

Colorado

Agricultural Development Authority

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January 21, 2009

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

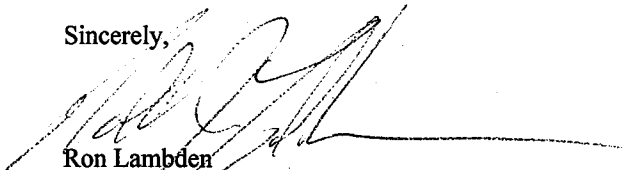
Dear Governor Ritter:

This is the twenty-seventh annual report of the Colorado Agricultural Development Authority. In 2008, seven bonds for beginning farmers and ranchers were issued for a total amount of \$1,585,750.

The Authority also modified three previous bonds in order to lower the interest rate for beginning farmer borrowers.

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

Sincerely,



Ron Lambden
Chairman



Jim Rubingh
Secretary

xc: Representative Terrance Carroll
Senator Peter Groff

Board of Directors: Ronald J. Lambden, Greeley; Don R Schulz, Monte Vista; Mel Rettig, Grand Junction; John Stencil, Aurora; Brian Neufeld, Hooper; Andrew Trainor, Pueblo; Tim Lehmann, Powderhorn; John Stulp, Commissioner of Agriculture; Jim Rubingh, Secretary

Colorado Agricultural Development Authority

Annual Report
2008

Colorado Agricultural Development Authority

Board Members For the Year Ended December 31, 2008

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
Andrew Trainor Pueblo	Member	June 30, 2011	Banker

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, 2008

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 sixteen loans for a total of \$43,952,126.34 have been made to individual borrowers as of December 31, 2008. In 2008, seven loans for a total of \$1,585,750.00 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. 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 428 loans for \$82,596,126.34. 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, 2008

Revenue	2008	2007
Interest on Checking Account	0.00	2.25
Interest on CSAFE Money Market Account	9,121.65	15,854.06
Interest on Investments	53,656.35	62,762.52
Application Fees	350.00	400.00
Loan Closings	3,714.34	9,414.85
Annual Fees Collected	12,283.15	15,178.54
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<i>Total Revenue</i>	79,125.49	103,612.22
Expenditures		
Allocation Application Fees	7,500.00	7,500.00
Telephone	186.91	0.00
Printing/Copying	517.00	34.20
Travel/Staff	1664.89	1647.76
Travel/Board	3,006.60	3777.26
Postage/Shipping	253.42	197.19
Conference Fees	1315.00	995.00
Insurance	377.00	377.00
Dues/Subscriptions	200.00	200.00
Bank Charges/Investment Service Charges	87.00	99.00
Accounting Fees	5365.00	3,750.00
Advertising & Publicity	5597.49	9,811.64
Official Functions	777.11	1,227.13
Miscellaneous & Office Supplies	632.94	257.87
Legal Expense	1750.00	3,000.00
Personal Services	15,404.20	17,777.50
Exhibitor Fees	0.00	0.00
Contributions	<u>23,580.88</u>	<u>17,350.00</u>
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<i>Total Expenditures</i>	68,215.44	68,001.55
Revenue Over Expenses	10,910.08	35,610.67

Colorado Agricultural Development Authority

Statement of Assets Year End 2007, 2006

ASSETS:	2008	2007
Cash on Hand	10,508.37	20,852.02
Investment Accounts		
CSAFE Money Market Account	415,486.97	296,466.98
Bonds/Notes	1,058,464.44	1,157,210.96
<i>Total Assets</i>	<u>1,484,459.78</u>	<u>1,474,529.96</u>

Colorado Agricultural Development Authority

Notes to Financial Statement For the Year Ended December 31, 2008

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.