

Colorado Agricultural Development Authority

Annual Report
2003

Colorado Agricultural Development Authority

Board Members For the Year Ended December 31, 2003

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, 2007	Retired Banker
Steve Coughlin Yuma	Member	June 30, 2005	Banker
Carl Miller Leadville	Member	June 30, 2004	Legislator
Ron Lambden Greeley	Member	June 30, 2005	Attorney
Don Schulz Monte Vista	Member	June 30, 2005	Financial Planner
Loren Whittemore Rush	Vice Chairman	June 30, 2005	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. Two hundred sixty six loans for a total of \$36,697,460.34 have been made to individual borrowers as of December 31, 2003. In 2003, fifteen loans for a total of \$2,445,652.50 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. Four bonds have been issued for a total of \$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 376 loans for \$69,592,460.34. No state money is pledged or at risk under any of these programs.

Colorado Agricultural Development Authority

State of Revenues, Expenses and Changes in Financial Condition For the Year Ended December 31, 2003

Revenue	2002	2003
Interest on Checking Account	10.12	5.38
Interest on CSAFE Money Market Account	14,311.49	7,742.76
Interest on Investments	35,209.77	21,835.36
Application Fees	1,700.00	800.00
Loan Closings	8,541.55	4,759.63
Annual Fees Collected	4,055.09	11,667.19
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Total Revenue	63,828.02	46,810.32
Expenditures		
Telephone	64.02	874.16
Printing/Copying	1,112.89	165.23
Travel/Staff	649.77	389.50
Travel/Board	3,282.84	2,720.61
Postage/Shipping	414.99	274.39
Conference Fees	1,300.00	745.00
Insurance	316.00	347.00
Dues/Subscriptions	255.00	519.00
Bank Charges/Investment Service Charges	74.90	69.00
Accounting Fees	2,500.00	2,600.00
Advertising & Publicity	11,365.78	11,449.01
Official Functions	505.51	474.20
Miscellaneous & Office Supplies	141.32	868.78
Legal Expense	6,250.00	3,750.00
Personal Services	9,272.06	4715.63
Refund of Overpaid Annual Fees	261.47	0
Refund of Overpaid Closing Fees	50.00	0
Exhibitor Fees	620.00	150.00
Contributions	<u>23,087.88</u>	<u>17,950.00</u>
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Total Expenditures	61,524.43	48,061.51
Revenue Over Expenses	2,303.59	<1,251.19>

Colorado Agricultural Development Authority

Statement of Assets Year End 2002, 2003

ASSETS:	2002	2003
Cash on Hand	6,767.84	8,438.53
Investment Accounts		
CSAFE Money Market Account	690,051.61	380,256.72
Bonds/Notes	717,187.92	1,017,181.93
<i>Total Assets</i>	<u>1,414,007.37</u>	<u>1,405,877.18</u>

Colorado Agricultural Development Authority

Notes to Financial Statement For the Year Ended December 31, 2003

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 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: January 28, 2004
SUBJECT: 2003 Annual Report

Enclosed is the authority's 2003 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.

January 28, 2004

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

Dear Governor Owens:

This is the twenty-third annual report of the Colorado Agricultural Development Authority. In 2003, fifteen bonds for beginning farmers and ranchers were issued. The total amount of bonds issued in 2003 through the Beginning Farmer Program was \$2,445,652.50.

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 always the Authority continues 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 Lola Spradley
Senator John Andrews