	13,245	14,569
Insurance - Property & Liability	36,274	40,646	42,068	45,382	49,920
Maintenance Fire System	0	3,002	3,020	2,779	3,607
Maintenance - Security	0	2,573	200	540	1,546
Phone & Internet	1,218	1,210	1,261	1,207	1,367
Postage & Shipping	100	0	103	154	0
Supplies - Office	100	0	103	0	0
Utilities	15,283	12,303	15,818	11,251	17,400
Landscape Maintenance & Contracts	2,800	0	2,898	0	2,000
Contingency - Operating	71,520	0	74,579	0	67,620
Total Headquarter Operations	169,243	455,152	171,515	111,321	190,960
Meetings and Travel					
Staff Travel - District Vehicle Gas	102	27	100	118	110
Staff Travel - Hotels	611	680	500	732	833
Staff Travel - Meals	102	42	100	278	160
Staff Travel - Other Travel	102	0	100	0	100
Total Meetings and Travel	917	749	800	1,127	1,203
Outside and Professional Services					
Engineering Outside Contracts	12,814	0	0	0	0
Total Outside and Professional Services	12,814	0	0	0	0
Water Conservation and Education					
Tours & Anniversary Events	0	61	0	0	0
Total Water Conservation and Education	0	61	0	0	0
Personnel and Overhead					
Office Overhead	14,362	14,388	17,313	17,310	21,678
Project Personnel	30,269	8,782	31,555	10,982	41,103
Total Personnel and Overhead	44,631	23,170	48,868	28,292	62,781
Debt Service					
Hydroelectric Interest During Construction	347,844	343,456	347,844	345,344	347,844
Total Debt Service	347,844	343,456	347,844	345,344	347,844
Annual Project Expense					

Enterprise Project Budget Statement

Southeastern Colorado Water Conservancy District

2023 Adopted Budget

Hydroelectric Power Project

Statement of Revenues and Expenditures

	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual DRAFT</u>	<u>2023 Budget</u>
Energy Transmission (BH)	56,590	32,248	58,005	32,104	35,533
Operations & Maintenance Operator	54,009	45,687	55,899	52,696	48,950
Operations & Maint Lubrication & Routine	14,524	13,438	20,673	19,336	17,506
Operation & Maintenance (USBR & OM&R)	5,639	10,735	6,000	2,492	2,741
Lease of Power Privilege-Annual Fee	48,830	101,951	54,000	56,125	61,738
Scheduling & Firming	40,760	0	0	0	0
Total Annual Project Expense	<u>220,352</u>	<u>203,959</u>	<u>194,577</u>	<u>162,753</u>	<u>166,468</u>
Total Operating Expenditures	<u>795,801</u>	<u>1,026,548</u>	<u>763,804</u>	<u>648,837</u>	<u>769,256</u>
Total Operations Revenues Over (Under) Expenditures	<u>634,589</u>	<u>(146,818)</u>	<u>727,985</u>	<u>145,611</u>	<u>755,354</u>
Capital Outlay and Improvements					
Capital Improvement - Hydroelectric (CWCB)	172,200	0	172,200	0	172,200
Capital Improvement - Hydroelectric (Other)	0	0	100,000	31,325	50,000
Total Capital Outlay and Improvements	<u>172,200</u>	<u>0</u>	<u>272,200</u>	<u>31,325</u>	<u>222,200</u>
Total Revenues Over (Under) Expenditures	<u><u>462,389</u></u>	<u><u>(146,818)</u></u>	<u><u>455,785</u></u>	<u><u>114,286</u></u>	<u><u>533,154</u></u>





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 2022 TO BE COLLECTED IN THE YEAR 2023.

RESOLUTION AND ORDER NO. 2022-01DF

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 2023, and submitted same to said Board on October 14, 2022; 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 17, 2022.

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 8, 2022, 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 \$11,897,844, of which \$6,716,423 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 2023, levied on the 2022 assessed valuation of \$11,318,579,758 will produce revenue of \$9,982,987. The District certifies a mill levy at .900 with a temporary mill levy rate reduction of .050 for a total of .850 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 with a temporary mill levy rate reduction of .003 for a total of .032 in compliance with Colo. Rev. Stat section 29-1-301, *et seq.*, for Operating Expenses, both totaling .882 mills.

BE IT FURTHER RESOLVED that the Board of Directors of said District certifies an additional .005 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 \$56,593.



District Adopted Budget Resolution

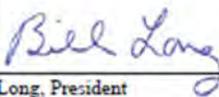
The Abatements and Refunds mill levy assessment is authorized under C.R.S. 39-10-114 (1) (a) (I) (B).

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 reductions) of .882 mill so fixed for said purposes of said District (including .850 mill for the Reclamation Contract and .032 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 .882 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 .005 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 8, 2022, 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 2022 to be collected in the year 2023.


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. 2022-02EF

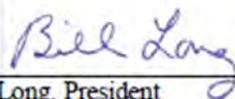
WHEREAS, it is the duty of the Board of Directors of the Southeastern Colorado Water Activity Enterprise, an enterprise of the Southeastern Colorado Water Conservancy District (formed under the Water Conservancy Act of Colorado, C.R.S. 37-45-122), in each year to determine the amount of appropriations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

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Southeastern Colorado Water Activity Enterprise hereby adopts the Budget as submitted by final Board action December 8, 2022, for the Enterprise Water Operating Fund within the Enterprise and appropriates the funds for the purpose shown within the 2023 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 \$2,858,245, and appropriates funds for the purposes shown within said Budget.

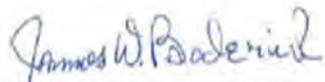
STATE OF COLORADO) §
COUNTY OF PUEBLO)

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 8, 2022, 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. 2022-01EF

WHEREAS, it is the duty of the Board of Directors of the Southeastern Colorado Water Activity Enterprise, an enterprise of the Southeastern Colorado Water Conservancy District (formed under 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 2023 Budget Public Hearing on November 17, 2022 for the 2023 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 2022.

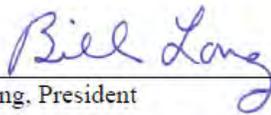
Description	2023 Rates and Surcharges (\$/ac-ft)					
	Proposed Water Rate (\$)	Safety of Dams (\$)	Water Activity (\$)	Environmental Stewardship (\$)	Augmentation (\$)	Proposed Total Charge (\$)
Project Water Sales						
Irrigation	13.14	0.50	0.75	0.75	--	15.14
Municipal	13.14	0.50	1.50	0.75	--	15.89
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

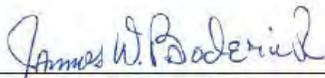
STATE OF COLORADO) §
COUNTY OF PUEBLO)

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 8, 2022, 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. 2022-03EF

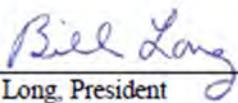
WHEREAS, it is the duty of the Board of Directors of the Southeastern Colorado Water Activity Enterprise, an enterprise of the Southeastern Colorado Water Conservancy District (formed under the Water Conservancy Act of Colorado, C.R.S. 37-45-122), in each year to determine the amount of appropriations 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 amends and adopts the Budget as submitted by final Board action December 8, 2022 for the Arkansas Valley Conduit Funds within the Enterprise and appropriates the funds for the purpose shown within the 2023 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 \$3,677,018, and appropriates funds for the purposes shown within said Budget.

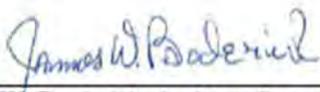
STATE OF COLORADO) §
COUNTY OF PUEBLO)

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 8, 2022, 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. 2022-04EF

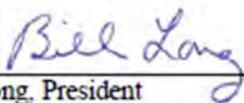
WHEREAS, it is the duty of the Board of Directors of the Southeastern Colorado Water Activity Enterprise, an enterprise of the Southeastern Colorado Water Conservancy District (formed under the Water Conservancy Act of Colorado, C.R.S. 37-45-122), in each year to determine the amount of appropriations 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 8, 2022 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 \$991,456, and appropriates funds for the purposes shown within said Budget.

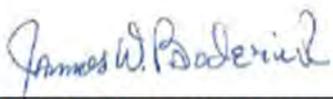
STATE OF COLORADO) §
COUNTY OF PUEBLO)

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 8, 2022, 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.

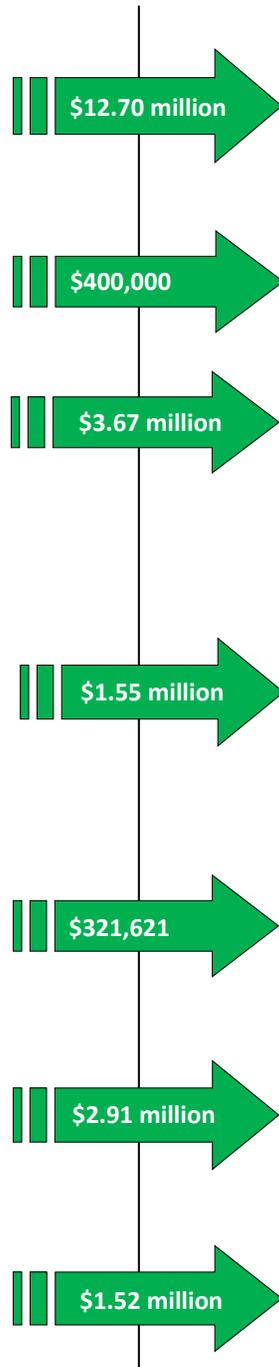
ENTERPRISE

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 reserve fund balance at the end of 2022 was estimated to be about \$14.9 million.



In 2023, Project revenue is budgeted to be \$12,701,644. This amount includes:

- ◆ A net collection of \$9,494,208 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 \$337,836 from Excess Capacity Master Contract participants.
- ◆ RRA fees \$2,000

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 2022, the remaining debt totaled \$13.2 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 \$2 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.



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 of \$2.6 million was made in late 2022, but was included in the 2023 adopted budget as a place-holder.

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 7,585 acre-feet of storage. The amount can increase, but not decrease. For 2023, participants paid \$337,836. 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 revised 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 2023, 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 \$2.69 million in 2023.

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, estimated to be \$587,846 in 2023..



2023 Budget: \$20,000 for possible fee expenses.



2023 Budget: Included within Engineering, Planning, and Operations expenditures.



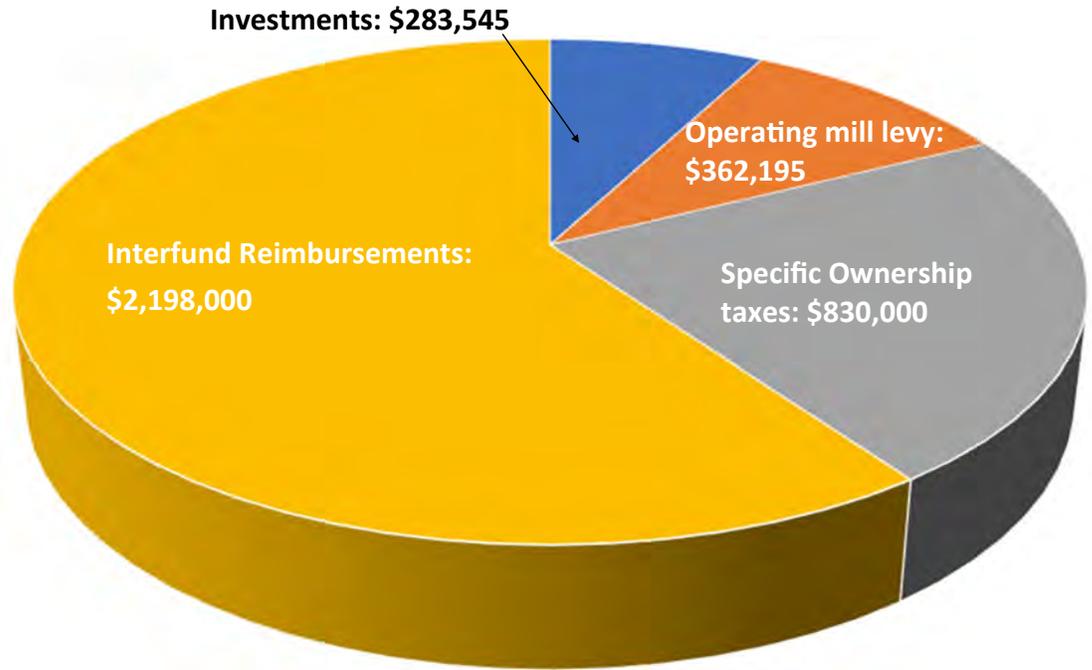
2023 Budget: Included within Engineering, Planning, and Operations expenditures.



2023 Budget: Included within Contract payments.

District Operating Revenue

The District has a \$3,673,879 in operating revenues budgeted for 2023. This is funded by a 0.035 operating mill levy, Specific Ownership taxes, interfund 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 65 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.
- ◆ **1996-2023:** The creation of the Water Activity Enterprise changed the fund structure for the District, providing a new source of revenue through interfund reimbursements. Interest rates have decreased in recent years, but Specific Ownership taxes remain strong. The District fund balance was estimated to be about \$27 million at the end of 2023.



District Operating Expenses

This page describes how District funds are spent, and outlines capital projects that are anticipated in 2023. Operating expenditures are budgeted at \$4,877,679 in 2023, while capital projects total \$314,000.

Human Resources

Human Resources expenditures total \$2,813,055 in the 2023 budget, an increase of 28 percent over the 2022 budget. This covers wages and benefits of District staff and Directors.

The increase reflects additional personnel in the engineering department in order to accommodate a growing workload, position upgrades and cost-of-living increases.

Headquarters Operations

Operation of the District's headquarters at 31717 United Avenue in Pueblo are expected to total \$464,544 in 2023, an increase of 16 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 2023, the District budgeted for spending capacity of \$99,371, an increase of 20 percent. While remote meetings continue, travel to many meetings has resumed.

Travel is important for maintaining contact and

building relationships with stakeholders, outside agencies and various water associations.

Outside and Professional Services

A total of \$444,621 has been budgeted for outside services, which are 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 decrease of 10 percent.

Water Conservation and Education

The 2023 budget includes \$62,830 for outreach activities. This is a decrease of 20 percent, as additional funds were included in 2022 for Fry-Ark Project 60th anniversary activities.

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

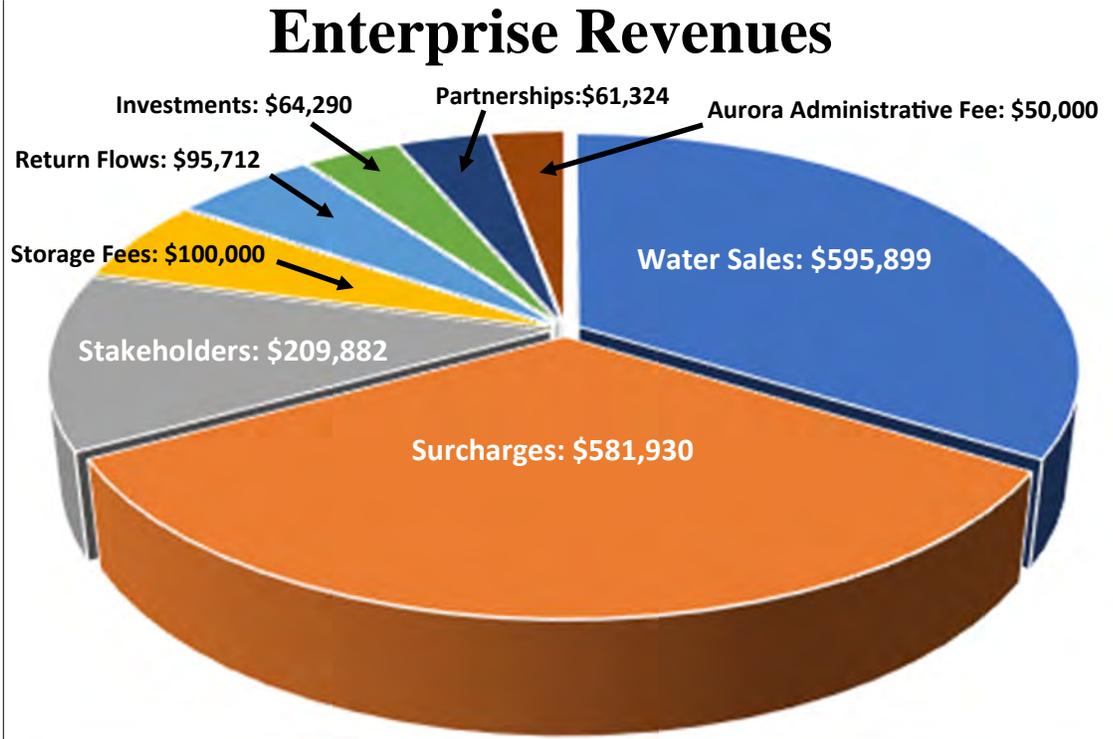
In 2022, the District will again contribute \$20,000 toward a boat inspection program at Pueblo Reservoir to reduce the threat of aquatic nuisance species.



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 2023. The Arkansas Valley Conduit and Hydroelectric Power are sub-funds under the Enterprise.



Project Water Sales

The District began receiving 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 58,000 acre-feet. After deductions, that is expected to yield about 45,350 acre-feet. Revenues for 2021 are projected to total \$595,899.

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:
\$581,930



Enterprise Projects & Programs

The Enterprise has four major projects or programs. Listed below are expenditures in the 2023 budget :

1. Ark Valley Conduit:

Operating: \$698,768

Capital: \$2,578,250

2. James W. Broderick Hydropower Plant:

Operating: \$769,256

Capital: \$220,200

3. Excess Capacity Master Contract:

\$108,605

4. Enlargement:

\$103,016

Arkansas Valley Conduit

The Enterprise is moving into the construction phase for the Arkansas Valley Conduit (AVC), and continues to provide administrative support. Construction is scheduled to begin in 2023. The budget also includes water quality monitoring through U.S. Geological Survey Cooperative Programs. Revenues will include payments from loans, grants, program participants and Reclamation IPA payments.



Broderick Hydropower Plant

James W. Broderick Hydropower Plant

The hydroelectric power generation plant at Pueblo Dam was completed in 2019. Revenues are generated by sale of electric power to Fountain and Fort Carson (through Colorado Springs Utilities). Revenues are used to repay the Colorado Water Conservation Board loan, finance OM&R for the plant, and will eventually help offset OM&R for the AVC.

Excess Capacity Master Contract

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



Pueblo Reservoir



Pueblo Dam & Reservoir

Enlargement

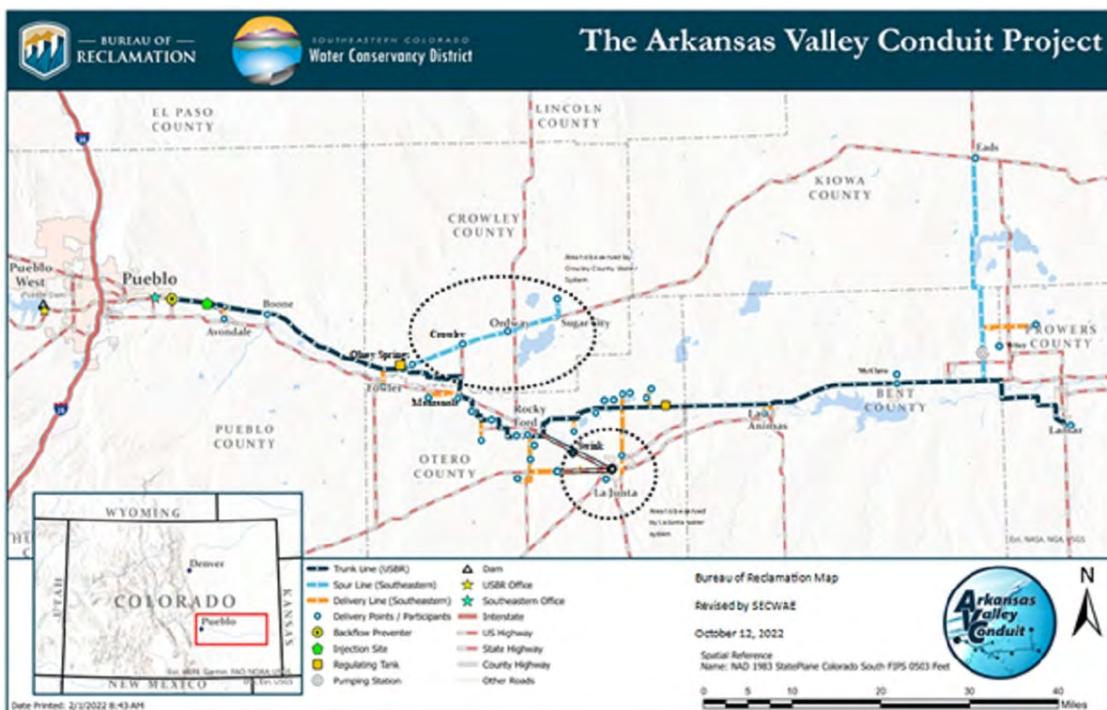
The Enlargement participants are obligated through agreements made during the Preferred Storage Options Plan. Payments cover administrative expenses, and USGS cooperative programs. Revenues are payments from program participants.



Arkansas Valley Conduit

The Arkansas Valley Conduit (AVC) is a drinking water pipeline from Pueblo Reservoir to Lamar. The AVC project has been divided 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 '23

Construction of the Arkansas Valley Conduit (AVC) is scheduled to begin in 2023, 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 convey water from Pueblo Dam, 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 issued the first construction contract for 6 miles of pipeline, and expects to issue contracts to finish the pipeline to Boone by late 2024 or early 2025.

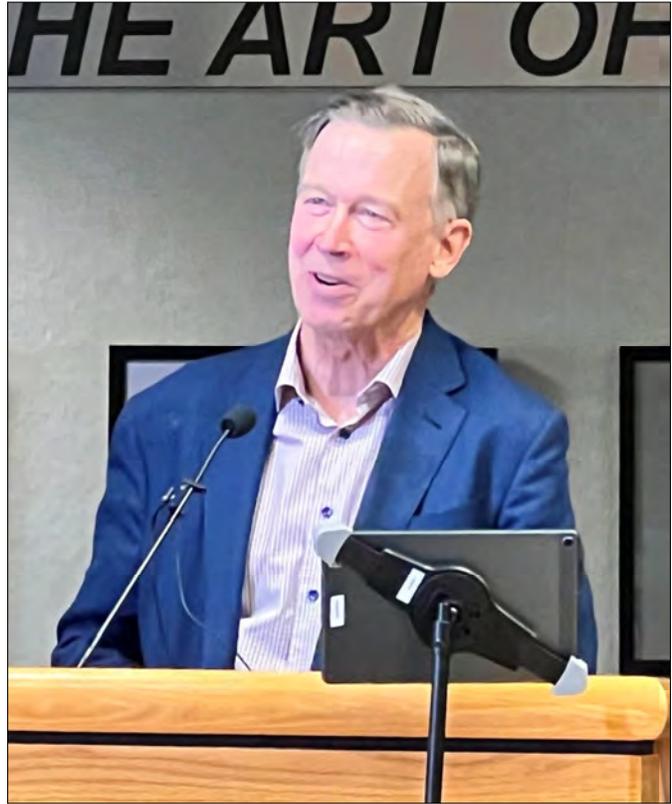
The Enterprise has completed design of the transmission lines to Avondale and

Boone, and plans to have these built in 2023, so the communities are ready to receive AVC water.

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

The Colorado Water Conservation Board approved an additional \$20 million grant for AVC in 2022. The Colorado General Assembly is expected to grant final approval in 2023. This will be added to a \$90 million loan and \$10 million grant approved by the state in 2023.

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 2023.



U.S. Senators Michael Bennet (left) and John Hickenlooper (right) discuss the importance of the Arkansas Valley

Historic Day for the Arkansas Valley Conduit

On October 20, 2023, Colorado’s U.S. Senators Michael Bennet and John Hickenlooper visited the Southeastern District to celebrate the award of \$60 million to the Arkansas Val-

ley Conduit (AVC). The award was the largest single appropriation in AVC history, and will help build the first reach of AVC. The AVC has long had bipartisan federal support.



Pueblo Water Executive Director Seth Clayton, who also serves on the SECWCD Board, talks about the importance of clean water for the Arkansas Valley.



May Valley Water Association Operator Rick Jones talks about the impact of the AVC for rural Coloradans living in the Lower Arkansas Valley.

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, \$20.5 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.



Revenues drop with low flows, repairs in 2023

The James W. Broderick Hydropower Plant successfully completed its third full year of operation in 2022.

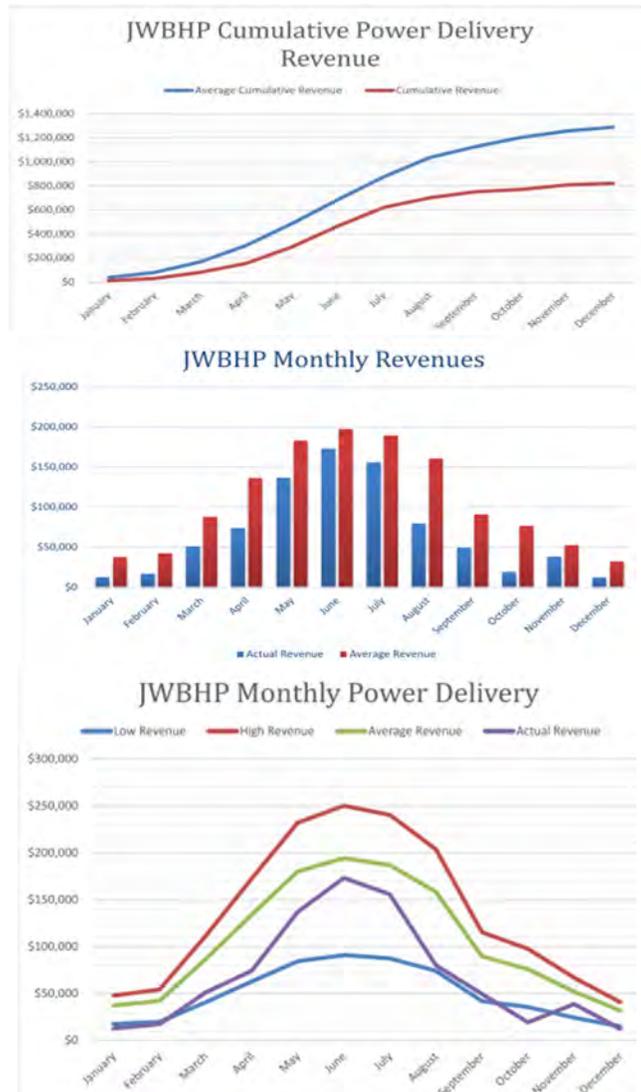
Revenues were less than the projected amounts based on historic flows from the North Outlet of Pueblo Dam and because of a month-long outage due to repair of a malfunction of a valve on Pueblo Dam.

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.

Repayment of the Colorado Water Conservation Board \$17.2 million loan will begin in 2024.





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 relationships 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.



Building a Legacy Together

The Bureau of Reclamation (Reclamation) and Southeastern Colorado Water Conservancy District (District) have cooperated for more than six decades to operate the Fry-Ingpan-Arkansas Project for the benefit of the Arkansas Valley, the state of Colorado and the nation as a whole.

The Fry-Ark Project began with legislation in 1962 that set in motion a 20-year construction program to finish the Project's major features. Operating the project has been a joint venture that has led to a valuable collaboration between Reclamation and the District.

In addition to the benefit of more than 2.2 million acre-feet of water provided by the Fry-Ark Project, the partnership of Reclamation and District has resulted in improved water operations, increased storage, a better environment and enhanced recreation opportunities.

The completion of the Fountain Valley Conduit in the 1980s brought a new water source to El Paso County, and now — 40 years later — that same benefit is coming to the population east of Pueblo through the Arkansas Valley Conduit.

It is stunning to live in an era when such projects can be built, and highly



— BUREAU OF —
RECLAMATION



SOUTHEASTERN COLORADO

Water Conservancy District

"Your investment in water"



Brent Esplin, Missouri Basin Regional Director for the Bureau of Reclamation, speaks at the 60th Anniversary celebration of the Fry-Ingpan-Arkansas Project in August 2022.

rewarding to be able to reap the benefits that were envisioned by past generations of visionaries.

It is even more awe-inspiring to imagine future generations enjoying the fruits of our labor.

Colorado Water Congress

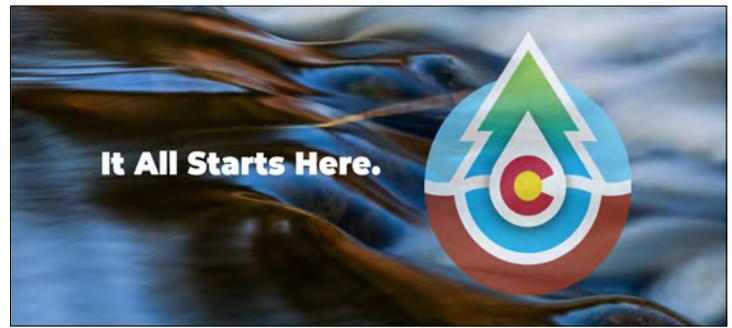
Colorado Water Congress sponsors an annual convention in January, and a summer conference in August. The District participates as a sponsor and maintains membership in the CWC. The CWC is a statewide organization made up of municipal, industrial and agricultural interests, including conservancy districts.



Aspinall Award winners congregate at the CWC Conference in 2023/SECWCD

Water Education Colorado

Water Education Colorado hosted a year of activities highlighting water development in Colorado in 2022, marking the 100th anniversary of the Colorado River, the 60th anniversary of the Frypan-Arkansas Project and the 120th anniversary of the Bureau of Reclamation among other milestones. The Southeastern District supports WECO's mission to educate all citizens about the importance of water.



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



Public Outreach Strengthens Public Understanding

Understanding the relationship of water development to our daily activities can be difficult. After all, most of the infrastructure that delivers water to our homes is either buried in the ground or hidden behind walls.

The Southeastern District takes advantage of teachable moments whenever possible, whether its guiding a group of school children through a hydropower plant or helping water systems link up to the Arkansas Valley Conduit.

The District outreach program included participation in water conferences and tours, hosting visitors to the District’s conserva-

tion garden and making presentations to community groups.

During 2022, and continuing into 2023, the District is producing a series of videos marking the 60th Anniversary of the Fry-Ark Project, looking at the history and the impacts on water management, agriculture, municipal & industrial and irrigated agriculture.

The activities serve to remind us that our water does not come from tap, and food is not grown in a grocery store. In building systems such as the Fryingpan-Arkansas Project we can enhance our daily lives with power, recreation and ecological benefits.

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 2023, these programs add up to more than \$78,500. Some of the activities include:

- ◆ **Weather modification:** The District contributes \$25,000 toward a cooperative 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.

In 2023, the group will continue discussions about the Colorado River issues in light of continuing drought and discussions among the seven states about 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 op-

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: \$97,400
(Southeastern District contributes \$18,000)

erations on water quality.

The group 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 in the Lower Arkansas River 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 2023, 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: \$3,773

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 2022, 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.....	\$15,000
Sponsorships, Exhibits & Ads.....	\$25,000
Aquatic Nuisance Species	\$20,000
Xeriscape Education.....	\$ 2,830

throughout the year.

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.

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.

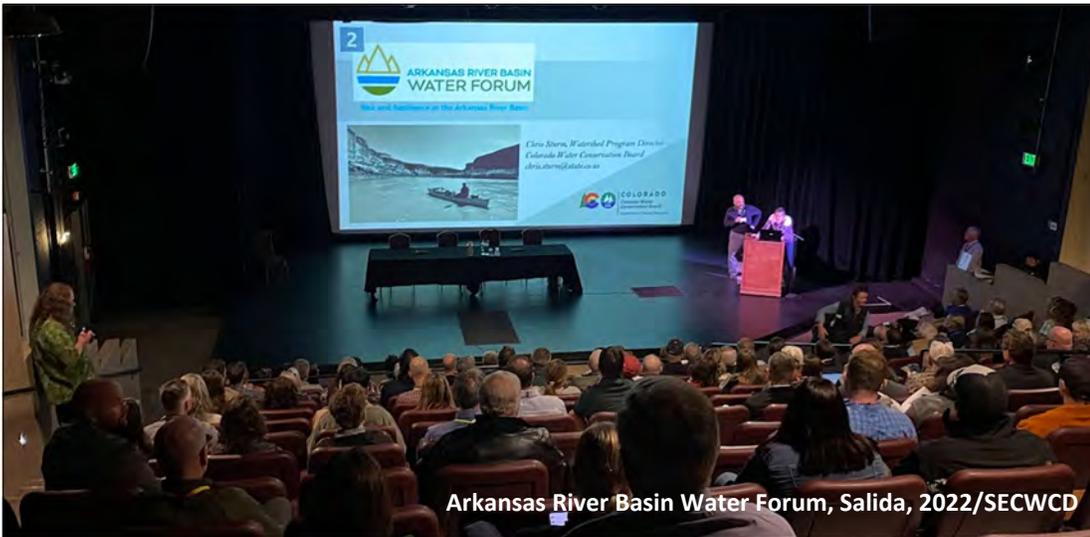
There were many formal and informal tours of the newly completed James W. Broderick Hydropower Plant



Demonstration garden in full bloom.

SECWCD

Partnerships



Arkansas River Basin Water Forum, Salida, 2022/SECWCD

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 updated its Basin Implementation Plan in 2022 as part of a statewide update of Colorado’s Water Plan. The District 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 two days of presentations, and tours of notable water-related activities within the highlighted region.

The Forum also raises money for scholarships and honors the Bob Appel Friend of the Arkansas River, earned by Roy Vaughan in 2022.

The 2022 Forum was held in Salida, and featured a discussion on the Colorado River organized by the Southeastern District, as well as tours of area projects and fish hatcheries.

In 2023, the Forum will be in Colorado Springs, and topics will include the Colorado Water Plan, water sharing, conservation and tours of local water projects.

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.

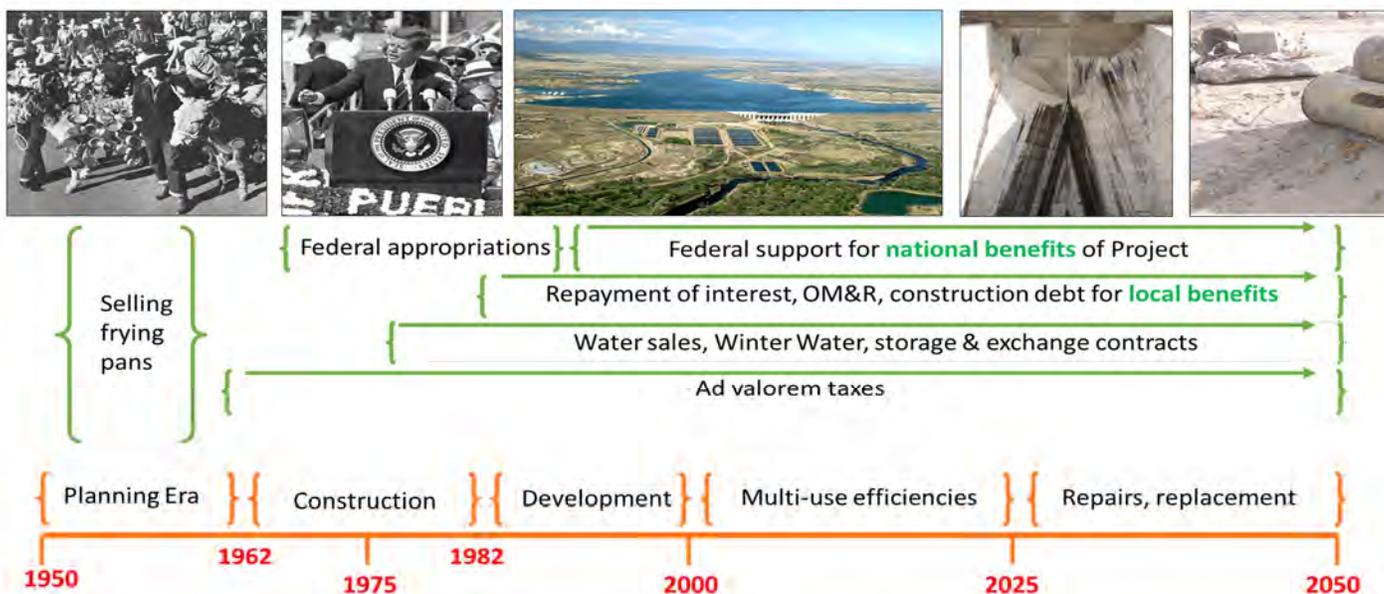
A promise of responsible and professional service and action.

A focus on fairness and equity.



Planning Matrix

Financial timeline of Fry-Ark Project



The Historic Planning Cycle for the Southeastern District

As the Fryingpan-Arkansas Project enters its 61st year, 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.

2022:

A contract between Reclamation, the District and Pueblo Water established conveyance, treatment and delivery of filtered water to the Arkansas Valley Conduit.



Asset Valuation, Condition Assessment & Recovery of Storage Studies

The District has conducted studies that 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 was followed by a Condition Assessment, in which the District is working with Reclamation to evaluate when action may be needed to rehabilitate or replace critical pieces of the Project.



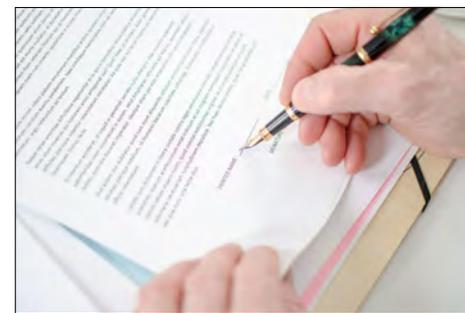
At the same time, the District has initiated a Recovery of Storage study that will look at how to regain the nearly 25,000 acre-feet of storage that has been lost since Pueblo Reservoir began storing water in 1975. The study also is looking at avoiding further losses to sedimentation.

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.

A three-party contract among Reclamation, the District and Pueblo Water was signed in 2022. 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.

An AVC Repayment Contract will be negotiated in 2023 in order to establish the repayment of the 35 percent 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 assist in 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 paid off the 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.



New lighting fixtures were installed throughout headquarters in late 2022 and early 2023.

Headquarters improvements

In 2023, the District plans to upgrade the Board Room and Executive Conference Room with audio-visual systems 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 has upgraded offices, added work stations, improved HVAC facilities, upgraded lighting in the building and regenerated landscaping at headquarters in the last two years.

Workforce Planning

Arkansas Valley Conduit (AVC) activity will continue to increase in 2023. As the AVC is built, the District will add additional employees to manage the workload.

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

The District conducted 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.
- ◆ Construction of the Arkansas Valley Conduit.
- ◆ Recovery of Storage.
- ◆ Watershed protection and conservation 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 2023 is 7,585 acre-feet. As much as 29,938 acre-feet could be stored under the Contract. Another 21 participants eventually will join when the Arkansas Valley Conduit (AVC) is completed.

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 AVC.

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 and 2022. All systems are go for 2023.

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 activities, 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

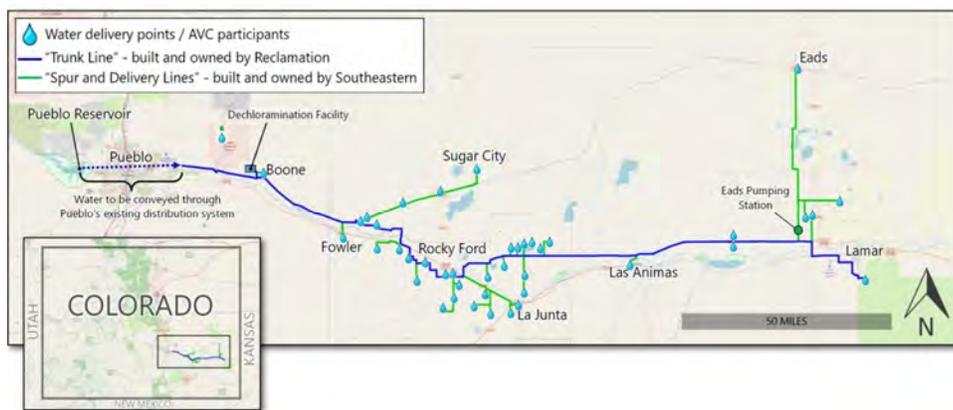
Wildfires throughout Colorado and other western states have increased erosion and sedimentation in river basins.

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 2023 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.

Reclamation is constructing the trunk line for the AVC, while the Enterprise is building the spur and delivery lines.

A three-party contract among Reclamation, the District and Pueblo Water for conveyance, treatment and delivery of AVC water was signed in 2022, and an AVC repayment contract with Reclamation in 2023.

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 or eight years, rather than 15 years.

Construction of the AVC will begin in 2023, following the issuance of the first federal construction contract in 2022. The Enterprise will award its first construction contracts in early 2023, and complete designs by the end of 2024.

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.

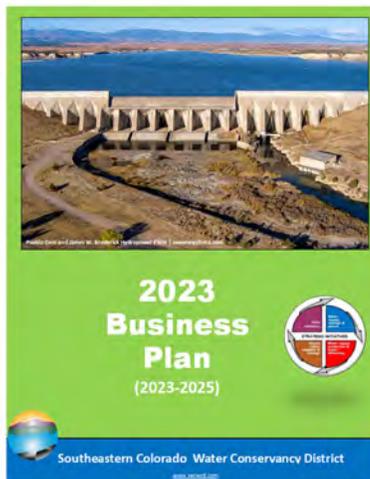
The group purchased land for a reservoir downstream from Pueblo, in 2021. Construction of the reservoir is 10 years out.

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

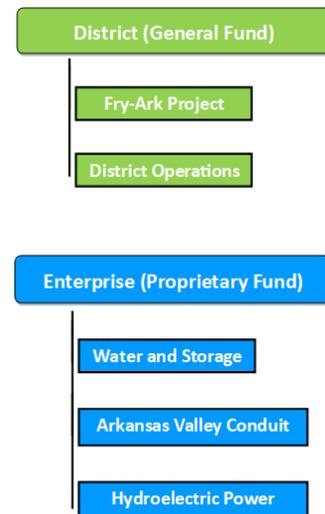
The District adopted a new Business Plan in 2017. It provides a three-year guide as both a planning and budget tool.

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	2022 YTD	2023 Budget	2024 Projected	2025 Projected
Payments to Reclamation, based on 20-year average	\$96,492	\$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 \$5.985 million for 2022.



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, 7,585 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



Boustead Tunnel East Portal looking east/SECWCD

The Fryingpan-Arkansas Project continues to grow and evolve after its inception in 1962. 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 infra-

structure 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 a shut-down of an outlet.



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 were made in 2022, and will continue in 2023. 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, delayed for several years, is planned.

Information Technology

Work will continue in 2023 to improve the meeting environment after several advances in 2021-22. 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. In 2022, a new server was added to accommodate the growth in electronic information storage. In 2023, 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 major case filing on diligence for Division 2 exchange rights will be made in 2023.

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



Headquarters/SECWCD

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

In 2023, improvements will continue, with an upgrade to the audio-visual system to facilitate hybrid meetings for those who attend in person or online. The improvements have been needed for a number of years, and a solution that will have a longer lifespan will be implemented in the coming months.

In 2022, upgrades to headquarters continued with improvements both inside and outside the building.

In 2023, the District Board will complete portions of the financial study, that was started in 2019, but interrupted during the societal disruption of the COVID-19 pandemic. The remaining issues of surcharges, appropriate reserve levels and rates for water sales and storage will be addressed.

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. A project coordinator for the Arkansas Valley Conduit (AVC) was hired. An additional engineering position is planned as well. More employees or outside consultants will be needed to support the AVC, as it enters its construction phase in 2023.



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 2023, after more than four 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. More than \$3 million has been collected or pledged.

In 2022, the three-party contract among Reclamation, the District and Pueblo Water was signed.

In 2023, an AVC Repayment Contract will be signed.



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 \$20.5 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

Water Rates for 2023						
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



County Assessed Valuations and Certification of Tax Levies

Bent County Certification of Valuation and Certification of Tax Levies



12 County Tax Entity Code **CERTIFICATION OF VALUATION BY** DOLA LGED/SD 5412B/1
 New Tax Entity? YES NO **BENT COUNTY ASSESSOR** Date: 12/01/2022

NAME OF TAX ENTITY: **SOUTHEAST COLORADO WATER CONSERVATION DISTRICT**
USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-12(G)(4) and 39-5-12(H), C.R.S., AND NO LATER THAN AUGUST 25, 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. \$ 69,987,220
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$ 0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 69,987,220
5. NEW CONSTRUCTION: *	5. \$ 19,500
6. INCREASED PRODUCTION OF PRODUCING MINE: ‡	6. \$ 0
7. ANNEXATIONS/INCLUSIONS:	7. \$ 0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ¶	8. \$ 0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ¶	9. \$ 0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A) C.R.S.). Includes all revenue collected on valuation not previously certified:	10. \$ 374.05
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(A), C.R.S.) and (39-10-114)(a)(D)(B), C.R.S.):	11. \$ 135.77

† This value reflects personal property exemptions IF elected by the jurisdiction as authorized by A.R.S. Sec. 2009(B), Colo. Constitution
 * New Construction is defined as: Taxable real property structures and the personal property associated with the structures.
 ‡ Jurisdiction must submit to the Division of Local Government respective Certificates of Impact in order for the value to be treated as growth in the limit calculation; see Form DLG 52 & 52A.
 ¶ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; see Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-12(G)(2)(B), 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. \$ 322,498,080
ADDITIONS TO TAXABLE REAL PROPERTY	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2. \$ 281,480
3. ANNEXATIONS/INCLUSIONS:	3. \$ 0
4. INCREASED MINING PRODUCTION: ‡	4. \$ 0
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$ 0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$ 0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	7. \$ 631,890
DELETIONS FROM TAXABLE REAL PROPERTY	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$ 74,440
9. DISCONNECTIONS/EXCLUSIONS:	9. \$ 0
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$ 0

† This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 * Construction is defined as newly constructed taxable real property structures.
 ‡ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-12(H), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	\$
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IN ACCORDANCE WITH 39-5-12(I)(3), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	\$ 78.85
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** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-5-119-50, C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.
 DLG 57 (Rev. 7/21)

CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL Governments

County Tax Entity Code **Bent County**, Colorado.
 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: **\$ 69,987,220**
 (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
 Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation.
 Submitted: **12/13/2022** for budget/fiscal year **2023**
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see and notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.900 mills	\$ 62,988.50
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< .050 > mills	< \$ (3,499.36) >
SUBTOTAL FOR GENERAL OPERATING:	.850 mills	\$ 59,489.14
3. General Obligation Bonds and Interest ^I	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	.005 mills	\$ 349.94
7. Other ^N (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3-7)	0.855 mills	\$ 59,839.08

Contact person: **Leann 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 29-1-113 C.R.S., with the Division of Local Government (DLG, Room 521, 1313 Sherman Street, Denver, CO 80202, (303) 864-7730, Fax: (303) 864-7739)

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL Governments

County Tax Entity Code **Bent County**, Colorado.
 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: **\$ 69,987,220**
 (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
 Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation.
 Submitted: **12/13/2022** for budget/fiscal year **2023**
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see and notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.035 mills	\$ 2,449.55
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< .003 > mills	< \$ (209.96) >
SUBTOTAL FOR GENERAL OPERATING:	.032 mills	\$ 2,239.59
3. General Obligation Bonds and Interest ^I	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	mills	\$
7. Other ^N (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3-7)	.032 mills	\$ 2,239.59

Contact person: **Leann 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 29-1-113 C.R.S., with the Division of Local Government (DLG, Room 521, 1313 Sherman Street, Denver, CO 80202, (303) 864-7730, Fax: (303) 864-7739)

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

County Assessed Valuations and Certification of Tax Levies

CERTIFICATION OF VALUATION BY CHAFFEE COUNTY ASSESSOR

Name of Jurisdiction: **04 - S.E. Colo. Water District**
 IN CHAFFEE COUNTY ON 11/30/2022 New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-129(C), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022 IN CHAFFEE COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$507,435,470
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	\$513,937,860
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$513,937,860
5. NEW CONSTRUCTION: --	\$12,324,480
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(3) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):	\$14.54
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) AND (39-10-114(1)(a)(B) C.R.S.):	\$357.44

Chaffee County Certification of Valuation and Certification of Tax Levies



USE FOR TABOR LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN CHAFFEE COUNTY, COLORADO ON AUGUST 25, 2022

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$4,811,062,179
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: †	\$138,499,779
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: ‡	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$2,584,296
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	\$0
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$2,046,782
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$8,740,853

IN ACCORDANCE WITH 39-5-126(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: † TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: \$0

NOTE: All levies must be certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022

IN ACCORDANCE WITH 39-5-128(1), C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$2,407,064

* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 (3), C.R.S.

County Tax Entity Code _____ DOLA LGD/SD _____

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Chaffee County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District (taxing entity)^A
 the Board of Directors (governing body)^B
 of the Southeastern Colorado Water Conservancy District (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 513,937,860 assessed valuation of: (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: (NET^F assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) 513,937,860 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/13/2022 for budget/fiscal year 2023 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

PURPOSE (see and notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.900 mills	\$ 482,544.07
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< .050 > mills	\$ < (25,696.89) >
SUBTOTAL FOR GENERAL OPERATING:	.850 mills	\$ 436,847.18
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	.005 mills	\$ 2,569.80
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	.855 mills	\$ 439,416.87

Contact person: (print) Leann Hoga Daytime phone: (719) 248-9950
 Signed: _____ 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 29-1-113 C.R.S., with the Division of Local Government (DLG) - Room 521, 1313 Sherman Street, Denver, CO 80202. Questions? Call DLG at (303) 864-7730.

County Tax Entity Code _____ DOLA LGD/SD _____

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Chaffee County, Colorado.

On behalf of the Southeastern Colorado Water Conservancy District (taxing entity)^A
 the Board of Directors (governing body)^B
 of the Southeastern Colorado Water Conservancy District (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 513,937,860 assessed valuation of: (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^E the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: (NET^F assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) 513,937,860 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/13/2022 for budget/fiscal year 2023 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

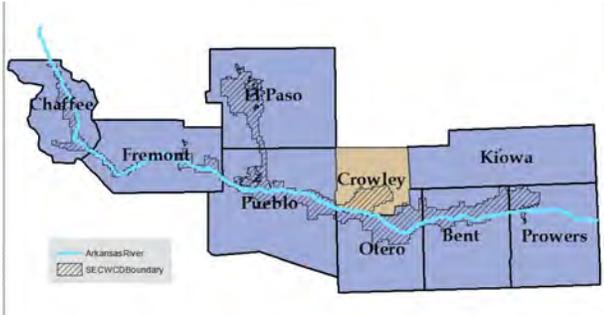
PURPOSE (see and notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.035 mills	\$ 17,987.83
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< .003 > mills	\$ < (1,541.81) >
SUBTOTAL FOR GENERAL OPERATING:	.032 mills	\$ 16,446.02
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	.032 mills	\$ 16,446.02

Contact person: (print) Leann Hoga Daytime phone: (719) 248-9950
 Signed: _____ 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 29-1-113 C.R.S., with the Division of Local Government (DLG) - Room 521, 1313 Sherman Street, Denver, CO 80202. Questions? Call DLG at (303) 864-7730.

County Assessed Valuations and Certification of Tax Levies

Crowley County Certification of Valuation and Certification of Tax Levies



County Tax Entry Code _____ DOLA LGID/SID _____
CERTIFICATION OF VALUATION BY
 New Tax Entity? YES NO Crowley County COUNTY ASSESSOR
 NAME OF TAX ENTITY: SECWCD ABATEMENT/REFUNDS Date 11/23/2022

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$ 43,832,057
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2. \$ 44,821,537
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$ 0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 44,821,537
5. NEW CONSTRUCTION: *	5. \$ 1,267,391
6. INCREASED PRODUCTION OF PRODUCING MINE: ¶	6. \$ 0
7. ANNEXATIONS/INCLUSIONS:	7. \$ 0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ¶¶	8. \$ 0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Ⓞ	9. \$ 0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10. \$ 50.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(i)(B), C.R.S.):	11. \$ 50.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(9)(b), Colo. Constitution.
 * New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
 ¶ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the value to be treated as growth in the limit calculation, see Form DLG 52 & 52A.
 ¶¶ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation, see Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE CROWLEY COUNTY COUNTY ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: †	1. \$ 237,976,202
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ADDITIONS TO TAXABLE REAL PROPERTY

2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2. \$ 5,901,765
3. ANNEXATIONS/INCLUSIONS:	3. \$ 0
4. INCREASED MINING PRODUCTION: §	4. \$ 0
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$ 0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$ 0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	7. \$ 21,537

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$ -111,695
9. DISCONNECTIONS/EXCLUSIONS:	9. \$ 0
10. PREVIOUSLY TAXABLE PROPERTY: ††	10. \$ 0

† This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 * Construction is defined as newly constructed taxable real property structures.
 § Includes production from new mines and increases in production of existing producing mines.
 †† Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY **\$ 235,956,684**

IN ACCORDANCE WITH 39-5-128(1), C.R.S., THE ASSESSOR PROVIDES:
 HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** **\$ 143,519**
 ** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(1), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15
 DLG 57 (Rev. 7/21)

County Tax Entry Code _____ DOLA LGID/SID _____
CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments
 TO: County Commissioners¹ of Crowley County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District (taxing entity)³
 the Board of Directors (governing body)⁴
 of the Southeastern Colorado Water Conservancy District (local government)⁵

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 44,821,537 assessed valuation. (GROSS⁶ assessed valuation, Line 2 of the Certification of Valuation Form DLG 57⁷)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁸ 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: \$ 44,821,537 (NET⁹ assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15

Submitted: 12/13/2022 for budget/fiscal year 2023 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ¹⁰	.900 mills	\$ 40,339.38
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹¹	< .050 > mills	\$ < (2,241.08) >
SUBTOTAL FOR GENERAL OPERATING:		
	.850 mills	\$ 38,098.30
3. General Obligation Bonds and Interest ¹²	mills	\$
4. Contractual Obligations ¹³	mills	\$
5. Capital Expenditures ¹⁴	mills	\$
6. Refunds/Abatements ¹⁵	.005 mills	\$ 224.11
7. Other ¹⁶ (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.855 mills	\$ 38,322.41

Contact person: Leann Hoga Daytime phone: (719) 248-9950
 Signed: _____ 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 29-J-113 C.R.S., with the Division of Local Government (DLG), Room 321, 1313 Sherman Street, Denver, CO 80202. Openlines: Call DLG at (303) 856-7700

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG 57 on the County Assessor's FINAL certification of valuation).
 Page 1 of 4 DLG 70 (Rev.6/16)

County Tax Entry Code _____ DOLA LGID/SID _____
CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments
 TO: County Commissioners¹ of Crowley County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District (taxing entity)³
 the Board of Directors (governing body)⁴
 of the Southeastern Colorado Water Conservancy District (local government)⁵

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 44,821,537 assessed valuation. (GROSS⁶ assessed valuation, Line 2 of the Certification of Valuation Form DLG 57⁷)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁸ 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: \$ 44,821,537 (NET⁹ assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15

Submitted: 12/13/2022 for budget/fiscal year 2023 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ¹⁰	.035 mills	\$ 1,568.75
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹¹	< .003 > mills	\$ < (134.46) >
SUBTOTAL FOR GENERAL OPERATING:		
	.032 mills	\$ 1,434.29
3. General Obligation Bonds and Interest ¹²	mills	\$
4. Contractual Obligations ¹³	mills	\$
5. Capital Expenditures ¹⁴	mills	\$
6. Refunds/Abatements ¹⁵	mills	\$
7. Other ¹⁶ (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.032 mills	\$ 1,434.29

Contact person: Leann Hoga Daytime phone: (719) 248-9950
 Signed: _____ 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-J-113 C.R.S., with the Division of Local Government (DLG), Room 321, 1313 Sherman Street, Denver, CO 80202. Openlines: Call DLG at (303) 856-7700

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG 57 on the County Assessor's FINAL certification of valuation).
 Page 1 of 4 DLG 70 (Rev.6/16)

County Assessed Valuations and Certification of Tax Levies

80 County Tax Entity Code **CERTIFICATION OF VALUATION BY** DOLA LGD/SID
EL PASO COUNTY ASSESSOR
 New Tax Entity? YES NO Date November 23, 2022
 NAME OF TAX ENTITY: SOUTHEASTERN COLO WATER CONSERVANCY

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$ 8,109,905,560
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2. \$ 8,352,697,810
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$ 135,029,810
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 8,217,668,000
5. NEW CONSTRUCTION: *	5. \$ 144,663,410
6. INCREASED PRODUCTION OF PRODUCING MINE: ¶	6. \$ 0
7. ANNEXATIONS/INCLUSIONS:	7. \$ 0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: §	8. \$ 0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ¶	9. \$ 0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10. \$ 543.92
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) AND (29-1-114(1)(a)(i)(B), C.R.S.):	11. \$ 37,796.44

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(9)(b), Colo. Constitution
 * New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
 † Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; see Forms DLG 52 & 52A.
 ¶ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; see Form DLG 52B.

El Paso County Certification of Valuation and Certification of Tax Levies

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: †	1. \$ 80,297,822,362
--	----------------------

ADDITIONS TO TAXABLE REAL PROPERTY

2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2. \$ 1,673,252,917
3. ANNEXATIONS/INCLUSIONS:	3. \$ 0
4. INCREASED MINING PRODUCTION: §	4. \$ 0
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$ 46,810,124
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$ 0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	7. \$ 12,175

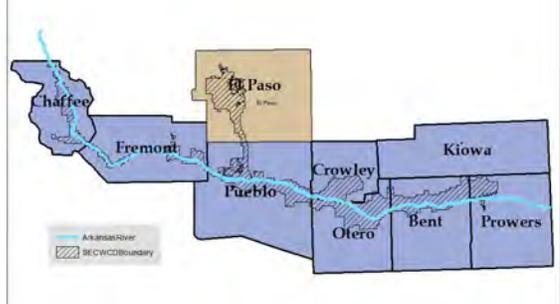
DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$ 9,294,816
9. DISCONNECTIONS/EXCLUSIONS:	9. \$ 0
10. PREVIOUSLY TAXABLE PROPERTY: ‡	10. \$ 88,326,911

‡ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 † Construction is defined as newly constructed taxable real property structures.
 § Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ N/A

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:
 HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ 13,905,250
 ** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.



NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.
 DLG 57 (Rev. 7/21)

County Tax Entity Code _____ DOLA LGD/SID _____
CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments
 TO: County Commissioners¹ 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 \$ 8,352,697,810 assessed valuation of: (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
 Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁴ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) \$ 8,217,668,000
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10
 Submitted: 12/13/2022 for budget/fiscal year 2023
 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

PURPOSE (see and notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.900 mills	\$ 7,395,901.20
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< .050 > mills	< \$ (410,883.40) >
SUBTOTAL FOR GENERAL OPERATING:	.850 mills	\$ 6,985,017.80
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	.005 mills	\$ 41,088.34
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.855 mills	\$ 7,026,106.14

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

County Tax Entity Code _____ DOLA LGD/SID _____
CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments
 TO: County Commissioners¹ 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 \$ 8,352,697,810 assessed valuation of: (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
 Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area⁴ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) \$ 8,217,668,000
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10
 Submitted: 12/13/2022 for budget/fiscal year 2023
 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

PURPOSE (see and notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.035 mills	\$ 287,618.38
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< .003 > mills	< \$ (24,653.00) >
SUBTOTAL FOR GENERAL OPERATING:	.032 mills	\$ 262,965.38
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.032 mills	\$ 262,965.38

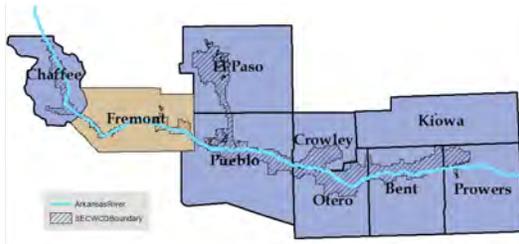
Contact person: (print) Leann Hoga Daytime phone: (719) 248-9950
 Signed: _____ Title: Administrator of Finance / Budget Officer

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 DLG 57) 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 DLG 57) on 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



County Tax Entry Code _____
 New Tax Entry? YES NO
 NAME OF TAX ENTITY: S.E. COLO WATER CONS

CERTIFICATION OF VALUATION BY FREMONT COUNTY ASSESSOR

DATE 11/23/2022

IN ACCORDANCE WITH 19-1-1112(a) AND 19-1-1110(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$411,360,116
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2. \$465,155,410
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$465,155,410
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$465,155,410
5. NEW CONSTRUCTION:	5. \$2,371,472
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:	9. \$0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301)(a), C.R.S.): Includes all revenue collected on valuation not previously certified:	10. \$50.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301)(1)(a), C.R.S.) AND (29-1-114)(a)(5)(b), C.R.S.):	11. \$420.00

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 19-1-1112(1)(b), C.R.S., THE FREMONT COUNTY ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY:	1. \$3,647,690,737
--	--------------------

ADDITIONS TO TAXABLE REAL PROPERTY

2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2. \$34,298,110
3. ANNEXATIONS/INCLUSIONS:	3. \$0
4. INCREASED MINE PRODUCTION:	4. \$0
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	7. \$0

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$105,500
9. DISCONNECTIONS/EXCLUSIONS:	9. \$0
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$18,564,775

BY ACCORDANCE WITH 19-1-1113(1), C.R.S., THE ASSESSOR PROVIDES:
 HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED):** \$1,867,197
 ** The tax revenue lost due to this exempted value will be allocated to the tax liability by the County Treasurer in accordance with 19-1-113(3)(c), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.
 DLG 70 (Rev. 7/01)

County Tax Entry Code _____ DOLA LGD/SD _____
CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Fremont County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the Southeastern Colorado Water Conservancy District
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 405,155,410 (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D assessed valuation of:
 Note: If the assessor certified a NET assessed valuation (AV)^E different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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:
 \$ 404,754,813 (NET^E assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/13/2022 for budget/fiscal year 2023
 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.900 mills	\$ 364,279.33
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< .050 > mills	\$ < (20,237.74) >
SUBTOTAL FOR GENERAL OPERATING:	.850 mills	\$ 344,041.59
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	.005 mills	\$ 2,023.77
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	.855 mills	\$ 346,065.36

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

Include one copy of this tax entry & completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80202. Questions? Call DLG at (303) 864-7720.

County Tax Entry Code _____ DOLA LGD/SD _____
CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Fremont County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the Southeastern Colorado Water Conservancy District
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 405,155,410 (GROSS^B assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)^D assessed valuation of:
 Note: If the assessor certified a NET assessed valuation (AV)^E different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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:
 \$ 404,754,813 (NET^E assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/13/2022 for budget/fiscal year 2023
 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.035 mills	\$ 14,166.42
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< .003 > mills	\$ < (1,214.26) >
SUBTOTAL FOR GENERAL OPERATING:	.032 mills	\$ 12,952.16
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	.032 mills	\$ 12,952.16

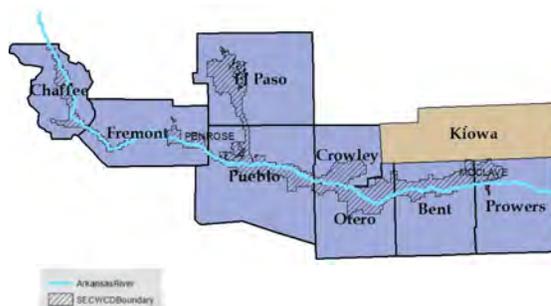
Contact person: Leann Hoga Daytime phone: (719) 248-9950
 (print)
 Signed: [Signature] Title: Administrator of Finance / Budget Officer

Include one copy of this tax entry & completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80202. Questions? Call DLG at (303) 864-7720.

County Assessed Valuations and Certification of Tax Levies

990 County Tax Entity Code **CERTIFICATION OF VALUATION BY** DOLA LGID/SD 64128
 KiOWIA COUNTY ASSESSOR Date: 11/29/2021
 New Tax Entity? YES NO
 NAME OF TAX ENTITY: SOUTHEAST COLORADO WATER CONSERVANCY DISTRICT (FINAL CERTIFICATION)
USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY
 IN ACCORDANCE WITH 39-6-121(2)(a) and 39-6-126(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR, 2022:
 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: 1. \$ 3,223,560
 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: † 2. \$ 3,248,880
 3. LESS TOTAL TIF AREA INCREMENTS, IF ANY: 3. \$ _____
 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: 4. \$ 3,248,880
 5. NEW CONSTRUCTION: * 5. \$ 2,770
 6. INCREASED PRODUCTION OF PRODUCING MINE: ‡ 6. \$ _____
 7. ANNEXATIONS/INCLUSIONS: 7. \$ _____
 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ¶ 8. \$ _____
 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ¶ 9. \$ _____
 10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.): Includes all revenue collected on valuation not previously certified: 10. \$ _____
 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114)(a)(b)(B), C.R.S.): 11. \$ _____
 † This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(3)(b), Colo. Constitution.
 * New Construction is defined as: Taxable real property structures and the personal property associated with the structure.
 ‡ Jurisdiction must submit to the Division of Local Government respective Certificates of Impact in order for the value to be treated as growth in the limit calculation; see Form DLG 57 & 52A.
 ¶ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; see Form DLG 52B.
USE FOR TIF/TOR "LOCAL GROWTH" CALCULATION ONLY
 IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-6-121(2)(b), C.R.S., THIS ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR, 2022:
 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: † 1. \$ 27,276,816
ADDITIONS TO TAXABLE REAL PROPERTY
 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: * 2. \$ 39,860
 3. ANNEXATIONS/INCLUSIONS: 3. \$ _____
 4. INCREASED MINING PRODUCTION: ‡ 4. \$ _____
 5. PREVIOUSLY EXEMPT PROPERTY: 5. \$ _____
 6. OIL OR GAS PRODUCTION FROM A NEW WELL: 6. \$ _____
 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: † (and and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.) 7. \$ _____
DELETIONS FROM TAXABLE REAL PROPERTY
 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: 8. \$ _____
 9. DISCONNECTIONS/EXCLUSIONS: 9. \$ _____
 10. PREVIOUSLY TAXABLE PROPERTY: 10. \$ 310,488
 † This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 * Construction is defined as newly constructed taxable real property structures.
 ‡ Includes production from new mines and increases in production of existing producing mines.
 IN ACCORDANCE WITH 39-6-121(1), 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 39-6-121(1), C.R.S., THIS ASSESSOR PROVIDES:
 HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ 14,220
 ** The tax revenue lost due to this exempted value will be rebated to the tax entity by the County Treasurer in accordance with 39-3-119(5)(3), C.R.S.
 NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.
 DLG 57 (Rev. 7/21)

Kiowa County Certification of Valuation and Certification of Tax Levies



County Tax Entity Code **CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL Governments** DOLA LGID/SD
 TO: County Commissioners¹ of Kiowa County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the Southeastern Colorado Water Conservancy District
 (local government)^C
 Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 3,248,880 assessed valuation of: (GROSS¹ assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
 Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: (NET² assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10
 Submitted: 12/13/2022 for budget/fiscal year 2023 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^{3A}	.900 mills	\$ 2,923.99
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< .050 > mills	\$ < (162.44) >
SUBTOTAL FOR GENERAL OPERATING:	.850 mills	\$ 2,761.55
3. General Obligation Bonds and Interest ⁴	_____ mills	\$ _____
4. Contractual Obligations ⁵	_____ mills	\$ _____
5. Capital Expenditures ⁶	_____ mills	\$ _____
6. Refunds/Abatements ⁴	.005 mills	\$ 16.24
7. Other ⁸ (specify): _____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	.855 mills	\$ 2,777.79

 Contact person: (print) Leann Hoga Daytime phone: (719) 248-9950
 Signed: _____ 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 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80202. Questions? Call DLG at (303) 864-7730.

County Tax Entity Code **CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL Governments** DOLA LGID/SD
 TO: County Commissioners¹ of Kiowa County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the Southeastern Colorado Water Conservancy District
 (local government)^C
 Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 3,248,880 assessed valuation of: (GROSS¹ assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
 Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: (NET² assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10
 Submitted: 12/13/2022 for budget/fiscal year 2023 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^{3A}	.035 mills	\$ 113.71
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< .003 > mills	\$ < (9.75) >
SUBTOTAL FOR GENERAL OPERATING:	.032 mills	\$ 103.96
3. General Obligation Bonds and Interest ⁴	_____ mills	\$ _____
4. Contractual Obligations ⁵	_____ mills	\$ _____
5. Capital Expenditures ⁶	_____ mills	\$ _____
6. Refunds/Abatements ⁴	_____ mills	\$ _____
7. Other ⁸ (specify): _____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	.032 mills	\$ 103.96

 Contact person: (print) Leann Hoga Daytime phone: (719) 248-9950
 Signed: _____ 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 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80202. Questions? Call DLG at (303) 864-7730.

County Assessed Valuations and Certification of Tax Levies

22 County Tax Entry Code **CERTIFICATION OF VALUATION BY** DOLA LGID/SD 64128/18
 New Tax Entry? YES NO **PROWERS COUNTY ASSESSOR** Date 12-09-2022
 NAME OF TAX ENTITY: SOUTHEAST COLORADO WATER CONSERVANCY DISTRICT

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$ 64,029,426
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2. \$ 64,300,360
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$ 2,720,355
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 61,580,005
5. NEW CONSTRUCTION:	5. \$ 149,003
6. INCREASED PRODUCTION OF PRODUCING MINE:	6. \$
7. ANNEXATIONS/INCLUSIONS:	7. \$
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY:	8. \$
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(a), C.R.S.):	9. \$
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10. \$ 85.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-1-114(1)(a)(D)(B), C.R.S.):	11. \$ 612.00

This value reflects personal property exemptions if enacted by the jurisdiction as authorized by Art. X, Sec. 20(2)(b), Colo. Constitution. New Construction is defined as: Taxable real property structures and the personal property contained with the structure.
 * Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Form DLG 52 & 52A.
 † Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY:	1. \$ 405,113,539
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ADDITIONS TO TAXABLE REAL PROPERTY

2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2. \$ 1,354,703
3. ANNEXATIONS/INCLUSIONS:	3. \$
4. INCREASED MINING PRODUCTION:	4. \$
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property):	7. \$

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$ 157,870
9. DISCONNECTIONS/EXCLUSIONS:	9. \$
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$ 1,951,409

* Construction is defined as newly constructed taxable real property structures.
 † Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-126(1), 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 39-5-118(1)(5), C.R.S., THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ 482,704
 ** The tax revenue lost due to this exempt value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-5-119(5)(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15. **DLG 57 (Rev. 7-2011)**

Prowers County Certification of Valuation and Certification of Tax Levies



County Tax Entry Code **CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL Governments** DOLA LGID/SD

TO: County Commissioners¹ of Prowers 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 \$ 64,300,360 assessed valuation of: (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)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 \$ 61,580,005 (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) **USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15**

Submitted: 12/13/2022 for budget/fiscal year 2023
 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ¹
1. General Operating Expenses ⁸	.900 mills	\$ 55,422.00
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁹	< .050 > mills	\$ < (3,079.00) >
SUBTOTAL FOR GENERAL OPERATING:		
	.850 mills	\$ 52,343.00
3. General Obligation Bonds and Interest ⁷	mills	\$
4. Contractual Obligations ⁸	mills	\$
5. Capital Expenditures ⁸	mills	\$
6. Refunds/Abatements ⁸	.005 mills	\$ 307.90
7. Other ⁸ (specify):	mills	\$
	mills	\$
TOTAL: [Sum of General Operating Subtotal and Lines 3-7]	.855 mills	\$ 52,650.90

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

Include one copy of this tax entry 2-completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 131, 1313 Sherman Street, Denver, CO 80202. Openlines: Call DLG at (303) 864-7770.

¹ If the taxing entity 2 boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

County Tax Entry Code **CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments** DOLA LGID/SD

TO: County Commissioners¹ of Prowers 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 \$ 64,300,360 assessed valuation of: (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)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 \$ 61,580,005 (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) **USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 15**

Submitted: 12/13/2022 for budget/fiscal year 2023
 (no later than Dec. 15) (mm-dd-yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ¹
1. General Operating Expenses ⁸	.035 mills	\$ 2,155.30
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ⁹	< .003 > mills	\$ < (184.74) >
SUBTOTAL FOR GENERAL OPERATING:		
	.032 mills	\$ 1,970.56
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	\$
	mills	\$
TOTAL: [Sum of General Operating Subtotal and Lines 3-7]	.032 mills	\$ 1,970.56

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

Include one copy of this tax entry 2-completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 131, 1313 Sherman Street, Denver, CO 80202. Openlines: Call DLG at (303) 864-7770.

¹ If the taxing entity 2 boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

County Assessed Valuations and Certification of Tax Levies

Pueblo County Certification of Valuation and Certification of Tax Levies



7.12
 COUNTY TAX ENTITY CODE: Pueblo County
 DOLA LGD/SD: 441291
 CERTIFICATION OF VALUATION BY PUEBLO COUNTY COUNTY ASSESSOR
 New Tax Entity: YES NO
 Date: 11/28/2022
 NAME OF TAX ENTITY: S.E. WATER CONSERV DIST

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY
 IN ACCORDANCE WITH 39-5-12(2)(a) AND 39-5-12(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$ 1,947,226,785 A
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2. \$ 1,924,231,437 B
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$ 66,232,834 C
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 1,855,998,903 D
5. NEW CONSTRUCTION: †	5. \$ 53,056,927 E
6. INCREASED PRODUCTION OF PRODUCING MINE: =	6. \$ 0 F
7. ANNEXATIONS/INCLUSIONS:	7. \$ 0 G
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: =	8. \$ 778,960 H
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (20-1-301)(1)(3), C.R.S.): †	9. \$ 0 I
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301)(1) (A), C.R.S.): Includes all revenue collected on valuation not previously certified.	10. \$ 673.00 J
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301)(1)(A), C.R.S.) AND (39-10-114)(A)(a)(b), C.R.S.):	11. \$ 24,611.01 K

‡ This value reflects personal property exemptions if enacted by the jurisdiction as authorized by Art. X, Sec. 20(1)(b), Colo. Constitution.
 † New Construction is defined as: Taxable real property structures and the personal property connected with the structures.
 ‡ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation, use Form DLG 52 & 52A.
 † Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation, use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY
 IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-12(2)(b), 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. \$ 15,392,854,890 L
ADDITIONS TO TAXABLE REAL PROPERTY	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: †	2. \$ 498,772,804 M
3. ANNEXATIONS/INCLUSIONS:	3. \$ 0 N
4. INCREASED MINING PRODUCTION: ‡	4. \$ 0 O
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$ 3,157,827 P
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$ 0 Q
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	7. \$ 0 R
DELETIONS FROM TAXABLE REAL PROPERTY	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$ 183,868 S
9. DISCONNECTIONS/EXCLUSIONS:	9. \$ 0 T
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$ 25,767,962 U

‡ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 † Construction is defined as newly constructed taxable real property structures.
 ‡ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-12(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1. \$ 15,901,120,290 V
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IN ACCORDANCE WITH 39-5-12(1.5), C.R.S., THE ASSESSOR PROVIDES:
 HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ 3,511,958 W
 ** The tax revenue lost due to this exempted value will be rebated to the tax entity by the County Treasurer in accordance with 39-3-13(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO BE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.
 5.5% PROPERTY TAX REVENUE LIMITATION (29-1-301), C.R.S.
 15-AR-0PT ARL VOL. 2 1-84 Rev 07-18

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments
 TO: County Commissioners¹ of Pueblo County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District
 the Board of Directors
 of the Southeastern Colorado Water Conservancy District

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 1,924,231,437 assessed valuation of (GROSS² assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
 Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of \$ 1,855,998,903 (NET⁴ assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/13/2022 for budget/fiscal year 2023
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^{2A}	.900 mills	\$ 1,670,399.01
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< .050 > mills	\$ < (92,799.95) >
SUBTOTAL FOR GENERAL OPERATING:	.850 mills	\$ 1,577,599.06
3. General Obligation Bonds and Interest ²	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ²	mills	\$
6. Refunds/Abatements ^{2A}	.005 mills	\$ 9,279.99
7. Other ^N (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.855 mills	\$ 1,586,879.05

Contact person: Leann 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 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80202. Questions? Call DLG at (303) 866-7720.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments
 TO: County Commissioners¹ of Pueblo County, Colorado.
 On behalf of the Southeastern Colorado Water Conservancy District
 the Board of Directors
 of the Southeastern Colorado Water Conservancy District

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 1,924,231,437 assessed valuation of (GROSS² assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)
 Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area³ the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of \$ 1,855,998,903 (NET⁴ assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/13/2022 for budget/fiscal year 2023
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^{2A}	.035 mills	\$ 64,959.96
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ¹	< .003 > mills	\$ < (5,568.00) >
SUBTOTAL FOR GENERAL OPERATING:	.032 mills	\$ 59,391.96
3. General Obligation Bonds and Interest ²	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ²	mills	\$
6. Refunds/Abatements ^{2A}	mills	\$
7. Other ^N (specify):	mills	\$
TOTAL: (Sum of General Operating Subtotal and Lines 3 to 7)	.032 mills	\$ 59,391.96

Contact person: Leann 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 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80202. Questions? Call DLG at (303) 866-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

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 water supply project to serve the needs of communities in the lower Arkansas Valley, which will begin construction in 2023.
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 Statues
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.

