

January 25, 2007

The Honorable Bill Ritter
State Capitol Building
200 East Colfax Ave.
Denver, CO 80203

Dear Governor Ritter:

This is the twenty-fifth annual report of the Colorado Agricultural Development Authority. In 2006, eleven bonds for beginning farmers and ranchers were issued. The amount of bonds issued in 2006 through the Beginning Farmer program was \$1,475,200. An additional \$3,300,000 was issued as an agricultural sewage facility bond for a total issuance of \$4,775,200 in tax exempt bonds in 2006.

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 Andrew Romanoff
Senator Joan Fitz-Gerald

Colorado Agricultural Development Authority

Annual Report
2006

Colorado Agricultural Development Authority

Board Members For the Year Ended December 31, 2006

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
John Stulp Lamar	Member	June 30, 2009	Rancher
Tim Lehmann Powderhorn	Member	June 30, 2008	Farmer
Ron Lambden Greeley	Member	June 30, 2009	Attorney
Don Schulz Monte Vista	Member	June 30, 2009	Financial Planner
Mel Rettig Grand Junction	Member	June 30, 2009	Farmer
Robert B. Wiley Boone	Member	June 30, 2008	Farmer

James Rubingh serves as Secretary to the Authority.
Krissy Franklin serves as Recording Secretary.

Colorado Agricultural Development Authority

Annual Report For the Year Ended December 31, 2006

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 ninety seven loans for a total of \$40,550,436.34 have been made to individual borrowers as of December 31, 2006. In 2006, eleven loans for a total of \$1,475,200.00 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. 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 \$3.3 million was issued in 2006 for this purpose. In total, two bonds for \$13.3 million have been issued under this program.

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 408 loans for \$76,745,436.34. 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, 2006

Revenue	2005	2006
Interest on Checking Account	2.74	3.81
Interest on CSAFE Money Market Account	12.75	13,767.79
Interest on Investments	39,899.93	41,437.64
Application Fees	400.00	2,200.00
Loan Closings	1,825.60	11,388.00
Annual Fees Collected	13,907.50	19,327.48
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<i>Total Revenue</i>	56,048.52	88,124.72
 Expenditures		
Allocation Application Fees	7,500.00	7,500.00
Telephone	476.54	549.40
Printing/Copying	193.28	306.90
Travel/Staff	467.77	617.83
Travel/Board	5,773.44	2,712.64
Postage/Shipping	368.94	308.85
Conference Fees	1,985.00	335.00
Insurance	377.00	377.00
Dues/Subscriptions	668.00	200.00
Bank Charges/Investment Service Charges	167.80	50.00
Accounting Fees	3,275.00	3,500.00
Advertising & Publicity	8,400.18	8,047.88
Official Functions	595.80	804.23
Miscellaneous & Office Supplies	469.47	1,120.04
Legal Expense	2,250.00	2,750.00
Personal Services	0.00	3,460.00
Exhibitor Fees	575.00	150.00
Contributions	<u>23,248.00</u>	<u>18,900.00</u>
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<i>Total Expenditures</i>	56,791.22	51,689.77
 Revenue Over Expenses	 <742.70>	 36,434.95

Colorado Agricultural Development Authority

Statement of Assets Year End 2005, 2006

ASSETS:	2005	2006
Cash on Hand	3,576.56	11,306.08
Investment Accounts		
CSAFE Money Market Account	299,669.31	325,241.50
Bonds/Notes	1,085,722.00	1,095,038.40
<i>Total Assets</i>	<u>1,388,967.87</u>	<u>1,431,585.98</u>

Colorado Agricultural Development Authority

Notes to Financial Statement For the Year Ended December 31, 2006

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 annually on December 15th for the length of the loan period.