

Colorado

Agricultural Development Authority

700 Kipling Street, Suite 4000
Lakewood, CO 80215-8000
(303) 239-4116
(303) 239-4125 FAX

January 22, 2008

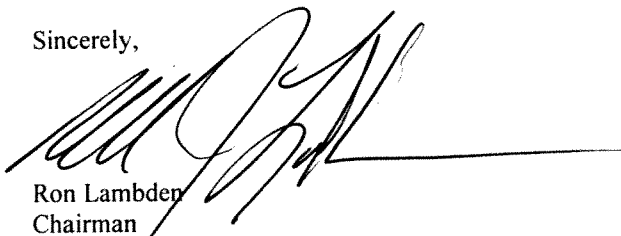
The Honorable Bill Ritter
State Capitol Building
200 East Colfax Ave.
Denver, CO 80203

Dear Governor Ritter:

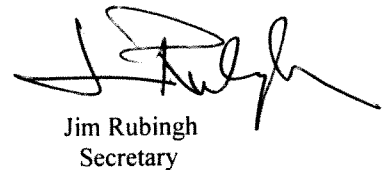
This is the twenty-sixth annual report of the Colorado Agricultural Development Authority. In 2007, twelve bonds for beginning farmers and ranchers were issued. The amount of bonds issued in 2007 through the Beginning Farmer program was \$2,668,440. An additional \$2,450,000 was issued as an agricultural sewage facility bond for a total issuance of \$5,118,440 in tax exempt bonds in 2007. Four previous bonds were also modified in order to reduce the payments for borrowers.

The Authority continues to look for new opportunities to assist the Colorado agricultural industry with its financing needs.

Sincerely,



Ron Lambden
Chairman



Jim Rubingh
Secretary

Xc: Representative Andrew Romanoff
Senator Peter Groff

Board of Directors: Ronald J. Lambden, Greeley; Don R Schulz, Monte Vista; Mel Rettig, Grand Junction; John Stencel, Aurora; Brian Neufeld, Hooper; Robert B. Wiley, Boone; Tim Lehmann, Powderhorn; John Stulp, Commissioner of Agriculture; Jim Rubingh, Secretary

Colorado Agricultural Development Authority

Annual Report
2007

Colorado Agricultural Development Authority

Board Members For the Year Ended December 31, 2007

Name and City	Position	Expiration of Term	Occupation
John Stulp Lakewood	Ex-officio Member	--	Commissioner Colo. Dept. Agriculture
Ron Lambden Greeley	Chairman	June 30, 2009	Attorney
John Stencil Aurora	Member	June 30, 2010	Retired
Tim Lehmann Powderhorn	Member	June 30, 2008	Rancher
Brian Neufeld Greeley	Member	June 30, 2010	Farmer
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.
Stacy Romero serves as Recording Secretary.

Colorado Agricultural Development Authority

Annual Report For the Year Ended December 31, 2007

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. Three hundred and nine loans for a total of \$43,218,876.34 have been made to individual borrowers as of December 31, 2007. In 2007, twelve loans for a total of \$2,668,440.00 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 \$2.45 million was issued in 2007 for this purpose. In total, three bonds for \$15.75 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 421 loans for \$81,863,876.34. 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, 2007

Revenue	2007	2006
Interest on Checking Account	2.25	3.81
Interest on CSAFE Money Market Account	15,854.06	13,767.79
Interest on Investments	67,546.52	41,437.64
Application Fees	400.00	2,200.00
Loan Closings	9,414.85	11,388.00
Annual Fees Collected	15,178.54	19,327.48
	<hr/>	<hr/>
Total Revenue	108,396.22	88,124.72
Expenditures		
Allocation Application Fees	7,500.00	7,500.00
Telephone	00	549.40
Printing/Copying	34.20	306.90
Travel/Staff	1647.76	617.83
Travel/Board	3,777.26	2,712.64
Postage/Shipping	197.19	308.85
Conference Fees	995.00	335.00
Insurance	377.00	377.00
Dues/Subscriptions	200.00	200.00
Bank Charges/Investment Service Charges	99.00	50.00
Accounting Fees	3750.00	3,500.00
Advertising & Publicity	9335.91	8,047.88
Official Functions	1,227.13	804.23
Miscellaneous & Office Supplies	257.87	1,120.04
Legal Expense	3000.00	2,750.00
Personal Services	17,777.50	3,460.00
Exhibitor Fees		150.00
Contributions	<u>17,350.00</u>	<u>18,900.00</u>
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Total Expenditures	67,525.82	51,689.77
Revenue Over Expenses	40,870.40	36,434.95

Colorado Agricultural Development Authority

Statement of Assets Year End 2007, 2006

ASSETS:	2007	2006
Cash on Hand	20,852.02	11,306.08
Investment Accounts		
CSAFE Money Market Account	296,466.98	325,241.50
Bonds/Notes	1,157,210.96	1,095,038.40
<i>Total Assets</i>	<u>1,474,529.96</u>	<u>1,431,585.98</u>

Colorado Agricultural Development Authority

Notes to Financial Statement For the Year Ended December 31, 2007

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.

MEMORANDUM

TO: Ron Lambden
FROM: Jim Rubingh
DATE: January 10, 2008
SUBJECT: 2007 Annual Report

Enclosed is the Authority's 2007 Annual Report. Please sign the cover letter and return it to Stacy. He will make copies and distribute them to the Board, Governor's office and legislature.

Enc.

January 22, 2008

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

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