

Colorado Agricultural Development Authority

Annual Report
2000

Colorado Agricultural Development Authority
Board Members
For the Year Ended December 31, 2000

Name and City	Position	Expiration of Term	Occupation
Don Ament Lakewood	Ex-officio Member	--	Commissioner Colo. Dept. Agriculture
J. Rodney Uhrich Denver	Chairman	June 30, 2003	Retired Banker
Steve Coughlin Yuma	Member	June 30, 2001	Banker
Jim Dyer Durango	Member	June 30, 2004	Legislator
Ron Lambden Greeley	Member	June 30, 2001	Attorney
Don Schulz Monte Vista	Member	June 30, 2001	Financial Planner
Loren Whittemore Rush	Vice Chairman	June 30, 2001	Rancher
Robert B. Wiley Boone	Member	June 30, 2004	Farmer

James Rubingh serves as Secretary to the Authority.

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Beginning Farmer Program. This program utilizes tax exempt bonds to assist first time farmers and ranchers with the purchase of land, equipment and other capital expenditures. One hundred ninety seven loans for a total of \$26,582,838.26 have been made to individual borrowers as of December 31, 2000. In 2000, twenty-four loans for a total of \$2,981,616.00 were made to assist beginning farmers and ranchers.

Agricultural Processing Loan Program. This program utilizes tax exempt bonds to assist in the purchase of facilities and equipment for the processing of agricultural goods. One bond for \$3,000,000 was issued in 2000 giving a total of four bonds for \$14,895,000 under this program.

Agricultural Sewage Facility Bonds. This program utilizes tax exempt bonds to assist with the purchase of equipment and facilities for the handling of agricultural sewage and waste material. One bond for \$10 million has been issued for this purpose.

Loan to Lenders Program. This program was conducted in 1983 with six-year equipment loans (ended in 1989) and ten-year land loans (ended in 1993). A total of 105 loans for \$8,000,000 were made.

In total, CADA has assisted with 307 loans for \$59,477,838.26. No state money is pledged or at risk under any of these programs.

Quality Agricultural Loans (QAL) Program. The QAL program was established to purchase the guaranteed portion of Farm Service Agency (FSA) loans and fix the interest at a below market rate for up to 25 years. Loans are available to finance the purchase of land, equipment, and machinery that is farm or ranch related. Since the beginning of the QAL program in 1990, Colorado Housing and Finance Authority has purchased the guaranteed portion of 93 loans totalling \$17,767,832 with an average loan size of \$191,052. In 2000, CHFA purchased the guaranteed portion of 22 loans for a total of \$5,588,559, with an average loan size of \$254,025.

Colorado Credit Reserve (CCR) - Ag Loans. The CCR program became available in March 1994. CCR-Ag encourages rural lenders to approve small loans requests up to \$150,000 for agricultural producers and processors. CCR is based on a pooled loan reserve concept, and is administered by the Colorado Housing and Finance Authority (CHFA). The CCR-Ag program is funded by the Colorado Agricultural Development Authority. To date, thirteen CCR-AG loans have been made for a total of \$500,060 with an average loan size of \$38,466.

Colorado Agricultural Development Authority
State of Revenues, Expenses and Changes in Financial Condition
For the Year Ended December 31, 2000

Revenue	1999	2000
Interest on Checking Account	192.19	228.59
Interest on Dreyfus/CSAFE Money Market Account	3,754.90	6,446.89
Interest on Investments	58,526.51	64,026.00
Application Fees	1,700.00	2825.00
Incorrectly paid Legal Fees	3,000.00	0
Transferred Funds from Investments	10,000.44	0
Loan Closings	7,859.56	13955.74
Annual Fees Collected	16,622.70	13419.48
Miscellaneous Reimbursements	<u>300.00</u>	<u>586.50</u>
<i>Total Revenue</i>	101,956.30	101,488.20
 Expenditures		
Telephone	810.81	591.28
Printing/Copying	2,327.09	156.11
Travel/Staff	895.15	591.14
Travel/Board	4,293.33	3,351.21
Postage	478.33	446.02
Conference Fees	1,980.00	1,915.00
Insurance	316.00	316.00
Dues/Subscriptions	250.00	175.00
Intern Compensation	3,300.00	1,200.00
Bank Charges/Investment Service Charges	64.00	59.00
Accounting Fees	1,900.00	2,295.00
Advertising & Publicity	6,313.17	9,741.69
Official Functions	540.96	445.06
Miscellaneous	651.46	1,545.35
Legal Expense	0.00	641.75
Legal fees Returned to Kutak	3,000.00	0
Personal Services	10,200.00	7,878.96
Refund of Overpaid Annual Fees	544.19	26.90
Refund of Application Fees	50.00	50.00
Shipping	18.00	0
Exhibitor Fees	150.00	538.97
Contributions	<u>15,700.00</u>	<u>14,730.00</u>
<i>Total Expenditures</i>	53,782.49	46,894.44
Revenue Over Expenses	48,173.81	54,593.76

Colorado Agricultural Development Authority
Statement of Assets
Year End 1999, 2000

ASSETS:	1999	2000
Cash on Hand	31,133.64	22,068.51
Investment Accounts		
Dreyfus/CSAFE Money Market Account	95,767.39	162,827.03
Bonds/Notes	1,143,279.17	1,167,883.56
<i>Total Assets</i>	<u>1,270,180.20</u>	<u>1,352,779.00</u>

Colorado Agricultural Development Authority
Notes to Financial Statement
For the Year Ended December 31, 2000

1. Authorizing Legislation

The Colorado Agricultural Development Authority (the Authority) is an independent public body politic and corporate and political Subdivision, created June 19, 1981 by an Act of the General Assembly of the State of Colorado.

The purpose of the Authority is to provide low interest financing to Colorado farmers, ranchers and agricultural processors for capital expenditures necessary for agricultural production.

The Authority may issue tax-exempt bonds and notes or other obligations, which shall not constitute a debt of the State of Colorado, its legislature or any political subdivision other than the Authority. Obligations are issued by and are the limited obligations of the Authority, payable solely from collections from the borrowing entity.

2. Nature of Funds

The funds maintained by the Authority are described below:

Operating Fund – The operating fund was established by the Authority to account for expenses necessary for the operation of the Authority.

Bond Funds – Resolutions adopted by the Authority and bond documents intended to implement the resolutions establish the specific funds to account for the proceeds of the bond issues and debt service payments. (Also see Note 4)

3. Accounting Policies

The significant accounting policies of the Authority are:

- a. The Authority's financial statements reflect the accrual basis of accounting.

4. Bond Revenues

The Authority may impose upon any borrower a service fee in amounts determined by the Authority. These fees may be used to pay various expenses of the Authority, including administrative and operating expenses, and to provide funds for anticipated future expenses. These fees are payable in part at the time of application and in part at the time of closing and thereafter on the anniversary date of closing for the length of the loan period.

MEMORANDUM

TO: Rod Uhrich
FROM: Jim Rubingh
DATE: February 6, 2001
SUBJECT: 2000 Annual Report

Enclosed is the authority's 2000 Annual Report. Please sign the cover letter and return it to me. I will make copies and distribute them to the Board, Governor's office and legislature.

Enc.

February 6, 2001

The Honorable Bill Owens
State of Colorado
State Capital Building
200 East Colfax Ave.
Denver, CO 80203

Dear Governor Owens:

This is the twentieth annual report of the Colorado Agricultural Development Authority. In 2000, twenty-four bonds for beginning farmers and ranchers were issued. In addition, one bond was issued to assist the expansion of a flour processing facility in Platteville. Total bond amounts issued for 2000 were \$2,981,616.00 for the Beginning Farmer Program and \$3,000,000.00 for agricultural processing.

The Authority also continues to support the Quality Agricultural Loan program and the Colorado Capital Reserve-Ag Program with the Colorado Housing and Finance Authority.

As we celebrate our 20th anniversary this year, the Authority will continue to look for new opportunities to assist the Colorado agricultural industry with its financing needs.

Sincerely,

J. Rodney Uhrich
Chairman

Jim Rubingh
Secretary

xc: Representative Doug Dean
Senator Stan Matsunaka