



2024 Annual Budget

📍 220 Water Avenue | Berthoud, CO 80513
🌐 www.NorthernWater.org



Northern Water

TABLE OF CONTENTS

Table of Contents	2
General Manager Transmittal Letter.....	5
Distinguished Budget Presentation Award	7
About Northern Water	8
History	9
The Idea Behind the Colorado-Big Thompson Project	9
Northern Colorado Water Users Association	9
Northern Water Created.....	9
Construction of the Colorado-Big Thompson Project.....	10
Colorado-Big Thompson West Slope Collection Systems	11
Colorado-Big Thompson East Slope Distribution Systems.....	12
Southern Water Supply Project	13
Pleasant Valley Pipeline	13
Northern Integrated Supply Project	13
Hydropower.....	13
Service Area	14
Largest Employers	15
Largest Counties in Service Area	16
Board of Directors	18
Organizational Chart	19
Our Business Plan	20
Our Mission.....	20
Our Vision.....	20
Our Priorities	20
Our Values and Principles	20
Budget Process	21
Budget Schedule.....	21
Amending the Budget.....	21
Human Capital	22
Staffing	22
Schedule of Employees by Division	22
Labor Expenditures	23
Grade and Step	24
Employee Turnover.....	24
Fiscal Policies	25
Balanced Budget.....	25
Reserve Fund Policy.....	25
Revenues.....	25
Expenditures	25
Risk Management.....	25
Investments.....	26
Capital Policy.....	26
Basis of Accounting	26
Capital Contributions	26
Fund Structure and Budget Appropriations – All Funds	27

Organizational Metrics.....	28
Priority: Protect and Conserve Water Supplies.....	29
Environmental Services Outreach and Education.....	29
Environmental Services Impressions.....	29
Fund Landscape Conversion Projects to Low-Water Alternatives.....	29
Priority: Maintain and Strengthen Relationships.....	30
Social Media - Northern Water District.....	30
Social Media - Northern Integrated Supply Project.....	31
Website Analytics.....	31
Priority: Cultivate Operational and Organizational Excellence.....	32
District Enterprise Fund	33
Fund Overview.....	34
Budget Summary.....	34
Revenues.....	38
Indirect Costs.....	38
Certificates of Participation.....	38
Property and Specific Ownership Tax Revenue.....	39
Breakdown by County.....	39
Specific Ownership Tax.....	39
Water Assessments Revenue.....	40
Water Assessments by Class of Service.....	40
Charges for Services.....	42
Other Operating Revenue.....	43
Expenses.....	44
Fleet Expenses.....	45
Facilities Expenses.....	46
C-BT Operation and Maintenance Expenses.....	47
Operations Division Programs.....	48
Division: Operations – Collection Systems.....	48
Division: Operations – Distribution Systems.....	49
Division: Operations – Control Center.....	51
Division: Operations – Facilities and Equipment.....	52
Program Expenses	54
General Manager Programs.....	55
Division: General Manager – Senior Management Program.....	56
Division: General Manager – Human Resources Program.....	58
Division: General Manager – Security and Emergency Management Program.....	60
Finance and Administration Division Programs.....	61
Division: Finance and Administration – Administrative Services Program.....	62
Division: Finance and Administration – Communications Program.....	63
Division: Finance and Administration – Contracts Program.....	65
Division: Finance and Administration – Financial Services Program.....	66
Division: Finance and Administration – Information Technology Services Program.....	68
Division: Finance and Administration – Records Program.....	70
Division: Finance and Administration – Water Scheduling Program.....	71
Engineering Division Programs.....	72
Division: Engineering – Project Management Program.....	73
Division: Engineering – Real Estate Services Program.....	74
Division: Engineering – Water Resources Program.....	76
Division: Engineering – Water Rights Program.....	78
Environmental Services Division Programs.....	79
Division: Environmental Services – Environmental Data Management Program.....	80

Division: Environmental Services – Environmental Planning	81
Division: Environmental Services – Field Services Program	83
Division: Environmental Services – Water Quality Program	84
Division: Environmental Services – Water Efficiency Program	86
Operations Division Programs	88
Division: Operations – Instrumentation Controls and Electrical Engineering Program	89
Division: Operations – Safety Program	90
Capital Projects	91
Capital Process	91
Priorities	92
Strategies	92
Capital Projects, Initiatives and Studies Details	93
Capital Asset Purchases	101
Capital Outyears.....	102
Debt Service.....	103
Net Pension Liability.....	103
Southern Water Supply Project Water Activity Enterprise Fund.....	104
Fund Overview.....	105
Budget Summary.....	106
Revenues.....	107
Expenses.....	108
Pipelines and Pump Plants Map.....	109
Capital Outlay	110
Pleasant Valley Pipeline Water Activity Enterprise Fund	111
Fund Overview.....	112
Budget Summary.....	112
Revenues.....	113
Expenses.....	114
Pipeline Map.....	115
Capital Outlay	116
Northern Integrated Supply Project Water Activity Enterprise Fund	117
Fund Overview.....	118
Budget Summary.....	119
Contributions	120
Project Map.....	120
Capital Outlay	120
Hydropower Water Activity Enterprise Fund	121
Fund Overview.....	122
Budget Summary.....	123
Revenues.....	124
Expenses.....	126
Debt Service.....	128
Acronyms	129
Glossary	131
Ad Valorem Mill Levy	137
Collection of Class D Special Assessments	139
Collection of All Sources of Revenue.....	140
Appropriation	141

GENERAL MANAGER TRANSMITTAL LETTER

To the President and Board of Directors,

We are pleased to present the fiscal year 2024 budget which allows Northern Water to maintain its strong financial position while continuing to meet its primary commitment to a reliable and high-quality wholesale water supply. Northern Water's sound fiscal health was noted on July 9, 2021, when Moody's Investor Service issued a rating of Aa1 to Northern Water's Certificates of Participation, Series 2021. Concurrently Moody's assigned an initial AAA issuer rating to the District, noting a stable outlook, which supported Northern Water's successful issuance of Certificates of Participation, Series 2022. Alongside Moody's rating, Standard & Poor (S&P) Global issued an AA+ rating in 2021.

Northern Water's core objective is the timely delivery of water to its allottees and project participants at the highest possible quality and lowest possible cost. Overall, we remain committed to our mission, which is to "provide water resources management, project operations and conservation services for project beneficiaries." This budget is designed to fulfill that mission while address priorities in the fiscal year 2024 budget. The budget continues to address the need for additional resources to manage new capital projects and programs effectively, which will help us protect and conserve water supplies that are part of planned activities.

Fiscal Year 2024 Budget Summary and Highlights by Fund

District Enterprise Fund

Total Sources of Funds are estimated to be \$94.5 million, or approximately 21 percent higher than the fiscal year 2023 budget. Key components included with the fiscal year 2024 budgeted sources are:

- Property and Specific Ownership Tax revenues totaling \$35.8 million.
 - \$7.1 million increase (or approximately 25 percent) due to increased property tax revenues resulting from increased property values in the region.
- Water assessments totaling \$13.2 million, in accordance with the Board of Director's actions at its August 2023 Budget and Rate hearing.
- Charges for Services totaling \$6.5 million reflects an increase of \$288,375 (or 5 percent) due to increased labor charges from Northern Water enterprises.
- Indirect Cost Recovery of \$2.7 million was approved by the Board of Directors in 2021 for implementation in 2023.
- Other operating revenues from the Municipal Subdistrict's Windy Gap Project Enterprise totaling \$2.6 million include estimated \$2.6 million from the Carriage Contract and \$24,000 from Exchange Use
- Other revenues reflect increases from anticipated Bureau of Reclamation, Airborne Snow Observatory, Source Water Protection, and fire recovery grant revenues.

Total Uses of Funds are estimated to be \$110.6 million, or approximately 2 percent lower than fiscal year 2023. Key components included within fiscal year 2024 budgeted uses are:

- Operating expenses of \$46.8 million reflect an increase of \$5.6 million (or approximately 14 percent) compared to fiscal year 2023.
- Staffing to increase by fourteen full-time positions primarily due to filling open positions.
- Capital investments of \$31.5 million, approximately 221 percent higher than fiscal year 2023, due to increased costs anticipated for East Slope capital facilities and campus expansion projects.
- Other non-capital initiatives
 - East Troublesome Fire Recovery, \$21.9 million, (\$19.2 million expected from grant reimbursements)
 - Airborne Snow Observatory Flights, \$1.4 million, (100 percent of Northern Water costs expected to be recovered from grant revenue)
 - Other initiatives - \$310,000
- Debt service totaling \$5.6 million, in line with fiscal year 2023, as no new debt instruments were issued in 2023.
- Reserve contribution of \$2.3 million, reflecting 5 percent of budgeted operating expenses

Southern Water Supply Project Water Activity Enterprise Fund

Total Sources of Funds are estimated to be \$4.7 million, \$1.4 million higher than fiscal year 2023, from participant assessments and investment earnings.

Total Uses of Funds are estimated to be \$4.6 million, \$1.3 million higher than fiscal year 2023.

- \$2.4 million for operating expenses
- \$983,300 for indirect costs
- Capital projects of \$1.1 million, \$313,253 lower than fiscal year 2023 (two projects will be fully funded by those respective participants, at their request)

Pleasant Valley Pipeline Project Water Activity Enterprise Fund

Total Sources of Funds are estimated to be \$245,000, \$16,000 higher than fiscal year 2023, from participant assessments and investment earnings.

Total Uses of Funds are estimated to be \$240,000, \$12,000 higher than fiscal year 2023.

- \$114,000 for operating expenses
- \$43,900 for indirect costs
- \$58,000 for capital projects (both of the projects will be fully funded by those respective participants)

Northern Integrated Supply Project Water Activity Enterprise Fund

Total Sources of Funds are estimated to be \$35.1 million, \$6.8 million higher than fiscal year 2023, with \$30 million expected in proceeds from participant contributions.

Total Uses of Funds of \$35 million for capital project costs such as permitting, design and land purchases for the Colo. Highway 287 relocation, Glade Reservoir, and the South Platte Water Conservation Project.

Northern Water Hydropower Water Activity Enterprise Fund

Total Sources of Funds are estimated to be \$1.4 million, \$115,000 higher than the fiscal year 2023 budget

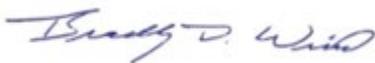
- \$1.3 million from energy revenue
- \$120,000 from investment earnings

Total Uses of Funds are estimated to be \$1.3 million, \$113,000 higher than in fiscal year 2023

- \$482,000 for operating expenses
- \$120,600 for indirect costs
- \$34,000 for capital projects
- \$639,000 for debt service

We believe the budget for Northern Water's eighty-seventh year of operation meets the Board's conservative fiscal vision, management's commitment to accountability, and strong overall operational and capital financial management.

Respectfully,



Bradley D. Wind
General Manager

DISTINGUISHED BUDGET PRESENTATION AWARD



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Northern Colorado Water Conservancy District
Colorado**

For the Fiscal Year Beginning

October 01, 2022

Christopher P. Morrill

Executive Director

ABOUT NORTHERN WATER

Northern Water is a public agency created in 1937 to contract with the U.S. Bureau of Reclamation (Reclamation) to build the Colorado-Big Thompson Project (C-BT Project). The C-BT Project provides supplemental water to irrigate more than 615,000 acres of farm and ranch land and more than one million people in eight Northeastern Colorado counties. Northern Water also engages in water management and planning activities for the purpose of meeting present and future water supply needs of water users within its boundaries. Northern Water has educational and water conservation programs, turf and landscape water use efficiency demonstration programs, public educational programs, water-efficient landscape grants, and publications on water planning and management.



The majority of C-BT Project water comes from mountain snowmelt in the upper Colorado River basin west of the Continental Divide. Northern Water delivers on average 210,000 acre-feet of untreated water each year to the South Platte River Basin. In 2022, agricultural and municipal/industrial deliveries were 82,139 and 116,881 acre-feet, respectively. The C-BT Project was constructed and is mostly owned by the United States through Reclamation. Northern Water owns the portions of the C-BT Project downstream of Horsetooth Reservoir and Carter Lake. Northern Water and Reclamation jointly operate and maintain the C-BT Project.

Northern Water's financial structure is defined by the terms and conditions of Colorado's Water Conservancy Act and its Repayment Contract with Reclamation. The Board retains the authority granted in the Water Conservancy Act to establish wholesale water assessment rates. Also, in accordance with the Repayment Contract with Reclamation, Northern Water collects a 1 mill levy property tax on real property located within the eight counties of its boundaries and assesses for water allotment contracts. Except under certain circumstances that currently do not apply to Northern Water, the Water Conservancy Act does not allow an increase in the 1 mill levy. Water allotment contracts are perpetual contracts between Northern Water and water users for the delivery of raw water from the C-BT Project for use within Northern Water boundaries. The Board holds a rate hearing in August of each year at which the rates are set for the next year's water allotment contract assessments. The C-BT Project is funded by a diverse revenue stream led by property taxes, water assessments and charges for services. Together these three sources comprise more than 88 percent of Northern Water's annual revenue. Northern Water's fiscal year ends September 30.

The Repayment Contract obligates Northern Water to pay the costs of operation, maintenance, repair, and replacement of certain single purpose water supply C-BT Project works. In addition, the Repayment Contract obligates Northern Water and Reclamation to share equally all the costs of operation, maintenance, repair, and replacement of joint multi-purpose works. These works are used both for diversion and distribution of water and hydropower productions.

A private market in allotment contracts has developed as the demand for water supplies within Northern Water boundaries has changed. Under current practices with Board approval, a holder of a water allotment contract may sell the right to hold the units represented by an allotment contract to another person or entity who is eligible to hold an allotment. With increasing urbanization along the northern Front Range, the current trend of ownership changing from agricultural to municipal and industrial use is expected to continue. The Board has a current policy limiting the quantity of contract units that can be held by one person or entity. In addition to the permanent transfer of contract units, a holder may annually lease the right of delivery of the water in any year to a water user within Northern Water boundaries that has demonstrated a need for such water.

HISTORY

The early 1930s brought great hardship to the state of Colorado. The economy was struggling because of the nation's 1929 stock market crash and the Great Depression. Scores of Colorado workers were out of jobs and finding it difficult to make ends meet. At the same time, a devastating, multi-year drought was gripping the West. Colorado farming operations were going out of business as fields dried out and crops withered without the water they needed to grow and thrive. One-third of the farms in Larimer County were put up for sale.

The Idea Behind the Colorado-Big Thompson Project

Then came plans for the C-BT Project. The idea was to divert water from the headwaters of the Colorado River on the west side of the Continental Divide. That water would travel through a lengthy tunnel underneath Rocky Mountain National Park to Northeastern Colorado where farmers desperately needed water to supplement their agricultural operations. The project would create hundreds of jobs and make available vast quantities of supplemental water to the parched plains. The idea to bring Colorado River water to the East Slope was not a new one; the state had been exploring that possibility since the 1880s when Colorado commissioned studies to determine if such an endeavor was feasible.



Construction on the Hansen Feeder Canal between Flatiron and Horsetooth reservoirs in the late 1940s.

Northern Colorado Water Users Association

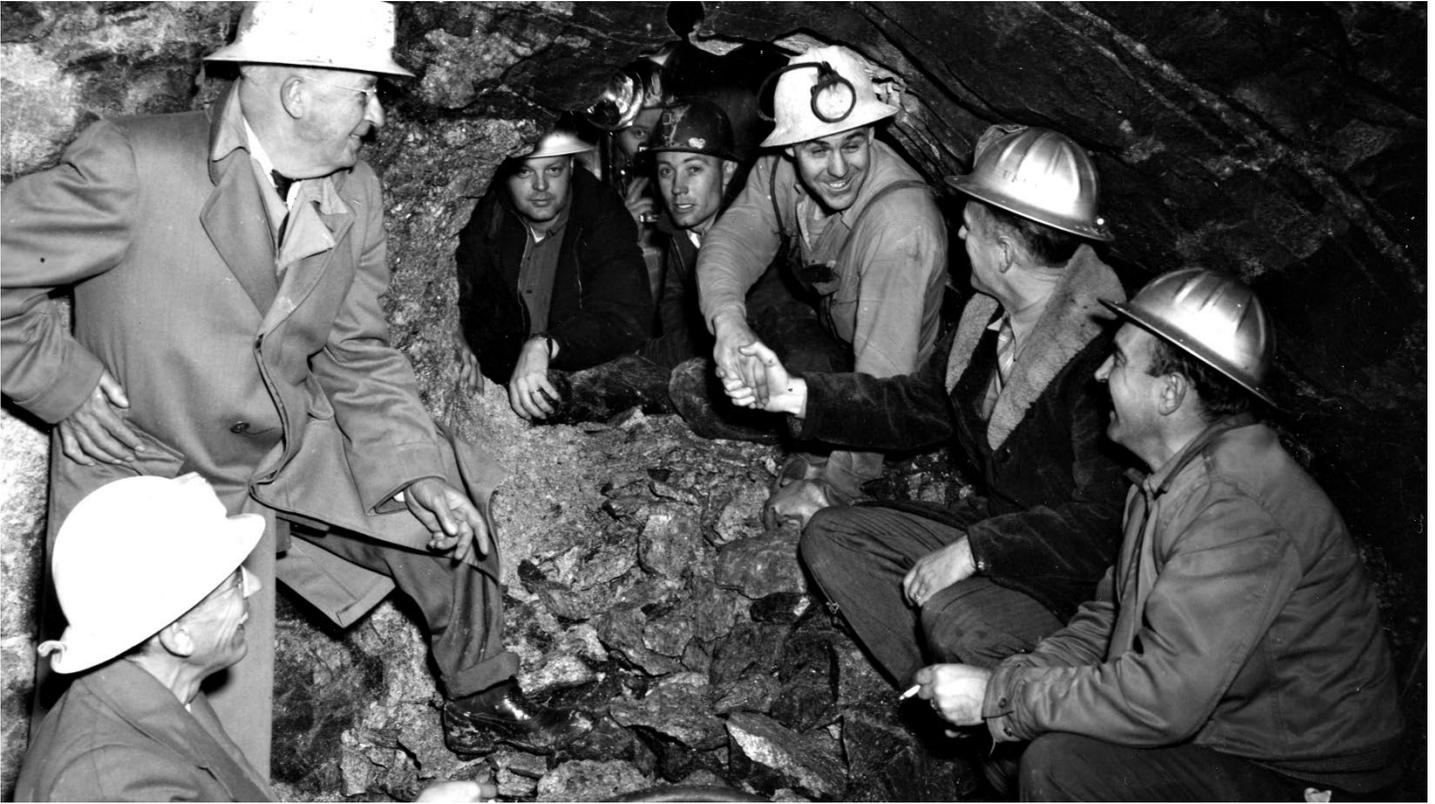
In the summer of 1933, the Greeley Chamber of Commerce organized the Grand Lake Committee to pursue surveying and funding a water diversion project that would become the C-BT Project. The committee was the predecessor to the Northern Colorado Water Users Association (NCWUA), which formed in 1935 and proposed the C-BT Project to supply water to Northeastern Colorado farmers. The NCWUA was composed of civic leaders who recognized the need for a project like the "Big Tom" as it would come to be known. After discussions with Reclamation, the NCWUA determined the need for an organization with taxing authority and the ability to contract with the federal government to build the project.



Charles Hansen and J.M. Dille signing the 1937 repayment contract with the U.S. Bureau of Reclamation.

Northern Water Created

In 1937, after months of discussion, the state legislature passed the Water Conservancy Act which established the framework under which Northern Water would be created later the same year. Northern Water and its newly created Board of Directors had a lot of work to do before construction could begin. They had to obtain congressional authorization and necessary appropriations. They needed to negotiate a repayment contract with the U.S. Department of the Interior. They also had to guarantee that water users would repay a portion of project costs. To meet this requirement, on June 28, 1938, Northern Water sought and secured residents' approval on a property tax. A few days later on July 5, 1938, Northern Water signed a repayment contract with the United States, agreeing to pay up to \$25.0 million during a 40-year repayment period.



Crews celebrate the successful excavation of the Colorado-Big Thompson Project at the Pole Hill Tunnel.



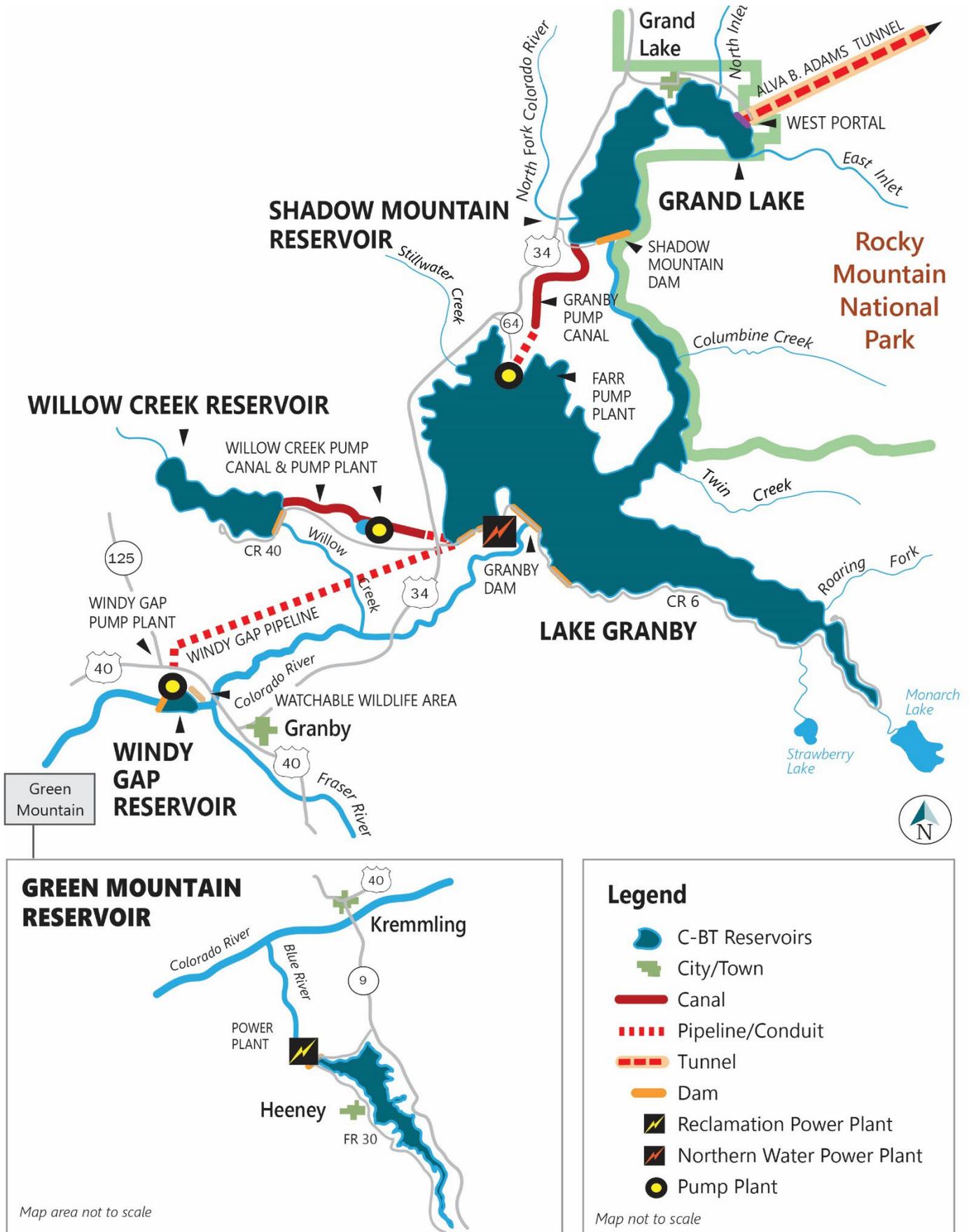
Construction worker on the Estes Penstocks.

Construction of the Colorado-Big Thompson Project

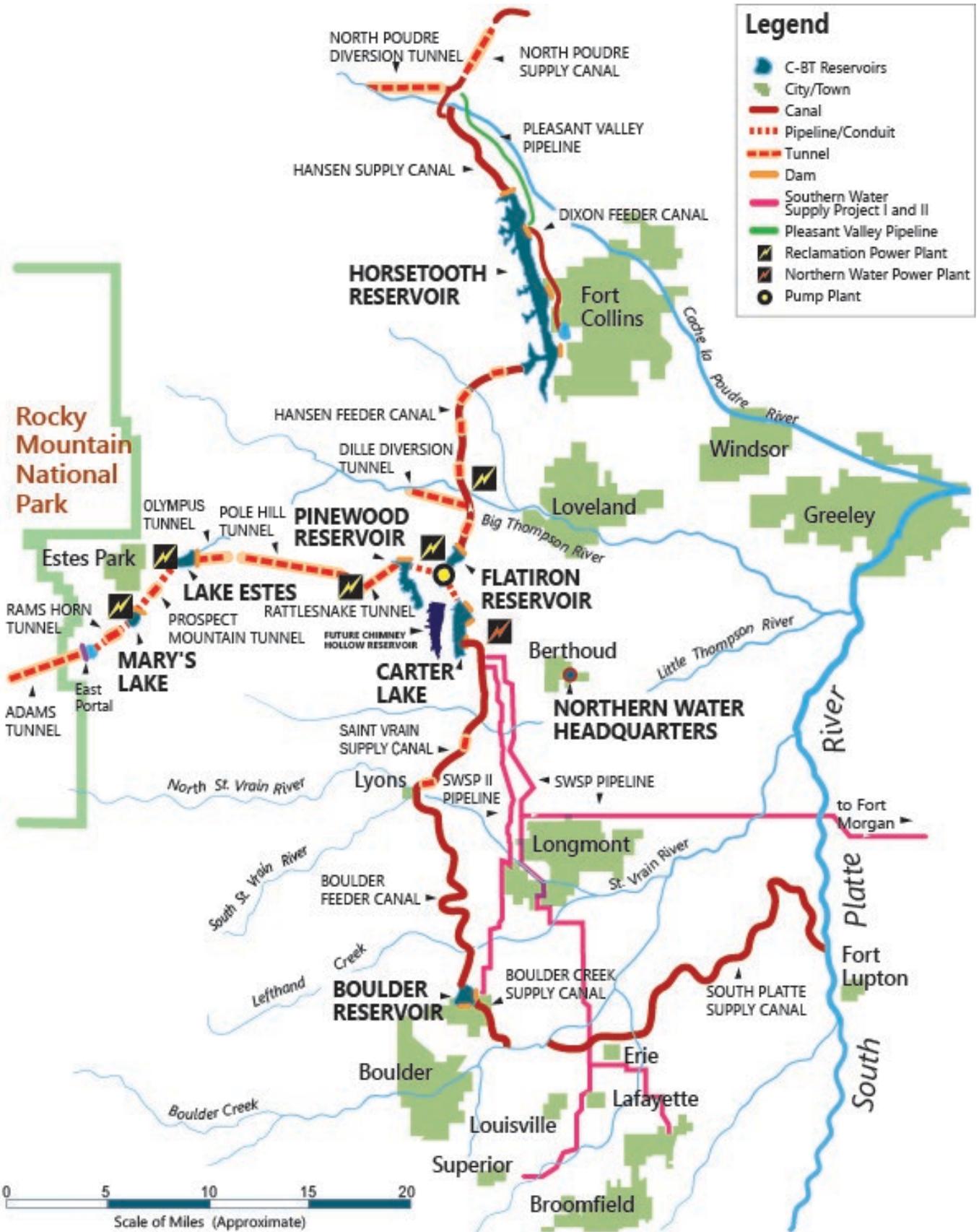
Reclamation oversaw construction on the more than 100 features of the C-BT Project. Work began in 1938 and took nearly 20 years to complete. Crews began work in 1938 on Green Mountain Reservoir, which would store water that could compensate the West Slope for the water that would be diverted to the East Slope.

During the next two decades, C-BT Project construction yielded several significant historical moments and plenty of challenges. The first water deliveries from the C-BT Project began in 1947. For a decade, Northern Water made interim deliveries. Reclamation declared the project to be substantially complete in 1957, the first year of full water deliveries. All Northern Water's indebtedness incurred for the construction of the C-BT Project was paid in full in 2001.

Colorado-Big Thompson West Slope Collection Systems

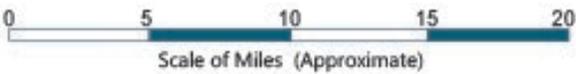


Colorado-Big Thompson East Slope Distribution Systems



Legend

- C-BT Reservoirs
- City/Town
- Canal
- - - Pipeline/Conduit
- - - Tunnel
- Dam
- Southern Water Supply Project I and II
- Pleasant Valley Pipeline
- ⚡ Reclamation Power Plant
- ⚡ Northern Water Power Plant
- Pump Plant



Rev. 12-2023

Southern Water Supply Project

In 1999, Northern Water completed construction of the original Southern Water Supply Project pipeline, which consists of 110 miles of pressurized, buried pipeline conveying C-BT Project and Windy Gap Project water to areas located within Northern Water and Municipal Subdistrict boundaries. Total construction costs, funded from participants contributions, for the project totaled \$73.4 million. The primary purpose of the project is to distribute the C-BT Project and Windy Gap Project water supplies to communities with increasing water supply demands and need delivery of raw water during the winter months when the C-BT canal system is shut down.

In April 2020, the Southern Water Supply Project II pipeline became operational. This raw water pipeline project delivers C-BT Project and Windy Gap Project water from Carter Lake to the City of Boulder, the Left Hand Water District, the Town of Berthoud, and the Longs Peak Water District. The pipeline provides a secure, year-round water supply to all four of these entities. The total project cost was approximately \$44.0 million. All costs were borne by the four project participants.

Pleasant Valley Pipeline

Northern Water completed construction of the Pleasant Valley Pipeline in 2004 at a cost of \$30.6 million. The 8.5-mile buried pipeline carries Poudre River water from the Munroe Gravity Canal to the Fort Collins and Soldier Canyon water treatment plants during the summer. In the winter, flows are reversed, sending water from the Soldier Canyon outlet at Horsetooth Reservoir to Greeley's Bellvue treatment plant near the Poudre River. The pipeline is operated in conjunction with the pipeline participants and the North Poudre Irrigation Company, which operates the North Poudre Supply Canal. The five project participants bore all costs of the project.

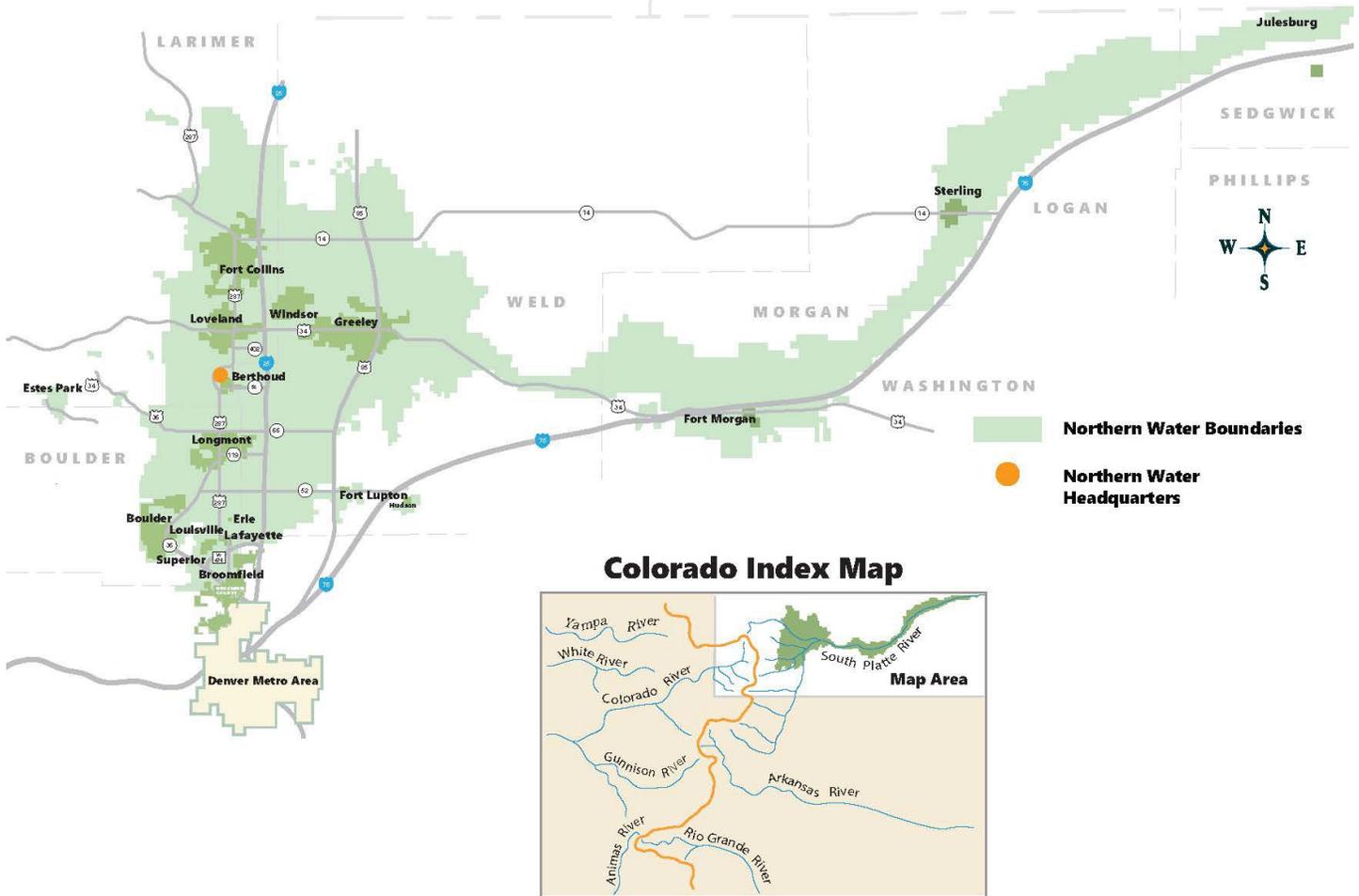
Northern Integrated Supply Project

The proposed Northern Integrated Supply Project is a collaborative effort among 15 water providers (participants) to provide approximately 40,000 acre-feet of new reliable water supply, which would meet a portion of the participants' estimated current and future water supply needs. In 2003, NISP was established and started the Environmental Impact Statement (EIS) process with the U.S. Army Corps of Engineers. A draft EIS was released in 2008, then a Supplemental Draft EIS in 2015. The Corps released the Final EIS on July 20, 2018. The final federal permit and Record of Decision was received in December 2022. The project proposes the construction of two new reservoirs, Glade and Galeton, with capacities of 170,000 and 45,624 acre-feet, respectively. All funding of the permit related costs is funded by cash contributions from the participants.

Hydropower

In 2010, the Hydropower Water Activity Enterprise was established to construct and operate small renewable energy facilities. Construction of the Robert V. Trout Hydropower facility was completed in May 2012, at the cost of \$6.2 million. The Granby Hydropower facility became operational in May 2016 and cost \$5.2 million. The two hydropower facilities together generate enough power annually for approximately 1,600 households. Debt financing was used to fund the construction costs of both power facilities. Revenue from sales of energy will support all costs related to the hydropower plants, including debt service.

SERVICE AREA



More than one million people live within Northern Water’s boundaries, which encompasses 1.6 million acres (2.5 percent of the state’s land mass) in portions of eight counties of Northeastern Colorado: Boulder, Broomfield, Larimer, Logan, Morgan, Sedgwick, Washington, and Weld. Colorado-Big Thompson water supplements native water supplies helping to irrigate approximately 615,000 acres served by 120 ditch, reservoir, and irrigation companies, as well as 60 municipal and rural water districts and several industrial users.

LARGEST EMPLOYERS

Rank	Larimer County Employer	Employment
1	Colorado State University	7,554
2	UC Health: Poudre Valley Hospital	7,520
3	Poudre School District	4,176
4	Thompson School District R2-J	2,399
5	Larimer County	2,048
6	City of Fort Collins	2,000
7	Columbine Health Systems	1,690
8	Banner Health: McKee Medical Center	1,530
9	Broadcom Inc.	1,500
10	Woodward Inc	1,300
Sum of largest employers		31,717
Full labor force December 2021		212,087

Rank	Weld County Employer	Employment
1	JBS Swift Beef Company	6,000
2	Banner Health: Northern Colorado Medical Center	3,560
3	Vestas	2,710
4	Greeley/Evans School District 6	2,258
5	Weld County Government	1,823
6	University of Northern Colorado	1,488
7	City of Greeley	1,145
8	UC Health	1,060
9	State Farm Insurance	950
10	AIMS	934
Sum of largest employers		21,928
Full labor force December 2021		168,716

Rank	Boulder County Employer *	Employment
1	Medtronic PLC	2,530
2	Boulder Community Health	1,950
3	Ball Aerospace & Technologies Corp.	1,780
4	Seagate Technology	1,600
5	Google	1,500
6	Good Samaritan Medical Center	1,450
7	IMB Corporation	1,280
8	Centura Health: Longmont United and Avista Adventist Hospitals	1,210
9	Sierra Nevada Corporation	800
10	Kaiser Permanente	760
Sum of largest employers		14,860
Full labor force December 2020		201,999

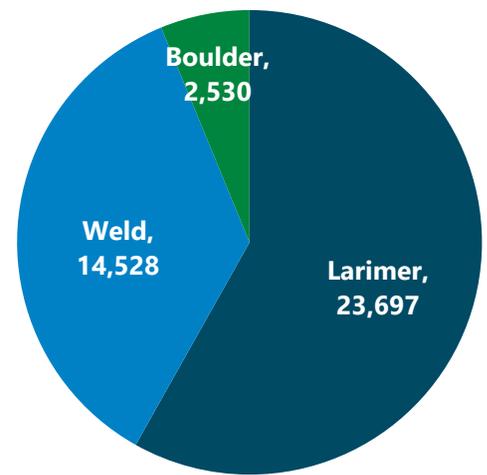
Rank	Broomfield City and County Employer	Employment
1	Lumen (formerly CenturyLink)	1,800
2	Oracle	1,650
3	SCL Health Revenue Service Center	1,550
4	Ball Corporation	1,100
5	Hunter Douglas Window Fashions	950
6	City and County of Broomfield	900
7	Vail Resorts	750
8	Danone Wave Foods	600
9	Broadcom, Inc.	500
10	VMware	450
	Crocs	450
Sum of largest employers		10,700
Full labor force December 2021		42,050

Source of largest employers: Reporting Entity 2022 Annual Comprehensive Financial Report

* Source of largest Boulder County Employer: 2022 Annual Comprehensive Financial Report, private employers only

Top Ten Employers – Combined

Rank	Employer	County	Employment
1	Colorado State University	Larimer	7,554
2	UC Health: Poudre Valley Hospital	Larimer	7,520
3	JBS Swift Beef Company	Weld	6,000
4	Poudre School District	Larimer	4,176
5	Banner Health	Weld	3,560
6	Vestas	Weld	2,710
7	Medtronic PLC	Boulder	2,530
8	Thompson School District R2-J	Boulder	2,399
9	Greeley/Evans School District 6	Weld	2,258
10	Larimer County	Larimer	2,048
Sum of largest employers			40,755



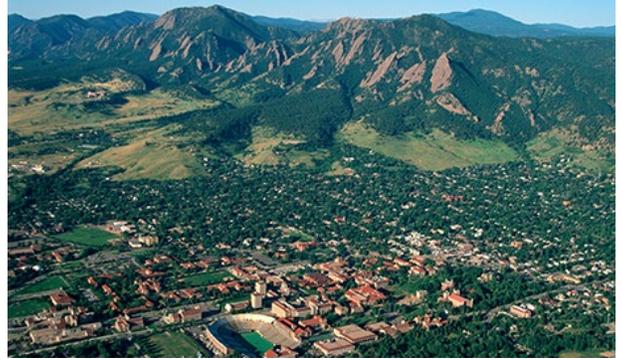
■ Larimer ■ Weld ■ Boulder

LARGEST COUNTIES IN SERVICE AREA



Larimer County

Established	1861
Estimated Populations for 2022	366,778
Unemployment Rate for 2022	2.9%
Per Capita Income for 2022	\$64,258
Land Area (square miles)	2,640
Most Populous County in Colorado	7 th



Boulder County

Established	1861
Estimated Populations for 2022	329,789
Unemployment Rate for 2022	2.5%
Per Capita Income for 2022	\$89,593
Land Area (square miles)	742
Most Populous County in Colorado	9 th



Weld County

Established	1861
Estimated Populations for 2022	345,152
Unemployment Rate for 2022	3.0%
Per Capita Income for 2022	\$56,553
Land Area (square miles)	3,987
Most Populous County in Colorado	8 th



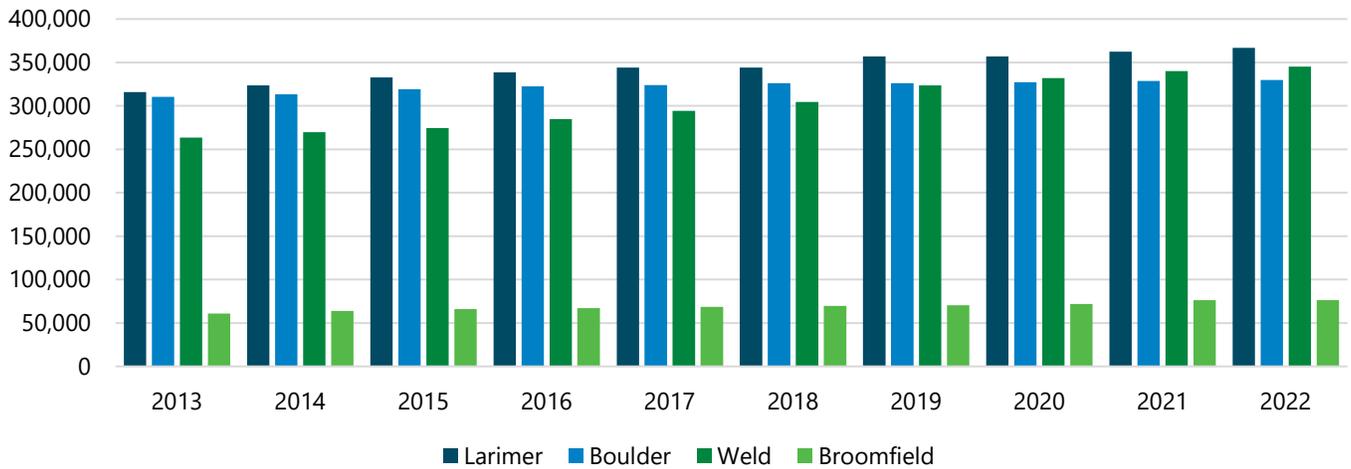
Broomfield County

Established	1998
Estimated Populations for 2022	76,121
Unemployment Rate for 2022	2.6%
Per Capita Income for 2022	\$73,678
Land Area (square miles)	33.6
Most Populous County in Colorado	12 th

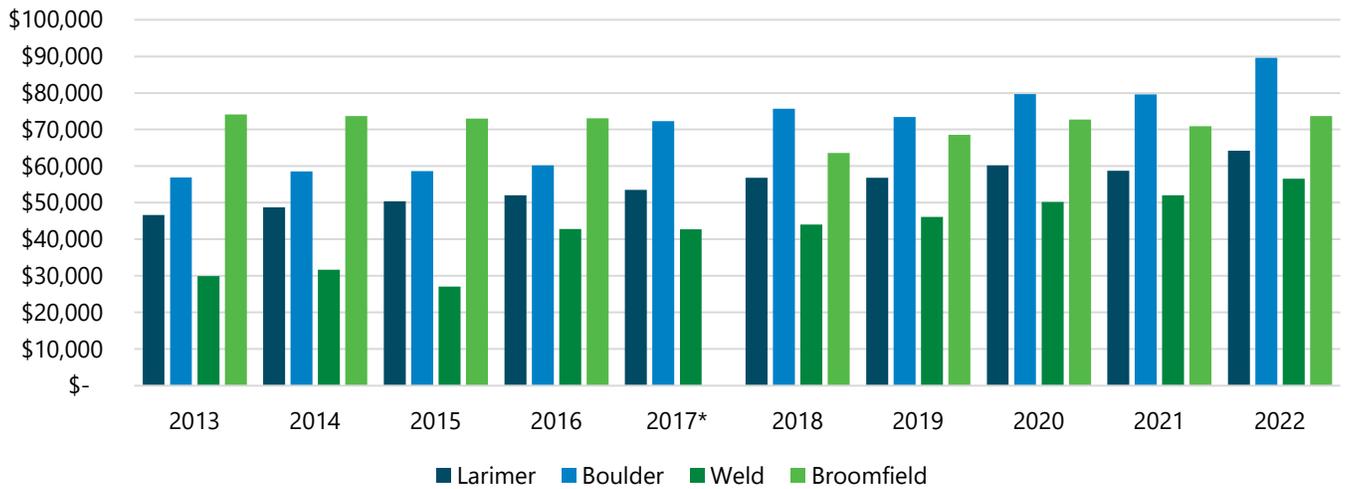
Boulder, Weld and Larimer counties have the highest populations, accounting for roughly 90.0 percent of Northern Water's total population. Northern Water's boundary population as of December 2021 is approximately 1,037,717.

- From 2020 to 2022 Weld County's population has grown 5.8 percent.
- Larimer County is the largest county in the district with a population of 366,778.
- Boulder has the lowest unemployment rate at 2.5 percent.

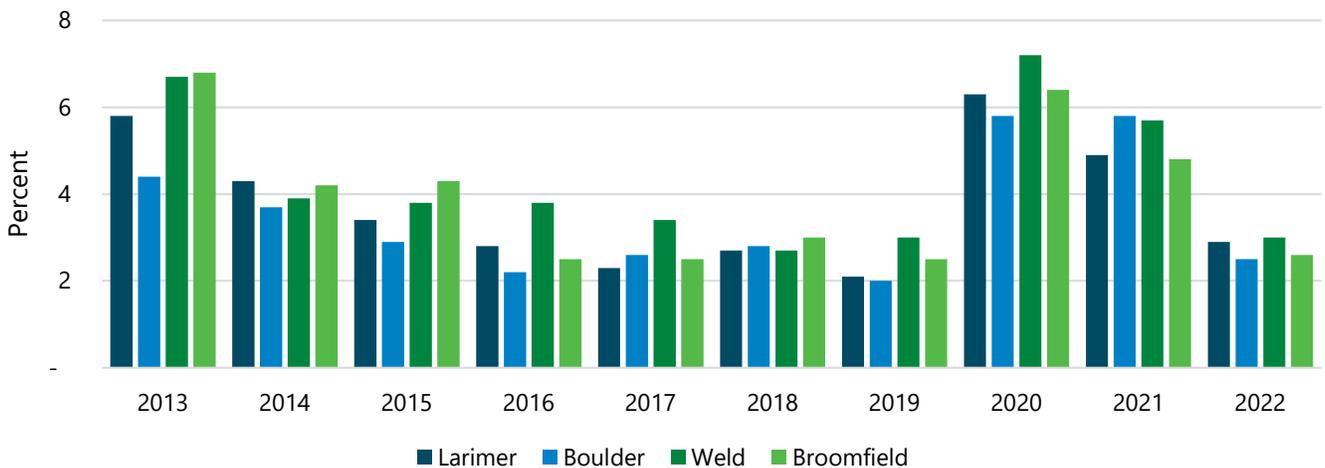
Population Trend By County



Per Capita Income by County*



Unemployment Trend by County



Sources: 2022 County ACFRs

*No Broomfield County data available in 2017.

BOARD OF DIRECTORS

The 13-member Board is the policy-making body of Northern Water. Among other duties, the Board sets the wholesale water assessment rates, adopts the annual budget and appropriation, determines the amount of water available for delivery annually through its quota process and approves the transfers of allotment contracts. Directors from the counties within Northern Water boundaries are appointed to four-year terms by district court judges. When a director's term expires, he or she continues to serve until the judge reappoints or replaces him or her. Northern Water officers are elected by the Board at its annual organizational meeting each October. The general manager of Northern Water is appointed by and serves at the pleasure of the Board. The Board holds its public meetings twice a month.

Past Presidents

Charles D. Hansen	1937-1953	16 years	Gordon Dyekman	1976-1991	15 years
Jacob S. Schey	1953-1955	2 years	William Bohlender	1991-1998	7 years
J. Ben Nix	1955-1976	21 years	Mike Applegate	1998-2023	25 years

Current Board of Directors



Dennis Yanchunas
President
Boulder County
Aug. 20, 2010 – Sept. 28, 2024



Dale Trowbridge
Vice President
Weld County
Aug. 15, 2014 – Sept. 28, 2027



Bill Emslie
Larimer County
Sept. 28, 2005 – Sept. 28, 2025



Jennifer Gimbel
Larimer County
July 15, 2019 – Sept. 28, 2024



Sue Ellen Harrison
Boulder County
Sept. 28, 2009 – Sept. 29, 2026



Don Magnuson
Weld County
Sept. 28, 2004- Sept. 28, 2024



Gene Manuello
Logan County
Sept. 28, 2018 – Sept. 28, 2026



Rob McClary
Sedgwick County
Sept. 28, 2011 – Sept. 28, 2027



David Nettles
Weld County
Oct. 18, 2018 – Sept. 28, 2026



John Rusch
Morgan and Washington Counties
April 12, 2002 – Sept. 28, 2025



Dave Stewart
Larimer County
Sept. 28, 2023 – Sept. 28, 2027



Todd Williams
Boulder County
Sept. 28, 2017 – Sept. 28, 2025

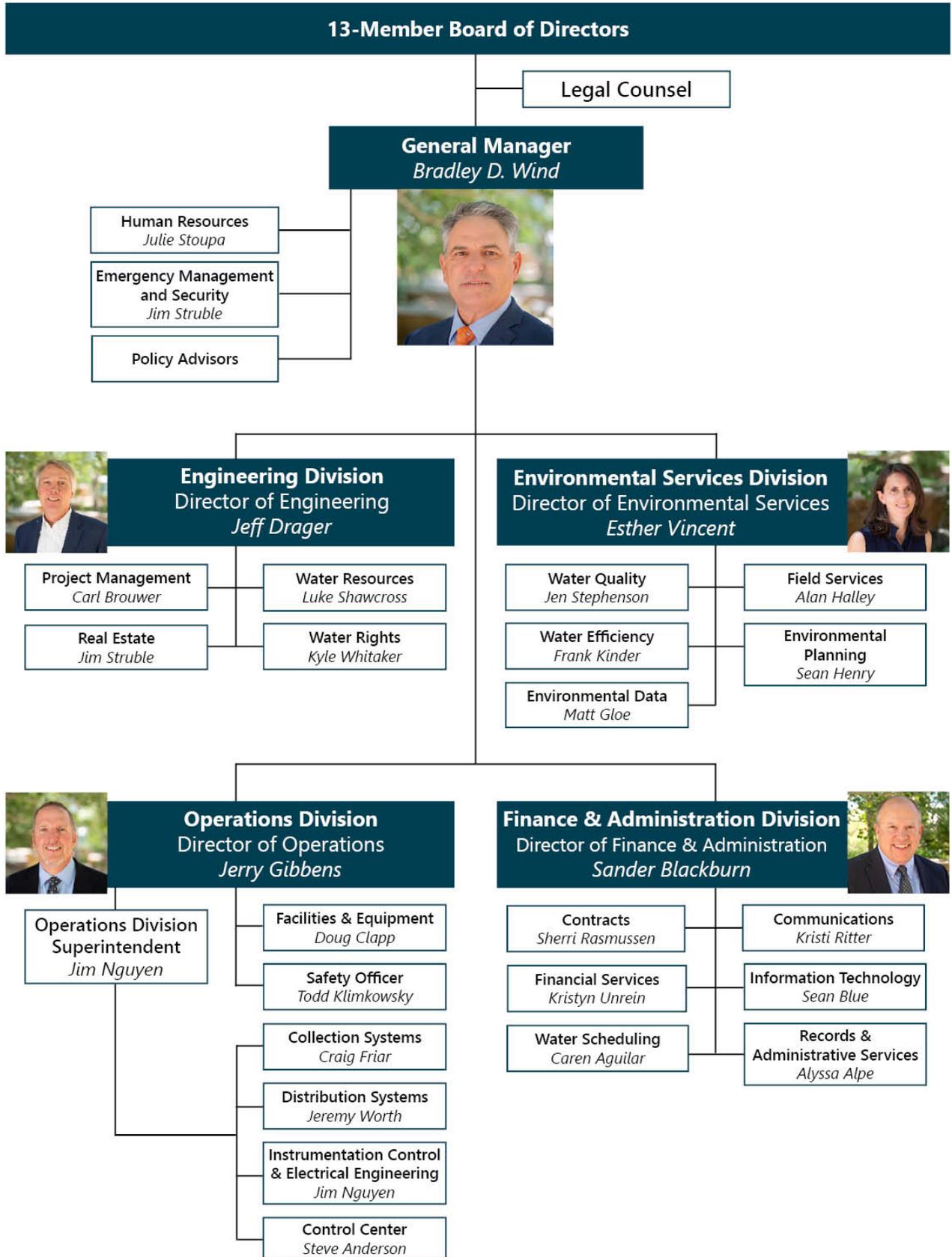


Dick Wolfe
Broomfield County
April 7, 2022 – Sept. 28, 2025



Mike Applegate
Larimer County
Sept. 28, 1991 – Sept. 28, 2023
Seated on the Board for budget adoption.
Mr. Applegate retired after 35 years of service to the Board in late September.

ORGANIZATIONAL CHART



OUR BUSINESS PLAN

Our Mission

Provide water resources management, project operations and conservation services for project beneficiaries.

Our Vision

Northern Water will be a leader in ensuring a secure water future for Northern Colorado.

Our Priorities

- Collect and deliver water
- Protect and conserve water supplies
- Plan and implement new water supply projects
- Cultivate operational and organizational excellence
- Maintain and strengthen relationships

Our Values and Principles

- Collaborative, proactive and progressive leadership
- Water resources conservation
- Environmental stewardship
- Personal and corporate ethical integrity and professionalism
- Solution-oriented service
- Regional cooperation



BUDGET PROCESS

The budget process provides an opportunity to align short-term objectives and actions at the program level business plans to Northern Water’s long-term mission and values. The Board, general manager, division directors and staff participate in the development of the budget.

The budget is presented to the Board for consideration and adoption in August to align it with the adoption of water assessments which are also approved. The Board, at its regular meeting of May 11, 2023, appointed Bradley Wind, Jerry Gibbens, Sander Blackburn, Kristyn Persichitte-Unrein, and Myles Baker as budget officers and directed them to prepare and submit the requisite budgets of Northern Water for fiscal year 2024. A notice is published, as required by law, in all the counties located wholly or partly within Northern Water boundaries stating the annual budget is available for inspection by the public, including the date and time for public hearing. This year’s budget review process included a Board workshop on June 29, 2023.

The 2024 budget was prepared utilizing the accrual method of accounting. This is the same basis of accounting used for Northern Water’s audited financial statements.

Budget Schedule

Task	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct
Budget instructions issued to all department managers											
Formulate key goals and objectives											
Identify major budget assumptions											
Review and final recommendations of budget by Senior Management team											
Appointment of budget officers and prepare budget reports											
Deliver budget to the Board											
Board holds public hearing and adopts the budget											
File budget with the State of Colorado											

Amending the Budget

Senior Management is authorized to add or revise budget amounts between operating expenses and projects. Any revisions that exceed the total appropriation for the fund, must be approved by the Board. All contracts over \$100,000, whether budgeted or unbudgeted, must be authorized by the Northern Water Board. Purchase of capital assets over \$100,000, whether budgeted or unbudgeted must be authorized by the general manager.

HUMAN CAPITAL

Staffing

Total full-time positions funded are 183.

Summary of positions planned for:

Filled and funded	173
Vacant and funded	25
Total positions	198

The following are newly funded positions for the upcoming budget year:

Operations Division

Control Center Supervisor
Control System Engineer
Civil I
Plant Electrician
Building Maintenance Tech

Finance & Administration Division

Network Administrator
Communications Specialist I
GIS Analyst II
Staff Accountant II
Records Coordinator - Projects

Engineering Division

Construction Manager
Locate Specialist

Environmental Services Division

Water Efficiency Planner
Field Services Supervisor

Schedule of Employees by Division

	Actual Full Time	Estimated Open Full Time	Estimated Total Full Time	Percent of Total	Part Time
2022					
Engineering	29	2	31	18.0%	1
Environmental	25	1	26	15.0%	0
Finance & Admin	55	4	59	34.0%	0
Operations	59	1	60	34.0%	0
Total	168	8	176	100.0%	1
2023					
Engineering	31	1	32	18.0%	0
Environmental	28	1	29	16.0%	0.5
Finance & Admin	52	3	55	31.0%	2
Operations	59	2	61	34.0%	0
Total	170	7	177	100.0%	2.5
2024					
Engineering	32	2	34	17.0%	1
Environmental	29	4	33	17.0%	0
Finance & Admin	55	10	65	33.0%	1
Operations	61	5	66	33.0%	1
Total	177	21	198	100.0%	3

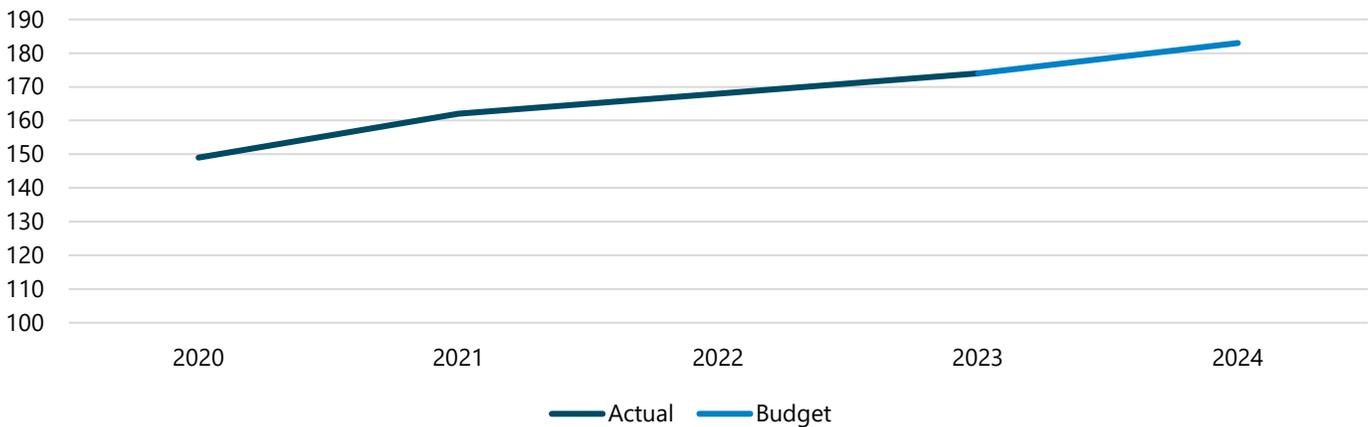
Labor Expenditures

Labor expenditures are accounted for individually within the organizational divisions of Operations, Engineering, Environmental Services, and Finance and Administration, and further defined by key activities within each respective division. Labor costs including benefits and capitalized labor are budgeted at \$31,555,895 for fiscal year 2024 compared \$27,476,819 for fiscal year 2023. This is a 14.9 percent increase over fiscal year 2023. Total benefit costs are projected at 42.2 percent of labor and thus 2024 benefits are estimated at \$9,364,689 compared to \$8,154,161 for 2023.

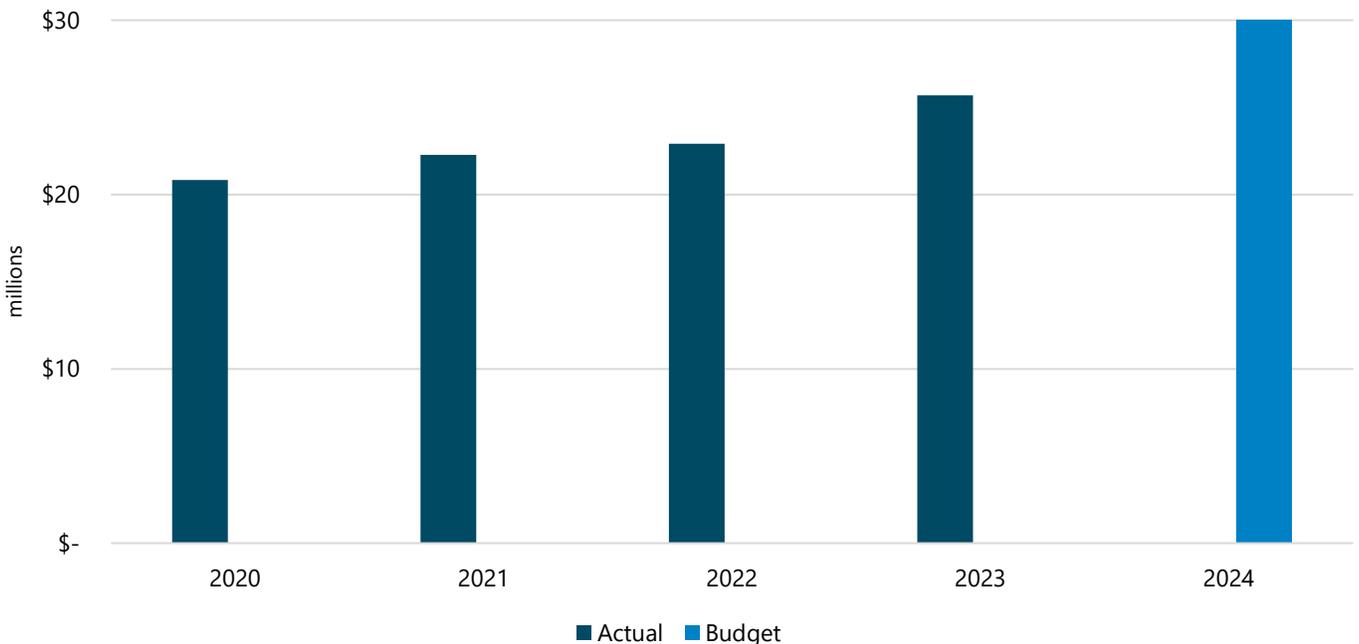
The increase in staffing is related to filling open positions, new and expanded services, and support for two new major water projects. A 6.0 percent increase to Northern Water's salary pay structure is included in the fiscal year 2024 anticipated labor expenditures. Northern Water (District Fund) utilizes activity-based costing and thus charges labor to other funds, operations, programs, and projects according to actual labor worked. Northern Water's fiscal year 2024 budget encompasses labor costs for 198 full-time equivalent positions approved by the Board of Directors.

Full Time Employees

More employees for new/expanded services and support for two major water projects.



Fully Burdened Labor Cost



Grade and Step

Northern Water uses a grade/step system for each job. Each job classification is assigned a grade that strives to reflect the level of knowledge, training, authority, experience, and responsibility for that job and strives to be consistent with prevailing market conditions. Within each grade, individual employees are assigned a step that reflects their individual level of knowledge, training, authority, and responsibility, as well as satisfactory job performance.

Upon reaching the specified time in a grade, employees may be eligible for the next step. Step changes are not automatic and can be delayed or accelerated based on your work performance.

The table below shows the pay increase percentages for each grade level step, as well as the length of service in each step and the approximate percentage of employees in each step.

	Increase	Service	Percentage of Employees
Step 1	5%	6 months	1.2%
Step 2	5%	1 year	2.5%
Step 3	5%	1 year	2.5%
Step 4	5%	1 year	8.6%
Step 5	5%	2 years	18.5%
Step 6	5%	2 years	15.4%
Step 7	5%	3 years	17.3%
Step 8	5%	4 years	13.6%
Step 9	5%	5 years	9.9%
Step 10	5%	6 years	8.0%
Step 11	5%		2.5%

The fiscal year 2024 budget includes an additional \$168,644 to fund ongoing movement in the Grade and Step Plan.

Employee Turnover

The table below shows recent employee turnover rates, as well as average years of seniority as of the end of each of the past calendar years.

	Sept. 30 2020	Sept. 23 2021	Sept. 30 2022	Sept. 30 2023	Sept. 30 2024
Average years of active employment	149	162	168	177	198
Average years of active employment	11.6	9.7	8.9	7.8	
Turnover rate (number/percentage)	12/8.0%	14/8.6%	17/10.2%	22/12.4%	
Average years for discontinued employees	15.4	16.0	9.2	13.17	

FISCAL POLICIES

Balanced Budget

Northern Water has not adopted a fiscal policy on a balanced budget. Northern Water considers the budget to be balanced when the sources of funds equal the uses of funds. On occasion, the planned use of reserves, along with budgeted operating revenues are equal to or greater than budgeted expenditures.

Reserve Fund Policy

The Board established the following unrestricted reserves and target funding levels to address the inherent risks and uncertainties in operating, maintaining, protecting, replacing, and bettering Northern Water, the C-BT Project and water supplies collected and delivered by the C-BT Project.

Reserve	Purpose	Target Funding
Operating Reserve	Covers potential interruptions in Northern Water fund revenue streams; used to smooth and stabilize assessments	100 percent (twelve months) of anticipated District fund annual operating costs not including depreciation
Capital Reserve	Funds capital repair, replacement or betterment of the C-BT Project and Northern Water properties; funds other capital activities that may be undertaken by Northern Water	Minimum of 1 percent and up to 2 percent of the most recently estimated gross (non-depreciated) asset value of C-BT Project and Northern Water properties
Fleet Replacement Reserve	Funds timely replacements, upgrades, and additions to Northern Water's fleet of vehicles, equipment, and other mobile machinery	50 percent of Northern Water fund operations equipment accumulated depreciation
Exposure Reserve	Covers extraordinary, unforeseen events not otherwise covered by reserves or insurance	Risk-based economic qualification of potential exposures

Northern Water will budget and fund from its annual operating budget equivalent to or exceeding 5 percent of the annual District fund operating budget for that year to fund reserves unless financial conditions dictate otherwise.

Revenues

The Northern Water enterprise funds are financed through assessments, tax revenues, charges for services and energy revenues.

Expenditures

Northern Water continues to find new ways to operate more efficiently while setting high standards in maintaining its facilities.

Risk Management

Northern Water is exposed to various risks of loss related to torts, (Colorado Governmental Immunity Act limits general liability to \$387,000 per person and \$1,093,000 per occurrence) theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Northern Water carries commercial insurance for these risks. Settled claims resulting from these risks did not exceed commercial insurance coverage in any of the past three years.

Investments

The Board established an Investment Policy Statement (IPS) for funds not used to meet current liquidity requirements. The purpose of the IPS is to establish the investment restriction standards, investment objectives, delegation of authority, prudence, ethics and conflicts of interest, authorized securities and transactions, portfolio maturities and liquidity, safekeeping and custody, portfolio performance and reporting. The investment objectives in order of priority are safety, liquidity, return and diversification.

Capital Policy

Assets that have a service life of more than one year and have an initial cost of \$5,000 or more are capitalized. Assets not meeting these criteria are expensed. Depreciation is computed using the straight-line method over the estimated useful life.

Basis of Accounting

Northern Water financial statements are prepared using the accrual basis of accounting with the economic resources measurement focus as prescribed by the Governmental Accounting Standard Board (GASB). Under this approach, all assets, deferred outflow of resources, liabilities and deferred inflow of resources are reported in the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

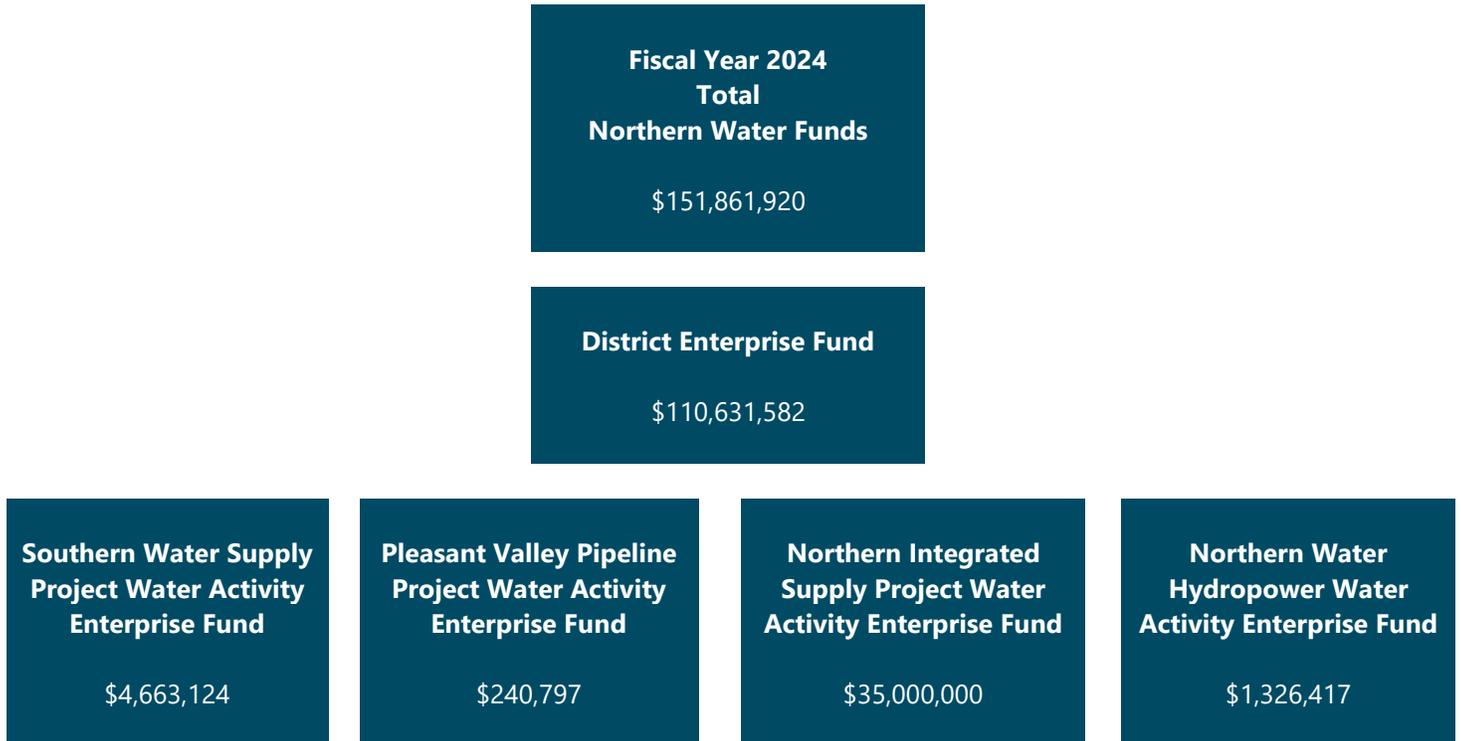
Capital Contributions

Capital contributions consist of payments from participants for the funding of the various projects. In the Statement of Revenues, Expenses and Changes in Net Position, capital contributions are recognized after nonoperating revenues (expenses).

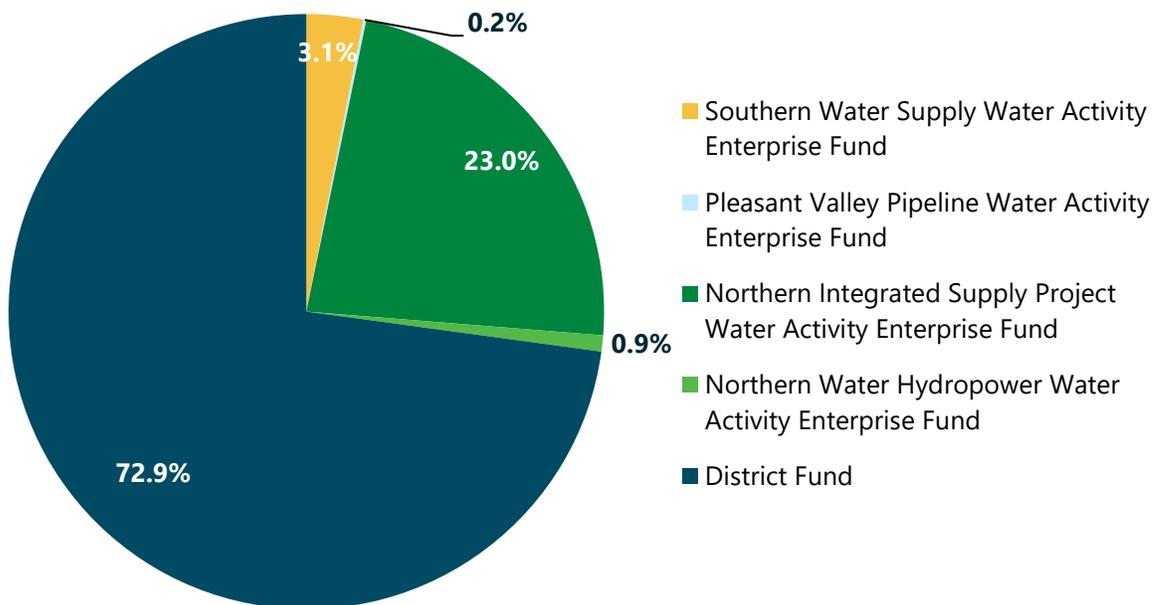
FUND STRUCTURE AND BUDGET APPROPRIATIONS – ALL FUNDS

Northern Water is comprised of five enterprise funds that use activities of the organization to track financial performance and budgetary oversight of its business-type operations. All the business-type enterprise funds are major funds and are equally distinct and financially independent funds. The four water activity enterprise funds have been established in accordance with Colorado Statutes, as “Enterprises” and are excluded from the application of Article X, Section 20, of the Colorado Constitution. The District Enterprise Fund is the owner of the four water activity enterprise funds.

Northern Water Budget Appropriations by Enterprise Funds



Percentage of Appropriation by Fund



ORGANIZATIONAL METRICS

The Senior Management team has begun to establish metrics to measure the major priorities established by the organization. These metrics will be continually developed and refined as we implement an updated strategic plan in 2023 and 2024. Following are the current measurements with explanation and analysis. These metrics do not currently encompass all details of the priorities but are just one of the many tools to ensure the organization is maintaining its priorities and commitments to serve the water needs of Northern Colorado.

Priority: Collect and Deliver Water

As a raw water supplier, it is incumbent that Northern Water deliver water to municipalities and water districts at a reasonable and consistent cost. As a result, one approach the organization has taken is to monitor and measure its efficiencies related to employees, assets, liabilities, debt, revenue, and total expenses per average annual volume of water delivered measured in acre-feet. The efficiency metrics include:

- Employees per thousand acre-feet delivered is intended to measure employee efficiency.
- Assets per acre-feet delivered includes all assets divided by water deliveries. This metric is an indicator of asset efficiency of water delivered.
- Liabilities per acre-feet delivered includes all liabilities divided by water deliveries. This metric is an indicator of liability efficiency of water delivered.
- Debt per acre-feet delivered includes all debt divided by water deliveries. This metric is an indicator of debt efficiency of water delivered.
- Revenue/receipts per acre-feet delivered includes all revenues, assessments, charges for services and other receipts divided by water deliveries. This metric is an indicator of revenue efficiency of water delivered.
- Total expenses per acre-feet delivered includes all Distribution and Collection Systems expenses and capital costs divided by water deliveries. This metric is an indicator of cost efficiency of water delivered.

Increases from 2021 to 2022 were in part due to:

- Increased staffing related to the Windy Gap Firing Project, conservation efforts, campus development and more.
- Increased assets related to investment growth and property tax collections.
- Increased liabilities, expenses and debt associated with a growing organization.
- Increased revenues/receipts due to grant funding for fire recovery, COP proceeds and other initiatives.

Fiscal Year	2021	2022
Employees per thousand-acre-foot delivered	0.95	0.93
Assets per acre-foot delivered	\$ 1,670	\$ 1,761
Liabilities per acre-foot delivered	\$ 441	\$ 602
Debt per acre-foot delivered	\$ 359	\$ 511
Revenue/receipts per acre-foot delivered	\$ 370	\$ 382
Expenses per acre-foot delivered	\$ 274	\$ 336

Sources: Acre-feet delivered reported in Northern Water 2022 Annual Comprehensive Financial Report. 2023 data not available at this time.

Priority: Protect and Conserve Water Supplies

Northern Water views water efficiency as an integral part of its management strategy with long-range planning that encourages appropriate stewardship of water resources. The supplemental water that is provided through the C-BT Project is diverted from the Colorado River. With known pressures on Colorado River water supplies, it is critically important that Northern Water makes the best use of this resource and support regional water resilience by promoting water efficient and drought tolerant landscapes. For example, we have developed metrics around public outreach, education, and our water efficiency grant program to help measure a segment of our Protect and Conserve Water Supplies priority.

Environmental Services Outreach and Education

Public outreach and education are an important function of Environmental Services. These outreach opportunities are utilized to educate the public about water savings. In fiscal year 2022, the Environmental Services Department participated in 62 events. This is an increase of 11 from fiscal year 2021.

Environmental Services Impressions

In fiscal year 2023, Northern Water’s Environmental Services made 2,157 impressions at the various events. An impression in this case is the number of times we engage with people. This was an increase of 944 from fiscal year 2022. The annual goal is 1,000 impressions. The number of events increased to 81 in fiscal year 2023.

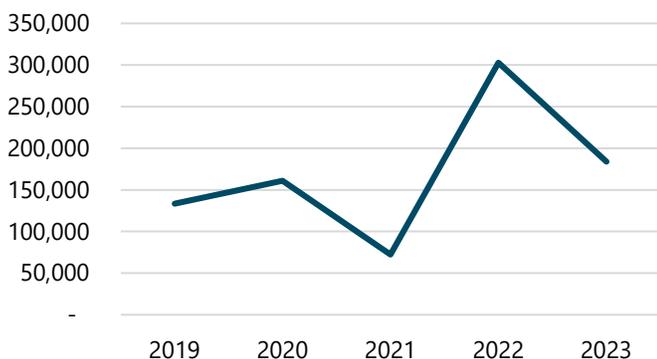
Fiscal Year	Events	Impressions
2021	51	900
2022	62	1,213
2023	81	2,157

Fund Landscape Conversion Projects to Low-Water Alternatives

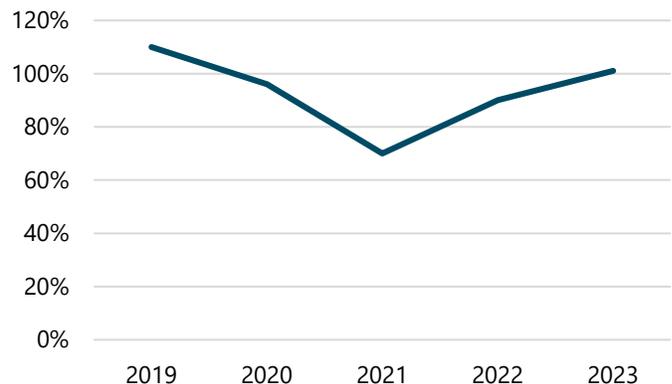
Northern Water offers grants to homeowners’ associations and public agencies to convert their landscape to low water alternatives. This is a competitive process and in fiscal year 2023, 101 percent of the budgeted grant money was distributed to fund the conversion of 184,058 square feet.

Fiscal Year	Square Feet	Percentage of Budget Used
2019	133,445	110.0%
2020	161,120	96.0%
2021	72,303	70.0%
2022	302,803	90.0%
2023	184,058	101.0%

Low Water Landscape Conversions (Sq. Ft.)



Percent of Budgeted Grant Dispersed



Priority: Maintain and Strengthen Relationships

Engaging with stakeholders and the public is an important piece of Northern Water’s goal to maintain and strengthen its relationships. Throughout the last two years, Northern Water has put a focus on pushing information through various channels.

Social Media - Northern Water District

Public engagement and transparency are important to Senior Management and the Northern Water Board of Directors. Northern Water uses social media as a tool to engage with our stakeholders and keep them informed on organizational activities. In terms of social media, Northern Water measures impressions and engagement.

Fiscal Year	Impression	Engagement
2021	519,019	28,958
2022	508,340	29,136
2023	514,891	35,256

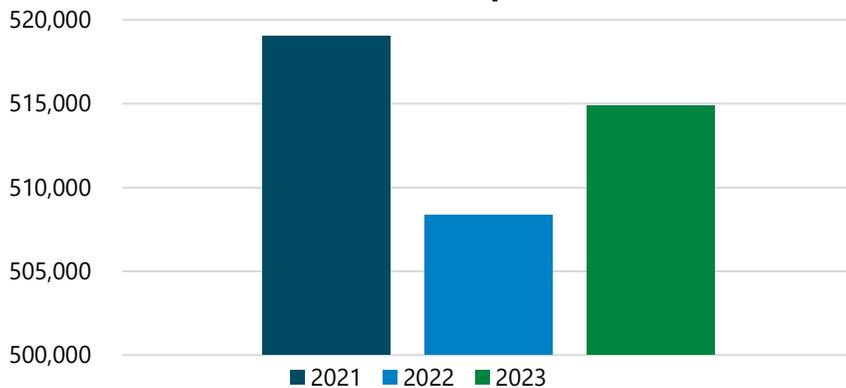
Impressions

Impressions are the number of times a person sees content across social media platforms (Twitter, Facebook, Instagram, and LinkedIn). In fiscal year 2023, Northern Water’s total impressions across all District (excluding NISP) social media accounts were 514,891. This was an increase of 1.3 percent from fiscal year 2022. The greatest number of impressions was from LinkedIn, which accounted for 54.0 percent of the total. Facebook had 25.0 percent of the impressions.

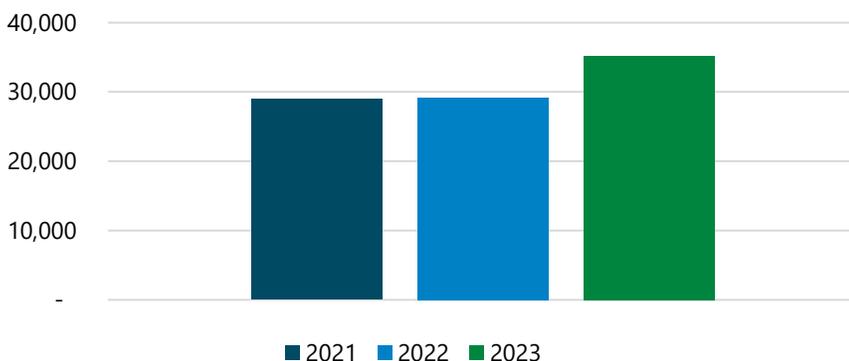
Engagement

Engagement is the number of times people comment, like or share content. Total social media engagement for fiscal year 2022 was 35,256, which was an increase of 6,120 or 21.0 percent. The most engagement came from LinkedIn, which accounted for 54.0 percent of all engagement. Facebook had 28.0 percent of the engagement.

Social Media Impressions



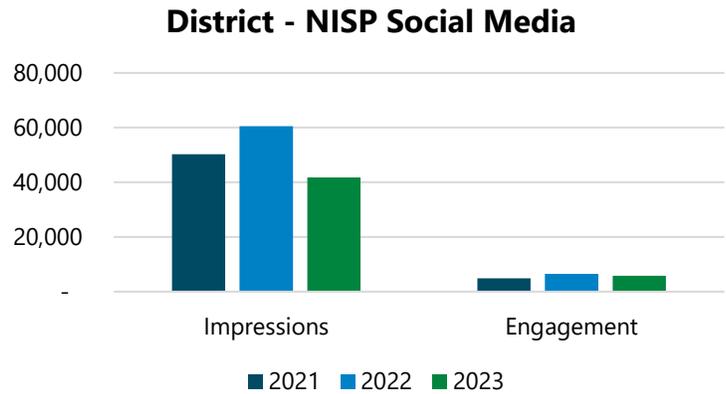
Social Media Engagement



Social Media - Northern Integrated Supply Project

The Northern Integrated Supply Project enterprise is in the design and development stage. Northern Water uses social media to keep the public current on its progress. In fiscal year 2023, total impressions were 41,783, a decrease of 18,759 or 31.0 percent. Engagement decreased in fiscal year 2023 by 11.0 percent.

Fiscal Year	Impression	Engagement
2021	50,291	4,907
2022	60,542	6,507
2023	41,783	5,807



Website Analytics

The Northern Water website is a useful tool to provide information to the public. It is a great source for news and information, program details, water data, public disclosures, annual reports, meeting agendas and minutes, and Board of Directors information. Northern Water tracks the number of users, page views and duration of visits.

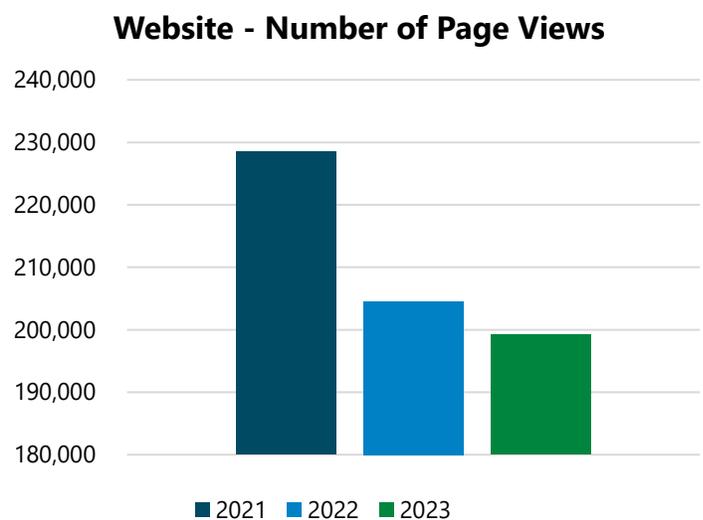
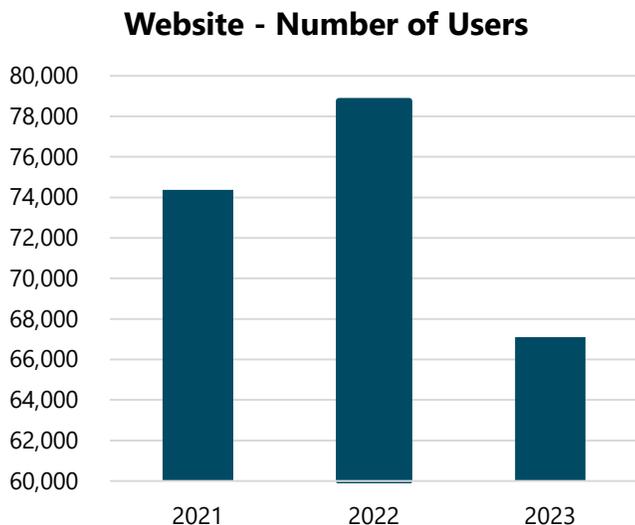
Users

Northern Water had 67,096 users visit their website in fiscal year 2023. This was a decrease of 11,665 or 15.0 percent. There were 1.55 session per user. Northern Water continues to work on increased information for the website to increase these statistics.

Page Views

In fiscal year 2023, website visitors accrued 199,242 page views, which was a decrease of 5,294 or 3.0 percent.

Fiscal Year	Users	Page Views	Duration
2021	74,367	228,507	1.55
2022	78,761	204,536	1.38
2023	67,096	199,242	1.26



Priority: Cultivate Operational and Organizational Excellence

Northern Water uses various financial ratios to measure organizational excellence, as well as the overall financial health. As a result, the organization monitors the following ratios:

- Asset-to-Liabilities is a credit granting ratio that is useful in determining an organization's borrowing ability. Ideally the ratio should be at least 2.0 or higher.
- Debt-to-Assets is a leverage ratio that measures the degree to which an organization has used debt to finance its assets. The lower the ratio, the less debt that has been utilized to finance its assets.
- Operating Ratio is a ratio that measures an organization's operational efficiency.
- Current Ratio is a liquidity ratio that measures an organization's ability to pay short-term obligations.
- Current Assets as a Percent of Revenues is another liquidity ratio that measures an organization's ability to pay its obligations, particularly those resulting from unexpected events. The higher the current assets as a percent of revenue, the more capable the organization is of paying unforeseen events.

In comparing fiscal year 2021 to fiscal year 2022, there is a decrease in the Assets-to-Liabilities and increase in Debt-to-Assets. This is a result of increased borrowing for the Campus Development Project at the Berthoud headquarters. Prior to 2021, Northern Water had not borrowed funds since 2002.

Additionally, the Current Ratio decreased in fiscal year 2022 as compared to 2021 as a result of more cash being used toward watershed recovery expenses. The operating ratio remained consistent in both years. Finally, the Current Assets as a Percent of Revenues decreased as a result of maintaining higher cash balances on hand and realizing less revenues.

Fiscal Year	2021	2022
Assets-to-Liabilities	3.8	2.9
Debt-to-Assets	0.2	0.3
Operating Ratio	0.7	0.9
Current Ratio	11.1	6.7
Current Assets as a Percent of Revenues	262.0%	173.5%

The District Enterprise Fund's liquidity position has historically been strong. At fiscal year-end 2022, unrestricted cash and investments totaled \$97.2 million, representing about 1,033 days of operating expenses on hand and during the past five fiscal years, this metric has been not lower than 400 days.



DISTRICT ENTERPRISE FUND

Northern Water, together with the United States Bureau of Reclamation, jointly operates and maintains the Colorado-Big Thompson Project, a large and complex natural resource development consisting of over 100 structures integrated into a transmountain water diversion, storage and delivery system.

Fund Overview

The District Fund is an enterprise fund established to record all revenues and expenses associated with the wholesale water operations and maintenance of the C-BT Project, which collects and delivers, on average, more than 200,000 acre-feet of untreated water each year. The water is a supplemental water supply (higher water quota in dry years and lower water quota in wet years) for irrigation, industrial and municipal use in Northeastern Colorado.

Budget Summary

	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change from Fiscal Year 2023 Budget	Percentage Change from Fiscal Year 2023 Budget
Beginning Cash & Reserves						
Unrestricted	\$93,458,638	\$124,214,628	\$97,193,079	\$74,144,407		
Restricted	59,524,875	2,295,393	47,482,309	17,500,000		
Total	\$152,983,513	\$126,510,021	\$144,675,388	\$91,644,407		
Sources of Funds						
Revenue Sources						
Property and Specific Ownership						
Tax	\$26,763,785	\$30,006,934	\$30,279,840	\$37,248,041	\$7,241,107	24.1%
Water Assessments	12,431,609	12,383,949	13,715,507	13,256,134	872,185	7.0%
Charges for Services	5,208,760	6,276,716	5,310,210	6,565,097	288,381	4.6%
BOR Operation, Maintenance & Replacement Allocation	2,343,480	2,620,000	2,620,000	2,620,000	-	0.0%
BOR Horsetooth Fiber Allocation	-	-	-	1,500,000	1,500,000	n/a
BOR Replacement, additions, extraordinary maintenance (RAX)						
Tier 2 funding	-	-	-	2,136,374	2,136,374	n/a
Indirect Costs	-	2,773,800	2,773,800	2,773,800	-	0.0%
Other Operating Revenues	1,975,588	2,656,595	2,656,595	2,674,068	17,473	0.7%
Intergovernmental - Grants (includes ASO)	1,744,122	1,470,000	238,038	1,894,800	424,800	28.9%
Fire Recovery	25,831,814	17,878,000	5,992,458	21,930,000	4,052,000	22.7%
Transfer from Fleet Reserves for Fleet & Equipment Carryover	-	1,156,508	406,508	750,000	(406,508)	n/a
Other Nonoperating Revenues	1,051,094	95,600	1,883,407	101,336	5,736	6.0%
Interfund Loan Receivable- Hydropower Fund	287,437	287,437	287,437	352,676	65,239	22.7%
Earnings on Investments	(1,663,121)	655,240	5,446,923	694,554	39,314	6.0%
Capital Contributions / Bond Proceeds	37,332,213	-	-	-	-	n/a
Sale of Assets	63,325	79,000	170,429	83,740	4,740	6.0%
Total Sources	\$113,370,106	\$78,339,779	\$71,781,152	\$94,580,620	\$16,240,841	20.7%
Total Funds Available	\$266,353,619	\$204,849,800	\$216,456,540	\$186,225,027		

Budget Summary (continued from page 35)

	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change from Fiscal Year 2023 Budget	Percentage Change from Fiscal Year 2023 Budget
Uses of Funds						
Operating Expenses						
Fleet & Equipment	\$1,014,001	\$950,353	\$722,738	\$450,065	\$(500,288)	-52.6%
Facilities	2,200,422	2,241,054	1,467,378	2,790,676	549,622	24.5%
Operation & Maintenance	8,874,455	9,168,885	9,479,678	7,550,705	(1,618,180)	-17.6%
Programs	23,573,180	28,793,029	32,150,239	36,013,626	7,220,597	25.1%
Total Operating	\$35,662,058	\$41,153,321	\$43,820,033	\$46,805,072	\$5,651,751	13.7%
Capital & Initiatives						
Capital Assets	\$3,360,056	\$1,485,113	\$864,520	\$2,109,000	\$623,887	42.0%
Fleet & Equipment (fiscal year 2023 Carryover)	-	1,156,508	1,156,508	750,000	(406,508)	n/a
Capital Projects - Facilities	329,256	113,000	254,118	370,187	257,187	227.6%
Capital Projects - Other	4,944,660	5,844,187	2,440,658	5,471,561	(372,626)	-6.4%
Capital Projects - Campus Development	20,500,000	33,359,633	26,832,247	19,200,000	(14,159,633)	-42.4%
East Troublesome Fire Recovery	15,118,000	19,738,000	6,187,575	23,510,000	3,772,000	19.1%
Airborne Snow Observatory Flights Initiative	2,500,000	1,470,000	193,038	550,000	(920,000)	-62.6%
Initiatives - Other	-	749,736	611,000	310,000	(439,736)	n/a
Contribution to Chimney Hollow Outlet Works	2,000,000	-	-	-	-	n/a
Contribution to Colorado River Connectivity Channel	1,000,000	-	-	-	-	n/a
Total Capital & Initiatives	\$49,751,972	\$63,916,177	\$38,539,664	\$52,270,748	\$(11,645,429)	-18.2%
Debt Service						
Contracts Payable	\$331,918	\$323,416	\$323,416	\$323,416	-	0.0%
Certificates of Participation	2,216,763	5,254,813	5,254,813	5,255,763	950	0.0%
Total Debt Service	\$2,548,681	\$5,578,229	\$5,578,229	\$5,579,179	\$950	0.0%
Net Pension Liability						
Unfunded Pension Plan Liability	-	-	-	-	-	n/a
Total Unfunded Pension Plan Liability						
Contingency Appropriation	-	500,000	-	-	(500,000)	n/a
Reserve funding (five percent)	1,783,103	2,057,666	2,057,666	2,340,254	282,588	13.7%
Total Uses	\$89,745,814	\$113,205,393	\$89,995,592	\$106,995,253	\$(6,210,140)	-5.5%
Ending Cash & Reserves						
Unrestricted	97,193,079	74,144,407	142,141,984	149,525,027		
Restricted	47,482,309	17,500,000	20,650,062	-		
Total	\$144,675,388	\$91,644,407	\$162,792,046	\$ 149,525,027		
Total Funds Accounted For	\$234,421,202	\$204,849,800	\$252,787,638	\$ 256,520,280		

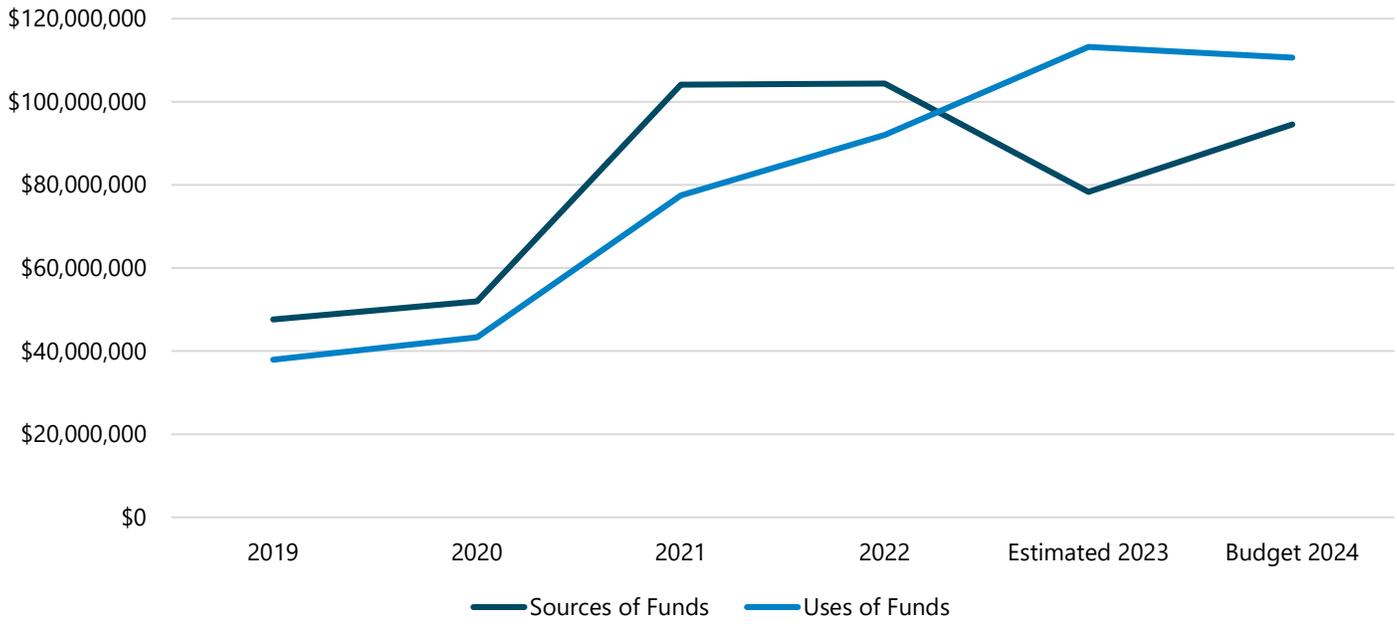
Beginning Cash and Reserves
\$91,644,407

Sources of Funds
\$94,580,620

Uses of Funds
\$106,995,253

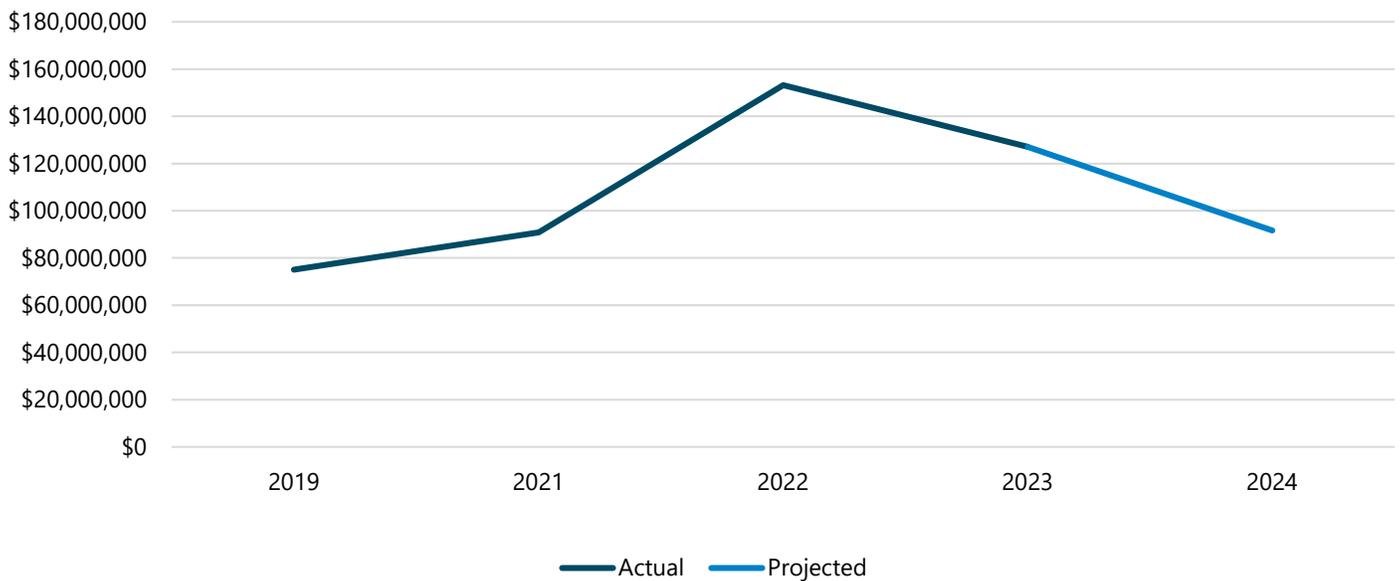
Ending Cash and Reserves
\$149,525,027

District Enterprise Funds
Sources and Uses of Funds



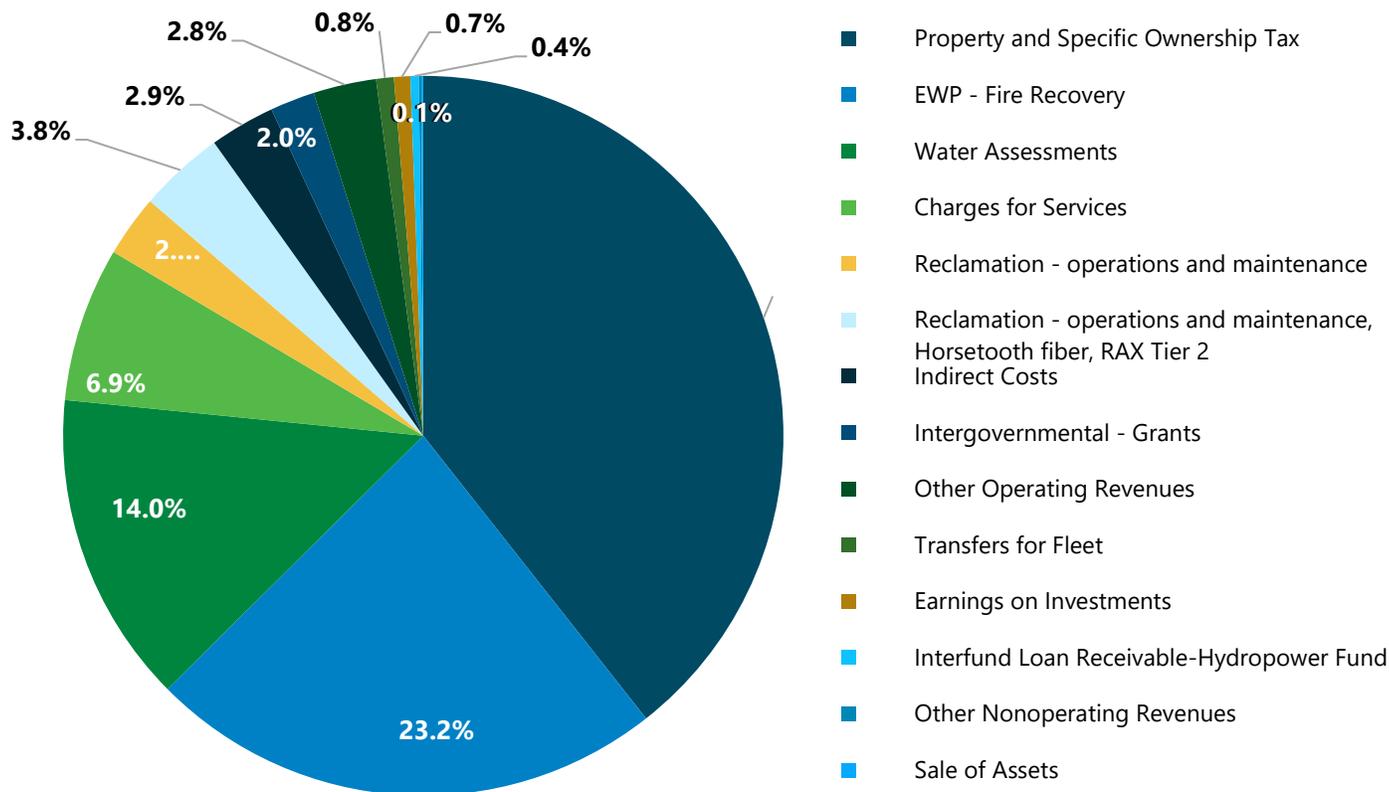
District Enterprise Fund
Cash and Reserves Trend

Increases/Decreases to



A summary of district fund sources is provided in the chart and table below.

District Fund - Sources of Funds



District Enterprise Fund Revenues

	Budget	Percent of Total Sources of Funds
Capital Contributions/Bond Proceeds	-	0.0%
Property and Specific Ownership Tax	\$37,248,042	39.4%
Emergency Watershed Protection Program – Fire Recovery	\$21,930,000	23.2%
Water Assessments	\$13,256,135	14.0%
Charges for Services	\$6,565,092	6.9%
Reclamation – operations and maintenance	\$2,620,000	2.8%
Reclamation – operations and maintenance, Horsetooth fiber, and Replacement, additions Extraordinary Maintenance (RAX) Tier 2	\$3,636,375	3.8%
Indirect Costs	\$2,773,800	2.9%
Intergovernmental – Grants	\$1,894,800	2.0%
Other Operating Revenues	\$2,674,069	2.8%
Transfers for Fleet	\$750,000	0.8%
Earnings on Investments	\$694,555	0.7%
Interfund Loan Receivable – Hydropower Fund	\$352,676	0.4%
Other Nonoperating Revenues	\$101,336	0.1%
Sale of Assets	\$83,740	0.1%
Total	\$94,580,620	100.0%

Revenues

The fiscal year 2024 District Enterprise Fund budgeted revenues are \$94,580,620 compared to \$78,339,779 for fiscal year 2023, an increase of \$16,240,841 or 20.7 percent.

Indirect Costs

In March 2019, Northern Water engaged a third-party consultant to conduct an Indirect Cost Allocation study. Working closely with District staff, the consultant has identified and quantified indirect costs applicable to District enterprise funds. The evaluation was intended to establish adequate documentation of indirect costs, an allocation basis, and general principles of cost allocation for future application. The purpose of the study was to analyze and support modifications to methods, practices and policies used to allocate labor, overhead, facility and fleet costs to the District enterprises. Generally, the District has not sought to recover costs associated with indirect labor, overhead or facilities from its enterprises in the past. The goals of the study were to (1) develop a fair and equitable basis of indirect cost allocation to Reclamation, the District activity enterprises, the Municipal Subdistrict, and other services, and (2) review the appropriateness of existing indirect costs already charged to enterprise funds such as fleet usage chargebacks. The Board of Directors approved its final resolution to implement the approved cost allocation methodology beginning in fiscal year 2023.

Certificates of Participation

In July 2021, the District issued Certificates of Participation, Series 2021 to fund its East and West Slope campus expansion. The certificates have a par value of \$52,050,000 with a stated interest rate of 4.0 percent to 5.0 percent and were sold at a premium of \$11,365,647 to yield net proceeds of approximately \$63,415,647. In 2022 Northern Water issued its Certificates of Participation, Series 2022 (the 2022 Certificates), to continue funding its Campus Development Project. The 2022 Certificates were issued in an original principal amount of \$33,940,000 with stated interest rates of either 4 percent, 5 percent, or 5.25 percent. The 2022 Certificates were sold at a premium to yield net proceeds of approximately \$37,252,689 and a true interest cost of 4.39 percent. Annual debt service consisting of principal and interest is due on both certificate series. Proceeds from the issuances are held in a trust account. The District draws upon the funds by submitting monthly disbursement requests supported by project costs incurred through 2024.

Property and Specific Ownership Tax Revenue

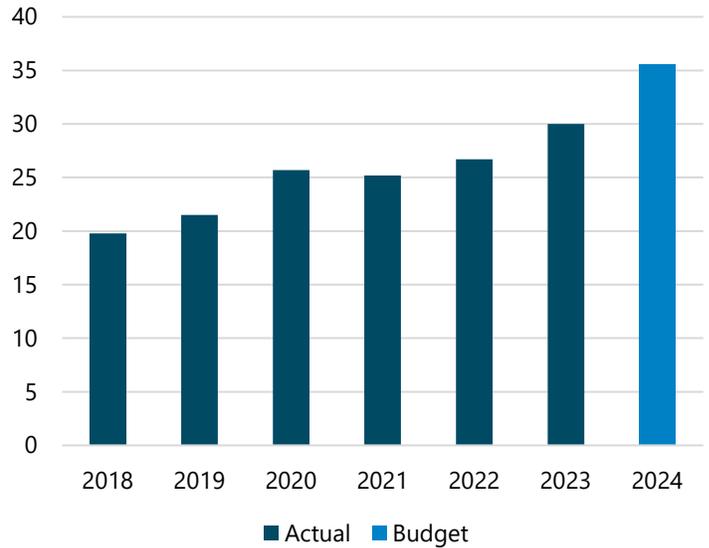
The Repayment Contract requires Northern Water to collect a voter-approved 1 mill levy tax on real property located within the boundaries. The boundary, as outlined in the Repayment Contract, includes eight counties in Northeastern Colorado; much of the tax revenue collected is from Broomfield, Boulder, Larimer, and Weld Counties.

Estimated ad valorem taxes in fiscal year 2024 are \$35,593,688 or 37.6 percent of the total District Enterprise Fund revenue. Fiscal year 2024 is not a property reassessment year and Northern Water’s taxable real property is projected to be flat compared to that of fiscal year 2022. On average, Northern Water collects 99.5 percent of the total value. The tax millage rate is 1.00 (1 mill = \$1 of property tax for every \$1,000 of assessed value) representing no increase since 1957. Throughout time, this revenue has grown as assessed values have grown. This continued increase is related primarily to strong economic conditions within the four counties identified above. The combined counties make up roughly 97.0 percent of the property tax collections. Weld County generates half of its property tax assessment from oil and gas property valuation in the Denver-Julesburg Basin (D-J Basin). The D-J Basin is regarded as one of the most significant geographic areas for oil and natural gas resources in the United States. However, population growth and recent residential developments within the boundaries of the district have helped diversify the tax base away from oil and gas.

Property and specific ownership tax revenue comprises 39.4 percent of the total sources of funds. The charts and table below provide a summary.

Breakdown by County

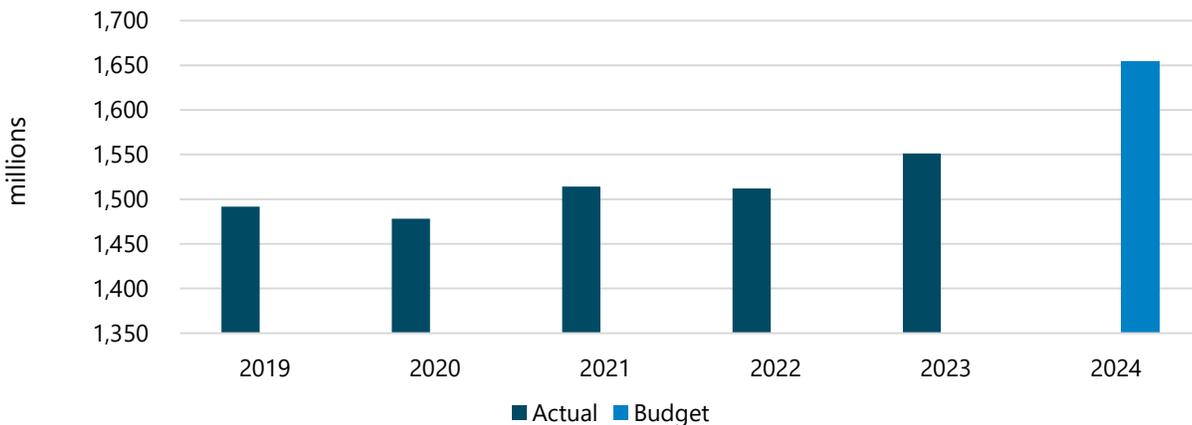
	Budget	Percent of Total Property and Specific Ownership Tax
Boulder County	\$10,188,212	28.6%
Larimer County	\$8,105,444	22.8%
Weld County	\$15,325,652	43.1%
Broomfield County	\$1,044,059	2.9%
Morgan County	\$647,582	1.8%
Logan County	\$242,866	0.7%
Sedgwick County	\$36,175	0.1%
Washington County	\$3,698	0.0%
Total	\$35,593,688	100.0%



Specific Ownership Tax

A type of Ad Valorem tax on motor vehicles.

Specific Ownership Tax



Water Assessments Revenue

Northern Water is obligated to assess water assessments to meet funding obligations under the Repayment Contract. Wholesale water assessments are collected annually from water supply contract holders based on C-BT Project units held. The assessments are not contingent on delivery of water and must be paid regardless of the amount of water delivered. The rates for water allotment contract assessments are set by class of service, Class B, C and D for municipalities, corporations, and individuals, respectively.

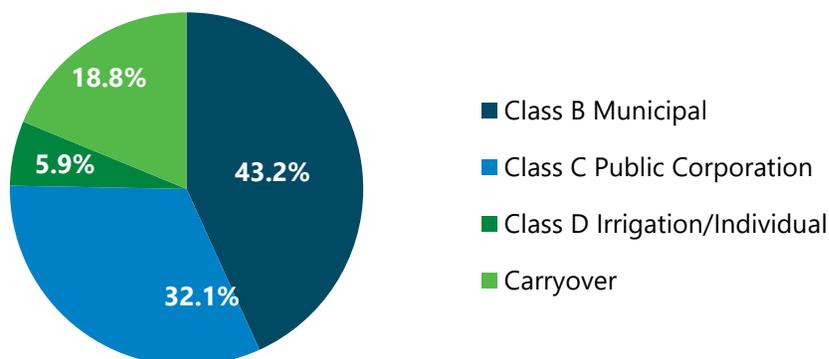
In fiscal year 2014, the water assessment rates were examined by a consultant who recommended rate structure modifications as part of a multi-year financial management plan. The rate structure adjustments serve to meet current and projected operating and capital cost requirements, as well as to maintain adequate reserves. Also, the open-rate irrigation units have transitioned from an ability-to-pay-basis to a net cost of services basis. The study suggested the Board give annual forward guidance on future assessments including a range of estimated future open-rate assessments. The study was updated in fiscal year 2022 with revised rate structure recommendations which were evaluated and approved by the Board. Forward guidance review continues to be conducted annually by the Board.

Fiscal year 2024 wholesale open-rate water assessments revenue is projected to increase \$872,185 or 7.0 percent from fiscal year 2023 budget based on the following rates: \$33.00 per acre-foot for agricultural users, \$53.60 per acre-foot for municipal/industrial users and \$1.50 per acre-foot for Unit 2 charges (special charge to allottees downstream of Boulder Reservoir). Holders of allotment contracts entered into prior to 1959 are assessed, regardless of end use, a fixed amount of \$1.50 per unit per year. When a unit is transferred, sold, or altered, the contract is changed from the original fixed rate to an open-rate assessment.

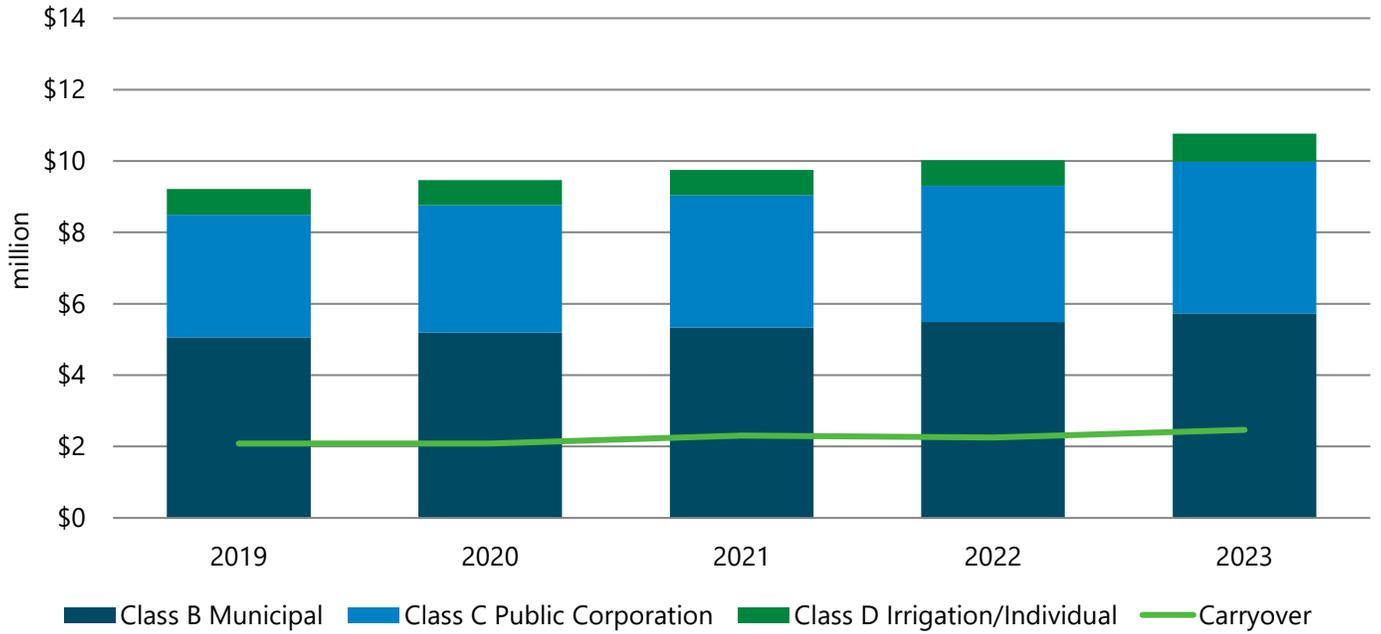
On average throughout the last 10 years, 578 units are annually transferred and changed to open-rate assessments. The trend in water allotment contract ownership changes within Northern Water is from agricultural ownership to municipal ownership. Also included in water assessments are revenues related to the Carryover Program, which is available to customers to store undelivered C-BT Project water in Northern Water facilities from year to year. The Carryover Program revenue depends on the number of subscribers and water assessment rates. Carryover water revenue is expected to be \$2,489,082 for fiscal year 2024, an increase of \$289,082 or 12.0 percent from the fiscal year 2023 budget. Fiscal year 2024 budget was based on a three-year average with a projected water assessment rate increase of 7.2 percent. Water assessment revenue comprises 14.0 percent of total sources of funds. The charts and table below provide a summary.

Water Assessments by Class of Service

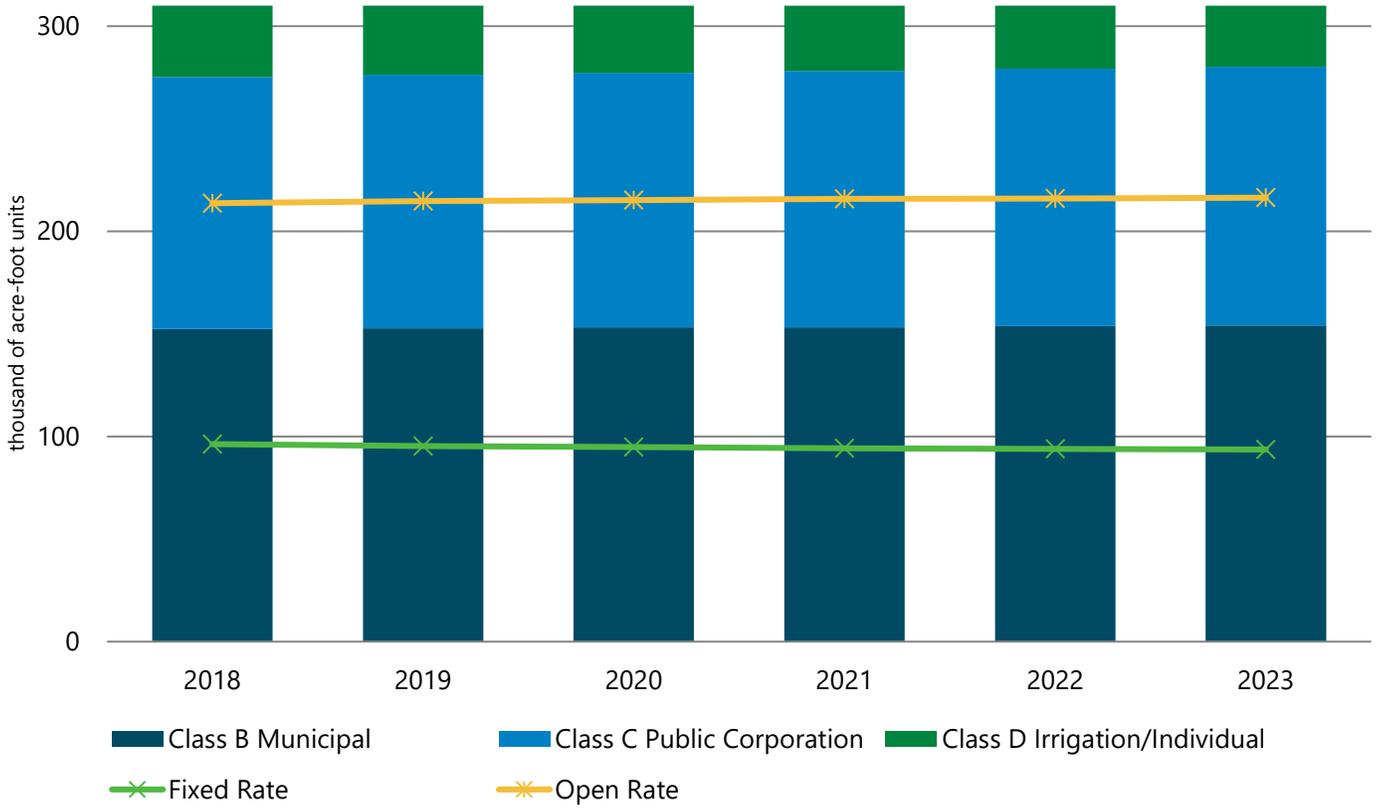
	Budget	Percent of Total Water Assessments
Class B Municipal	\$5,703,508	43.2%
Class C Public Corporation	\$4,250,791	32.1%
Carryover	\$2,489,082	18.8%
Class D Irrigation/Individual	\$785,753	5.9%
Total	\$13,256,134	100.0%



Water Assessments by Class of Service



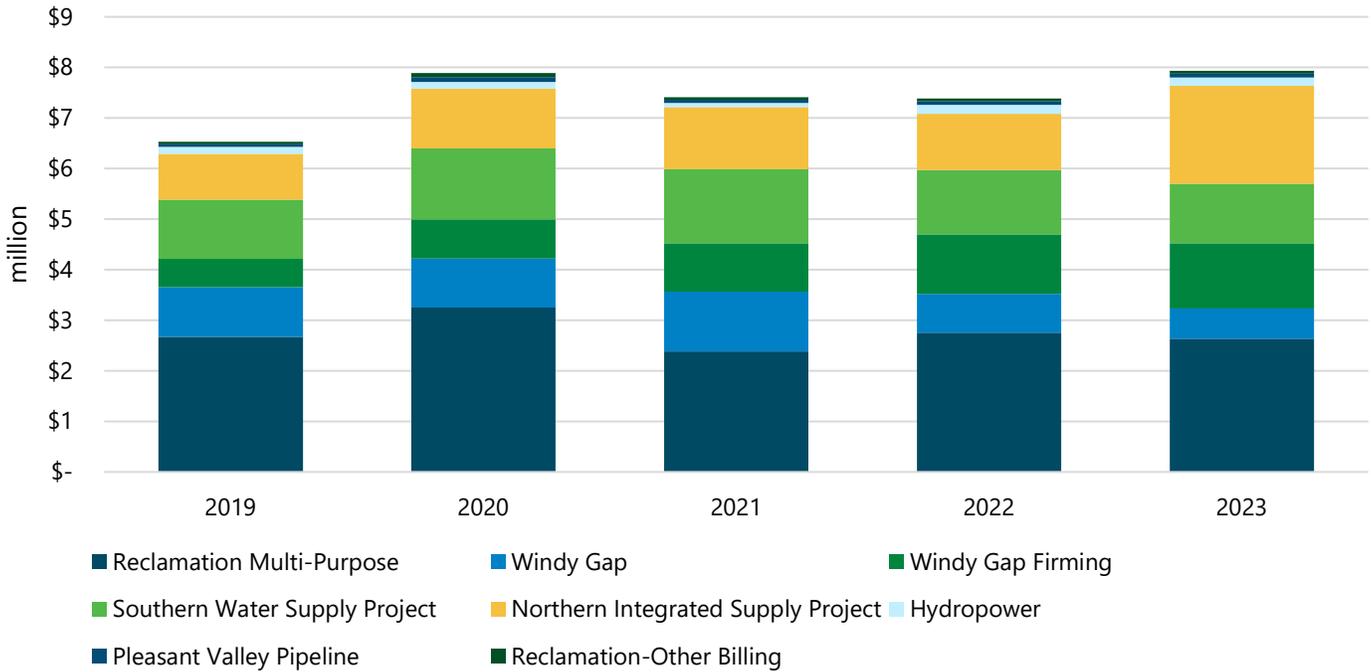
C-BT Ownership by Water Allotment Contract Class



Charges for Services

Charges for Services revenues are generated from providing administrative, engineering and operation and maintenance services to the Northern Water activity enterprises, the Municipal Subdistrict, and others such as Reclamation for C-BT Joint Works. Northern Water (District Fund) charges its costs for these services to the benefitted entity and is reimbursed for these costs. Fiscal year 2024 revenues are projected to increase 5.0 percent or \$288,381 as the result of a higher number of labor hours billed. Charges for services comprises 6.9 percent of total sources of funds. The chart and table below provide a summary.

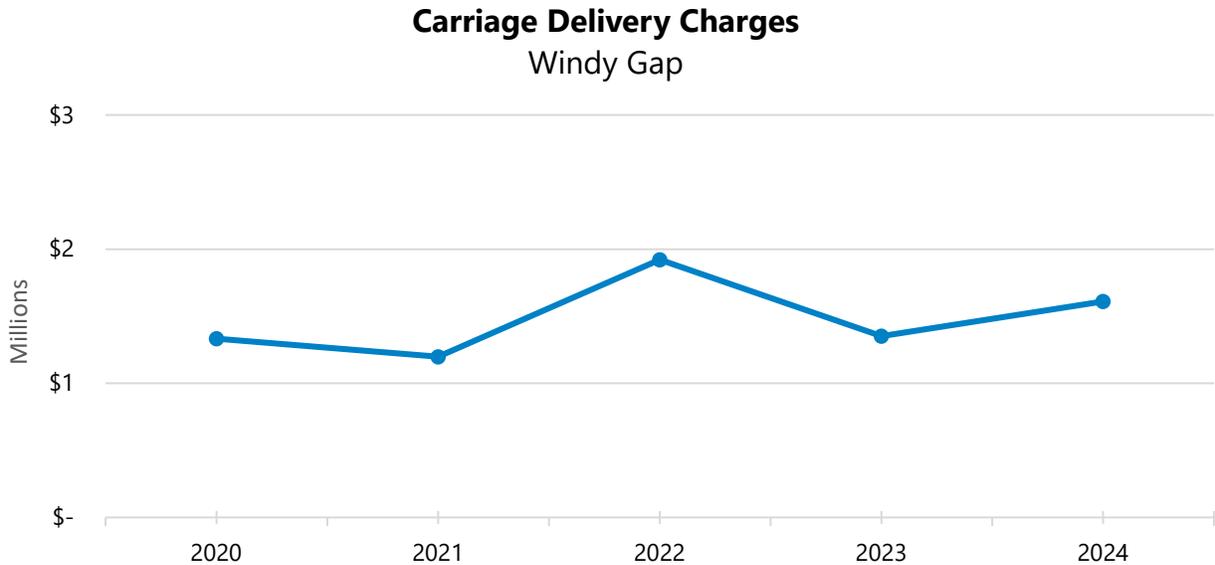
Charges for Services



	Budget	Percent of Total Charges for Services
Reclamation Multi-Purpose	\$2,620,000	28.5%
Northern Integrated Supply Project Enterprise	\$2,600,091	28.3%
Windy Gap Firming Enterprise	\$1,640,000	17.9%
Southern Water Supply Project Enterprise	\$1,230,000	13.4%
Windy Gap Enterprise	\$770,000	8.4%
Hydropower Enterprise	\$165,000	1.8%
Pleasant Valley Pipeline Enterprise	\$100,000	1.1%
Reclamation Special Billing	\$60,000	0.0%
Total	\$9,185,091	100.0%

Other Operating Revenue

Most of the Other Operating Revenues include carriage delivery charges, seasonal transfer to higher rate, water conveyance credits and water carriage credit. Carriage delivery charges represent the use by the Municipal Subdistrict of the C-BT Project conveyance and storage system. Winter delivery fees are for water delivered from C-BT Project facilities in the winter months, November through March. Rule 11 charges are when customers transferring water are charged the assessment differential if water is transferred to a higher-rate user from a lower-rate user. Water conveyance and carriage credits are fees from the use of the C-BT Project shared equally between Northern Water and Reclamation. Fiscal year 2024 Other Operating Revenues are projected to be \$2,674,068, an increase of \$17,473 or 1.0 percent compared to fiscal year 2023. Other operating revenue comprises 2.8 percent of total sources of funds. The chart and table below provide a summary.



	Budget	Percent of Other Operating Revenues
Carriage Delivery – Windy Gap	\$1,610,000	60.2%
Carriage Credit – Reclamation	\$350,000	13.1%
Water Conveyance – Reclamation	\$250,000	9.3%
Rule 11	\$248,568	9.3%
Transfer Fees	\$150,000	5.6%
Winter Delivery Fees	\$25,000	0.9%
Regional Pool Fees	\$17,500	0.7%
Irrigation Class Fees	\$10,000	0.4%
Power Interference	\$10,000	0.4%
Non Allottee Industrial Water Accounts	\$3,000	0.1%
Total	\$2,674,068	100.0%

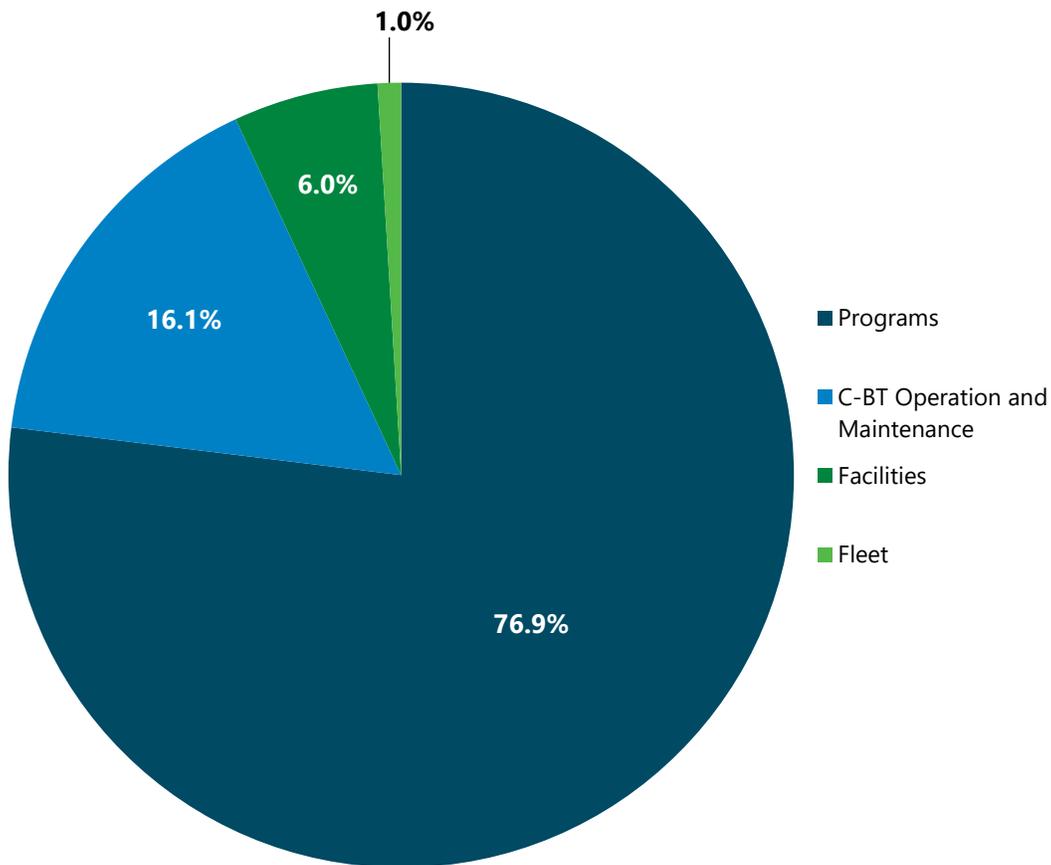
Expenses

The fiscal year 2024 District Enterprise Fund budgeted expenses are \$110,631,582 compared to \$113,205,593 for fiscal year 2023, a decrease of \$2,573,811 or 2.0 percent.

The fiscal year 2024 District Enterprise Fund planned expenses include operating and capital expenses, grant-funded expenses, special initiatives, debt service and a contribution to operating reserves (\$2,340,254 or 5 percent of operating expenses).

The fiscal year 2024 District Enterprise Fund budgeted operating expenses are \$46,805,072. The chart and table below provide a summary.

Operating Expenses by Function

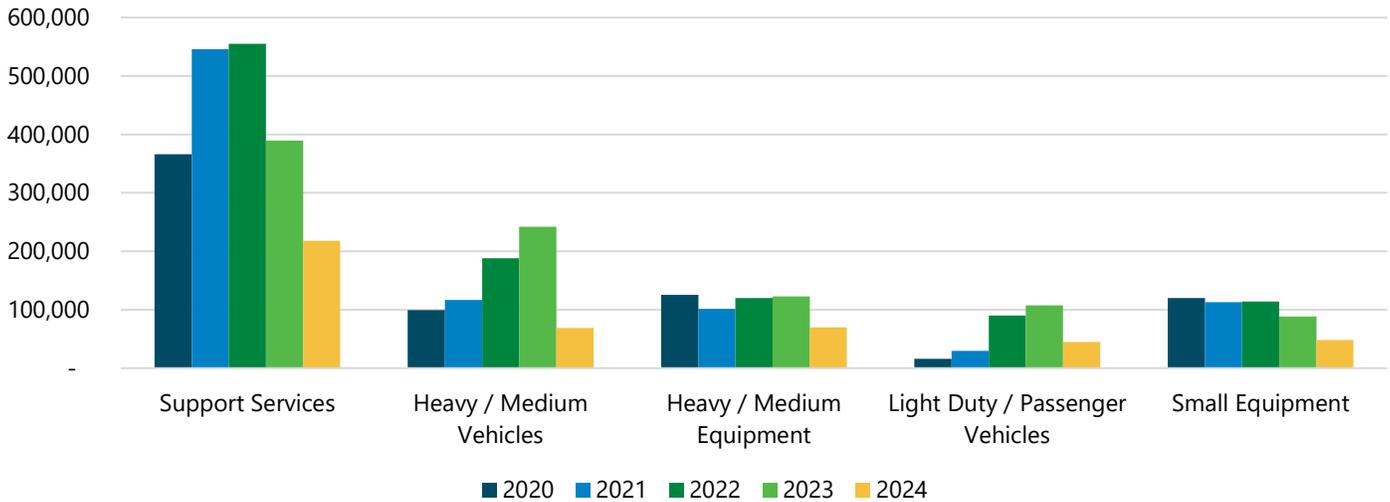


	Budget	Percent of Total Operating Expenses	Labor	Non-Labor
Programs	\$36,013,626	76.9%	\$22,622,723	\$13,390,903
C-BT Operation and Maintenance	\$7,550,705	16.1%	\$6,939,880	\$610,825
Facilities	\$2,790,676	6.0%	\$1,742,693	\$1,047,983
Fleet	\$450,065	1.0%	\$250,598	\$199,467
Total	\$46,805,072	100.0%	31,555,894	\$15,249,178

Fleet Expenses

Fleet expenses are used for the operation and maintenance costs of Northern Water’s vehicles and major equipment. The fiscal year 2024 fleet expense budget is \$450,065. This represents a decrease of \$500,288 or 47.0 percent from the fiscal year 2023 budget primarily due to less maintenance, repair and labor costs related to fleet service resulting from recent years’ Fleet Modernization Program. Fleet expenses comprise 1.0 percent of total uses of funds. Below is an updated breakdown of fleet expenditures for fiscal year 2023 and 2024 budget.

Budgeted Fleet Expenses



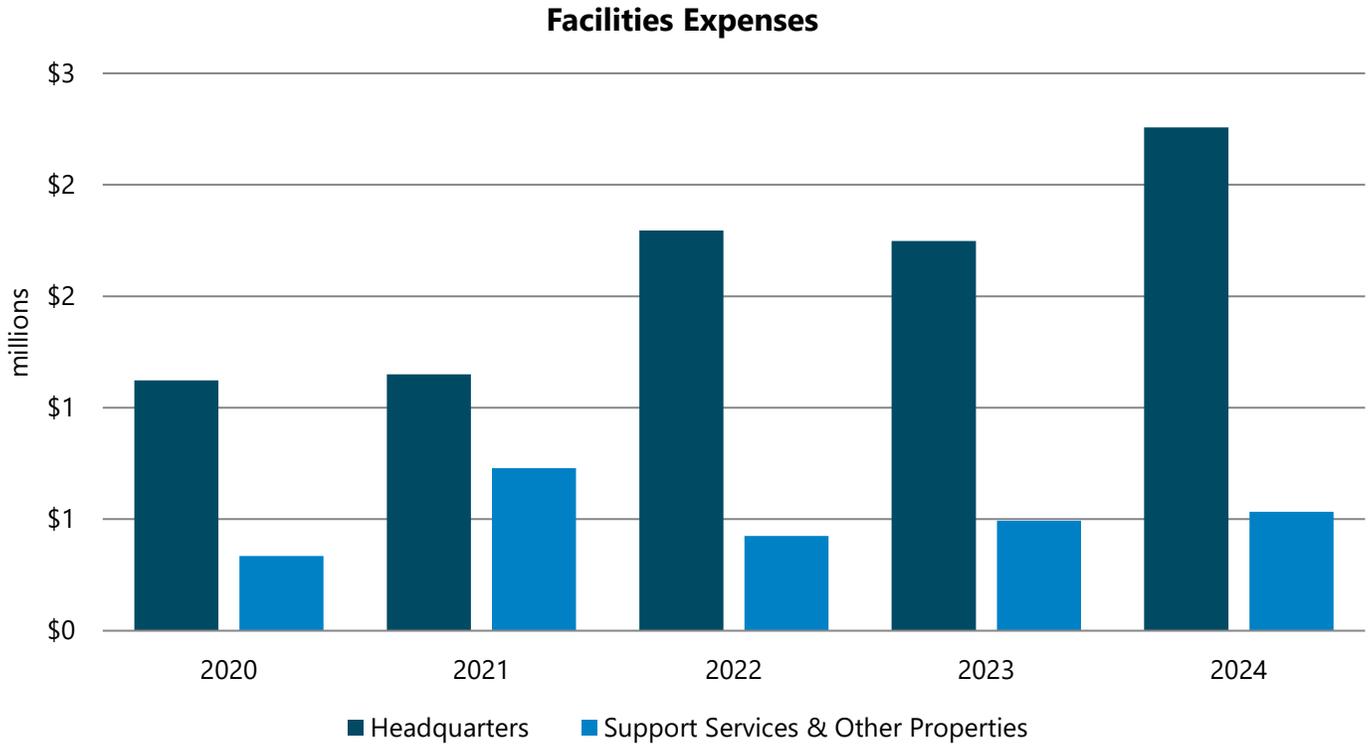
	Budget	Percent of Total Fleet Expenses
Support Services	\$218,022	48.4%
Heavy/Medium Equipment	\$69,896	15.5%
Heavy/Medium Vehicles	\$68,900	15.3%
Small Equipment	\$48,354	10.7%
Light Duty/Passenger Vehicles	\$44,893	10.0%
Total	\$450,065	100.0%

Expenses by Category

Labor	\$250,598	55.7%
Non-Labor	\$199,467	44.3%
Total	\$450,065	100.0%

Facilities Expenses

Facilities expenses are for the operation and maintenance costs of Northern Water’s Berthoud headquarters facility and property held for future water supply projects. The fiscal year 2024 facilities budget is \$2,790,676. This represents an increase of \$549,622 or 20.0 percent more than fiscal year 2023 budget. The facilities square footage has increased dramatically throughout the last year due to Campus Development activities. Facilities expenses comprise 6.0 percent of total uses of funds. The chart and table below provide a summary.



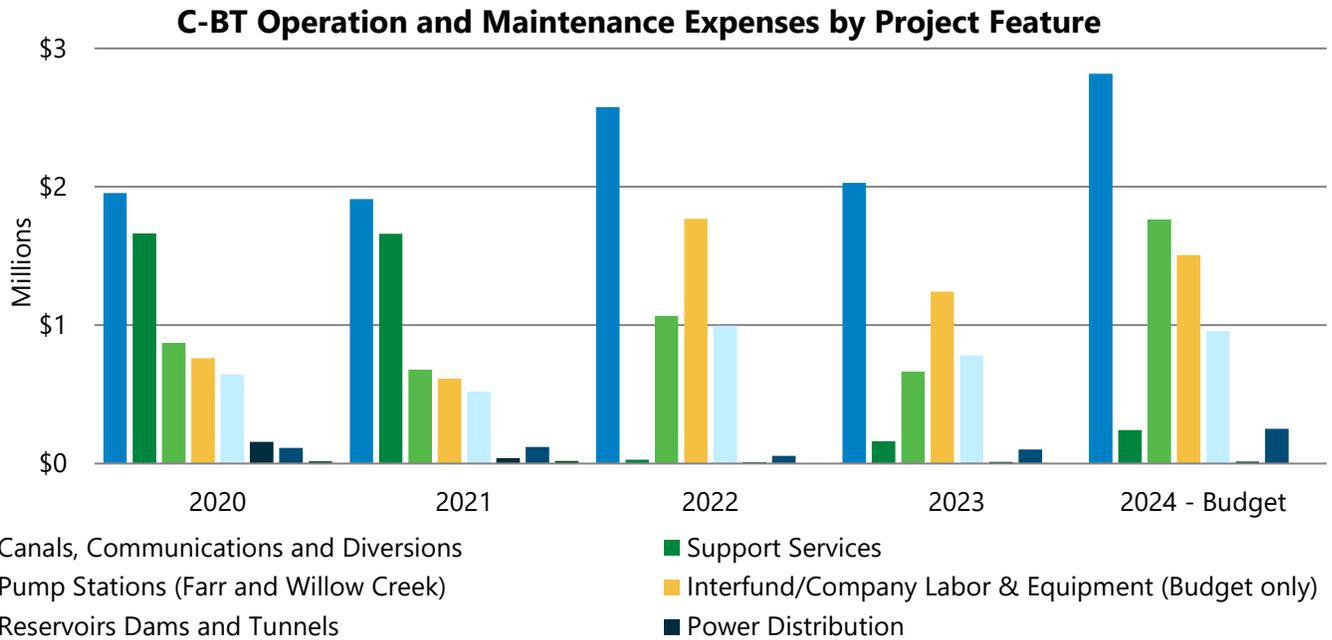
	Budget	Percent of Total Facilities Expenses
Headquarters	\$2,257,099	80.9%
Support Services & Other Properties	\$533,5774	19.1%
Total	\$2,790,676	100.0%

Expenses by Category

Labor	\$1,742,693	62.5%
Non-Labor	\$1,047,983	37.5%
Total	\$2,790,676	100.0%

C-BT Operation and Maintenance Expenses

Operation and maintenance expenses are the non-capital labor, materials, and services costs necessary to operate and maintain the C-BT Project. Major infrastructure maintained include reservoirs, dams, dikes, canals, pumping plants, pipelines, and tunnels. The fiscal year 2024 operation and maintenance budget totals \$7,550,705, which represents a 28.0 percent decrease from the fiscal year 2023 budget. C-BT operation and maintenance expenses comprise 16.1 percent of total uses of funds.



	Budget	Percent of Total Operation and Maintenance Expenses
Canals, Communications and Diversions	\$2,817,894	46.6%
Support Services	\$241,789	4.0%
Pump Plants (Farr and Willow Creek)	\$1,763,500	29.2%
Reservoirs Dams and Tunnels	\$956,263	15.8%
Equipment Shops (Farr, Horsetooth and Lyons)	\$250,895	4.2%
Power Distribution	\$14,394	0.2%
Steam Gaging – Transferred to Programs	\$0.00	0.0%
Interfund/Company Labor and Equipment (budget only)	\$1,505,970	19.9%
Total	\$7,550,705	100.0%

Expenses by Category

Non-Labor	\$610,825	8.1%
Labor	\$6,939,880	91.9%
Total	\$7,550,705	100.0%

C-BT operation and maintenance program expenses include activities by the Collection Systems, Distribution Systems, Control Center, and Facilities and Equipment departments as described in the following sections.

Operations Division Programs

Division: Operations – Collection Systems

Business Plan Priority: Collect and deliver water

The Collection Systems Department is responsible for operating and maintaining the C-BT and Windy Gap projects on the West Slope in Grand County. The department has staff members with experience in civil, mechanical, and electrical trades.

During the spring and early summer runoff season, natural inflows are collected in Lake Granby along with water pumped from Willow Creek and Windy Gap reservoirs. The department coordinates with Reclamation to send water to the East Slope through the West Portal of the Adams Tunnel in accordance with the annual operating plan. The Farr Pump Plant pumps water from Lake Granby to Shadow Mountain Reservoir to maintain required elevations in Grand Lake, to replenish storage in Carter Lake and Horsetooth Reservoir on the East Slope, and to fulfill Reclamation's hydropower generation objectives.

In 2024, the West Slope Collection Systems Program intends to:

- Modernize the Farr Pump Plant elevator.
- Design and install oil coolers for Willow Creek Pump Plant Unit cooling.
- Purchase and install ultrasonic flow measurement on Granby Pump Canal.
- Complete concrete repairs in West Portal of Adams Tunnel.
- Complete an electrical study and design Windy Gap.
- Expand the Willow Creek gatehouse building.
- Install cameras on pump and motor floors at Farr Pump Plant.
- Acquire standby generators for West Portal, Shadow Mountain, Willow Creek, and Granby Dam.

In 2023, the Collections Program:

- Rebuilt the forebay silt wall at Windy Gap Reservoir.
- Rebuilt access road to flip bucket below Granby Spillway.
- Replaced copper cooling coil in Unit 2 at Willow Creek Pump Plant.
- Replaced cooling water motor operated valves and flowmeters on units at Farr Pump Plant.
- Installed new electric hoists for bulkheads at West Portal.
- Designed and installed new piping valves and vacuum pump in siphon breaker for Granby Pump Canal.
- Windy Gap electrical study and design of transformer yard replacement and switchgear replacement.

Division: Operations – Distribution Systems

Business Plan Priority: Collect and deliver water

The Distribution Systems Department services and maintains the East Slope water distribution system and delivers water from Carter Lake and Horsetooth Reservoir to C-BT and Windy Gap project allotment contract owners and project participants. The department operates and maintains a variety of facilities including pumping plants, a hydroelectric generation plant, several open canals, siphons, trash racks, pipelines, and reservoirs. The department is responsible for the continuous and uninterrupted operation of the water delivery infrastructure.

In 2024, the East Slope Distribution Systems Program intends to:

Colorado-Big Thompson Project:

- Continue with the Meter Rehabilitation project.
- Install new Hansen Supply Canal Access and bridge.
- Continue with the Hansen Feeder canal lining and sealing program.
- Install a new generator at Carter Lake Tower and Shaft House.
- Install new pool gate structures at Longmont and Little Thompson turnout pool gates.
- Upgrade concrete and sewer drains at Horsetooth shop.
- Install new cattle guards on the Hansen Feeder canal.
- Install new seep measuring devices at Carter Lake.
- Install new aluminum checks on the Hansen Feeder canal.
- Continue with the tape wrap on the Horsetooth Penstocks.
- Install new mechanical seals in Masonville siphon.
- Upgrade access and security fence at Lyons yard.
- Install a new actuator at the Soldier dam shaft house.
- Install a new actuator on the dissipating valve at Horsetooth.
- Install new aluminum checks on the St Vrain Supply canal.
- Install a new check at Steele turnout.

Southern Water Supply Project:

- Install a new blowoff valve at 153+90
- Install a new cathodic protection system on County Line Road.
- Install a new security gate at the Longmont vault structure.
- Install a new security gate at the Fort Lupton clog control structure.
- Install venturi taps along the pipelines.

Trout Hydro Plant:

- Rehabilitate the coatings inside of Unit #1.

In 2023, the East Slope Distribution Systems Program:

Colorado-Big Thompson Project:

- Upgraded the power supply at Boulder Reservoir.
- Completed upgrades to the Little Thompson turnout.
- Installed an automatic gate at the Longmont turnout.
- Rebuilt the blowoffs and Smith Siphon and Spence Siphon.
- Repaired the St. Vrain Supply Canal Culvert on the Parrish Property.
- Completed Boulder Creek Supply Canal structure inspections.
- Completed road repairs at Boulder Reservoir due to seepage.
- Replaced the spare sump pump at the Horsetooth Valve House.
- Rehabbed the Lower Boulder Pool.
- Renovated the Lyons shop.

- Replaced four cattle guards along the St. Vrain Supply Canal.
- Installed tape wrap on the Reclamation section of the Horsetooth Penstocks.
- Armored the north shore of the Boulder Reservoir.
- Continued to work on the meter rehabilitation project.
- Replaced culverts on the Lower Boulder Canal.
- Completed a study to determine what is needed to rehabilitate the Lyons Chute.
- Completed a needs assessment on the Adams Tunnel.
- Applied polyurea to 6,600 linear feet of the Hansen Supply Canal north of the Howard Road Bridge.
- Installed mechanical seals in Masonville Siphon.
- Canal and weir rehabilitation on the Dixon feeder canal.
- Repaired and replaced concrete panels on the Hansen Supply Canal.
- Placed polyurea liner on the St Vrain Supply Canal.
- Installed new metering devices on the Horsetooth outlet works penstocks.

Southern Water Supply Project:

- Replaced Broomfield Anode Well Niwot Road – B5.
- Replaced Broomfield Anode Well County Line Road – B7.
- Replaced blowoffs at Broomfield 122+75 and 198+95.
- Painted the Erie Flow Control Vault and the Longmont Vault.
- Replaced the Louisville Superior 10-inch Isolation Valves.
- SWSP II Isolation Valve (Boulder) (Carryover from 2022).
- Completed a Cathodic Assessment on the Broomfield Pipeline.
- Installed venturi taps on the Southern Water Supply I pipeline.
- Replaced lighting in vaults and pump plants.

Pleasant Valley Pipeline:

- Completed the Munroe / PVP Actuator and Gear Box Water Supply Project on Southern Water Supply Project.

Trout Hydro Plant:

- Completed annual maintenance and inspections.

Division: Operations – Control Center

Business Plan Priority: Collect and deliver water

The Control Center Department works with the Collection and Distribution Departments and is responsible for the monitoring and operations of all pump plants, hydropower plants, water control equipment and facilities, and reservoir elevations within Northern Water's collection and distribution systems. Monitoring and operations occur 24 hours per day, seven days per week. The Control Center Department also prepares, and issues clearances as requested, per the Hazardous Energy Control Program. The department has staff members with experience in the seasonal operations of the above-mentioned facilities and structures. The operators go through an extensive training syllabus through their first three years with Northern Water.

In 2024, the Control Center Program intends to:

- Prepare and issue all necessary clearances that are requested by the Collection and Distribution Systems departments. This is to include special work permits, special conditions tags, confined space permits and all other documents that are associated with the FIST 1-1 Hazardous Energy Control Program.
- Update all Standard Operating Procedures.
- Add a Lead Operator to the Control Center Department.

In 2023, the Control Center Program:

- Prepared and issued the necessary clearances for all work to be performed that falls under the Hazardous Energy Control Program. A few are listed below:
 - Clearances for annual maintenance of the Farr Pump Plant Units 1, 2 and 3.
 - Clearance for annual maintenance of the Carter Lake Outlet Structure.
 - Clearance for annual maintenance of the Windy Gap Pump Plant Units 1, 2, 3 and 4.
 - Clearance for winterization of St. Vrain Supply Canal.
 - Clearance for winterization of Horsetooth Guard Gates.
- Updated Standard Operating Procedures for all facilities.
- Moved into the new Operations Control Center at the Willow Creek Campus.

Division: Operations – Facilities and Equipment

Business Plan Priority: Cultivate operational and organizational excellence

The Facilities and Equipment Department responsibilities include: budgeting for and maintaining all of the Berthoud headquarters campus which includes nine buildings; assisting with the design and construction management of Phase II Campus Development; planning for the best care of this investment associated with heating and ventilation, electrical, mechanical, structural, custodial, grounds and landscape needs; continuing to support the additional Lincoln office rental property until Phase II Campus Development is complete; assisting in special projects including modernization of existing headquarters, supporting new remodel and construction infrastructure; and continuing to assist all staff and events by maintaining the cleanliness of facilities offices, workspace areas, shipping and receiving, restocking supplies, and removing surplus equipment and supplies.

Other responsibilities include specifying and ordering approved vehicles and equipment while maintaining the existing fleet and heavy equipment. This includes general maintenance, make-ready services, Department of Transportation inspections and removal of surplus vehicles and equipment.

The department supports the new on-site fuel island, all Northern Water staff members with various projects and off-site facilities and pump plants as our trades may apply. The department also supports special events on and off site.

In 2024, the Facilities and Equipment Department intends to:

- Upgrade portion of Building B lights to LED.
- Replace both fan coil units that feed computer room in Building A.
- Continue garage door motor replacements.
- Continue with Building Automation Project Management Service and software upgrades on campus.
- Tie-in UPS units into Building Automation System and set up alarms for 24/7 operation.
- Tie-in power monitors into Building Automation System for Building B and A.
- Design for replacement of HVAC equipment in computer room.
- Assist with office moves in spring/summer 2024.
- Assist in expansion of the water feature and repair in specific areas.
- Assist with renovation of irrigation pump skid and new landscaping, irrigation infrastructure and upgrade controllers.

In 2023, the Facilities and Equipment Department:

- Assisted with office moves as part of the Campus Development project.
- Assisted other staff in conducting Board meetings in an alternate location on campus for several months.
- Assisted with office furniture and equipment replacements, upgrades, and workstation changes.
- Supported Building A remodel efforts.
- Replaced the main chiller in Building A with two chilled and hot water pumps.
- Continued replacement of individual pneumatic variable air volume box controls of the HVAC system.
- Upgraded the cooling by installing soft starting controls fan speed to maintain a more accurate cooling tower water temperature. The system is tied into the Trane Building Automation System automation system.
- Oversaw roof repairs and installation of snow falling devices on existing buildings.
- Installed overhead garage door operators in Building B.
- Replaced the water feature pump.
- Installed new landscaping, irrigation infrastructure and upgrade controllers.

2024 Budgeted Equipment Replacements and Additions:

Equipment:

- BT-7: Water Sample Boat to replace BT-1
- EX-3: John Deere 210G LC excavator will be added to the East Slope
- EX-4: Bobcat E35 33HP R2 series compact excavator will replace BH-10

- LD-19: Bobcat T64 compact loader for the West Slope to replace existing LD-12
- LM-9: Walker mower will replace LM-8 East Slope Campus
- TL-59: Dump trailer – 7 x16
- UV-6: Bobcat UV34XL 4-seater utility vehicle for the West Slope
- Skid steer snow blower will be added to the West Slope
- Snow equipment for the West Slope: 9ft Bobcat Snow Pusher Pro & 9ft HD V-Plow

Large Trucks:

- T-82: Class 8 dump truck will replace T-40

Medium Trucks:

- T-79: 550 DRW extended cab 4x4 service body with crane will replace T-39 on the East Slope
- T-80: 1-ton DRW extended cab 4x4 utility body will replace T-64 on the East Slope
- T-81: 1-ton DRW extended cab 4x4 flatbed will replace T-53 on the West Slope

Pickups:

- P-129: $\frac{3}{4}$ -ton extended cab 4x4 long bed with tech utility camper will replace P-82
- P-130: $\frac{3}{4}$ -ton regular cab 4x4 long bed with V-Plow will replace P-85
- P-131: $\frac{1}{2}$ -ton crew cab 4x4 tech with utility camper will replace P-98
- P-132: 1-ton SRW 4x4 regular cab with plow will replace P-77

SUV's:

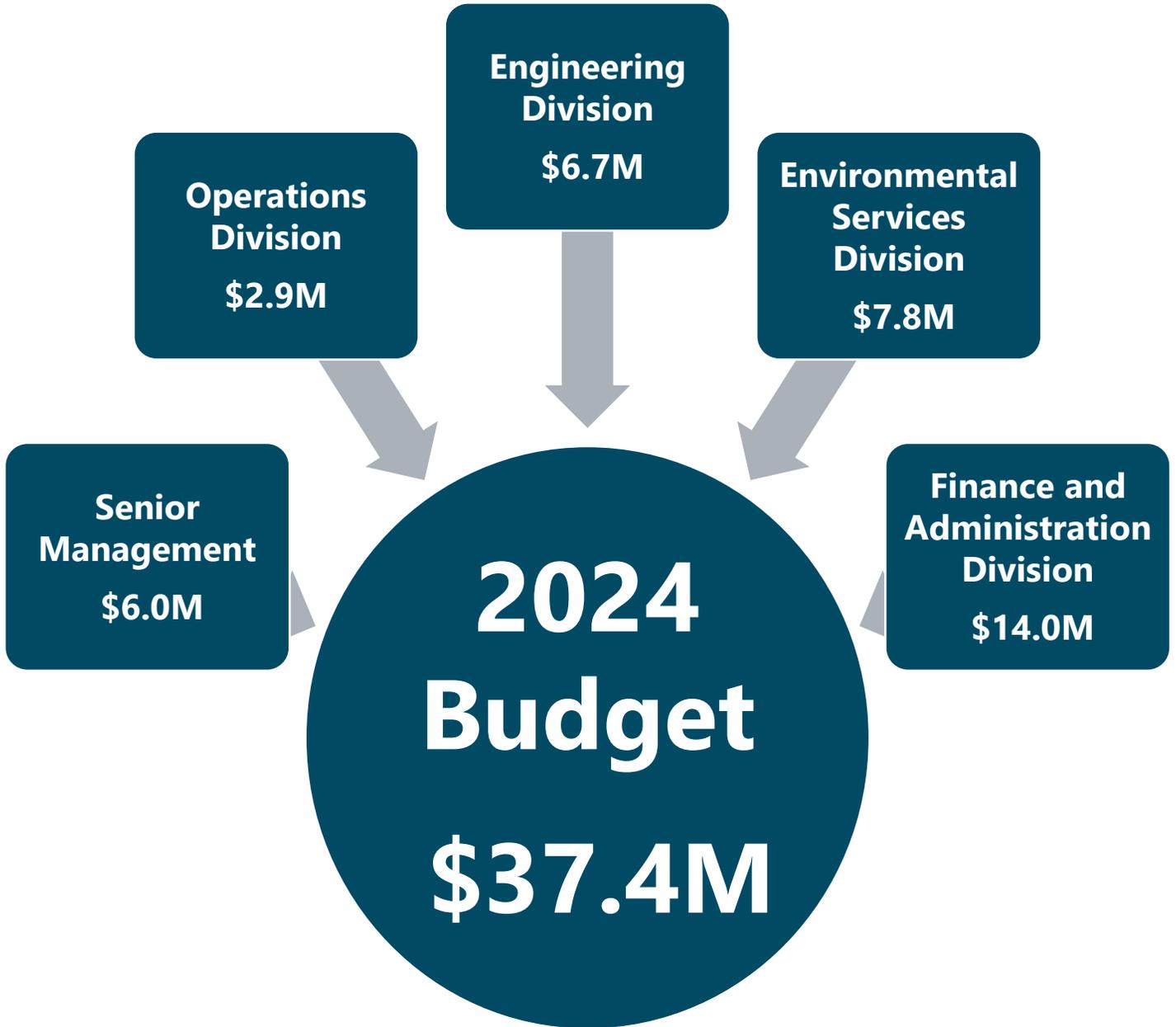
- V-35: Hybrid SUV for fleet checkout will replace V-25

Sedan:

- S-31: Electric hybrid for fleet checkout will replace S-27

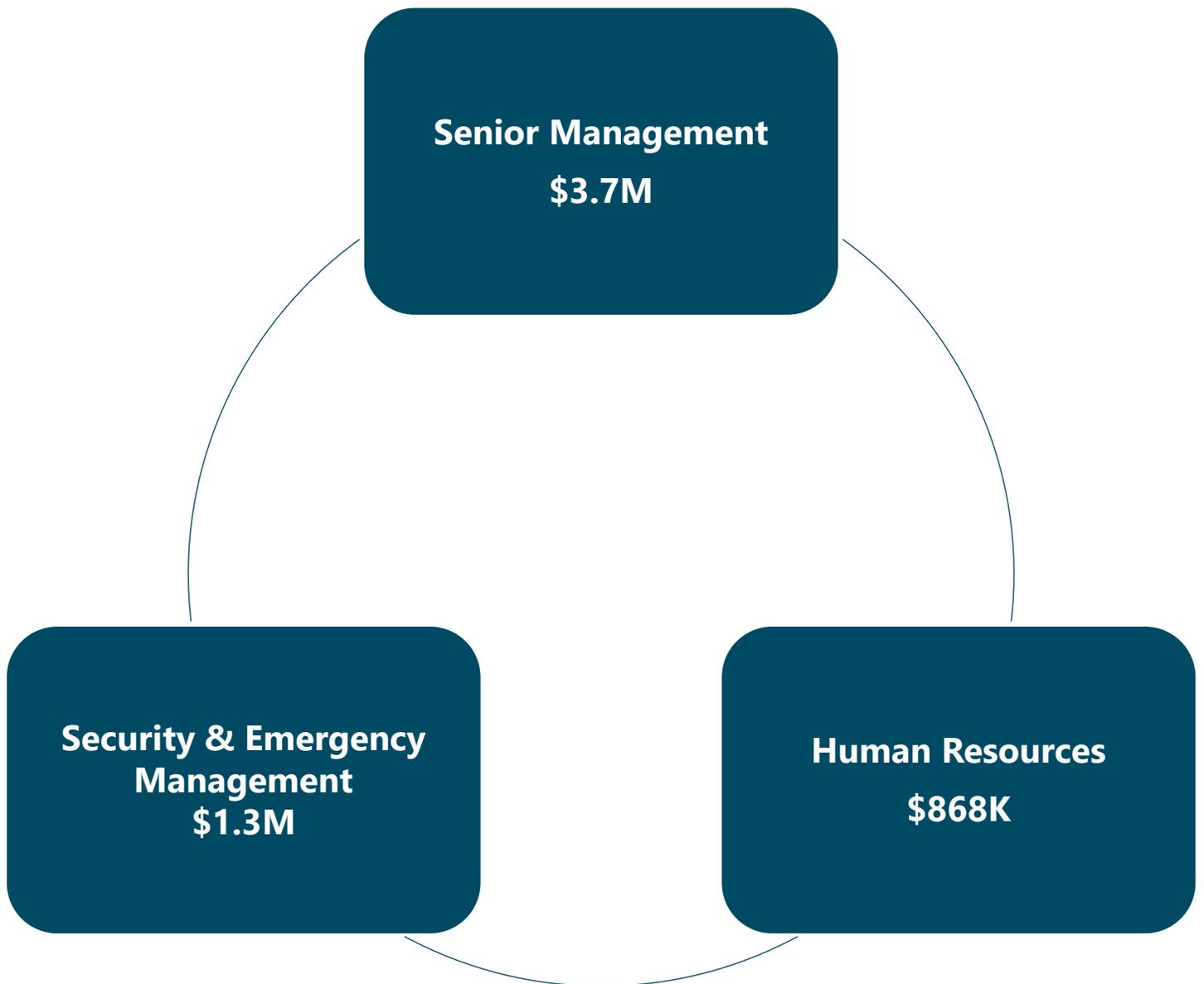
PROGRAM EXPENSES

Program expenses are the cost of 22 programs unique to Northern Water that provide administrative, environmental and engineering functions to the organization. Program expenses make up 76.9 percent of the total uses of funds. The fiscal year 2024 program budget totals \$37.4 million consisting of \$30.9 million for Northern Water division expenses and \$6.5 million Charges for Services (interfund labor expense). A summary is provided in the chart below.



General Manager Programs

The general manager is appointed by the Board of Directors and provides organizational leadership to implement Board Policies. Senior Management provides organizational leadership to the divisions of Northern Water. Human Resources manages employee health benefits, compensation, recruitment, and other human resource policies and procedures.



Division: General Manager – Senior Management Program

Business Plan Priority: Cultivate operational and organizational excellence, and maintain and strengthen relationships

Northern Water's Senior Management team oversees all aspects of Northern Water's day-to-day operations and carries out the directives of the General Manager and the Board of Directors. The Senior Management team also develops long-range strategic plans and is always prepared to respond to unforeseen circumstances.

In 2024, the Senior Management Program intends to:

- Enhance cross-functional integration across the organization's varied divisions, departments, and functions, including the continued advancement of the organization's safety culture and environmental stewardship and compliance.
- Implement Northern Water's Vision 2040 Strategic Plan.
- Invest in the organization's leadership development through the development of programs for current and emerging leaders.
- Continue building a strong culture and improving employee engagement throughout the organization.
- Kick off the Northern Integrated Supply Project Adaptive Management Program consistent with State and Federal Permits for the NISP.
- Provide oversight of East Troublesome Fire recovery efforts, including entering into additional agreements with the U.S. Forest Service and other potential funding agencies to continue East Troublesome Fire recovery efforts on the Arapaho Roosevelt National Forest.
- Advance the exploration of options to improve clarity in Grand Lake.
- Finalize Phase 2 and 2A of the Berthoud Campus development program and initiate certain components of Phase III.

In 2023, the Senior Management Program:

- Provided general oversight of all Northern Water activities and enterprises.
- Participated in various regional and statewide cooperative programs including recovery programs, stream management and river basin studies.
- Participated in statewide, regional, and national discussions and strategies related to Colorado River drought conditions.
- Protected and developed water rights assets.
- Concentrated on risk management, including procurement and administration of general liability and other insurance.
- Assisted in securing NISP Bond Counsel and Municipal Advisor for future financing strategies and structure.
- Developed and enforced policies, rules, and procedures.
- Continued to refine Northern Water's Strategic Plan to describe the organization's goals and values as it faces contemporary water supply challenges and opportunities over the next decade and beyond.
- Coordinated new positions and filled new and existing positions to backfill for retirements and meet increased workload requirements.
- Coordinated general legal counsel expenses and fees.
- Coordinated Northern Water Board of Directors meetings, conferences, and other related expenses.
- Oversaw East Troublesome Fire recovery efforts, including completion of the NRCS Emergency Watershed Restoration Program as the local sponsors for the East Troublesome Fire recovery effort and spearheading of restoration projects on the Arapaho Roosevelt National Forest via a Participating Agreement with the U.S. Forest Service.
- Re-engaged stakeholders and agencies to advance collaborative efforts to address water quality concerns in the Three Lakes System and about clarity in Grand Lake.
- Provided oversight of campus development programs consisting of Berthoud Campus Phases 2 and 2A final design and construction.
- Responded to major unforeseen contingency projects and expenses.

Senior Management	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Senior Management	\$829,525	\$487,014	\$765,715	\$659,590	\$172,576	35.4%
Legal Matters	755,137	870,000	1,289,231	1,177,174	307,174	35.3%
Board of Directors	352,966	322,889	441,367	437,042	114,153	35.4%
Senior Mgmt. Meetings	361,002	85,238	116,514	115,373	30,135	35.4%
General Programs	869,896	984,224	1,436,250	1,312,182	327,958	33.3%
Travel and Training	108,013	30,000	41,008	60,606	30,606	102.0%
Total	\$3,276,539	\$2,779,365	\$4,090,085	\$3,761,967	\$982,602	35.4%
Summary by Category						
Labor	\$1,744,360	\$1,869,817	\$2,420,626	\$2,431,121	\$561,304	30.0%
Expenses	1,532,179	909,548	1,669,459	1,330,846	421,298	46.3%
Total	\$3,276,539	\$2,779,365	\$4,090,085	\$3,761,967	\$982,602	35.4%

Division: General Manager – Human Resources Program

Business Plan Priority: Maintain and strengthen relationships

The Human Resources staff administers all employee benefits, such as medical, dental, life, long-term disability, retirement plans and workers' compensation. The department also reconciles billing statements for benefit payments and provides recommendations on benefit vendor selection, new benefits, and plan changes. The staff assists employees with benefits enrollment and changes; resolves issues with medical and dental claims; and counsels and advises employees and managers on employment issues. The department provides leadership in recruiting, interviewing, and training new employees. The department conducts ongoing salary surveys, makes compensation recommendations, maintains the employee handbook, maintains the Human Resources Information System, and provides relevant personnel reports on behalf of all employees.

In 2024, the Human Resources Program intends to:

- Adopt an IRS pre-approved plan document for the Defined Benefit Retirement Plan to replace the current individually designed plan document to obtain cost savings by eliminating some of the legal services required to stay compliant with the IRS. In the process, other associated documents, such as the investment policy statement and trust agreement, will be reviewed and restated and adopted by the Board of Directors.
- Develop a charter for the Defined Benefit Retirement Plan Administrative Committee for its use in administering the retirement plan to carry out their fiduciary duties when managing Northern Water's defined benefit retirement plan.
- Create an administrative committee and a charter for the Defined Contribution Retirement Plan.
- Issue a request for proposals to compensation consultants to provide a classification and compensation study and analysis of Northern Water's current compensation and classification structure and systems.
- Issue a request for proposals for an employee benefits broker and consulting services to provide advice, products and services, and guidance to Northern Water and its employees.
- Implement Infor's Talent Acquisition module. Applicants complete job applications online, allowing Northern Water managers to view applicants' resumes and cover letters within the same system.
- Create a human resources electronic files retention policy that outlines compliance and business reasons for retaining specific data and what to do with it when targeted for disposal.

In 2023, the Human Resources Program:

- Developed a paid Family Leave Plan that closely matches Colorado's state-run, paid Family and Medical Leave Insurance (FAMLI) program, which Northern Water opted out of in 2022. The new leave plan provides up to twelve weeks' paid leave for employees who are welcoming a new child into the family through either birth, adoption or fostering or caring for an immediate family member's serious health condition. Northern Water's existing parental leave plan was expanded from two weeks to twelve weeks.
- Continued to learn about and follow the implementation of Colorado's state-run paid Family and Medical Leave Insurance (FAMLI) program and provided information to Northern Water's Board of Directors to enable them to make important decisions on the behalf of Northern Water and its employees.
- Maximized the Human Resources Information Systems system to its fullest potential.
- Supported managers in recruiting and hiring approximately 34 new positions to bring departments up to full complement.
- Performed market research on existing jobs and made recommendations and adjustments when necessary.
- Reviewed compensation for potential inequities, made corrections and validated positions according to pay grades.
- Introduced and provided training when appropriate and necessary. Offered mini-supervisor training throughout the year for recently hired or promoted supervisors or managers.
- Reviewed benefits to determine if they are meeting the needs of the employees and are in line with Northern Water's culture and vision, as well as being fiscally responsible.
- Conducted annual renewal of insurance benefits to consider plan design improvements, determined premium increases, and reviewed the performance of existing benefit vendors.

- Continued to save all files electronically and dramatically reduced the number of paper documents. Scanned existing important paper documents to an electronic format in a new file management system.
- Planned and hosted the annual employee benefits fair.

Human Resources	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Human Resources						
General	\$445,938	\$548,837	\$705,650	\$626,599	\$77,762	14.2%
Benefits Management	15,201	15,005	24,054	11,121	(3,884)	(25.9%)
Employee Morale	5,184	83,125	8,203	7,203	(75,922)	(91.3%)
Recruiting	135,840	91,028	214,952	188,740	(97,712)	107.3%
Retirements	3,168	23,269	10,013	4,402	(18,867)	(81.1%)
Travel and Training	19,543	61,000	25,925	30,154	(30,846)	(50.6%)
Total	\$624,874	\$822,264	\$988,797	\$868,218	\$45,954	5.6%
Summary by Category						
Labor	\$576,105	\$670,264	\$847,940	\$661,315	(\$8,949)	(1.3%)
Expenses	48,769	152,000	140,857	206,903	54,903	36.1%
Total	\$624,874	\$822,264	\$988,797	\$868,218	\$45,954	5.6%

Division: General Manager – Security and Emergency Management Program

Business Plan Priority: Cultivate operational and organizational excellence

The Security and Emergency Management Program protects and secures Northern Water’s assets including structures, dams and most importantly the staff, Board of Directors, and guests. In addition, the program develops, plans, and prepares procedures and protocols, training, and exercises for emergency preparedness for Northern Water and the multiple Water Activity Enterprises (Enterprise) established by Northern Water.

In 2024, the Security and Emergency Management Program intends to:

- Develop Emergency Action Plan for C-BT Project canals.
- Host Incident Management Systems training for Northern Water staff.
- Continue working with department managers to develop emergency action plans for their respective departments.
- Create Security Operations Center and remove the reasonability from the operators in the Northern Water Control Center.
- Add access control and cameras to critical infrastructure.
- Develop plans for access control and cameras at new facilities that are currently under construction.
- Continue working with Larimer County and Grand County Sheriff’s departments for security patrols of project facilities owned by Northern Water and Enterprise projects.
- Continue the integration of Lenel Access Control System and Milestone Video Management System.

In 2023, the Security and Emergency Management Program:

- Worked with all department managers to prepare an Emergency Action Plan to keep their respective departments operational in the event of a disaster.
- Continued to assist Reclamation on updating security site plans for federally owned C-BT Project facilities.
- Continued to work with Larimer County and Grand County Sheriff’s departments for security patrols of C-BT Project facilities operated by Northern Water.
- Developed a plan for Lenel Access Control System and integration of the Milestone Camera system.
- Moved security camera operations to Security and Emergency Management.
- Completed installation of the Lenel Access Control on Southern Water Supply Project facilities.
- Hired additional camera and access control staff to help with the installation, operations, and management of the Lenel Milestone/Access Control System.

Security/Emergency Management	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Security General	\$458,625	\$866,145	\$929,697	\$1,246,346	\$380,201	43.9%
Travel and Training	11,762	20,000	18,000	40,000	20,000	100.0%
Total	\$470,387	\$886,145	\$947,697	\$1,286,346	\$400,201	45.2%
Summary by Category						
Labor	\$184,187	\$502,645	\$603,584	\$561,696	\$59,051	11.7%
Expenses	286,200	383,500	344,113	724,650	341,150	89.0%
Total	\$470,387	\$886,145	\$947,697	\$1,286,346	\$400,201	45.2%

Finance and Administration Division Programs

The Finance and Administration Division provides support to Northern Water through office operations. Responsibilities include: management of water contracts and inclusions; administration of property and general liability, management of enterprise budgets, accounting and purchasing for the organization; information technology infrastructure and application support; maintaining geographic information of water and real estate ownership; cybersecurity and secure protection of our IT assets; controlling and managing all official records; administrative services; internal and external communications; events and meeting coordination; and management of all water scheduling activities.



Division: Finance and Administration – Administrative Services Program

Business Plan Priority: Cultivate operational and organizational excellence

The Administrative Services Program provides office and front desk support, Board of Directors and management support, meeting scheduling and support, board meeting preparation, management of office supply inventories, word processing support, and coordination of employee anniversary recognition and gifts.

In 2024, the Administrative Services and Records Program intends to:

- Support hybrid Board and participant meetings during the Phase II Berthoud Campus Development Project.
- Onboard new Board of Directors members and develop materials for new Board member orientation.
- Transition of the Board meeting minutes process into the Records and Administrative Services Department and evaluate agenda management platforms for streamlined management of all Board of Directors meetings.
- Continue to provide additional training to Northern Water staff on board meeting procedures, protocol, and statute requirements.
- Support additional front desk security measures during the Phase II Berthoud Campus Development Project and implement new security protocols upon project completion.
- Provide data entry, word processing and meeting support to staff working in the office and from remote locations.

In 2023, the Administrative Services and Records Program:

- Supported hybrid Board and participant meetings during the Berthoud Campus Development Project.
- Evaluated agenda format changes to conserve time and gain efficiencies during Board of Directors meetings.
- Supported additional front desk security measures during the Berthoud Campus Development Project.
- Trained Northern Water staff on board meeting procedures and protocol.
- Provided word processing and meeting support to staff working in the office and from remote locations.

Administrative Services	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Administrative Support	\$298,079	\$54,619	\$396,754	\$299,939	\$245,320	449.1%
Workroom	36,715	4,000	43,995	42,147	38,147	953.7%
Travel and Training	20,553	41,622	30,158	79,387	37,765	90.7%
Total	\$355,347	\$100,241	\$470,907	\$421,473	\$321,232	320.5%
Summary by Category						
Labor	\$325,826	\$41,741	\$399,198	\$374,923	\$333,182	798.2%
Expenses	29,521	58,500	71,709	46,550	(11,950)	(20.4%)
Total	\$355,347	\$100,241	\$470,907	\$421,473	\$321,232	320.5%

Division: Finance and Administration – Communications Program

Business Plan Priority: Maintain and strengthen relationships

The Communications Program provides internal and external communications and public outreach for Northern Water. Major functions and responsibilities include media relations; website and social media content development and management; creation of printed educational and marketing materials; tours and public speaking activities; photos, graphics, video, and display materials; events and meeting coordination; drafting official Board and committee meeting minutes; and all Northern Water internal and external communications activities.

In 2024, the Communications Department intends to:

- Build the Northern Water brand and awareness of our organizational mission through increased external communications through various channels including website, social media, video, and email communications.
- Evaluate our digital advertising presence and adjust focus and messaging based on current communication needs.
- Develop a digital asset management platform to house and organize all images and video assets for the organization.
- Begin development on a website refresh alongside Information Technology to evaluate current website demands, future needs, and current digital trends.
- Work with Information Technology to implement a website scanning compliance software to scan the Northern Water website for ADA deficiencies.
- Evaluate and determine public outreach efforts for increasing awareness of our projects and programs in the communities that we serve.
- Continued public outreach associated with the Northern Integrated Supply Project and ongoing communications with Participants public affairs staff.
- Develop a construction communications plan for the Northern Integrated Supply Project.
- Work with the Campus Development team to host a campus dedication and grand opening for the completed Phase II in late fiscal year 2024.

In 2023, the Communications Department:

- Increased external communications to build the Northern Water brand and shared its story through various formats including website, social media, and video communications.
- Continued to grow social media engagement on all platforms by utilizing analytics to determine appropriate tactics; managed social media advertising opportunities to ensure success and increased engagement of investment resulting in a greater reach and engagement throughout service boundaries.
- Made improvements to the public tour programs that highlight the organization's core mission, which incorporated key projects, programs, and partnerships.
- Hosted a public affairs workshop and provided ongoing updates to Participant communications staff for the Northern Integrated Supply Project.
- Continued public outreach associated with the Northern Integrated Supply Project, including increased communication after the project received its federal Record of Decision in December 2022.
- Worked with the Campus Development team to host dedication events for the Phase I Berthoud projects and communicated progress on the Phase II Berthoud projects.
- Increased awareness of the Water Efficiency Program through continued news articles, increased social media presence and communication with allottees and Participants about partnership opportunities.
- Worked with partner organizations such as Water Education Colorado, Colorado River Water Users Association, South Platte Forum, Poudre River Forum and Colorado Farm Show to enhance Northern Water's presence across regional, statewide and interstate platforms.

Communications	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Communications						
Programs	\$1,012,679	\$980,496	\$1,423,442	\$1,337,280	\$356,784	36.4%
Travel and Training	34,328	30,698	104,358	125,500	94,802	308.8%
Total	\$1,047,007	\$1,011,194	\$1,527,800	\$1,462,780	\$451,586	44.7%
Summary by Category						
Labor	\$888,757	\$817,694	\$1,326,580	\$1,224,380	\$406,686	49.7%
Expenses	158,250	193,500	201,220	238,400	44,900	23.2%
Total	\$1,047,007	\$1,011,194	\$1,527,800	\$1,462,780	\$451,586	44.7%

Division: Finance and Administration – Contracts Program

Business Plan Priority: Cultivate operational and organizational excellence

The Contracts Program oversees the contracting process for all water allotment contracts, construction contracts, professional services agreements, intergovernmental agreements and transfers for C-BT and Windy Gap projects by facilitating the preparation, approval, and management of contracts. The Contracts Program provides administrative guidance in obtaining professional legal and risk management review of all contracts. Allotment contract change applications go through a well-defined review process with the Northern Water Board of Directors.

The Contracts Program administers all inclusion petitions for Northern Water and the Municipal District, managing the Board of Director approval process and, when applicable, facilitating secretarial assent from the U.S. Bureau of Reclamation, and approval from the Weld County District Court. The Contracts Program administers Northern Waters property and liability program, including other non-packaged coverage lines. The Contracts Program collaborates closely with Northern Water’s Risk Manager to protect the organization’s interest.

In 2024, the Contracts Program intends to:

- Continue work with Northern Water’s GIS team and county assessors to streamline landowner and legal description changes made to current allotment contracts.
- Continue training with new software to ease into the annual audits related to Class D contracts and ownership updates within Boulder, Larimer, and Weld counties.
- Continue quarterly insurance meetings with various programs to track and process insurance requirements and track assets either acquired or sold.
- Continue to co-host Northern Water’s annual Contracting and Procurement Process Workshop for all project managers, with support from senior management, legal counsel, and risk management.
- Continue our work with several water providers to rectify boundary issues related to historical inclusions.

In 2023, the Contracts Program:

- Updated written contract procedures to reflect recent process enhancements and new software programs.
- Developed metrics for documenting the number of allotment contract applications and transfers, contracts processed, certificates of insurance reviews and inclusion requests for the past fiscal year.
- Developed platforms to improve data collection, critical data management and status reporting.
- Collaborated with Financial Services to refine the internal contract process to enhance communication and performance among all areas involved in contract management.
- Streamlined agreement templates to improve efficiency.

Contracts	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Contracts	\$240,451	\$364,699	\$444,783	\$396,699	\$32,000	8.8%
Allotments	260,956	497,344	341,000	400,402	(96,942)	(19.5%)
Inclusions	126,605	188,059	237,217	178,059	(10,000)	(5.3%)
Insurance	0	310,189	444,783	318,189	8,000	2.6%
Travel and Training	11,782	5,000	14,826	15,000	10,000	200.0%
Total	\$639,794	\$1,365,291	\$1,482,609	\$1,308,349	\$(56,942)	(4.2%)
Summary by Category						
Labor	\$470,844	\$712,102	\$682,045	\$879,798	\$167,696	23.5%
Expenses	168,950	653,189	800,564	428,551	(224,638)	(34.4%)
Total	\$639,794	\$1,365,291	\$1,482,609	\$1,308,349	\$(56,942)	(4.2%)

Division: Finance and Administration – Financial Services Program

Business Plan Priority: Cultivate operational and organizational excellence

The Financial Services Program consists of budgeting, purchasing, payroll and accounting functions in support of Northern Water’s Board of Directors, management, and staff. The program provides support of matters relating to financial reporting, programs, grants, capital projects, investments, special projects, contracts, retirement, and debt issuance while maintaining adherence to financial policies, procedures, and regulatory compliance requirements.

The purchasing function secures goods and services using competitive and cooperative purchasing methods as outlined in the Northern Water Procurement and Purchasing Card policies. This function processes requisitions, obtains quotations, administers purchasing cards and manages all solicitations.

The accounting function provides financial services including fund accounting, preparation of the Annual Comprehensive Financial Report, cash disbursements, payroll processing, fixed asset management, cash management, accounts receivable, preparation of monthly reporting to the Board of Directors and participant committees, and managing Northern Water’s investments and retirement plans. The accounting function also maintains, monitors, and enforces a system of internal control, segregation of duties and continuity of operations for critical functions. This program also provides financial planning for the annual budget and the five-year capital improvement program, analysis of operational productivity and special projects.

In 2024, the Financial Services Program intends to:

- Develop additional reporting from the Enterprise Resource Planning system, including self-service options for department and project managers.
- Review the Indirect Cost Allocation Model for any appropriate changes to the methodology.
- Continue to support the Northern Integrated Supply Project financing mechanisms.
- Continue to refine purchasing procedures.
- Develop a Rental Equipment Solicitation Policy.
- Continue to enhance the Accounting Policies and Procedures Manual.
- Develop a Grant Procedures Manual for staff.
- Develop Investment Policy Statements for the 401(a) and 457(b) retirement plans.
- Implement financial structure training opportunities for Northern Water staff.
- Continuity of Operations Planning and cross-training throughout the department.

In 2023, the Financial Services Program:

- Earned the Award for Outstanding Achievement in Comprehensive Annual Financial Reporting for the 36th consecutive year for the District from the Government Finance Officers Association (GFOA).
- Earned the Distinguished Budget Presentation Award for the fifth consecutive year for the District from the GFOA.
- Continued data validation, ledger reconciliations and report development following the upgraded ERP software for budgeting, purchasing, payroll and accounting functions.
- Upheld the Board of Directors’ Forward Guidance, Reserve Policy, and Indirect Cost Allocation Methodology, all set forth by resolution.
- Managed cash and debt service requirements surrounding the Series 2021 COPs, Series 2022 COPs, and Series 2021 Senior Revenue Bonds.
- Modified the budget preparation process to ensure Enterprise participants had pertinent information prior to the onset of their budget cycles.

Financial Services	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Accounting Services	\$1,287,323	\$1,231,755	\$1,329,403	\$1,334,398	\$102,643	8.3%
Purchasing	445,544	242,403	443,134	461,837	219,434	90.5%
Treasury	757,102	879,287	768,100	784,788	(94,499)	(10.7%)
Budget	158,115	150,430	177,254	163,897	13,467	9.0%
Payroll	99,155	82,490	118,169	102,781	20,291	24.6%
Pension	16,743	19,424	29,542	17,355	(2,069)	(10.7%)
Travel and Training	27,292	16,500	88,627	28,290	11,790	71.5%
Total	\$2,791,274	\$2,622,289	\$2,954,229	\$2,893,346	\$271,057	10.3%
Summary by Category						
Labor	\$1,637,224	\$1,758,249	\$1,637,224	\$1,819,958	\$61,709	3.5%
Expenses	1,154,050	864,040	1,317,005	1,073,388	209,348	24.2%
Total	\$2,791,274	\$2,622,289	\$2,954,229	\$2,893,346	\$271,057	10.3%

Division: Finance and Administration – Information Technology Services Program

Business Plan Priority: Cultivate operational and organizational excellence

The Information Technology Services Department supports Northern Water's technical and information resources. The IT department is divided into four focus areas: Client Support Services and System Administration; Network and Cybersecurity Administration; Software Development and Application Support; Geographical Information System (GIS).

Client Support Services and System Administration are responsible for client and server infrastructure support. Client services offer a range of support activities covering help desk calls, audio/visual support for internal and external meetings, and workstation management and mobile device support.

Network and Cybersecurity Administration oversees Northern's network and security infrastructure's design, maintenance, and troubleshooting. The network team is responsible for all technical aspects of Northern Water's infrastructure, including but not limited to routers, switches, security, and firewalls. The cybersecurity area will develop and implement enterprise-wide information security programs to monitor and protect communications, electronic systems, and technical assets from internal and external threats.

Software development and application support are responsible for Northern Water's custom applications and enterprise off-the-shelf applications. This group provides support for our ERP, websites, document management system, and many custom-developed and off-the-shelf applications.

The GIS area is responsible for creating and maintaining geographic information. They provide GIS support to staff in creating datasets, analyses and maps for various projects and activities. The GIS team also oversees Northern Water's drone program by flying drone missions to collect aerial video and imagery of Northern Water's physical assets and facilities.

Finally, Information Technology Services is responsible for managing all electronic information.

In 2024, the Information Technology Services Program intends to:

- Implement the Instrument Control System (ICS) and Security System Recovery Project to enhance Northern Water's business continuity and disaster recovery capabilities.
- Conduct and oversee Northern Water's boardroom audiovisual (AV) system refresh.
- Migrate critical services to a hybrid cloud to allow for redundancy and minimize the dependency on singular servers and infrastructure for core systems.
- Refresh the Northern Water website alongside the Communications Department.
- Procure a website scanning compliance software to scan the Northern Water website for ADA deficiencies.
- Northern Water's West Slope virtual machine cluster will reach its projected end-of-life in fiscal year 2024. To maintain support of this service the hardware will have to be replaced.
- Procure a second blue-UAS drone with complementary capabilities for the Northern Water drone initiative.

In 2023, the Information Technology Services Program:

- Implemented an Information Technology Service Management (ITSM) tool to provide a single repository to capture and relate all IT ongoings while streamlining IT service delivery, transparency, and communication.
- Upgraded servers and licensing for cybersecurity tools.
- Upgraded Northern Water's firewalls, which are critical to cybersecurity and communication functions across all Northern Water Enterprises.
- Upgraded and migrated Northern Water's Document Management System to the latest server version.
- Upgraded its ability to monitor various GIS technology platforms.
- Rolled out a new vulnerability management solution that identifies and helps address security vulnerabilities in computer systems and software, reducing the risk of cyberattacks and data breaches.
- Revamped our cybersecurity phishing program, allowing us to simulate and assess employees' susceptibility to phishing attacks, a prevalent and significant cybersecurity threat.

- Rolled out a new Service Management portal to manage the workflow of IT incidents, managing service requests, enacting changes and overall, a way to deal with the plethora of problems that filter through IT operations.
- Deployed a multifactor authentication system and an enterprise password management system to improve Northern Water's cybersecurity posture.
- Deployed a new enterprise IT management system to modernize device patch management, remote access support, software deployment and inventory, and endpoint monitoring.

Information Technology	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Programming	\$410,258	\$448,894	\$216,751	\$421,207	(\$27,687)	(6.2%)
Cybersecurity & Governance	510,303	391,576	391,000	585,745	\$194,169	49.6%
IT Support Services	2,717,789	2,516,523	2,624,189	4,037,328	\$1,520,805	60.4%
Geographic Information System	276,749	339,342	270,589	423,733	\$84,391	24.9%
Policy Administration	28,223	50,530	38,917	40,550	(\$9,980)	(19.8%)
IT General	169,211	347,764	155,668	242,133	(\$105,631)	(30.4%)
Security	66,550	73,794	38,917	60,520	(\$13,274)	(18.0%)
Travel and Training	251,814	227,373	155,668	242,110	\$14,737	6.5%
Total	\$4,430,897	\$4,395,796	\$3,891,699	\$6,053,326	\$1,657,530	37.7%
Summary by Category						
Labor	\$2,185,947	\$2,122,471	\$2,141,682	\$2,865,286	\$742,815	35.0%
Expenses	2,244,950	2,273,325	1,750,017	3,188,040	914,715	40.2%
Total	\$4,430,897	\$4,395,796	\$3,891,699	\$6,053,326	\$1,657,530	37.7%

Division: Finance and Administration – Records Program

Business Plan Priority: Cultivate operational and organizational excellence

The Records Program is responsible for controlling and maintaining all official Northern Water records. Major functions include organizing, digitizing, storing, preserving, retrieving, and disposing all records; assisting staff and legal counsel with records research, coordinating, and distributing all mail and packages; and responding to Colorado Open Records Act (CORA) requests.

In 2024, the Records Program intends to:

- Migrate temporary physical records vaults into newly constructed space from Phase II of the Campus Development Project.
- Continue realignment of file taxonomy between the records management (RM) electronic file plan system and legacy filing system. Track and evaluate transitory material for disposition per the records retention schedule using the eDocs Document Management (DM)/RM system.
- Coordinate the inventory, transfer and indexing of vital electronic and paper records related to critical infrastructure, water allotment contracts and legacy record collections into the eDocs DM/RM system or long-term preservation.
- Upgrade the eDocs DM/RM systems to enhance integration with other enterprise applications; continue to deploy the eDocs DM/RM system to select departments to import permanent electronic records; and train employees on use.
- Facilitate records transfers from offboarding/retiring personnel.
- Respond to records requests from Northern Water staff and the public.

In 2023, the Records Program:

- Upgraded the eDocs DM/RM systems to new servers; continued to deploy the eDocs DM/RM system to select departments to import permanent electronic records; and trained employees on use.
- Implemented a new file taxonomy in the Building A records vault to align with the eDocs DM/RM file plan; continued to track and evaluate transitory material for deposition per records retention schedule using the eDocs DM/RM system.
- Continued to inventory and index maps and large drawings located in Building B and incorporated the material into the eDocs DM/RM system for long-term permanent records preservation.
- Trained new employees on general records principles and facilitated the transfer of records from offboarding/retiring personnel.
- Answered multiple Colorado Open Records Act requests per statute requirements.

Records	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Records	\$509,222	\$607,298	\$568,646	\$782,919	\$175,621	28.9%
Travel and Training	14,000	45,000	5,000	55,000	10,000	22.2%
Total	\$523,222	\$652,298	\$573,646	\$837,919	\$185,621	28.5%
Summary by Category						
Labor	\$517,492	\$611,000	\$564,279	\$802,669	\$191,669	31.4%
Expenses	5,730	41,298	9,367	35,250	(6,048)	(14.6%)
Total	\$523,222	\$652,298	\$573,646	\$837,919	\$185,621	28.5%

Division: Finance and Administration – Water Scheduling Program

Business Plan Priority: Cultivate operational and organizational excellence

The Water Scheduling Department allocates water in accordance with project policies and allotment contracts, responds to customer and allottee requests for delivery and transfer of water, maintains accounting and provides reporting of water allocation, deliveries and transfers, communicates canal delivery orders to Distribution’s personnel and to state officials, and coordinates various invoicing and payment activities related to water use and transfer. The department is also responsible for quantifying all stored water in project reservoirs, ensuring that all releases and inflows are properly assigned to the various water projects and beneficiaries as described in applicable contracts and agreements. The department coordinates software and database support and prepares various custom reports and analytical products.

In 2024, the Water Scheduling Program intends to:

- Continue to respond to customer requests in a timely manner and accurately administer requests for delivery and transfer of water.
- Continue to develop and maintain reporting products to support the needs of internal departments, the Board of Directors, and outside agencies, both state and federal.
- Continue to advance the development of water accounting algorithms for the Northern Integrated Supply Project.
- Maintain and submit monthly reservoir accounting for Carter Lake, Horsetooth and Boulder reservoirs.
- Manage Boulder Reservoir annual operating plans and long-term agreements.
- Create import tools for data mining of municipal water accounting to support Article 19 protection of C-BT Project return flows and provide the state officials daily return flow amounts at certain locations on the river.
- Submit monthly accounting to the Colorado Division of Water Resources for the following: West Slope Intergovernmental Agreement, West Slope Building Augmentation plan.
- Develop a new tool that allows power usage to be easily compared to pipeline intake flows for power plant bills.

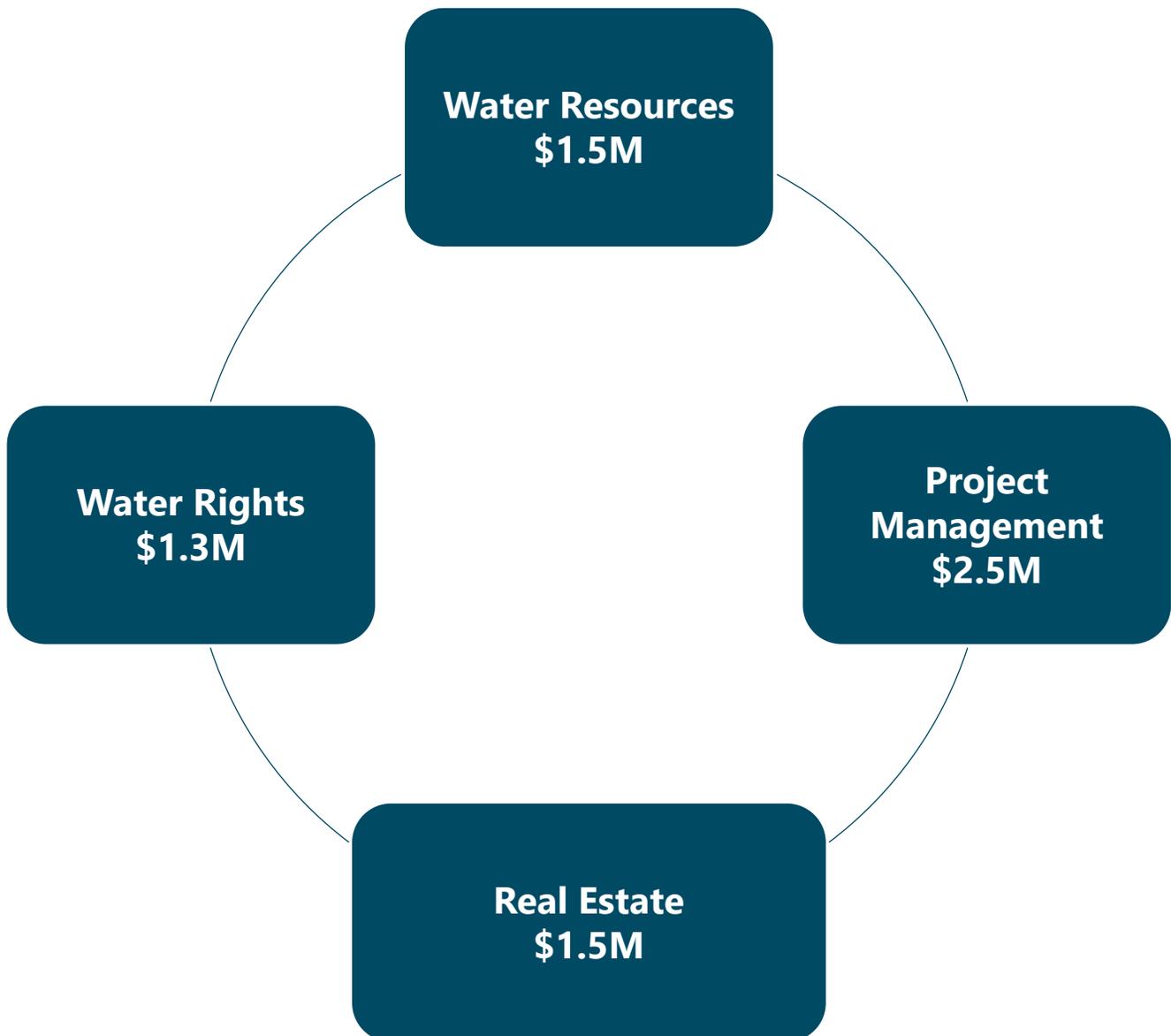
In 2023, the Water Scheduling Program:

- Responded to customer requests in a timely manner and accurately administered requests for delivery and transfer of water.
- Developed and maintained reporting products to support the needs of internal departments, the Board of Directors, and outside agencies, both state and federal.
- Continued to advance the development of water accounting algorithms for the Northern Integrated Supply Project.
- Created, maintained, and submitted reservoir accounting for Carter Lake, Horsetooth, Flatiron and Boulder reservoirs.
- Continued data collection support related to Article 19 protection of C-BT Project return flows.
- Integrated the Op Sheet into a Power App and/or dashboard to ease the stress of the end-of-day tasks.

	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Water Scheduling						
Expenditures:						
Program Summary						
Water Scheduling						
General	\$469,958	\$584,428	\$1,000,086	\$964,916	\$380,488	65.1%
Travel and Training	13,240	22,881	30,931	29,843	6,962	30.4%
Total	\$483,198	\$607,309	\$1,031,017	\$994,759	\$387,450	63.8%
Summary by Category						
Labor	\$460,698	\$583,309	\$1,021,017	\$981,259	\$397,950	68.2%
Expenses	22,500	24,000	10,000	13,500	(10,500)	(43.8%)
Total	\$483,198	\$607,309	\$1,031,017	\$994,759	\$387,450	63.8%

Engineering Division Programs

The Engineering Division looks at existing facilities and operations to ensure water delivery is successful, while planning for future goals for the organization. Responsibilities include: water supply planning and forecasting to maximize operation of the system; design improvements to the existing system; plan new projects to improve operation and reliability; protect the water supply through water rights and permitting issues; and manage property and real estate.



Division: Engineering – Project Management Program

Business Plan Priority: Plan and implement new water supply projects

The Project Management Program leads the various civil project development efforts at Northern Water. Activities within the program include project planning, budgeting, scheduling, permitting, design, contracting and construction management.

In 2024, the Project Management Program intends to:

- Develop the Berthoud Campus Development Phase 2 and 2A and initiate certain components of phase III.
- Continue the design, pre-construction, and financial planning activities for the Northern Integrated Supply Project.
- Provided support to the Distribution and Collection programs related to budgeting, planning, design and construction management of various hydraulic structure improvements and rehabilitation.

In 2023, the Project Management Program:

- Performed ongoing permitting, design, pre-construction, and financial planning activities for the Northern Integrated Supply Project.
- Managed the design and construction activities for Berthoud campus facilities for Phase 2 and 2A.
- Provided ongoing support for activities related to the East Troublesome Fire.
- Provided support to the Distribution and Collection programs related to budgeting, planning, design and construction management of various hydraulic structure improvements and rehabilitation.

Project Management	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Project Management	\$327,051	\$363,424	\$461,991	\$2,147,349	\$1,783,925	490.9%
Travel and Training	48,456	59,425	69,033	320,868	261,443	440.0%
Total	\$375,507	\$422,849	\$531,024	\$2,468,218	\$2,045,369	483.7%
Summary by Category						
Labor	\$297,507	\$362,849	\$364,842	\$2,417,968	\$2,055,119	566.4%
Expenses	78,000	60,000	166,182	50,250	(9,750)	(16.3%)
Total	\$375,507	\$422,849	\$531,024	\$2,468,218	\$2,045,369	483.7%

Division: Engineering – Real Estate Services Program

Business Plan Priority: Cultivate operational and organizational excellence

The Real Estate Program manages, protects, acquires, and disposes of real property rights for Northern Water, its Municipal Subdistrict, and multiple Water Activity Enterprises (Enterprise) established by Northern Water. Property oversight includes ranch property currently held by Northern Water and property for future water projects. The Real Estate Program also provides utility locates activities with the majority of those services provided to the Southern Water Supply Project and Pleasant Valley Pipeline operations.

In 2024, the Real Estate Program intends to:

- Complete fee acquisition of properties for relocation of Highway 287 for the Northern Integrated Supply Project Glade Reservoir Construction.
- Acquire fee interest for the Galeton Reservoir forebay and pump plant near confluence of Poudre and Platte Rivers, as well as access easements located on the south side of the Platte River.
- Continue acquisition of pipeline easements necessary for the construction of Northern Integrated Supply Project conveyance pipeline.
- Continue negotiations with remaining property interest owners for Glade Reservoir.
- Manage fee owned properties acquired for future reservoir sites, as well as Northern Integrated Supply Project Water Secure Project.
- Continue to work with tenants to manage Northern Water and Enterprise owned properties.
- Continue to monitor oil, gas, and property development activities adjacent to Enterprises' pipelines.
- Work with the GIS Department to make sure enterprises' pipelines, electrical and fiber optic facilities are in the Colorado 811 system.
- Continue to identify other agencies granting third party access to Northern's fee lands and easements.
- Review and administered Boulder Reservoir special events to reduce conflict with Northern's interest and obligations.
- Coordinate access for consultants, contractors, and others with landowners on Southern Water Supply Project pipelines and Northern Integrated Supply Project.
- Work with Water Scheduling and Operations on rehabbing of the canal meters.
- Work with Field Services and landowners on water sampling sites and locations.
- Attend annual meetings and worked on building relationships with ditch company's Northern holds stock in.

In 2023, the Real Estate Program:

- Continued to develop relationships with contractors and other community partners along the Enterprises' pipelines.
- Monitored increased development activities adjacent to the Enterprises' pipelines.
- Continued to work with property owners on reclamation needs on the Southern Water Supply Project II pipeline.
- Continued easement acquisition for the Northern Integrated Supply Project conveyance, which is approximately 250 permanent and temporary easements.
- Began property acquisitions for Colo. Highway 287 relocation for the Northern Integrated Supply Project.
- Completed property acquisitions for Glade Reservoir.
- Continued to fine-tune LYNX (GIS/CRM).

Real Estate	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Real Estate General	\$57,189	\$392,158	\$1,807,504	\$998,914	\$606,756	154.7%
Real Estate						
Travel/Training	30,990	24,021	973,271	537,877	513,856	2,139.2%
Total	\$88,179	\$416,179	\$2,780,775	\$1,536,791	\$1,120,612	269.3%
Summary by Category						
Labor	\$57,179	\$189,829	\$2,452,260	\$1,244,191	\$1,054,362	555.4%
Expenses	31,000	226,350	328,515	292,600	66,250	29.3%
Total	\$88,179	\$416,179	\$2,780,775	\$1,536,791	\$1,120,612	269.3%

Division: Engineering – Water Resources Program

Business Plan Priority: Protect and conserve water supplies

The Water Resources program performs engineering activities that support Northern Water and the various Water Activity Enterprise (Enterprise) funds. Specific engineering efforts include projects operations planning and modeling, streamflow forecasting, river basin modeling, water availability studies and water supply quantifications.

As a component of the Water Resources program, the South Platte Special Project conducts and manages special projects where they involve irrigation management for deficit practices, groundwater issues and the maintenance and enhancement of groundwater return flows within Northern Water boundaries.

In 2024, the Water Resources Program intends to:

- Inform leadership concerning the availability of C-BT Project supplies and make recommendations for allocation and use.
- Produce daily and seasonal streamflow forecasts for eight basins during the snow accumulation and snowmelt runoff seasons.
- Provide modeling, analytical and planning support for the C-BT Project Annual Operating Plan.
- Participate in the funding and planning of the 2024 Colorado Airborne Snow Measurement program project, including Airborne Snow Observatory flights.
- Implement Airborne Snow Observatory flight data and results in annual streamflow forecasting efforts.
- Implement state-of-the-art snow modeling system developed in collaboration with Reclamation and the U.S. Geological Survey.
- Develop new ways to access, manage and visualize water resources data and create regular informational reports for the Board, management, and staff.
- Provide water resources expertise and analysis for NISP and lead NISP Participant operations committee to discuss details of future project operations.
- Develop future operations plan for Boulder Reservoir.
- Investigate impacts to water supplies due to climate change and other water supply pressures.
- Provide water resources expertise for other Northern Water programs including Management, Operations, Water Quality, Project Management, Water Scheduling, Water Rights, Contracts, Communications and Finance.
- Participate in Northern Water's regional messaging initiative.
- Protect C-BT return flows within Northern Water boundaries as per the Repayment Contract.
- Manage Northern Water's Augmentation and Recharge Accounting Program, performing monthly accounting for 15 well augmentation plans on the lower South Platte River and help these entities develop their own accounting capabilities.
- Participate with Colorado State University in the United States Department of Agriculture (USDA)/Northern Water Augmented Deficit Irrigation research and demonstrations at a USDA research farm to monitor reduced evapotranspiration from deficit irrigation for leasing to cities and to monitor augmentation to protect historic return flows.
- Provide support and water accounting to the Tamarack Project of managed groundwater recharge, Colorado's essential water contribution to the Platte River Recovery and Implementation ESA Program (PRRIP). Participate as Member of the PRRIP Water Advisory Committee (WAC) representing South Platte Colorado water users.
- Provide technical support to the South Platte Water Related Activities Program (SPWRAP).
- Monitor Nebraska's proposed Perkins Canal diversion in Colorado per the South Platte Compact and its relationship to PRRIP requirements.
- Participate in the South Platte Mapping and Analysis Project through Colorado State University, including AWAS, IDSCU and ReSET, to provide cooperative agency support to various software applications used by South Platte water users.

In 2023, the Water Resources Program:

- Informed leadership concerning the availability of C-BT Project supplies and made recommendations for allocation and use.
- Rolled out the usage of a new streamflow forecasting system including recalibrated models.
- Participated in the funding and planning of the 2023 Colorado Airborne Snow Measurement program project including Airborne Snow Observatory flights.
- Participated in a collaborative project with Reclamation and the U.S. Geological Survey to create a state-of-the-art snow modeling system.
- Developed new ways to access, manage and visualize water resources data and create regular informational reports for the Board, management, and staff.
- Lead NISP Participant operations committee to discuss details of future project operations.
- Provided water resources expertise for other Northern Water programs including Management, Operations, Water Quality, Project Management, Water Scheduling, Water Rights, Contracts, Communications and Finance.
- Participated in Northern Water’s regional messaging initiative.
- Protected C-BT return flows within Northern Water boundaries as per the Repayment Contract.
- Analyzed the East Troublesome Fire’s effects on local hydrology and sedimentation. Quantified how restoration work is improving conditions.
- Continued to refine new demand forecasting model.
- Participated in the South Platte Mapping and Analysis Project through Colorado State University, including AWAS, IDSCU and ReSET.
- Participated with Colorado State University in the USDA Augmented Deficit Study at a local Greeley research farm to monitor reduced evapotranspiration from deficit irrigation for leasing to cities and to monitor augmentation to protect historic return flows.
- Provided support and water accounting to the Tamarack Project of managed groundwater recharge, an essential component of the Platte River Recovery and Implementation Program and provided technical support to SPWRAP.
- Managed Northern Water’s Augmentation and Recharge Accounting Program, which performs the monthly water accounting for 15 Water Court-approved well augmentation plans on the lower South Platte River.
- Reviewed requests for the use of Colorado-Big Thompson Project water in Substitute Water Supply Plans.

Water Resources	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Water Resources General	\$415,900	\$499,068	\$303,163	\$482,569	(\$16,499)	(3.3%)
Stream Flow Forecast	480,578	446,067	770,856	500,817	54,750	12.3%
Climate Change	81,459	78,260	94,739	76,656	(1,604)	(2.0%)
South Platte WRAP	18,633	33,413	18,948	10,595	(22,818)	(68.3%)
Project Modeling	7,734	7,000	7,579	5,810	(1,190)	(17.0%)
Mapping & Analysis	18,418	4,964	37,895	21,605	16,641	335.2%
USDA Deficit Study	350,955	200,040	487,379	296,416	96,376	48.2%
Tamarack Project	19,834	10,181	33,337	31,100	20,919	205.5%
Travel and Training	28,301	28,000	30,316	29,000	1,000	3.6%
Total	\$1,421,812	\$1,306,993	\$1,784,212	\$1,454,568	\$147,575	11.3%
Summary by Category						
Labor	\$928,787	\$861,473	\$1,096,860	\$1,032,368	\$170,895	19.8%
Expenses	493,025	445,520	687,352	422,200	(23,320)	(5.2%)
Total	\$1,421,812	\$1,306,993	\$1,784,212	\$1,454,568	\$147,575	11.3%

*The South Platte program was previously separate and was combined with Water Resources in fiscal year 2024.

Division: Engineering – Water Rights Program

Business Plan Priority: Protect and conserve water supplies

The Water Rights Department is responsible for managing the water right assets owned by Northern Water and its enterprises, oversees the protection of those assets as needed in Water Court in cooperation with Northern Water’s legal counsel, and serves as a voice for Northern Water and Colorado water users to ensure water resources are protected on a district, state, regional and federal level. Overall, this department helps provide oversight and guidance on a variety of recovery, alternative management, and water protection programs.

In 2024, the Water Rights Program intends to:

- Participate in various local, statewide, regional, and interstate cooperative programs including recovery programs, stream management and river basin studies.
- Protect C-BT Project return flows within district boundaries as per the Repayment Contract and continue to engage in statements of opposition on water rights applications.
- File statements of opposition and continue due diligence to protect C-BT Project water rights and Northern Integrated Supply Project water rights.
- Provide water rights and water resources expertise for other Northern Water programs.
- Participate in Interstate Compact discussions to protect Northern Water water supplies.

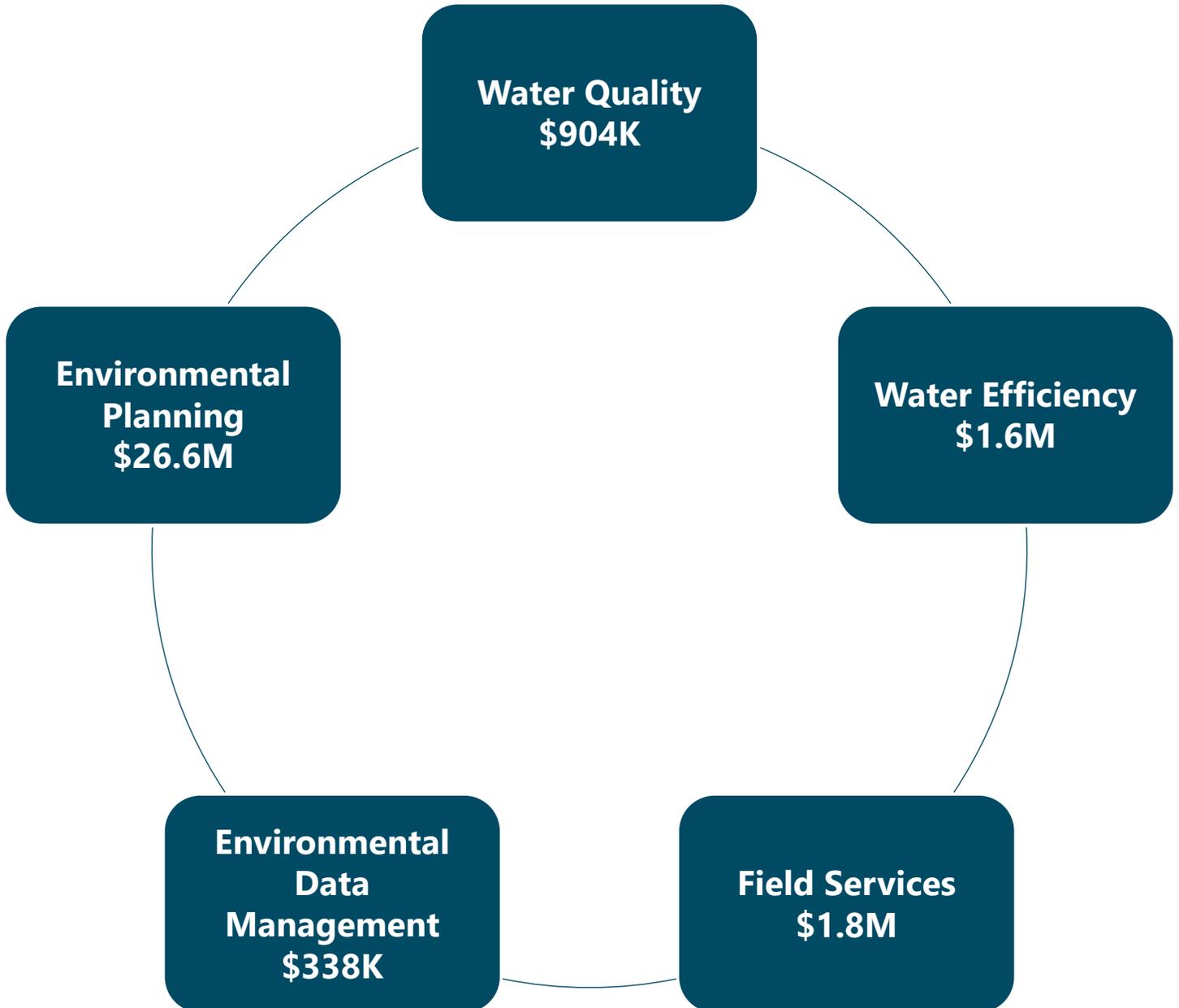
In 2023, the Water Rights Program:

- Participated in various local, statewide, regional, and interstate cooperative programs including recovery programs, stream management and river basin studies.
- Protected C-BT Project return flows within district boundaries as per the Repayment Contract and continue to engage in statements of opposition on water rights applications.
- Filed statements of opposition and continue due diligence to protect C-BT Project water rights and Northern Integrated Supply Project (NISP) water rights.
- Provided water rights and water resources expertise for other Northern Water programs.
- Represented Colorado South Platte water users on the 3 States Endangered Species Act Platte River Recovery Program.
- Represented Colorado River water users on the Upper Colorado River Endangered Species Recovery Program.
- Represented water users of Colorado River supplies on the Upper Colorado River Commission.
- Filed statements of opposition to protect C-BT and NISP water rights and completed due diligence on C-BT Project water rights.
- Participated in the initial implementation of the Wild and Scenic Alternative Management Plan for the upper Colorado River for the reach from Kremmling to Glenwood Springs.

Water Rights	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Water Rights Return Flow Study	\$150,000	\$186,316	\$300,000	\$280,000	\$93,684	50.3%
Water Opposition United, EC, ACW	150,000	149,489	390,000	350,000	200,511	134.1%
Water Opposition Other	175,000	334,335	489,596	251,000	(83,335)	(24.9%)
Water Rights General	65,080	126,000	420,000	350,593	224,593	178.2%
Travel and Training	39,000	23,000	37,000	40,000	17,000	73.9%
Total	\$579,080	\$819,140	\$1,636,596	\$1,271,593	\$452,453	55.2%
Summary by Category						
Labor	\$57,080	\$345,140	\$752,806	\$793,644	\$448,504	129.9%
Expenses	522,000	474,000	883,790	477,949	3,949	0.8%
Total	\$579,080	\$819,140	\$1,636,596	\$1,271,593	\$452,453	55.2%

Environmental Services Division Programs

The Environmental Services Division supports the development of future water supplies and the operation of existing water projects. Responsibilities include: ensuring compliance with environmental regulations and commitments; protecting existing and future water supplies; managing and protecting watershed and forest health; restoring and maintaining stream and aquatic habitat; collecting water flow, water quality and weather data; developing and supporting data management systems; and providing water efficiency education and technical support.



Division: Environmental Services – Environmental Data Management Program

Business Plan Priority: Protect and conserve water supplies

The Environmental Data Program aims to improve the quality, usability and accessibility of data assets and assists in data compilation and analysis. This is achieved by aligning departmental data management efforts and implementing a data governance framework to ensure adoption of best practices, while developing and supporting organizational data infrastructure, analytical tools, and techniques in an integrated fashion. Environmental Data Program seeks to provide a common data foundation and data-driven framework from which all departments can build and operate upon. The Water Information System KISTERS (WISKI) product forms the backbone of Northern Water’s environmental data warehouse.

In 2024, the Environmental Data Program intends to:

- Build, develop and publish new data sharing tools including visualization dashboards, and ready-access summaries of pointed data, both internal and external.
- Develop new mobile data acquisition system for field data collection that directly interfaces with the WISKI data warehouse.
- Complete the final phase of the WISKI data migration project.
- Onboard new team members and increase departmental work capacity.
- Expand data governance framework, ownership, and quality control processes to adhere to proper management protocol and maintenance of data resources.
- Develop a new central hub of data system documentation, operations, logistics and troubleshooting accessible and searchable by all staff.
- Conduct internal review/feedback meetings to build upon and improve our new data systems.

In 2023, the Environmental Data Program:

- Progressed the final phase of WISKI data migration project for all environmental data.
- Built and developed new data analysis, visualization, and internal application programming interface access tools.
- Completed the elimination of relic data systems and multi-system reliance through the integration of our new centralized tools with departmental workflows.
- Continued development and implementation of a data governance framework to ensure proper data management, documentation, ownership, and retention.
- Continued to collaborate with various departmental staff to develop, implemented and documented standard quality assurance and quality control processes for data.
- Developed new systems for data acquisition and departmental requests.

Environmental Data Management	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Environmental Data Management	\$176,466	\$256,860	\$503,070	\$308,635	\$51,775	20.2%
Travel and Training	7,000	9,577	42,780	30,000	20,423	213.3%
Total	\$183,466	\$266,437	\$545,850	\$338,635	\$72,198	27.1%
Summary by Category						
Labor	\$173,466	\$252,437	\$320,760	\$309,635	\$57,198	22.7%
Expenses	10,000	14,000	225,090	29,000	\$15,000	107.1%
Total	\$183,466	\$266,437	\$545,850	\$338,635	\$72,198	27.1%

Division: Environmental Services – Environmental Planning

Business Plan Priority: Protect and conserve water supplies

The Environmental Compliance Program provides environmental permitting, strategic planning, recommendations for proposed/changing environmental regulations, and environmental stewardship guidance for Northern Water and Municipal Subdistrict operations and new capital projects. The program specializes in aquatic ecology, source water protection planning, and compliance with the National Environmental Policy Act (NEPA), Clean Water Act, Migratory Bird Treaty Act, Bald and Golden Eagle Protection Act, Endangered Species Act, National Historic Preservation Act (NHPA compliance), Colorado Water Quality Control Act and others.

Forest Health management is an important initiative for Northern Water to protect and maintain the long-term water quality of the C-BT and Windy Gap projects. Northern Water's water supplies are almost entirely dependent upon snowmelt from high-elevation watersheds, and as major wildfires such as the 2020 East Troublesome Fire have shown, wildfires within these watersheds can have dramatic effects on the quality of watershed runoff and the ability to meet water supply needs. In addition, Northern Water takes an active role in supporting local, state, and federal entities' efforts to promote and implement projects that improve forest health and protect infrastructure from wildfire risks.

In 2024, the Environmental Planning Program intends to:

- Provide environmental compliance support for all Northern Integrated Supply Project elements, including but not limited to Glade Reservoir, U.S. Highway 287 relocation and Poudre River Adaptive Management.
- Provide support for East Troublesome Fire recovery, including project management, environmental compliance, and primary point of contact for stakeholders, regulatory agencies, and land administrators.
- Support NEPA process for evaluation of alternatives to meet the Grand Lake clarity standard.
- Provide environmental compliance support for a variety of operations and maintenance projects.
- Track proposed legislation and regulatory changes.
- Provide environmental compliance training for construction and project management staff.
- Provide source water protection planning support. This includes development of an organizational source water protection plan and long term pre- and post-fire planning projects.
- Provide expert aquatic ecology guidance and problem-solving for operation of existing projects and planning of new projects.
- Support the establishment of organizational environmental stewardship initiatives.
- Renew the Colorado-Big Thompson Headwaters Partnership (CBTHP) Memorandum of Understanding.
- Finalize a Five-Year Operating Plan for the CBTHP that outlines priority action areas for pre- and post-wildfire project planning.
- Continue participating and supporting the Big Thompson Watershed Health Partnership's development of a CWCB Wildfire Ready Action Plan for the Big Thompson watershed.
- Participate and provide support for the development of Grand County's CWCB Wildfire Ready Action Plan for the Upper Colorado and Fraser River Watersheds.
- Be an active participant of the Grand County Wildfire Council's steering committee.
- Support Grand County Wildfire Council's outreach programs and fuels mitigation efforts.
- Be an active participant of the Northern Colorado Fireshed Collaborative.
- Continue partnerships with the Colorado State Forest Service, Larimer County, Larimer Conservation District, Big Thompson Watershed Coalition and Estes Valley Watershed Coalition to implement forest and watershed health projects in C-BT and Windy Gap Projects' watersheds.

In 2023, the Environmental Planning Program:

- Provided environmental support for the Northern Integrated Supply Project, primarily on cultural resources surveys and reporting (NHPA compliance), U.S. Highway 287 relocation environmental compliance and Poudre River Adaptive Management.
- Provided project management and environmental compliance support for East Troublesome Fire recovery. Streamlined and expedited contracting and environmental permitting for the urgent Stillwater Pass Road Washout Project.

- Supported NEPA process for evaluation of alternatives to meet the Grand Lake clarity standard.
- Provided environmental compliance support for a variety of operations and maintenance projects.
- Tracked proposed legislation and regulatory changes.
- Completed first phases of organizational Source Water Protection Plan with stakeholder outreach, mapping, and waterbody prioritization.
- Provided expert aquatic ecology guidance for the Northern Integrated Supply Project for fish entrainment avoidance and minimization.
- Supported the establishment of an organizational environmental oriented mission statement.
- Continued participation in the CBTHP, a collaboration between Northern Water, U.S. Bureau of Reclamation, U.S. Forest Service, National Park Service, Western Area Power Administration, and the Colorado State Forest Service.
- Revised the CBTHP’s watershed hazard assessment to identify areas within C-BT Project watersheds at highest risk from post-fire hazards.
- Continued partnerships with the Colorado State Forest Service, Larimer County, Larimer Conservation District, Big Thompson Watershed Coalition and Estes Valley Watershed Coalition to implement forest and watershed health projects in C-BT and Windy Gap Projects’ watersheds.
- Provided capacity support for the Estes Valley and Big Thompson Watershed Coalitions.
- Participated in Grand County Wildfire Council’s efforts to develop a Community Wildfire Protection Plan.
- Supported the Grand County Wildfire Council’s outreach programs and fuels mitigation efforts.
- Provided funding support to Estes Valley Watershed Coalition for a 45-acres wildfire mitigation project on private land around Mary’s Lake, an area determined to have high susceptibility to wildfire in Estes Valley’s Community Wildfire Protection Plan.
- Provided funding support to Estes Valley Watershed Coalition for riparian planting on Fish Creek.
- Providing funding support to Estes Valley Watershed Coalition for continued stream point photo monitoring of flood restoration areas.
- Provided cost-share to Larimer Conservation District for the completion of an 80-acre forest restoration project on Cheley Camps in the Big Thompson Watershed.
- Provided cost-share to Larimer Conservation District for the completion of a 220-acre forest restoration project on Husted Ranch in the Big Thompson watershed.
- Continued participation as a stakeholder in the Northern Colorado Fireshed Collaborative, Big Thompson Watershed Health Partnership, Wildfire Watershed Protection Group, and the Watershed Health Investment Partnership.
- Attended and provided support to the Colorado Forest Collaborative Network’s 2023 Summit.

Environmental Planning	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Environmental Planning	\$69,643	\$98,550	\$600,000	\$950,000	\$851,450	864.0%
Watershed Groups	-	-	-	50,000	50,000	-
Source Water Protection	-	-	-	2,012,157	2,012,157	-
Fire Recovery	15,118,000	19,738,000	19,738,000	23,510,000	3,772,000	19.1%
Travel and Training	9,000	9,000	50,000	100,000	91,000	1,011.1%
Total	\$78,643	\$19,845,550	\$20,388,000	\$26,622,157	\$6,776,607	34.1%
Summary by Category						
Labor	\$65,643	\$95,550	\$638,000	\$2,224,657	\$2,129,107	2,228.3%
Expenses	13,000	19,750,000	19,750,000	24,397,500	4,647,500	23.5%
Total	\$78,643	\$19,845,550	\$20,388,000	\$26,622,157	\$6,776,607	34.1%

*Watershed Groups and Source Water Protection were moved to Environmental Planning in fiscal year 2024 from the Water Quality Program.

Division: Environmental Services – Field Services Program

Business Plan Priority: Protect and conserve water supplies

The Field Services Department provides resources to accomplish fieldwork for other Northern Water departments. Services include flow measurements, GPS applications, agricultural conservation, agricultural irrigation practices, soil sampling, automated measurement stations, water quality monitoring, water quality sampling and other field related duties. Staff collects water samples from canals, ditches, creeks, rivers, and reservoirs to help support programs and findings within the Water Quality Department. Another large project is the South Platte flow monitoring network. Field Services works with the Colorado Division of Water Resources and others to collect automated flow data from several diversion structures throughout Northeastern Colorado.

In 2024, the Field Services Program intends to:

- Continue collecting water quality samples from flowing rivers, streams, and canal locations throughout Northern Water’s boundaries and from the C-BT Project reservoirs and lakes.
- Continue collecting water quality samples to support the ongoing permitting processes for the Northern Integrated Supply Project and the South Platte Water Conservation Project.
- Provide operational support and maintenance for the automated electrical conductivity stations located on the South Platte and Cache la Poudre River, the automated stream flow temperature monitoring stations throughout Northern Water’s boundaries, the real-time weather stations, and the sondes, cameras, instruments, and equipment to monitor water quality parameters throughout the C-BT Project.
- Measure flow discharge and maintain automated flow monitoring stations throughout Northern Water’s boundaries. Many of these projects and activities are in cooperation with other local, state, and federal agencies, and the water activity enterprises.
- Continued operation and maintenance of Northern Water’s weather station network. The weather station network provides vital information to farmers, turf managers and augmentation plans throughout Northeastern Colorado.

In 2023, the Field Services Program:

- Completed another year of collecting accurate and reliable water quality data from rivers, streams, canals, reservoirs, and lakes.
- Installed new automated flow monitoring stations on the C-BT and South Plate River networks.
- Conducted additional water quality sampling to assess post-fire impacts.
- Conducted several discharge measurements throughout the C-BT system.
- Reinstalled automated electrical conductivity monitoring stations on the Lower South Plate River.
- Completed sensor calibrations on the Northern Water’s weather station network.
- Collected water quality time-series data from buoys, sondes, and other automated stations.

Field Services	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Flow Monitoring Stations	\$297,736	\$319,992	\$599,400	\$650,000	\$330,008	103.1%
Weather Stations	225,942	244,589	613,060	678,146	433,557	177.3%
Field Services Programs	16,857	12,500	370,400	475,000	462,500	3,700.0%
Travel and Training	36,000	19,262	30,000	40,000	20,738	107.7%
Total	\$576,535	\$596,343	\$1,612,860	\$1,843,146	\$1,246,803	209.1%
Summary by Category						
Labor	\$390,535	\$421,843	\$1,375,282	\$1,491,146	\$1,069,303	253.5%
Expenses	186,000	174,500	237,578	352,000	177,500	101.7%
Total	\$576,535	\$596,343	\$1,612,860	\$1,843,146	\$1,246,803	209.1%

Division: Environmental Services – Water Quality Program

Business Plan Priority: Protect and conserve water supplies

The Water Quality Program at Northern Water serves to monitor, evaluate, and manage water quality associated with Northern Water and Municipal Subdistrict projects in order to best serve and protect the organization and its allottees and constituents.

In 2024, the Water Quality Program intends to:

- Continue to conduct water quality monitoring activities within the C-BT Project to support baseline data collection for assessment of water quality conditions.
- Participate in Grand Lake Adaptive Management to develop operational approaches to improve clarity in Grand Lake while National Environmental Policy Act (NEPA) options are evaluated.
- Participate in Grand Lake NEPA process to evaluate alternatives to improve clarity in Grand Lake.
- Reengage the Three Lakes Technical Committee to provide the technical basis needed to support Grand Lake Adaptive Management and Grand Lake NEPA.
- Conduct baseline macroinvertebrate monitoring to assess aquatic life health within the C-BT Project.
- Continue to participate in Colorado Water Quality Control Division workgroups, forums, and technical advisory groups to support the development of and changes to state water quality regulations.
- Complete the migration of water quality data into the WISKI platform.
- Develop the Northern Integrated Supply Project Adaptive Management and Poudre River Collaborative frameworks.
- Implement water quality monitoring in compliance with the NISP 401 Water Quality Certification.
- Continue active engagement with the South Platte Salinity Stakeholder Group.

In 2023, the Water Quality Program:

- Continued to conduct water quality monitoring activities within the C-BT Project to support baseline data collection for assessment of water quality conditions.
- Participated in Grand Lake Adaptive Management to develop operational approaches to improve clarity in Grand Lake while NEPA options are evaluated.
- Supported East Troublesome Fire recovery efforts through data collection and analysis, stakeholder engagement, mitigation project management and other efforts.
- Continued to participate in Colorado Water Quality Control Division workgroups, forums, and technical advisory groups to support the development of and changes to state water quality regulations.
- Participated in the new collaborative South Platte Salinity initiative to scope salinity issues in the basin and potential best management practices.

Water Quality	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Water Quality Programs	\$959,388	\$1,247,497	\$1,092,560	\$375,500	(\$871,997)	(69.9%)
Baseline Monitoring	566,985	810,010	734,578	210,000	(600,010)	(74.1%)
Water Quality Studies	872,473	1,039,497	920,393	230,000	(809,497)	(77.9%)
Watershed Groups	138,662	160,000	140,128	-	(160,000)	(100.0%)
Regulations	34,525	56,501	59,484	8,667	(47,834)	(84.7%)
Source Water Protection	133,858	268,247	244,931	-	(268,247)	(100.0%)
Travel and Training	63,979	142,921	70,000	80,000	(62,921)	(44.0%)
Total	\$2,769,870	\$3,724,673	\$3,262,074	\$904,167	(\$2,820,506)	(75.7%)
Summary by Category						
Labor	\$1,218,321	\$1,429,823	\$1,614,776	\$687,967	(\$741,856)	(51.9%)
Expenses	1,551,549	2,294,850	1,647,298	216,200	(2,078,650)	(90.6%)
Total	\$2,769,870	\$3,724,673	\$3,262,074	\$904,167	(\$2,820,506)	(75.7%)

*Watershed Groups and Source Water Protection were moved to Environmental Planning in fiscal year 2024.

Division: Environmental Services – Water Efficiency Program

Business Plan Priority: Protect and conserve water supplies

The Water Efficiency Program develops, promotes, supports, and assesses water efficiency as an integral component of water planning, management, and supply for the benefit of its allottees, stakeholders and the citizens of Colorado. The department seeks to minimize agricultural dry-up, meet a portion of future water needs as intended in the Colorado Water Plan, increase C-BT Project system resilience to drought and increased climate uncertainty, minimize structural and non-structural water development costs and support environmental conservation.

In 2024, the Water Efficiency Program intends to:

- Deliver Sustainable Residential Landscape Templates to the Marshall Fire Community Recovery effort in support of homeowner rebuilding, future development projects and homeowners associations.
- Deliver Sustainable Commercial Street Strips, Medians, Rights of Way, and Bufferyard Templates for use in new construction, renovating existing landscapes and policy consideration.
- Publish, study, promote, provide training, and offer demonstrations on native grass in urban spaces.
- Enhance irrigation management through training from the Irrigation Association and on integrating water efficiency into land use planning through a Growing Water Smart Workshop.
- Design, install and interpret new residential-scale front yard and other water-efficient landscape demonstration models in the garden of the Conservation Campus.
- Meet increasing demand for landscape water management technical support through expanding capacity in our landscape consultations, irrigation audits and collaborative grant services.
- Share initial findings and develop the next phase of the regional water messaging initiative.
- Expand municipal capacity support of indoor water efficiency through fixture audits and retrofits via new partnerships with allottees, regional county conservation corps and the private sector.

In 2023, the Water Efficiency Program:

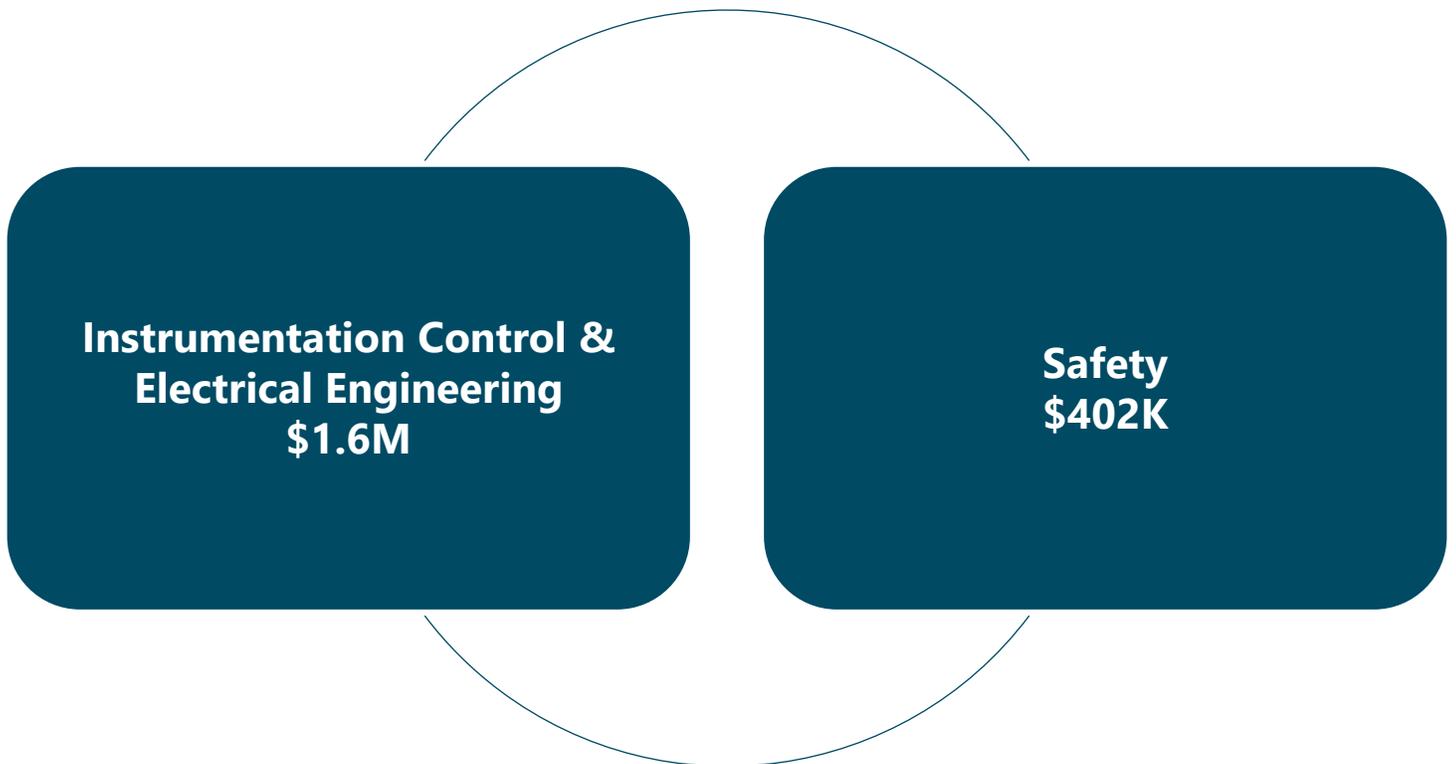
- Implemented new water-efficient landscape demonstrations in campus development and conservation garden renovations.
- Continued water efficiency technical support through landscape consultations, water audits and facilitating collaborative water-efficient landscape grants.
- Partnered with Colorado Water Conservation Board (CWCB) on training in the management of non-revenue water through distribution water loss management.
- Developed water stewardship, drought, and efficiency messaging options through allottee engagement and guidance.
- Built landscape water efficiency capacity through training and certifications for municipal and private sector partners.
- Partnered with Sonoran Institute and CWCB supporting Growing Water Smart workshops with the Colorado Water Plan integrating water efficiency and land use planning,
- Collaborated on water-efficient landscape plans for use in new and existing development.
- Created guides and plans for native grass for installation, management, removal, and renovations.
- Supported South Platte Basin Implementation Plan projects on plants, plans and savings analysis.
- Supported campus development incorporating energy, water, and resource efficiency.

Water Efficiency	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Water Efficiency						
Programs	\$456,960	\$645,351	\$473,955	\$615,000	(\$30,351)	(4.7%)
Workgroups	471,647	452,430	275,000	404,743	(47,687)	(10.5%)
Landscape Grants	200,000	219,730	255,000	375,000	155,270	70.7%
Conservation Gardens	240,265	274,288	100,000	175,000	(99,288)	(36.2%)
Travel and Training	30,326	40,500	124,000	55,000	14,500	35.8%
Total	\$1,399,198	\$1,632,299	\$1,227,955	\$1,624,743	(\$7,556)	(0.5%)
Summary by Category						
Labor	\$778,198	\$726,549	\$639,033	\$818,743	\$92,194	12.7%
Expenses	621,000	905,750	588,922	806,000	(99,750)	(11.0%)
Total	\$1,399,198	\$1,632,299	\$1,227,955	\$1,624,743	(\$7,556)	(0.5%)

Operations Division Programs

The Operations Division's largest responsibilities include operating and maintaining the transferred works and joint works portions of the CB-T and the Windy Gap projects, as well as Northern Water's pipelines and two hydropower plants. The division is also responsible for maintaining Northern Water's facilities and the organization's vehicle and equipment fleet. Operational responsibilities include: around-the-clock monitoring and controlling pump plants, canals, pipelines, reservoirs, hydropower facilities, buildings and grounds using a comprehensive SCADA (supervisory control and data acquisition) system and manual operations by field staff. Maintenance activities include: constructing civil, electrical, mechanical and SCADA systems; and repairing and modernizing equipment, infrastructure, and facilities via an enterprise-wide asset management system.

The Collection Systems, Distribution Systems, Facilities and Fleet and Control Center departments are also in the Operations Division but described in previous portions of this document.



Division: Operations – Instrumentation Controls and Electrical Engineering Program

Business Plan Priority: Cultivate Operational and Organizational Excellence

The Instrumentation Controls and Electrical Engineering Program analyzes, optimizes, controls, and designs complex systems that are used throughout Northern Water’s water storage and supply systems. These systems include pump plants, hydropower plants, canal controls and flow control vaults. Labor charges for work on specific projects are charged directly to those activities. Other responsibilities include design and implementation of the core Northern Water communication system and developing strategies for fiber connectivity.

In 2024, the Instrumentation Controls and Electrical Engineering Program intends to:

- Install fiber on Horsetooth Supply Canal
- Install fiber between Horsetooth and Soldier Canyon dams, connect dams to Northern Water fiber network.
- Replace Platteville programmable logic controller.
- Replace Morgan County Quality Water District programmable logic controller.
- Replace Pleasant Valley Pipeline Poudre Diversion programmable logic controller.
- Replace Mainline Valve programmable logic controller.
- Replace West Longmont Pump Plant Variable Frequency Drives.
- Automate turnouts to include new controllers and network equipment at Longmont, Star, Boulder White Rocks, Lefthand and Little Thompson.
- Install flow meter at Farr Pump Plant.
- Install flow meter at Dry Creek Siphon.

In 2023, the Instrumentation Controls and Electrical Engineering Program:

- Replaced Carter Lake Outlet Works programmable logic controllers.
- Replaced West Portal programmable logic controllers.
- Continued development of a redundant fiber network connecting East Slope and West Slope operations and install new cameras to support the campus development on both East and West Slopes.
- Tied Berthoud campus to Platte River Power Authority to Long Haul East Fiber.
- Installed new flow meter for Horsetooth.
- Installed new flow meter for Carter Lake.
- Replaced Munroe Canal programmable logic controller.
- Moved into new control rooms.

Instrumentation Control & Electrical Engineering	Fiscal Year		Fiscal Year 2023	Dollar		Percentage
	2022 Actual	2023 Budget	Estimated Actual	2024 Budget	Change From Fiscal Year 2023 Budget	Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Instrumentation Control & Electrical Engineering	\$230,212	\$638,772	\$1,720,188	\$1,548,495	\$909,723	142.4%
Travel and Training	41,290	62,748	70,000	115,000	52,252	83.3%
Total	\$271,502	\$701,520	\$1,790,188	\$1,663,495	\$961,975	137.1%
Summary by Category						
Labor	\$231,502	\$610,020	\$1,419,501	\$1,215,395	\$605,375	99.2%
Expenses	40,000	91,500	378,687	448,100	356,600	389.7%
Total	\$271,502	\$701,520	\$1,798,188	\$1,663,495	\$961,975	137.1%

Division: Operations – Safety Program

Business Plan Priority: Cultivate Operational and Organizational Excellence

The Safety Program builds and strengthens a safety culture such that employees accept and understand the importance of safe work practices. Health and safety audits are performed to determine health and safety risks so that solutions can be developed and implemented to reduce health and safety risks. The program develops and delivers employee training to promote risk awareness and education about the proper use of protective equipment.

In 2024, the Safety Program intends to:

- Install horizontal lifelines at the Dille Structure, Farr Pump Plant and Willow Creek Pump Plant.
- Install a vertical lifeline to the Horsetooth Valve house roof.
- Add fixed air monitoring and sound pressure monitoring to vaults.
- Add audiogram testing onto medical monitoring.
- Host Safety Day in June 2024.
- Hold more safety contests to drive safety culture.
- Complete in-house HECF training with Control Center Department Manager.
- Coordinate quarterly safety committee meetings.

In 2023, the Safety Program:

- Set up medical monitoring on site for both East and West Slopes.
- Developed a personal protective equipment inventory system for the West Slope.
- Created an in-stock inventory for new safety equipment storage rooms in Building F.
- Hydrostatic tested all the East Slope fire extinguishers and hosted fire extinguisher training.
- Hosted the first annual Safety Day in June to celebrate safety.
- Received training to attain a Construction Health and Safety Technician designation.
- Added new employee safety orientation.
- Switched training package provider in LMS to clean up the annual refreshers.
- Reviewed canal safety/rescue strategies
- Purchased Industrial hygiene monitoring equipment.
- Installed a vertical lifeline in Willow Creek shaft house.
- Added personal protective equipment for all Northern Water tours.

Safety	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change From Fiscal Year 2023 Budget	Percentage Change From Fiscal Year 2023 Budget
Expenditures:						
Program Summary						
Safety Programs	\$58,158	\$69,267	\$57,698	\$76,000	\$6,733	9.7%
Safety Contractors	1,226	6,250	1,200	5,000	(1,250)	(20.0%)
Environmental Health	11,982	25,048	16,249	25,000	(48)	(0.2%)
Safety Medical	7,923	3,500	10,000	12,965	9,465	270.4%
Safety Staff Training	57,009	199,369	89,178	130,116	(69,253)	(34.7%)
Safety General	117,453	145,750	149,814	123,500	(22,250)	(15.3%)
Safety Travel and Training	22,990	25,995	13,871	30,000	4,005	15.4%
Total	\$276,742	\$475,179	\$338,010	\$402,581	(\$72,598)	(15.3%)
Summary by Category						
Labor	\$164,822	\$257,679	\$164,267	\$164,431	\$93,248	36.2%
Expenses	111,920	217,500	173,743	238,150	20,650	9.5%
Total	\$276,742	\$475,179	\$338,010	\$402,581	(\$72,598)	(15.3%)

CAPITAL PROJECTS

Capital Process

Northern Water maintains a three- to five-year capital plan. The annual process relies on multiple levels of review and evolves with the entire budget process. Starting the process early in the budget cycle ensures projects are properly vetted in context of the organization’s priorities and budget constraints. Northern Water does not currently have a specific revenue source dedicated to capital projects.



Step One

In January, department managers begin submitting their capital budget requests to the Financial Services Department. This process includes a project summary form for each request made and includes information such as the budget, project description and justification.

Step Two

Financial Services compiles the requests and distributes reports to division directors and department managers for review. Many requests are made, and this allows them to see the total for their respective area of responsibility. In addition to department reports, there are also reports for each enterprise fund. This is another lens to review projects through as the enterprises have their own budget.

Step Three

Each budget request is assigned an organizational priority (listed at the beginning of this document) and a capital strategy. This ensures the projects are in line with the organization and the most critical needs are given priority.

Step Four

Financial Services meets individually with division directors and department managers to review each project on its merits and budgetary requirements.

Step Five

Senior Management and Financial Services meet to review the projects in the context of the entire organization’s budget. Again, priorities and budget constraints are considered, and discussion leads to the final proposal to be taken to the Board of Directors. Enterprise participants are presented with their capital budget.

Step Six

Along with the entire budget, Financial Services presents the capital budget to the Board of Directors for review and discussion at the annual Budget Work Session. Various projects are highlighted and context is given related to the organization’s total budget. As required by statute, the Board approves the budget at the August Board Planning Session.

Throughout each step in the process, discussions take place on the merit of each project. In addition, the projects that are determined to be delayed are tracked and brought up in the subsequent year as part of the capital outyear plan.

Priorities

Northern Water uses a two-pronged approach to the capital and initiative budget. First, each project must relate to one of the five priorities outlined earlier in this document and shown below:

- Collect and deliver water
- Protect and conserve water supplies
- Plan and implement new water supply projects
- Cultivate operational and organizational excellence
- Maintain and strengthen relationships

In addition, each project is assigned a strategy with a value from one to three and shown below:

Strategies

1 – Essential

A – Health and Safety

B – Legal Obligation

C – Core Operations / End of Life

2 – Priority

A – Upgrade, Rehabilitate or Obsolete Item or Facility

B – Efficiency – Reduce Future Operating and Maintenance Costs

C – Maintain Like-New Condition

3 – Value Added

A – New or Expanded Level of Service / Redundancy / Backup

B – Promote Regional Cooperation

C – Enhance Natural Resources

The table below shows how much Northern Water is spending within each combination of priority and strategy. This tool is used by staff and Senior Management to ensure projects, studies and initiatives are in alignment with their priorities.

Strategy	Collect & Deliver Water	Protect / Conserve Water	Organizational Excellence	Maintain & Strengthen Relationships	Total
Essential - Health and Safety	\$ 103,683	\$ 23,510,000	\$ 108,500	\$ -	\$ 23,722,183
Essential - Core Operations / End of Life	\$ 1,100,248	\$ -	\$ 1,519,000	\$ -	\$ 2,619,248
Priority - Upgrade, Rehabilitate, or Obsolete	\$ 4,168,715	\$ 183,000	\$ 21,592,496	\$ -	\$ 25,944,211
Priority - Efficiency	\$ 605,500	\$ -	\$ 146,374	\$ -	\$ 751,874
Priority - Maintain Like-New	\$ 74,561	\$ -	\$ 65,000	\$ -	\$ 139,561
Value Added - New or Expanded Level of Service	\$ 1,970,000	\$ -	\$ 110,000	\$ -	\$ 2,080,000
Value Added - Promote Regional Cooperation	\$ -	\$ 550,000	\$ -	\$ 100,000	\$ 650,000
Total	\$ 3,940,438	\$ 19,935,748	\$ 38,469,992	\$ 1,570,000	\$ 63,916,178

 Greater than \$5,000,000	 \$100,000 to \$999,999
 \$1,500,000 to \$4,999,999	 \$1 to \$99,999
 \$1,000,000 to \$1,499,999	

Capital Projects, Initiatives and Studies Details

A capital project is defined as the purchase, replacement, maintenance or repair of infrastructure and fixed assets. The fiscal year 2024 capital projects and initiatives budget totals \$55,907,077. A listing of the capital projects and other initiatives and studies is provided below.

	Fiscal Year 2024 Budget	Total Cost Estimate
Pump Plants		
Willow Creek Oil Cooler	\$74,561	
Farr Pump Plant Horizontal Lifeline *	\$35,000	
Willow Creek Pump Plant Horizontal Lifeline *	\$25,000	\$134,561
Canals		
Willow Creek Pump Canal Rehabilitation	\$1,136,374	
Hansen Feeder Canal 550 Capacity	\$1,000,000	
Willow Creek Safety Spillway	\$300,000	
Discharge Tube Flow Measurement	\$200,000	
Meter Rehabilitation Project *	\$189,122	
Big Thompson Canyon Meter	\$150,000	
Hansen Supply Canal Bridge Access #	\$116,431	
Hansen Feeder Canal 550 Sealing and Lining	\$111,400	
Little Thompson Walk Access and Gate Structure	\$103,683	
Longmont Turnout Walk Access and Gate Structure	\$103,683	
Boulder Feeder Canal Drive Through Gate (3) #	\$75,935	
Hansen Feeder Canal Cattle Guards	\$75,496	
Hansen Feeder Aluminum Check Upgrade		
Hansen Feeder Canal 550 Section *	\$56,374	
Masonville Steel Ring Replacement Project *	\$50,000	
Right of Way Fence on Dixon Canal #	\$45,935	
Resigue Turnout Rehabilitation *	\$42,748	
St. Vrain Supply Canal Siphon Pipe Railing	\$39,023	
Lyons Yard Entry and Access #	\$37,748	
Soldier Dome Chamber Actuator Replacement *	\$34,781	
Aluminum Checks for Turnout *	\$34,561	
St. Vrain Aluminum Checks *	\$34,561	
Steel Turnout Check Replacement *	\$29,561	\$3,967,415
Pipelines		
West Portal Inlet Concrete Repair	\$87,748	\$87,748
Reservoirs and Dams		
Fiber - Horsetooth Supply Canal Fiber *	\$620,496	
Boulder Meter and Fiber *	\$264,236	
Outlet Redundant Hydraulic Piping *	\$250,000	
Carter Lake Generator #	\$107,748	
Boulder Reservoir Outlet Flow Measurement Imp.	\$74,122	
Horsetooth Shop Upgrades *	\$72,309	
Horsetooth Reservoir: Penstock Tape wrap *	\$70,000	
Carter Lake Seep 4 and 5 Repairs	\$59,122	
Boulder/Whiterock and Boulder Lefthand		
Programmable Logic Controller Upgrades *	\$50,935	
Horsetooth Auxiliary Outlet Project	\$50,000	
Lefthand Turnout Programmable Logic Controller Upgrades *	\$42,748	

Star Turnout Programmable Logic Controller Upgrades *	\$42,748	
Longmont Turnout Programmable Logic Controller Upgrades *	\$42,748	
Little Thompson Programmable Logic Controller Upgrades *	\$42,748	
Granby Dam Programmable Logic Controller Replacement *	\$34,912	
Boulder Reservoir Programmable Logic Controller Upgrades *	\$29,561	
Replacement Actuator for Dissipating Valve	\$28,187	
Shadow Mountain Programmable Logic Controller Replacement *	\$20,275	\$1,902,895

Facilities

Campus Development (Phase 2 & 2A)	\$19,200,000	
Design & Install Computer Room HVAC Equipment	\$145,000	
Kramer Ranch Rehabilitation *	\$100,000	
Miller-Herford Ranch Rehabilitation *	\$100,000	
Horsetooth Valve House Roof Replacement	\$100,000	
McNeil/Yelek Ranch Rehabilitation *	\$100,000	
Willow Creek Gate House Addition *	\$75,000	
Nelson Road Prairie Dog Fence *	\$42,748	
Soldier Canyon Shaft House Lighting Upgrade #	\$29,649	
Garage Door Replacement (5)	\$22,000	\$19,914,397

General Projects

Fiber - Horsetooth Security Fiber *	\$1,500,000	
Fiber - WAPA OPGW Flatiron to South Carter Lake *	\$310,000	
Infor ERP System Modules & Reporting	\$300,000	
Pump Skid Replacement	\$203,187	
Fiber - Estes to Valley Sub *	\$160,000	
Capital Improvement Plan #	\$100,000	
Northern Colorado Children's Museum Donation	\$100,000	
Website Refresh	\$60,000	
VM6 Virtual Machine Cluster Replacement	\$50,000	
Document Management Software Upgrade	\$46,374	
Security Operations Center (Equipment)	\$30,000	\$2,859,561

Studies

Compensation and Classification Consulting Services	\$110,000	\$110,000
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Initiatives

Fire Recovery	\$23,510,000	
Airborne Snow Observation Program	\$550,000	\$24,060,000

Impacts to Operating Costs

Most capital projects will have a positive financial impact on operating and maintenance costs through efficiency improvements. In general, new features such as pipelines are not being added and therefore do not require additional operations and maintenance costs. Items without designation have no operating cost impact.

* Operating cost savings due to modernization and operational efficiencies.

Operating cost increase due to additional maintenance requirements.

The following provides more description of larger and/or less routine capital projects.

Pump Plants

Willow Creek Oil Cooler (\$74,561) – This project is to procure and install oil coolers on Willow Creek unit 1 and 2 to ensure an uninterrupted supply of water.

Farr Pump Plant Horizontal Lifeline (\$35,000) – Installation of a horizontal lifeline at Farr Pump Plant for safety of staff around open hatches.

Willow Creek Pump Plant Horizontal Lifeline (\$25,000) – Installation of a horizontal lifeline at Farr Pump Plant for safety of staff around open hatches.

Canals

Willow Creek Pump Canal Rehabilitation (\$1,136,374)

Hansen Feeder Canal 550 Capacity (\$1,000,000) – Throughout time, capacity has diminished, and this project will restore lost capacity.

Willow Creek Safety Spillway (\$300,000) – The spillway requires repairs to canal spillway to ensure proper function while allowing enough freeboard in canal for pumping.

Discharge Tube Flow Measurement (\$200,000) – Project is to accurately measure flow coming out of Farr Pump Plant into Shadow Mountain Reservoir.

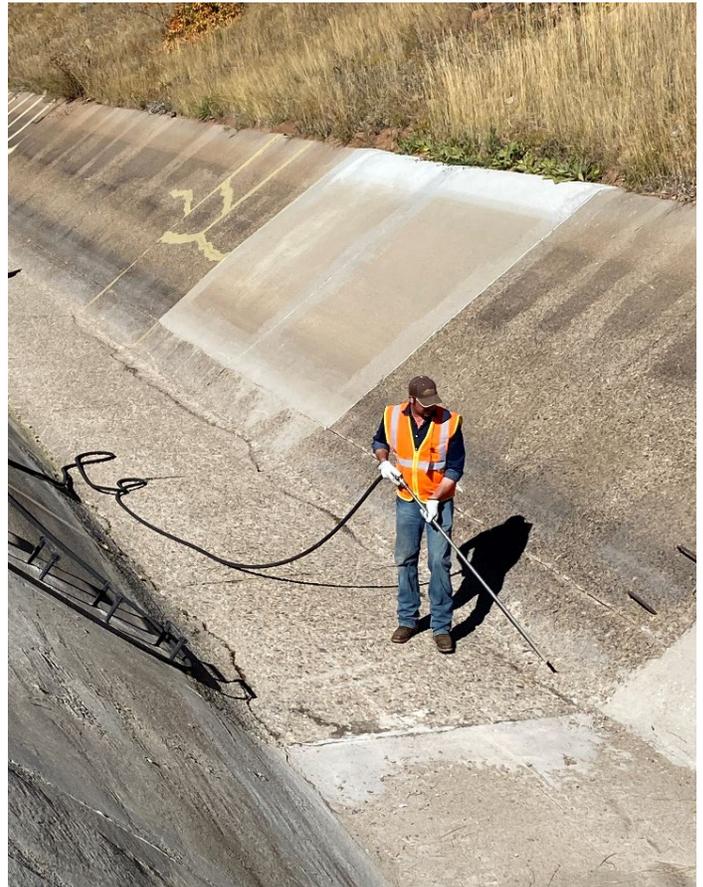
Meter Rehabilitation Project (\$189,122) – The replacement of several meters will ensure accurate water deliveries to water users and account for that water with assurance of accuracy.

Big Thompson Flow Meter (\$150,000) – This project is to install a flow meter in the Big Thompson siphon and provide communication via fiber to the shelter at the trifurcation structure. This would allow more timely and accurate flow measurement of water through the Hansen Feeder Canal 550 section.

Hansen Supply Canal Bridge Access (\$116,431) – Provide new access to stockpile location along Hansen Supply Canal.

Hansen Feeder Canal 550 Sealing and Lining (\$111,400) – Ongoing program to seal and line sections of the canal that are identified by distributions staff. This project would ensure the uninterrupted supply of water through the Hansen Feeder Canal 550.

Little Thompson Walk Access and Gate Structure (\$103,683) – Replace outdated wooden walkway and gate structure at Little Thompson Turnout. This project would be a safe alternative to the existing structure and provide a more effective gate structure.



Additional sealing of the Hansen Feeder Canal will take place in 2024.

Longmont Turnout Walk Access and Gate Structure (\$103,683) – Replace outdated wooden walkway and gate structure at Little Thompson Turnout. This project would be a safe alternative to the existing structure and provide a more effective gate structure.

Boulder Feeder Canal Drive Through Gate (3) (\$75,935) – Will add security access gates to the Boulder Feeder canal at three locations. This will ensure safety and security of the Boulder Feeder canal system.

Hansen Feeder Canal Cattle Guards (\$75,496) – Replacement of existing cattle guards.

Hansen Feeder Aluminum Check Upgrade (\$56,374) – Replacement of existing wooden checks within the prism of the canal.

Masonville Steel Ring Replacement (\$50,000) – Repair existing concrete joints with hydra-tight seals.

Right of Way Fence on Dixon Canal (\$45,935) – Repair fence along Dixon Canal.

Resigue Turnout Rehabilitation (\$42,748) – Replacement of existing Cipolletti weir at turnout along Hansen Supply Canal.

St. Vrain Supply Canal Siphon Pipe Railing (\$39,023) – Add safety railing around siphon entrances and exits.

Lyons Yard Entry and Access (\$37,748) – Repair existing road and fencing around Lyons Yard and Lyons chute.

Soldier Dome Chamber Actuator Replacement (\$34,781) – Replace existing actuator on the 54-inch butterfly valve on the Soldier Canyon Dam Outlet.

Aluminum Checks for Turnout (\$34,561) – Replacement of existing wooden checks within the prism of the canal.

St. Vrain Aluminum Checks (\$34,561) – Replacement of existing wooden checks within the prism of the canal.

Steel Turnout Check Replacement (\$29,561) – Replace and enhance existing steel turnout structure.

Pipelines

West Portal Inlet Concrete Repair (\$87,748) – Repair spalling concrete due to freeze thaw at the entrance of West Portal.



Concrete repairs will be made at the entrance of the West Portal in 2024.

Reservoirs and Dams

Horsetooth Supply Canal Fiber (\$620,496) – Install new fiber line from Horsetooth Outlet Works to the Munroe PVP diversion structure.

Boulder Meter and Fiber / Dry Creek Siphon (\$264,236) – Install new metering device in the Dry Creek Siphon to ensure accurate measurement of deliveries from Boulder Reservoir.

Outlet Redundant Hydraulic Piping (\$250,000) – Install new stainless-steel piping from Horsetooth Valve House to Dome Chamber.

Carter Lake Generator (\$107,748) – Install new generator by the outlet tower.

Horsetooth Valve House Roof Replacement (\$100,000) – Project is to replace or repair the roof at Horsetooth Outlet Works. The existing roof is a flat tar roof. Completion of this project would keep infrastructure in good working condition.

Willow Creek Gate House Addition (\$75,000) – This project is to upgrade the existing gate house on Willow Creek Reservoir. This project would provide a heated environment to house the air compressor that keeps the ice off the gates. Completion of this project would keep infrastructure in good working condition.

Boulder Reservoir Outlet Flow Measurement (\$74,122) – Study for proper flow measurement device coming out of Boulder Reservoir.

Horsetooth Shop Upgrades (\$72,309) – Install concrete apron around Horsetooth shop and repair and replace sewer line.

Horsetooth Reservoir Penstock Tape Wrap (\$70,000) – This project is to procure and install wax tape on each penstock at Horsetooth Outlet Works and is an on-going multi-year project. This work will provide corrosion protection on the penstocks and will ensure the uninterrupted supply of water through the Hansen Supply Canal.

Carter Lake Seep Repairs (\$59,122) – Repair and replace existing flumes that measure seep coming from Carter Lake Dam One and Two.

Boulder / Whiterock and Boulder Lefthand Programmable Logic Control Upgrades (\$50,935) – This project is to provide communications and programmable logic control work at Boulder/Whiterock and Lefthand Turnout for Automations. It will provide improved automation.

Horsetooth Auxiliary Outlet Project (\$50,000) – Northern Water has selected a proposal (AECOM) to conduct an alternative study to provide a solution to redundancy and water quality concerns at Horsetooth Reservoir. For 2024 the scope of work will be to finish the alternative design study by AECOM and to start the permitting process. The construction design will include participation by Reclamation and will include a lengthy permitting process.

Lefthand Turnout Programmable Logic Control Upgrades (\$42,748) – This project is to provide communications and programmable logic control work at Lefthand Turnout for improved automations on the Distributions systems. This replaces aging infrastructure.

Star Turnout Programmable Logic Control (\$42,748) – This project is to provide communications and programmable logic control work at Star Turnout for improved automations on the Distributions system. This replaces aging infrastructure.

Longmont Turnout Programmable Logic Control (\$42,748) – This project is to provide communications and programmable logic control work at the Longmont Turnout for Automations and provide a way to improve automations on the Distributions system. This replaces aging infrastructure.

Little Thompson Programmable Logic Control (\$42,748) – This project is to provide communications and programmable logic control work at the Little Thompson Turnout for Automations and provide a way to improve automations on the Distributions system. This replaces aging infrastructure.

Granby Dam Programmable Logic Control (\$34,912) – This project is to provide communications and programmable logic control work at the Granby Dam for Automations and provide a way to improve automations on the Distributions system. This replaces aging infrastructure.



A new Granby Dam programmable logic control will be installed at Granby Dam to improve automations.



Northern Water's Campus Development project will continue in 2024. This photo shows the campus as of September 2023.

Soldier Canyon Shaft House Lighting Upgrade (\$29,649) – This project includes upgrading the lighting in the Soldier Shaft house for safety and energy savings. LED lights will be used.

Boulder Reservoir Programmable Logic Control (\$29,561) – This project is to provide communications and programmable logic control work at the Boulder Reservoir for Automations and provide a way to improve automations on the Distributions system.

Replacement Actuator for Dissipating Valve (\$28,187) – Replace existing actuator at the dissipating valve at Carter Lake.

Shadow Mountain Programmable Logic Control (\$20,275) – This project is to provide communications and programmable logic control work at Shadow Mountain for Automations and provide a way to improve automations on the Distributions system.

Facilities

Campus Development Phase 2 & 2A (\$19,200,000) – The East Slope Campus Development Project is a three-phase construction project to remodel and add new office, shop, storage, and site improvements to Northern Water's Berthoud campus. Phase I began construction in April 2021 and was completed in September 2022. Phase 2 and 2A began in summer 2022 and will be completed in spring 2024 and will see the completion of the Building A expansion and an outdoor education pavilion.

Pump Skid Replacement (\$203,187) – The irrigation pump skid located in Building G near the raw water pond is in need of replacement. Several of the major components have reach their end of life and are to be replaced including the electrical panel. This skid helps to supply water to the Berthoud Campus site irrigation and some to the irrigation used in the Gardens.

Design and Install Computer Room HVAC Equipment (\$145,000) – The old HVAC equipment is aged out and parts are no longer available. In fiscal year 2024, Northern Water will hire engineer to design, spec, and commission new HVAC equipment for computer room.

Kramer Ranch Rehabilitation (\$100,000) – Northern Water will work to reclaim land and rehabilitate and/or remove existing structures.

Miller-Herford Ranch Rehabilitation (\$100,000) – Northern Water will work to reclaim land and rehabilitate and/or remove existing structures.

McNeil / Yelek Ranch Rehabilitation (\$100,000) – Northern Water will work to reclaim land and rehabilitate and/or remove existing structures.

Nelson Road Prairie Dog Fence (\$42,748) – This project will separate prairie dogs from the canal bank of the Boulder Feeder Canal to prevent seepage.

Garage Door Replacement (5) (\$22,000) – This is for the replacement of five garage doors that have exceeded their useful life. This will improve safety and reduce annual repair costs.

General Projects

Fiber – Horsetooth Security Fiber (BOR / Non-Replacement, additions, extraordinary maintenance (RAX)) (\$1,500,000) – The intent of this project is to provide fiber optic cabling between Northern Water’s Horsetooth Dam and Dixon Dam and Platte River Power Authority Sub Station. This will improve speed and reliability of operational data from remote sites.

Fiber – WAPA OPFW Flatiron to South Carter Lake (\$310,000) – Extend relocated OPGW fiber for the relocation WAPA power line for Chimney Hollow. This will provide redundancy and resiliency communication links to west slope, north end, and Chimney Hollow operations.

Infor Modules & Reporting (\$300,000) – This is for module add-on for the recently upgraded ERP software and additional reporting creation. It will result increased efficiency, capacity, and reporting.

Fiber – Estes to Valley Substation (\$160,000) – Installation of new fiber optic cable from Estes Park to the Valley Substation.

Capital Improvement Plan (\$100,000) – Year two of consulting services to establish a capital improvement plan based on systematic scoring method to highlight most critical needs.

Website Refresh (\$60,000) – Website refresh to stay current with new technologies and implement upgrades.

VM6 Virtual Machine Cluster Replacement (\$50,000) – The VM6 (Farr) virtual machine cluster will reach its projected end-of-life on 11/2023. To maintain support of this service the hardware will have to be replaced. This hardware currently serves as an integral part in a disaster recovery solution and must have physical specifications that meet that need in addition to the infrastructure needs of the West slope operations.

Document Management Software Upgrade (\$46,374) – Consulting services and training needed to upgrade the document management system to the latest version. This is required as the current system is running on servers that are no longer supported.

Initiatives

Fire Recovery (\$23,510,000) – Northern Water, Grand County and numerous other partners continued implementing projects in the aftermath of the 2020 East Troublesome Fire. These efforts are aimed at helping with the recovery of the local watersheds, and also protecting private property and water infrastructure, such as the Colorado-Big Thompson Project’s collections system. Projects on private lands – supported by the Natural Resources Conservation Service’s Emergency Watershed Protection (EWP) program – mostly wrapped up in 2023, and much of the work going forward will take place on U.S. Forest Service lands. The protection of “green infrastructure” is essential to the future resilience of Northern Colorado’s water supply and a high priority for Northern Water.



Northern Water will continue the fire recovery efforts from the East Troublesome Fire.

Airborne Snow Observation Program (\$550,000) – Airborne Snow Observatory uses airborne lidar to measure snow depth at high resolution and estimates snow water equivalent. This snow data is the most accurate high-resolution data that is currently available and fills in many gaps that exist in our current snow data networks, but it is not used widely in Colorado. To fund this effort Northern Water applied for and received funding from the Colorado Water Conservation Board’s Water Supply Reserve Funds.



The Airborne Snow Observation Program will continue in fiscal year 2024.

Capital Asset Purchases

A capital purchase is defined as a major purchase which has an estimated total expenditure of \$5,000 or more and generally has an expected life of at least one year. The capital asset budget totals \$2,795,500. Some purchases are carryover from fiscal year 2023. A summary is provided in the table below.

Fleet Vehicles and Equipment	Fiscal Year 2024 Budget	Total Cost Estimate
Large Trucks	\$1,120,000	
Small Trucks	\$636,000	
Medium Trucks	\$263,000	
Trailer Mounted 4-inch Pump	\$78,000	
Sampling Boat (Field Services - Replacement)	\$70,000	
Skid Steer (West Slope)	\$68,000	
SUV / Sedans	\$64,000	
West Slope Trailer mounted Vacuum	\$50,000	
Mobile Lab Camper #1 (Field Services - Camper Only)	\$50,000	
Compact Ride-On Sweeper	\$50,000	
Mobile Lab Camper #2 (Field Services - Camper Only)	\$50,000	
West Slope Utility Vehicle	\$34,000	
Electric Utility cart	\$27,000	
Grace Ports Voltage Testing Stations	\$25,000	
Self-Contained Grout Pumps	\$25,000	
2 post vehicle/ equipment lift	\$20,000	
Remote Electrical Breakers Kit (Chicken Switches)	\$18,000	
West Slope Dump Trailer (Collections)	\$17,000	
Tilt Trailer for Mini Ex / Genie lift	\$15,000	
Vacuum Press (Foam Board Displays)	\$15,000	
Utility Box (T63) (Field Services)	\$13,000	
Horizontal Band Saw	\$12,500	
Bobcat Trencher Attachment	\$12,500	
Custom Personal Grounds	\$12,000	
9-foot HD V-Plow (West Slope)	\$11,500	
Locate Equipment	\$11,500	
2-cylinder Truck Mount Spreader	\$9,500	
9-foot Snow Pusher Box	\$9,000	
9-foot Snow Pusher Box (West Slope)	\$9,000	\$2,795,500

Impacts to Operating Costs

Fleet purchases (including diesel generator replacement) will alleviate future repair and replacement on aged vehicles and equipment currently in Northern Water's fleet. Operating costs will include properly equipping and marking new vehicles, fueling, routine maintenance performed by in-house staff, Department of Transportation inspections and unforeseen repairs outside of the warranty period.

Capital Outyears

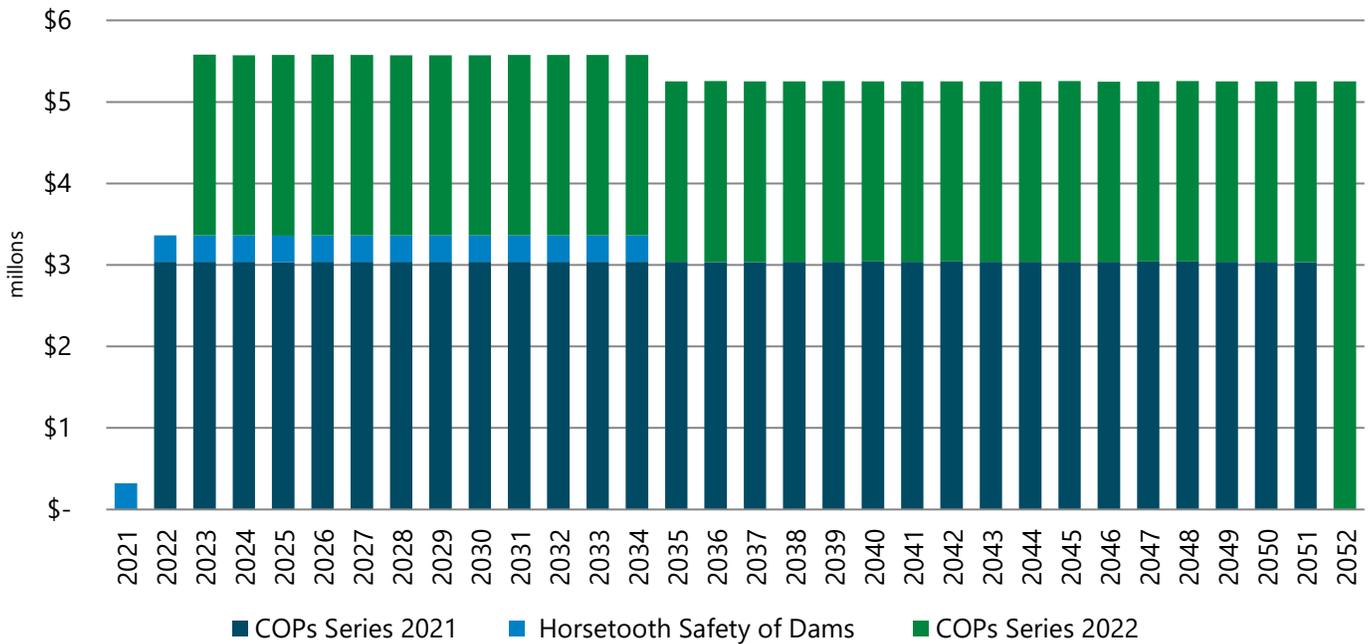
Northern Water has the advantage of many long-time staff to assess capital needs on an annual basis. However, there is also a need to plan out projects. Staff and Senior Management continue to evaluate and prioritize projects based on budget and alignment with stated priorities. In addition, in fiscal year 2023 staff partnered with a consulting firm to assess the current capital project plan and make recommendations for future projects based on a scoring method that considers likelihood of failure and cost of failure. This project will be completed in fiscal year 2024 and will provide a five-year plan that staff can use to guide future capital decisions.

Project Name	Total Cost	2024	2025	2026	2027	2028	2029
Chimney Hollow Reservoir Construction	\$ 245,500,000						
Northern Integrated Supply Project	\$ 2,000,000,000						
Fleet - Heavy/Medium Vehicles	\$ 3,000,000						
Fleet - Light Duty/Passenger Vehicles	\$ 1,800,000						
Fleet - Heavy/Medium Equipment	\$ 1,800,000						
Small Equipment	\$ 600,000						
Carter Lake Programmable Logic Controller Replacement	\$ 40,000						
West Longmont Pump Plant Variable Frequency Drive Replacement	\$ 300,000						
Broomfield Variable Frequency Drive Replacement	\$ 100,000						
(2) Rectifiers on Fort Lupton Segment	\$ 180,000						
(2) Rectifiers on Fort Morgan Segment	\$ 200,000						
Blow Off Valve Replacement (Broomfield Pipeline 1081+50)	\$ 45,000						
Blow Off Valve Replacement (Broomfield Pipeline 1081+80)	\$ 55,000						
SWSP II Isolation Valve (Lefthand)	\$ 150,000						
Louisville Pipeline Rehabilitation	\$ 300,000						

Debt Service

The fiscal year 2024 Debt Service is scheduled at \$5,579,179 to fund the principal and interest due related to Northern Water’s outstanding contract payable with Reclamation for the Horsetooth Safety of Dams project (of which \$2,085,401 will remain due as of September 30, 2024), as well as to fund the principal and interest due related to Northern Water’s outstanding Series 2021 and Series 2022 Certificates of Participation (COPs). A total of \$52,050,000 in certificates of participations were closed on August 11, 2021, and have been amortized through 2051. Finally, \$33,940,000 in certificates of participations were closed on June 7, 2022, and have been amortized through 2052. No new debt instruments were issued in fiscal year 2023. Debt service comprises 5.0 percent of total uses of funds. A summary is provided in the chart below.

District Debt Service



Net Pension Liability

This is a use of funds to pay down the unfunded pension plan liability related to the Defined Benefit Plan. A limited number of Northern Water’s current and former employees participate in the plan. As a result of the Governmental Accounting Standards Board (GASB 68) Statements on Financial Reporting for Pensions, a noncurrent asset of \$920,000 is included in the District Fund on Northern Water’s financial statements on September 30, 2021. This was determined by an actuarial valuation as of January 1, 2021, using a long-term expected rate of return, net of investment expense of 5.5 percent. The Pension Plan is on a calendar year end. Northern Water annually funds the actuarially determined contribution as defined by the Pension Plan’s actuarial report. For fiscal year 2023, Northern Water has budgeted contributions to the plan of \$1,163,112 (the actuarially determined contributions) and no supplemental contribution. Net pension liability comprises 0.0 percent of total uses of funds. A summary is provided in the table and chart below.

	<u>Budget</u>
Net Pension Liability	
Unfunded Pension Plan Liability Payment	\$0



**SOUTHERN WATER SUPPLY PROJECT
WATER ACTIVITY ENTERPRISE FUND**



Fund Overview

The Southern Water Supply Project Water Activity Enterprise Fund is self-supporting through pipeline and pump plant assessments paid by Enterprise participants. The purpose of the Southern Water Supply Water Project (SWSP) is to provide year-round water deliveries to several Northeastern Colorado communities. The SWSP has two raw water transmission pipelines and three pump plants. The fiscal year 2024 Southern Water Supply Project Water Activity Enterprise Fund budget, including operating expenses, capital outlay and indirect costs totals \$4,663,124. This is higher than last year and reflects the full operational year of the SWSP II pipeline and Eastern Pump Plant, and capital projects needed to maintain system reliability. There are no future debt financing plans for the SWSP.

Ongoing Operational Activities:

- Continue to assess and monitor pipeline infrastructure on SWSP I.
- Continue to work with property owners on reclamation needs on the SWSP II pipeline.
- Continue access control replacements.
- Review cathodic assessments.
- Weekly inspections and preventative maintenance program.
- Improve functionality of SWSP I and II through SCADA improvements.

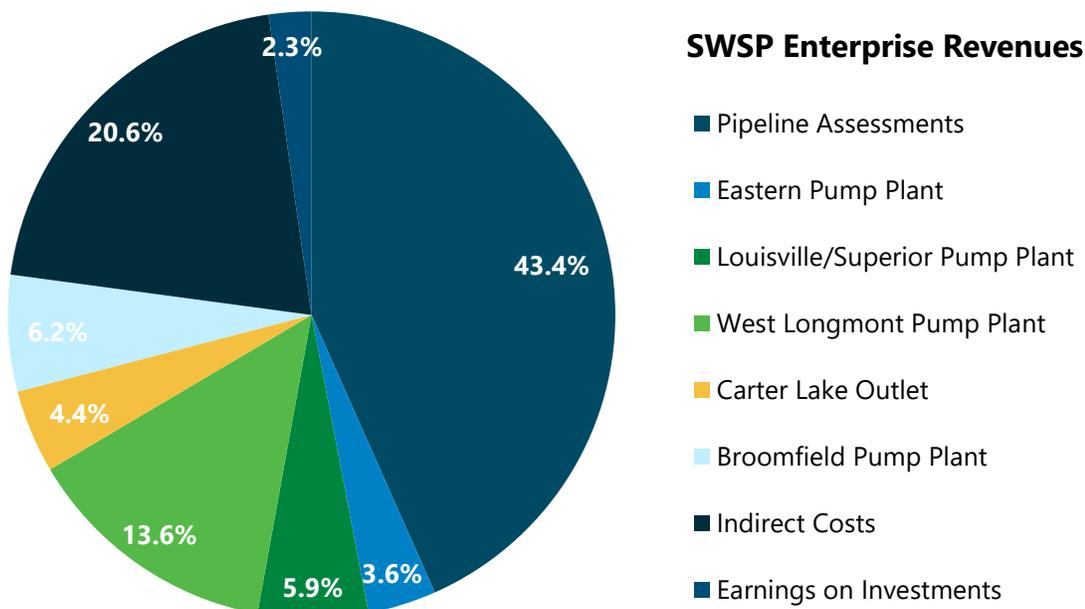
Budget Summary

	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change from Fiscal Year 2023 Budget	Percentage Change from Fiscal Year 2023 Budget
Beginning Cash & Reserves						
Unrestricted	\$2,425,582	\$6,675,797	\$2,993,862	\$4,074,221		
Restricted	6,789,668	-	113,612	-		
Total	\$9,215,250	\$6,675,797	\$3,107,474	\$4,074,221		
Sources of Funds						
Revenues						
Operating Revenues						
Pipeline Assessments	\$ 2,481,123	\$3,405,916	\$3,882,258	\$4,663,124	\$1,257,208	36.9%
Total operating revenues	\$2,481,123	\$3,405,916	\$3,882,258	\$4,663,124	\$1,257,208	36.9%
Other revenues						
Other nonoperating revenues	15,000	-	-	-	-	n/a
Earnings on Investments	10,971	-	125,760	108,000	108,000	
Total other revenues	\$25,971	-	\$125,760	\$108,000	\$108,000	-
Contributions						
Total Contributions	-	-	-	-	-	0.0%
Total Sources	\$2,507,094	\$3,405,916	\$4,008,018	\$4,771,124	\$1,365,208	40.1%
Balance Sheet Source (Use)	(6,164,361)	-	-	-	-	
Total Funds Available	\$5,557,983	\$10,081,713	\$7,115,492	\$8,845,345		
Uses of Funds						
Expenses						
Operating						
Operation & Maintenance	\$2,168,136	\$1,492,067	\$1,745,364	\$2,436,022	\$943,955	63.3%
Indirect Cost	-	983,300	983,300	983,300	-	n/a
Total Operating	\$2,168,136	\$2,475,367	\$2,728,664	\$3,419,322	\$943,955	38.1%
Capital						
Capital Projects/Assets	\$282,373	\$492,900	\$312,607	\$840,615	\$347,715	70.5%
SWSP II Isolation Valve (Direct Pay by Boulder)	-	279,462	60,104	245,000	(34,462)	-12.3%
Louisville Pump Study (Direct Pay by Louisville)	-	58,187	-	58,187	-	0.0%
Total Capital Projects	\$282,373	\$830,549	\$312,607	\$1,143,802	\$313,253	37.7%
Total Capital	\$282,373	\$830,549	\$312,607	\$1,143,802	\$313,253	37.7%
Contingency Appropriation	-	100,000	-	100,000	-	n/a
Total Uses	\$2,450,509	\$3,405,916	\$3,041,271	\$4,663,124	\$1,257,208	36.9%
Ending Cash & Reserves						
Unrestricted	2,993,862	6,675,797	4,074,221	4,182,221		
Restricted	113,612	-	-	-		
Total	\$3,107,474	\$6,675,797	\$4,074,221	\$4,182,221		
Total Funds Accounted For	\$5,557,983	\$10,081,713	\$7,115,492	\$8,845,345		

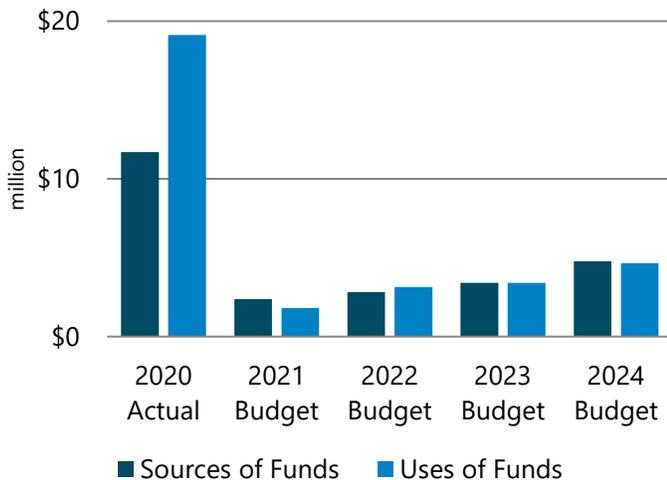
Revenues

The fiscal year 2024 Southern Water Supply Project Water Activity Enterprise Fund revenues and contributions total \$4,771,124. This amount represents an increase of \$1,365,208 from the fiscal year 2023 budget. A summary is provided in the table and charts below.

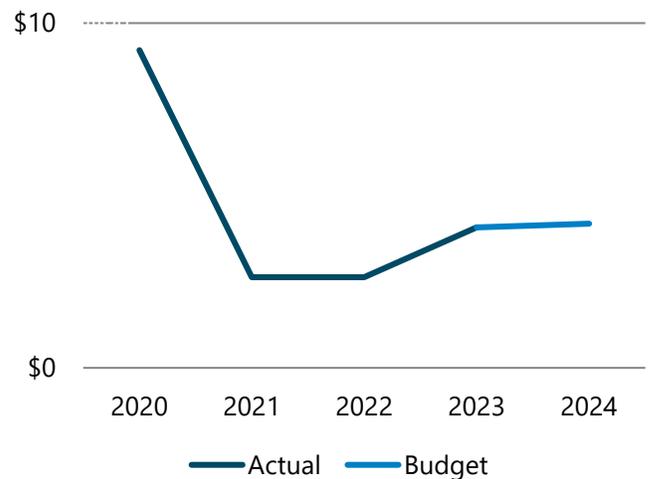
	Budget	Percent
Pipeline Assessments	\$2,068,585	43.4%
Eastern Pump Plant	\$173,686	3.6%
Louisville/Superior Pump Plant	\$279,877	5.9%
West Longmont Pump Plant	\$650,966	13.6%
Carter Lake Outlet	\$211,638	4.4%
Broomfield Pump Plant	\$295,451	6.2%
Indirect Costs	\$983,300	20.6%
Earnings on Investments	\$108,800	2.3%
Total	\$4,771,502	100.0%



SWSP Enterprise Sources and Uses of Funds



SWSP Enterprise Cash and Reserves

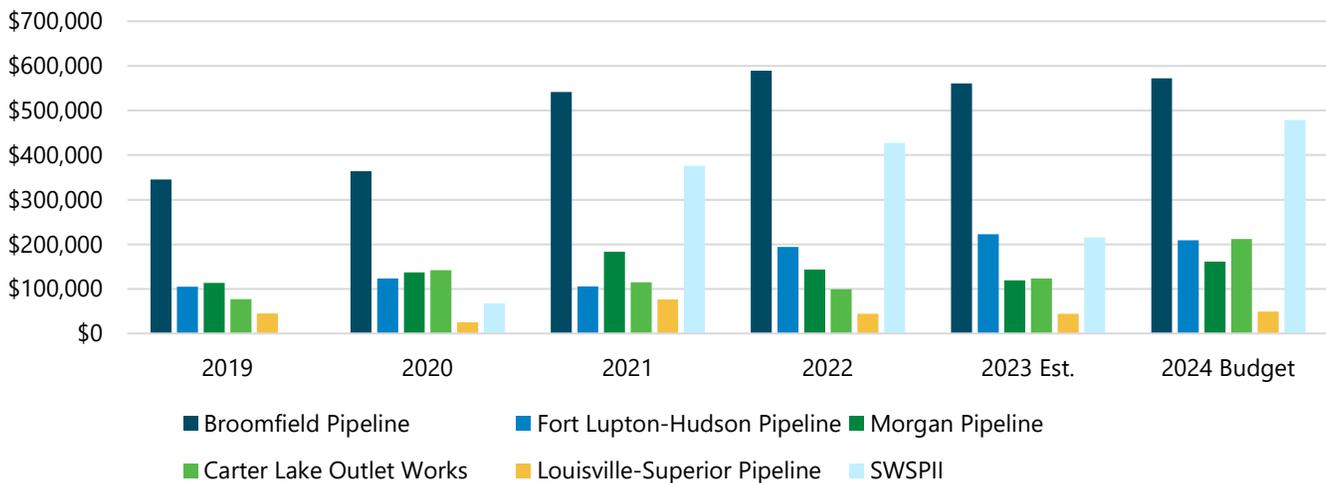


Expenses

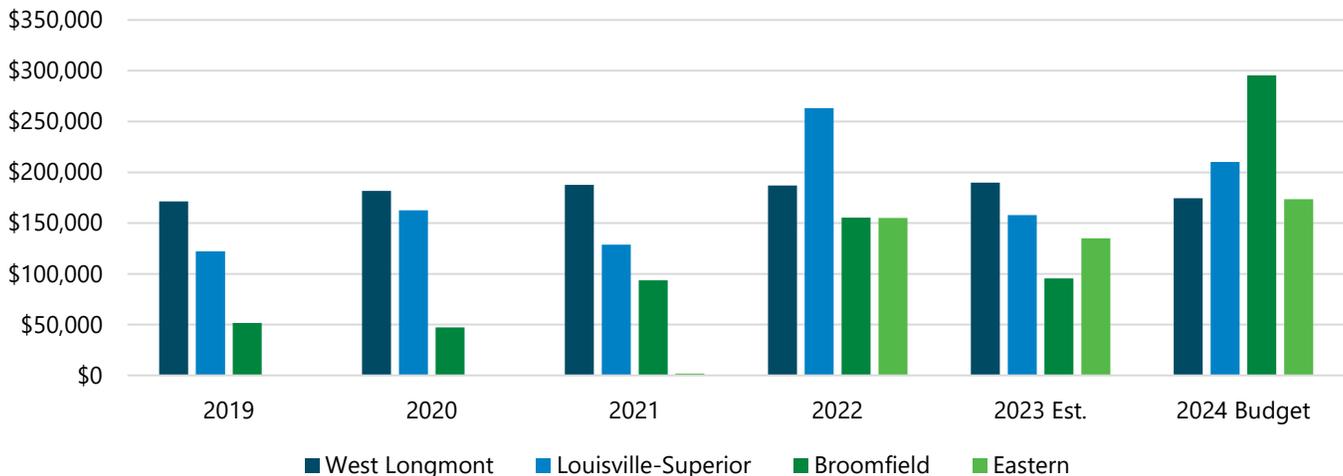
The fiscal year 2024 Southern Water Supply Project Water Activity Enterprise Fund operating expense budget totals \$3,519,322. This represents an increase of \$1,043,955 more than the fiscal year 2023. A summary of the operating expenses by pump plant, pipeline and outlet is provided in the table and charts below.

	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimate	Fiscal Year 2024 Budget	Percent Change
Broomfield Pipeline	589,247	536,207	560,993	572,106	6.7%
Broomfield Pump Plant	155,386	67,558	95,550	295,451	337.3%
Carter Lake Outlet Works	99,357	1,234,879	123,449	211,638	-82.9%
Eastern Pump Plant	155,026	53,067	135,056	173,686	227.3%
Fort Lupton / Hudson Pipeline	194,125	115,637	222,431	208,839	80.6%
Louisville / Superior Pipeline	44,029	61,141	44,325	49,471	-19.1%
Louisville / Superior Pump Plant	263,226	40,445	157,864	210,190	419.7%
Morgan Pipeline	143,588	125,613	119,375	161,336	28.4%
SWSP II Pipeline	427,257	253,442	215,469	478,714	88.9%
West Longmont Pump Plant	187,068	87,378	189,676	174,592	99.8%
Total	2,258,309	2,575,367	1,864,188	2,536,022	-1.5%

SWSP Enterprise Pipeline, Outlet and Turnout Expenses



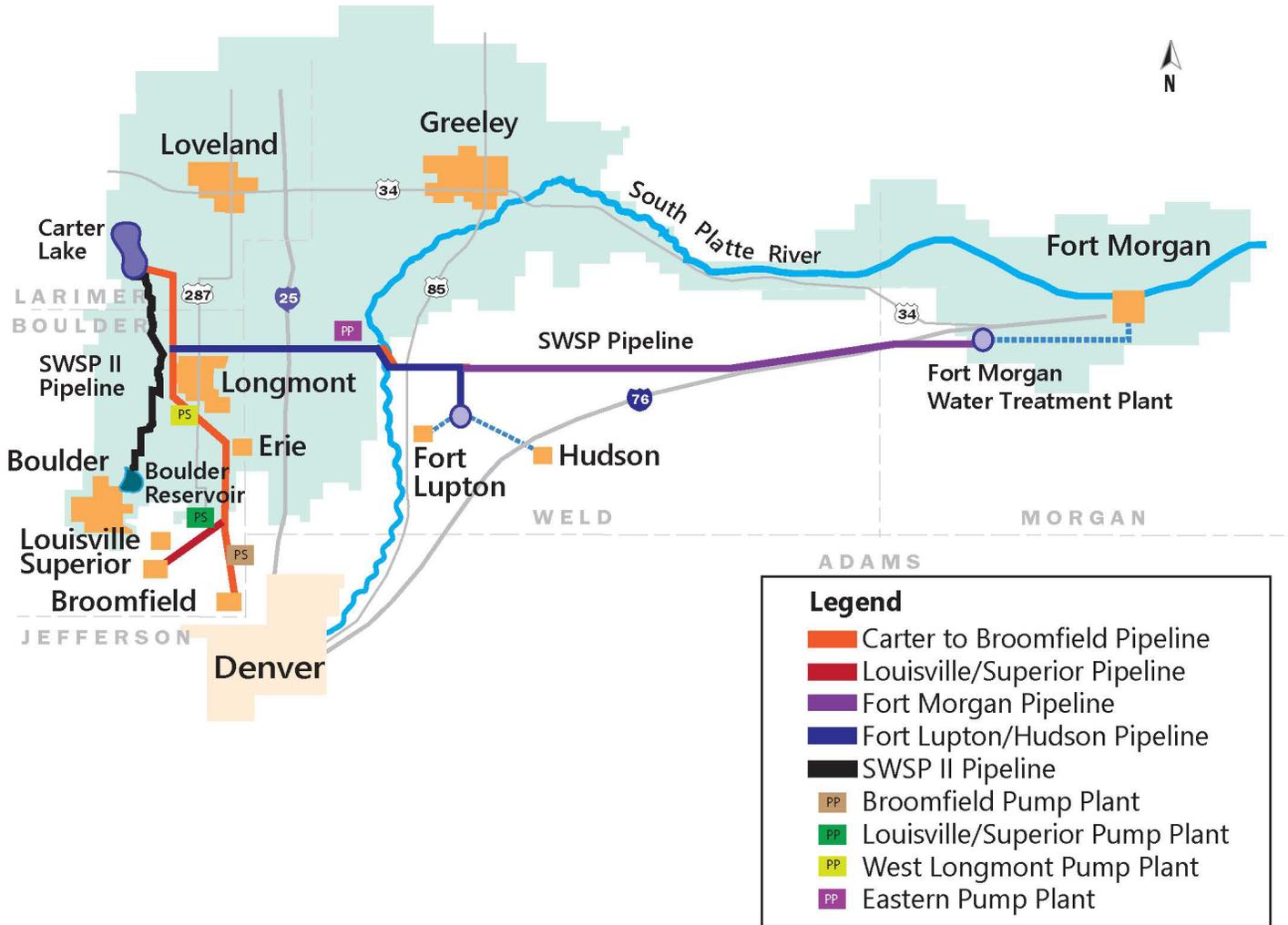
SWSP Enterprise Pump Plant Expenses



Pipelines and Pump Plants Map

The original Southern Water Supply Project includes four pipeline reaches spanning 180 miles and four related pump plants that convey project water to various Front Range sites and water districts within Northern Water boundaries.

With continued Front Range growth, Boulder, Left Hand Water District, Berthoud, and Longs Peak Water District agreed to fund a second phase of the Southern Water Supply Project for secure, year-round water deliveries. Construction on the Southern Water Supply Project II began in 2018 and completed in early 2020, with construction costs totaling approximately \$38.0 million. Total project costs, including design, permitting, administration, management, and right-of-way were approximately \$44.0 million.



Capital Outlay

The fiscal year 2024 Southern Water Supply Project Water Activity Enterprise Fund capital outlay budget totals \$1,143,802.

West Longmont Variable Frequency Drive (\$450,000) – This legacy system cannot be repaired. Northern Water staff will replace four existing variable frequency drives to ensure the system runs properly and reliably into the future.

SWSP II Isolation Valve (\$245,000) – The valve will better enable operations and maintenance of the Boulder Flow Control Valve Vault. Adding the valve will decrease downtime for Boulder when work is performed on the upstream isolation valves.

Programable Logic Control Replacements (\$114,748) – This multiyear project is for removing and replacing all existing programable logic control systems. They will provide additional functionality and security over legacy systems.

Broomfield Anode Well County Line Road (\$80,000) – Northern Water will hire a contractor to replace an anode well for cathodic protection on segment 7 of the Broomfield Pipeline. Anode wells that are placed within our system have a typical life expectancy of 20 years. The anode well at this location is approaching 25 years. These will provide protection for Northern Water pipelines to prevent corrosion and damage to the system.

Broomfield Blowoff Replacement 153+90 (\$60,935) – Mechanical crews will be replacing the original blow-off valves on the SWSP I. Crews will excavate site replace the blowoff valves and upgrade each site with vaults with manholes. This project will replace outdated valves with new valves ensuring the reliability of water deliveries to constituents.

Louisville Pump Study (\$58,187) – Louisville is interested in increasing the pumping capacity of the existing pump station. The purpose of this potential study is to determine the need for new pumping units, variable frequency devices, wiring, motors, etc. within the Louisville/Superior pump plant to increase the capacity to Louisville. The actual construction to add these new features would be completed in a future fiscal year.

Flow Control Security Gate (Fort Lupton) (\$26,374) – Update the security gate outside of the Fort Lupton Flow Control Vault, which will provide security and safety to the Fort Lupton Flow Control structure.

Longmont Vault Structure Security Gate (\$26,374) – Update the security gate outside of the Longmont Flow Control Vault and provide a safe working environment for staff.

Mainline 2 Communications Upgrade (\$15,462) – This project is to provide communications to Mainline 2 Vault Structure, which will ensure the security and safety of the Vault at Mainline two which houses critical infrastructure.

Louisville / Superior Pump Plant Paint (\$11,500) – Repaint and recoat the pump plant, which will extend the life of the asset.



**PLEASANT VALLEY PIPELINE
WATER ACTIVITY ENTERPRISE FUND**

Fund Overview

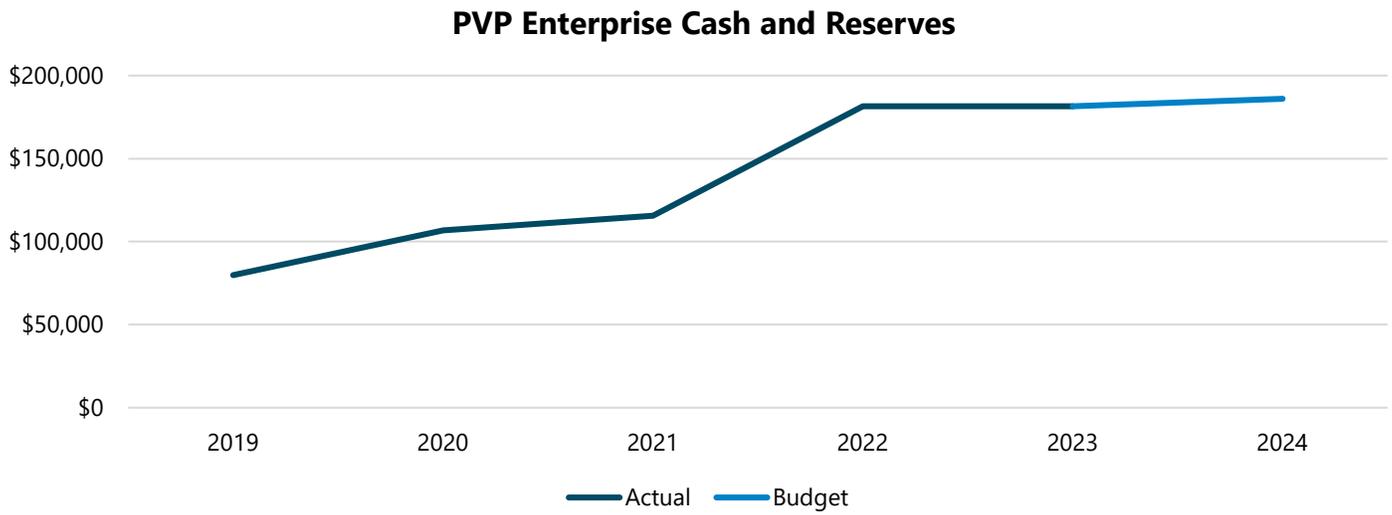
The Pleasant Valley Pipeline Project Water Activity Enterprise Fund is self-supporting through pipeline assessments. The purpose of the Pleasant Valley Pipeline Project is to increase the flexibility and reliability of water deliveries for project participants. Construction of the 8.5-mile pipeline finished in 2004. The pipeline is divided into a number of segments to account for costs. Individual segment charges are based upon each participant's share of the capacity allocated to them. There are no future debt financing plans for Pleasant Valley Pipeline.

Budget Summary

	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change from Fiscal Year 2023 Budget	Percentage Change from Fiscal Year 2023 Budget
Beginning Cash & Reserves						
Unrestricted	\$115,646	\$181,524	\$119,854	\$226,510		
Total	\$115,646	\$181,524	\$119,854	\$226,510		
Sources of Funds						
Operating Revenues						
Pipeline Assessments	\$58,949	\$228,828	\$226,200	\$182,818	\$(46,010)	-20.1%
Capital Contributions	-	-	73,655	57,979	57,979	n/a
Total Operating Revenues	58,949	228,828	299,855	240,797	11,969	5.2%
Other Revenues						
Earnings on Investments	635	16	7,636	4,500	4,484	n/a
Total Other Revenues	635	16	7,636	4,500	4,484	n/a
Contributions						
Projects	-	-	-	-	-	n/a
Total Sources	\$59,584	\$228,844	\$307,491	\$245,297	\$16,453	7.2%
Balance Sheet Source (Use)	46,807	-	-	-	-	-
Total Funds Available	\$222,037	\$410,368	\$427,345	\$471,807		
Uses of Funds						
Expenses						
Operating						
Operating Expenses	\$93,054	\$87,009	\$84,000	\$113,918	\$26,909	30.9%
Indirect Cost	-	43,900	43,900	43,900	-	0.0%
Total	\$93,054	\$130,909	\$127,900	\$157,818	\$26,909	20.6%
Non-Operating						
Loss on Asset Disposal	-	-	-	-	-	n/a
Total Non-Operating	-	-	-	-	-	n/a
Capital						
Capital Projects	\$9,129	\$72,935	\$72,935	-	\$(72,935)	-100.0%
Poudre Diversion / Munroe TO PLC (Direct Pay by Fort Collins & Soldier Canyon)	-	-	-	44,748	44,748	n/a
Greeley Vault - Access Control & Cameras (Direct Pay by Greeley)	-	-	-	13,231	13,231	n/a
Total Capital Projects	\$9,129	\$72,935	\$72,935	\$57,979	\$(14,956)	n/a
Contingency Appropriation	-	25,000	-	25,000	-	n/a
Total Uses	\$102,183	\$228,844	\$200,835	\$240,797	\$11,953	5.2%
Ending Cash & Reserves						
Unrestricted	\$119,854	\$181,524	\$226,510	\$231,010		
Total	\$119,854	\$181,524	\$226,510	\$231,010		
Total Funds Accounted For	\$222,037	\$410,368	\$427,345	\$471,807		

Revenues

Revenue from pipeline assessments is estimated at \$240,797, an increase of \$11,953 or 5.2 percent compared to the fiscal year 2023 budget. Pipeline assessments are expected to be the same as budgeted expenses. A summary is provided in the graph below.



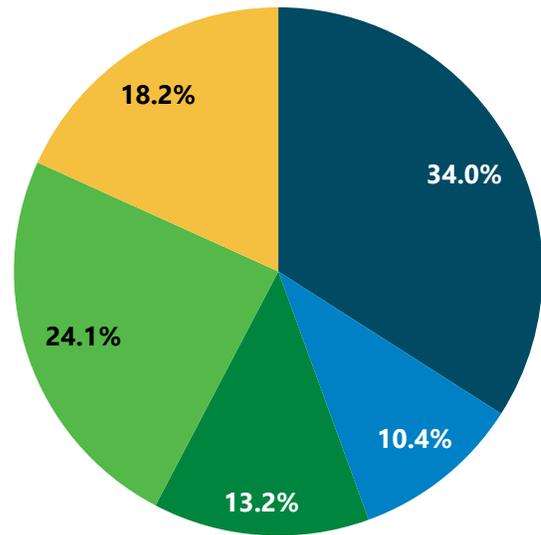
Expenses

The fiscal year 2024 Pleasant Valley Pipeline Enterprise budgeted operating expenses are \$240,797. This represents an increase of \$11,953. A summary of operating expenses is provided in the table and graphs below.

	Budget	Percent
Pleasant Valley Non-Segment	\$81,985	34.0%
Pleasant Valley Segment PV1	\$25,045	10.4%
Pleasant Valley Segment PV2	\$31,888	13.2%
Capital Costs	\$57,979	24.1%
Indirect Costs	\$43,900	18.2%
Total	\$240,797	100.0%

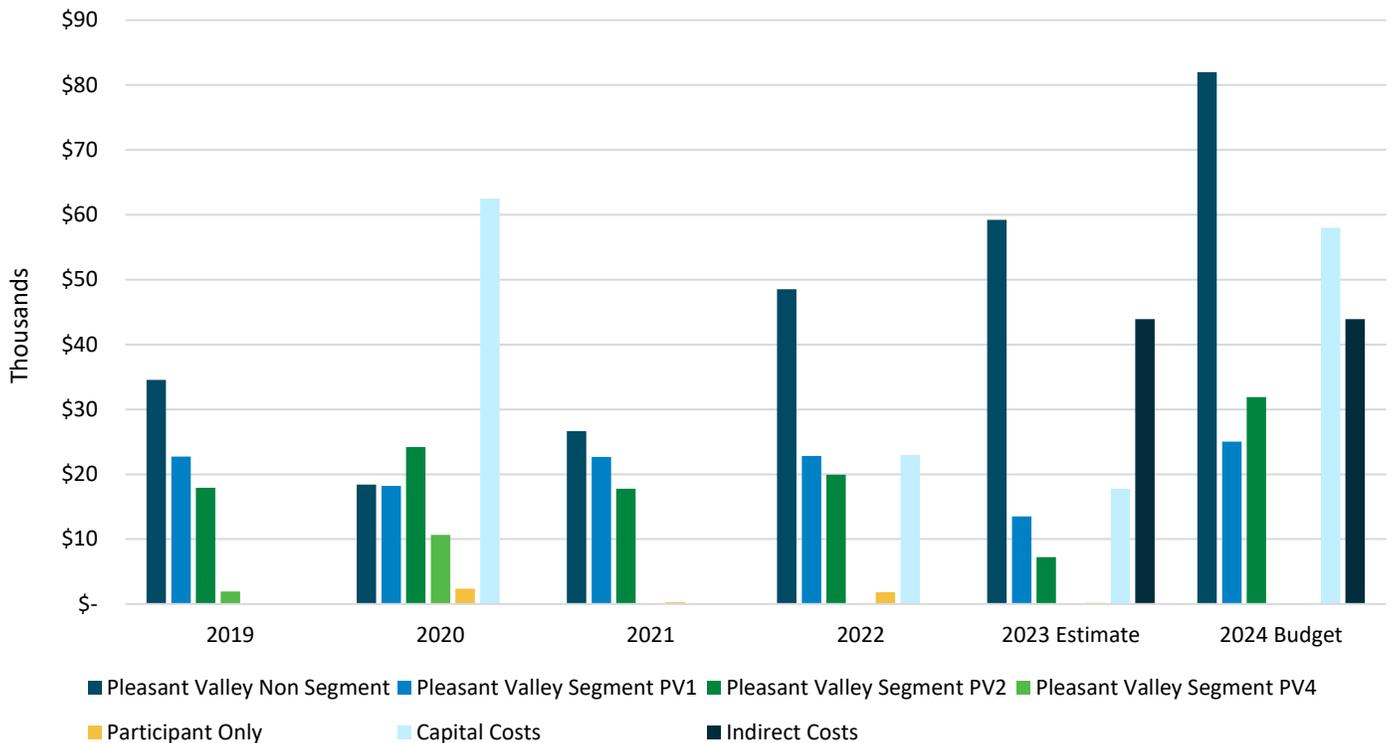
Expenses by Category

Non-Labor	\$165,580
Labor	\$75,217
Total	\$240,797



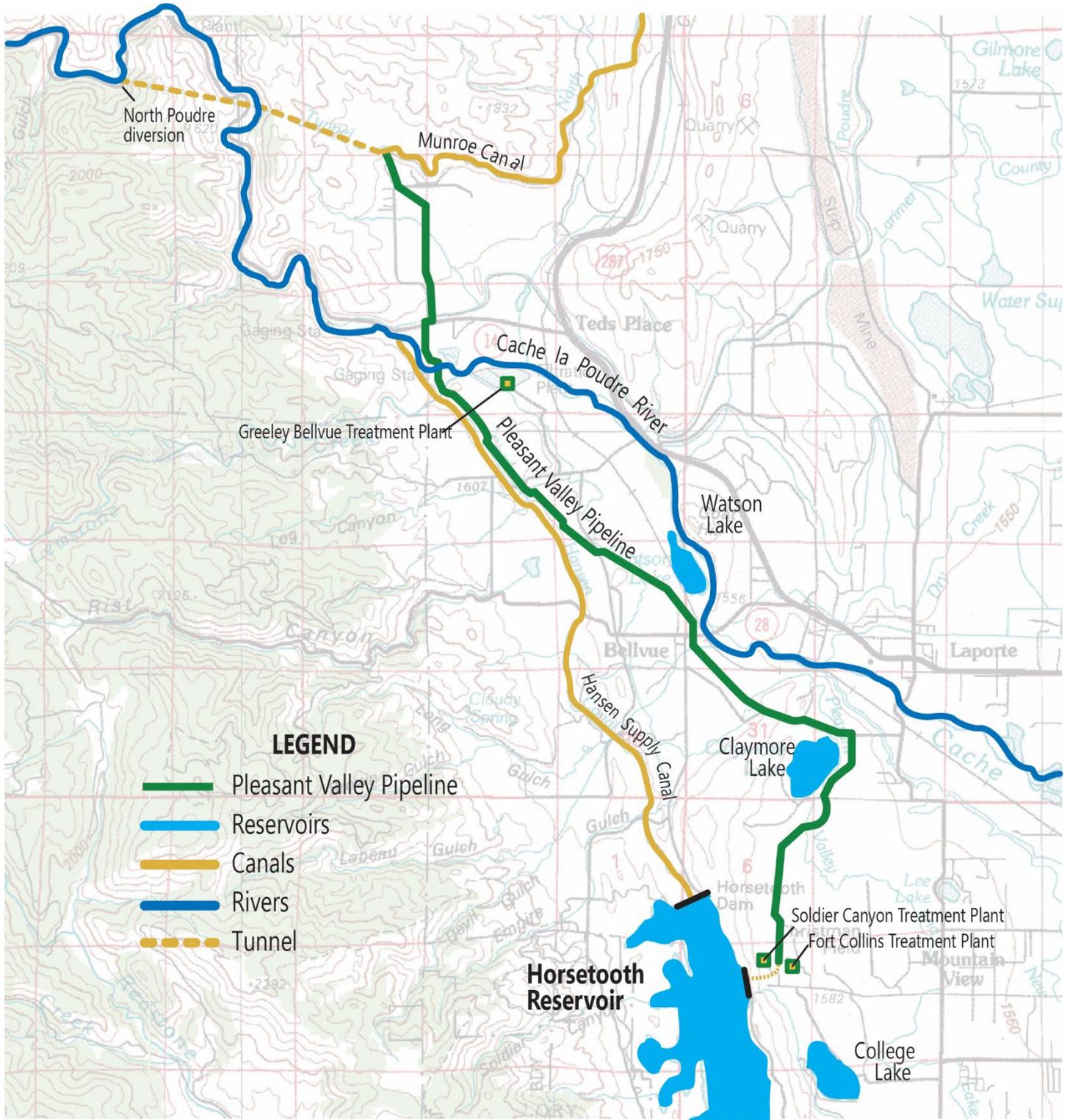
- Pleasant Valley Non-Segment
- Pleasant Valley Segment PV1
- Pleasant Valley Segment PV2
- Capital Costs
- Indirect Costs

PVP Enterprise Expense by Pipeline Segment



Pipeline Map

The 8.5-mile buried pipeline carries Poudre River water from the Munroe Gravity Canal to the Fort Collins and Soldier Canyon water treatment plants during the summer. In the winter, flows are reversed sending water from the Soldier Canyon outlet at Horsetooth Reservoir to Greeley's Bellvue treatment plant near the Poudre River.



Capital Outlay

The fiscal year 2024 Pleasant Valley Pipeline Water Activity Enterprise Fund capital outlay budget totals \$57,979.

Poudre / Munroe Diversion Programable Logic Control – (\$44,748) Upgrade the programable logic control (PLC) at the Poudre Diversion for the Munroe Canal.



NORTHERN INTEGRATED SUPPLY PROJECT WATER ACTIVITY ENTERPRISE FUND

NISP will add 40,000 acre-feet of new water supply annually and more than 200,000 acre-feet of storage capacity with the construction of Glade and Galeton reservoirs, pump plant and related conveyance pipelines.

Fund Overview

The Northern Integrated Supply Project (NISP) Water Activity Fund, as an enterprise fund, is self-supporting through participants' contributions. The purpose of the NISP Enterprise is to pursue federal and other permits in connection with a proposed water storage and distribution project that will supply 15 northern Front Range water partners with 40,000 acre-feet of new, reliable water supplies.

In June 2015, the Army Corps of Engineers (Corps) released a supplemental draft Environmental Impact Statement (EIS). The Corps released the Final EIS on July 20, 2018, with a Record of Decision scheduled for winter 2022. In January 2020 NISP received a 401 Water Quality certification from the Water Quality Control Division of the Colorado Department of Public Health and Environment. In September 2020, the Larimer County Board of County Commissioners approved the 1041 Land Use Permit, which allows the construction of Glade Reservoir, its recreation components, and the pipelines to convey water from the reservoir to participants throughout Northern Colorado. In January 2023, the U.S. Army Corps of Engineers issued a federal Clean Water Act Section 404 Record of Decision for the Northern Integrated Supply Project.

The current estimate of total project costs is \$2.0 billion. The financing structure is currently being reviewed to identify potential financing options. Following completion of construction, the projected operation and maintenance costs are currently forecasted to be approximately \$9.0 million annually.

In 2024, NISP intends to:

- Complete the final design of the Glade Reservoir facilities and submit the dam design to the Colorado Department of Dam Safety.
- Complete the final design of Highway 287.
- Continue the NISP financial planning.
- Develop an allotment contract with the NISP Participants
- Continue to make progress on the NISP ditch substitution agreements.
- Continue ongoing permitting activities associated with Glade Reservoir, Highway 287, the conveyance pipeline.
- Continue purchase of additional land for Glade Reservoir and Highway 287 relocation areas.
- Continue purchase of pipeline easements for the NISP delivery pipelines.
- Continue advancement of NISP mitigation and environmental enhancement activities.
- Continue advancing the NISP Adaptive Management and Poudre River Collaborative frameworks.
- Continue public outreach.

In 2023, NISP:

- Obtained the United States Army Corps of Engineers federal Clean Water Act Section 404 Record of Decision
- Advanced the financial planning of NISP.
- Performed ongoing permitting, design and pre-construction activities associated with Glade Reservoir, Highway 287, and the conveyance pipelines.
- Continued advance development of water accounting algorithms.
- Continued easement acquisition for NISP delivery conveyance pipelines.
- Purchased additional land for Glade Reservoir and Highway 287 relocation areas.
- Continued leading participant operations committee to discuss details of future project operations.
- Provided support to legal counsel on Protected Mitigation Release application and other issues as needed.
- Filed statements of opposition and continue due diligence to protect NISP water rights.
- Provided environmental compliance support.
- Continued collection of water quality samples to support the ongoing permitting processes.
- Continued public outreach.

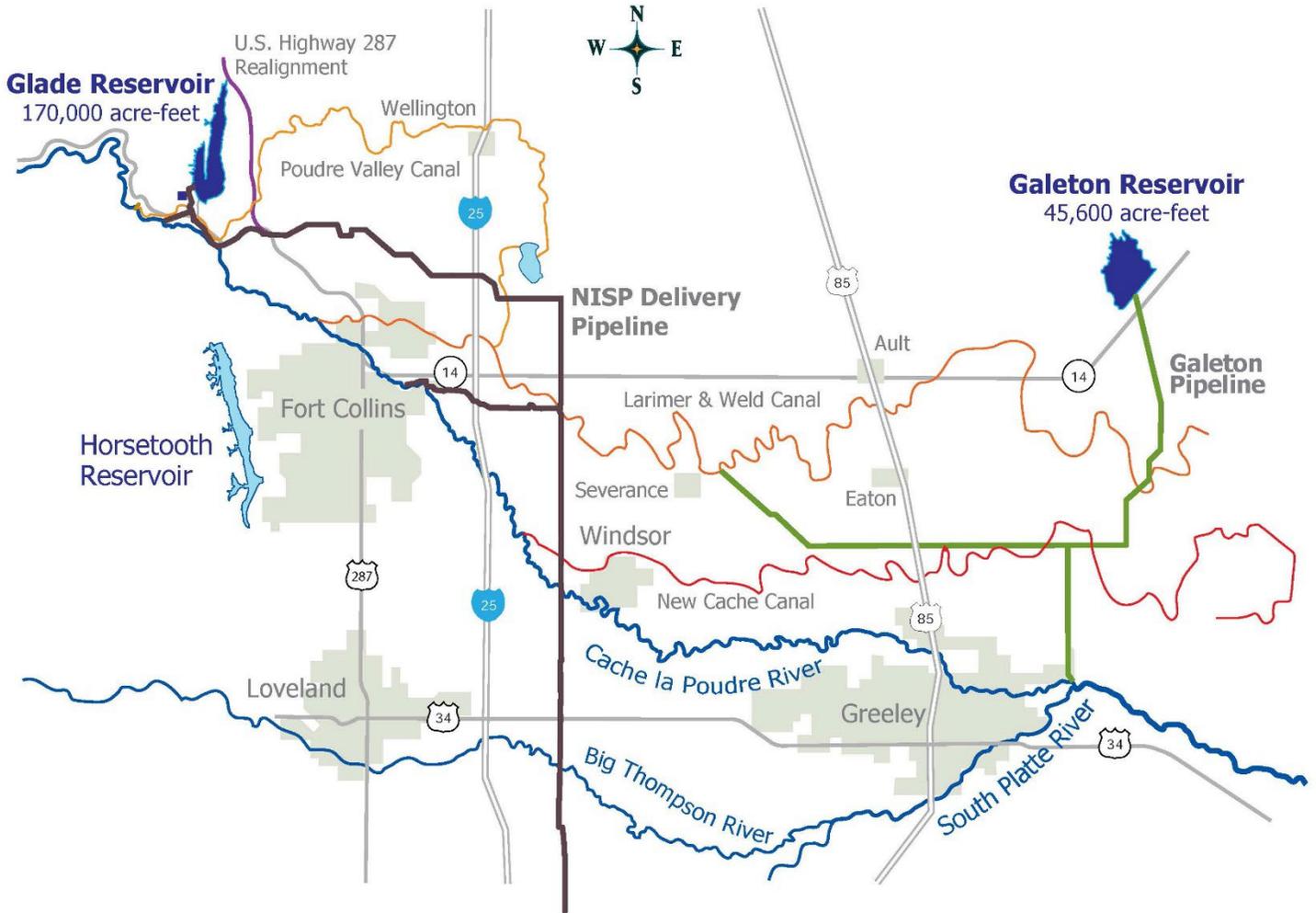
Budget Summary

	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change from Fiscal Year 2023 Budget	Percentage Change from Fiscal Year 2023 Budget
Beginning Cash & Reserves						
Unrestricted	\$11,329,702	\$ 7,514,402	\$15,000,196	\$17,303,118		
Restricted	9,546,317	3,546,317	6,257,184	5,224,706		
Total	\$20,876,019	\$11,060,719	\$21,257,380	\$22,527,824		
Sources of Funds						
Participant Contributions	\$19,000,000	\$24,215,300	\$23,116,000	\$30,000,000	\$5,784,700	23.9%
Transfer from Restricted Cash	-	4,000,000	-	5,000,000	1,000,000	25.0%
Earnings on investments	183,307	10,000	1,215,879	100,000	90,000	n/a
Other nonoperative revenue	36,417	80,000	63,408	40,000	(40,000)	n/a
Total Sources	\$19,219,725	\$28,305,300	\$24,395,287	\$35,140,000	\$6,834,700	24.2%
Balance Sheet Source (Use)	(2,403,727)	-	-	-		
Total Funds Available	\$37,692,017	\$39,366,019	\$45,652,667	\$57,667,824		
Uses of Funds						
Capital						
Land Purchase	\$3,309,488	\$4,000,000	\$1,032,478	\$5,200,000	\$1,200,000	30.0%
Project Development	1,693,677	8,800,000	1,791,139	5,800,000	(3,000,000)	-34.1%
Legal Costs	509,865	500,000	822,900	600,000	100,000	n/a
Glade Reservoir	9,520,454	8,800,000	15,376,769	11,000,000	2,200,000	25.0%
Highway 287 Relocation	1,200,333	1,500,000	2,965,307	2,400,000	900,000	60.0%
Water Secure	37,874	-	48,013	-	-	n/a
Environmental Mitigation & Water Quality	116,192	-	214,992	2,900,000	2,900,000	n/a
Pipeline Easements	-	1,200,000	-	3,000,000	1,800,000	150.0%
South Platte Water Cons. Project	46,755	200,000	57,945	200,000	-	n/a
Galeton Advancement	-	400,000	-	400,000	-	n/a
Indirect Cost	-	815,300	815,300	800,000	-	n/a
Contingency Appropriation	-	2,000,000	-	2,700,000	700,000	35.0%
Total Uses	\$16,434,637	\$28,215,300	\$23,124,843	\$35,000,000	\$6,784,700	24.1%
Ending Cash & Reserves						
Unrestricted	\$15,000,196	11,150,719	\$17,303,118	\$22,667,824		
Restricted	6,257,184	-	5,224,706	-		
Total	\$21,257,380	\$11,150,719	\$22,527,824	\$22,667,824		
Total Funds Accounted For	\$37,692,017	\$39,366,019	\$45,652,667	\$57,667,824		

Contributions

Contributions from the fifteen project participants and line of credit proceeds are projected to be \$35,140,000 in fiscal year 2024.

Project Map



Capital Outlay

The fiscal year 2024 Northern Integrated Supply Project Water Activity Enterprise Fund capital outlay budget totals \$35,000,000. This represents a decrease of \$6,784,700 from the fiscal year 2023 budget.



HYDROPOWER WATER ACTIVITY ENTERPRISE FUND

The hydropower fund was established to construct and operate small hydropower facilities. Hydropower currently owns and operates the Robert V. Trout Hydropower Plant at Carter Lake and the Granby Hydropower Plant at Lake Granby.



Fund Overview

The Hydropower Water Activity Fund is an enterprise fund established to record all revenues and expenses associated with the operations and maintenance of the Robert V. Trout and Granby Hydropower facilities. The Granby Hydropower facility is located at Lake Granby and began producing hydropower energy in May 2016. The two turbines have the potential to produce energy of 5 million kilowatt hours annually or enough to power about 600 homes. The Robert V. Trout Hydropower facility is located at Carter Lake and started generating power in May 2012. The hydropower facility has an energy capacity of 7 to 10 million kilowatt hours a year or enough to power about 1,000 homes. The two hydropower projects each received a Lease of Power Privilege from Reclamation granting the ability to pursue hydropower on an unpowered federally owned dam or canal. Northern Water sells all of its output from the two small renewable facilities to two consumer-owned electric cooperatives under long-term power purchase agreements. Energy revenues from the two small hydropower facilities provide for operation and maintenance and debt service costs. The fiscal year 2024 budget for expenses and capital outlay totals \$1,326,417.

The major initiatives for 2024 include a programmable logic controller upgrade at Carter Lake and interior coating of Unit 1 at Carter Lake.

Budget Summary

	Fiscal Year 2022 Actual	Fiscal Year 2023 Budget	Fiscal Year 2023 Estimated Actual	Fiscal Year 2024 Budget	Dollar Change from Fiscal Year 2023 Budget	Percentage Change from Fiscal Year 2023 Budget
Beginning Cash & Reserves						
Restricted	\$551,155	\$578,913	\$578,913	\$578,913		
Unrestricted	1,717,182	2,661,809	2,661,809	3,436,883		
Total	\$2,268,337	\$3,240,722	\$3,240,722	\$4,015,796		
Sources						
Operating Revenues						
Energy	\$1,466,764	\$1,300,000	\$1,240,000	\$1,300,000	-	0.0%
Total Operating Revenues	\$1,466,764	\$1,300,000	\$1,240,000	\$1,300,000	-	0.0%
Other Revenues						
Earnings on Investments	\$19,256	\$5,000	\$158,000	\$120,000	\$115,000	2300.0%
Intergovernmental grants	338,862	-	502,000	-	-	n/a
Total Other Revenues	\$358,118	\$5,000	\$660,000	\$120,000	\$115,000	0.0%
Total Sources	\$1,824,882	\$1,305,000	\$1,900,000	\$1,420,000	\$115,000	8.8%
Balance Sheet Source (Use)	220,814	(917,566)	-			
Total Funds Available	\$4,314,033	\$3,628,156	\$5,140,722	\$5,435,796		
Uses of Funds						
Operating Expenses						
Operation and Maintenance	\$429,055	\$393,773	\$365,289	\$482,000	\$88,227	22.4%
Indirect Cost	-	120,600	120,600	120,600	-	n/a
Total Operating	\$429,055	\$514,373	\$485,889	\$602,600	\$88,227	17.2%
Capital						
Capital Projects	\$5,219	\$9,637	-	\$34,780	\$25,143	260.9%
Total Capital	\$5,219	\$9,637	-	\$34,780	\$25,143	n/a
Debt Service						
Debt Service-Granby Facility	\$229,286	\$229,286	\$229,286	\$229,286	-	n/a
Debt Service-R.V. Trout Facility	409,751	409,751	409,751	409,751	-	n/a
Total Debt Service	\$639,037	\$639,037	\$639,037	\$639,037	-	0.0%
Contingency Appropriation	-	50,000	-	50,000	-	n/a
Total Uses	\$1,073,311	\$1,213,047	\$1,124,926	\$1,326,417	\$113,370	9.3%
Ending Cash & Reserves						
Restricted	\$578,913	\$578,913	\$578,913	\$578,913		
Unrestricted	2,661,809	1,836,196	3,436,883	3,530,466		
Total	\$3,240,722	\$2,415,109	\$4,015,796	\$4,109,379		
Total Funds Accounted For	\$4,314,033	\$3,628,156	\$5,140,722	\$5,435,796		

Revenues

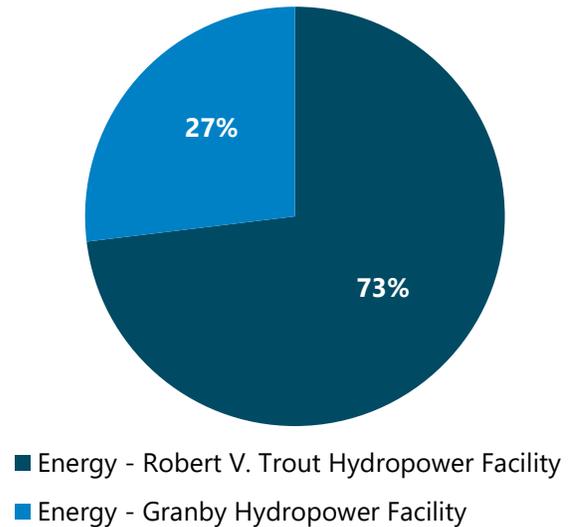
Hydropower Water Activity Enterprise Fund energy revenues are projected at \$1,300,000 or 11 percent lower than the fiscal year 2022 actual revenue. Revenue from the sale of energy from the Robert V. Trout Hydropower facility is estimated to be \$950,000. The energy revenues for the Granby Hydropower facility are projected to be \$350,000. Differences in energy revenues from year to year can be affected by the increases or decreases in water flows due to weather conditions, water demands and reservoir levels.

One hundred and fifteen energy payment rates will continually increase until 2025 and 2021 for the Granby Hydropower facility and Robert V. Trout facility, respectively, and remain at those higher levels through at least 2031. One hundred and seventeen energy payment rates decreased in 2021 and 2022 for the Granby Hydropower facility and Robert V. Trout Hydropower facility, respectively, and remain at those lowered levels through at least 2026. The 115 and 117 payments are from Tri-State policies that were put in place to reimburse their local REA providers for renewable energy. The Policy 115 represents their estimate of the value of the electricity sold. It was forecast for 10 years and then froze at that level for the remainder of the contract term. The Policy 117 was the additional value of the renewable energy.

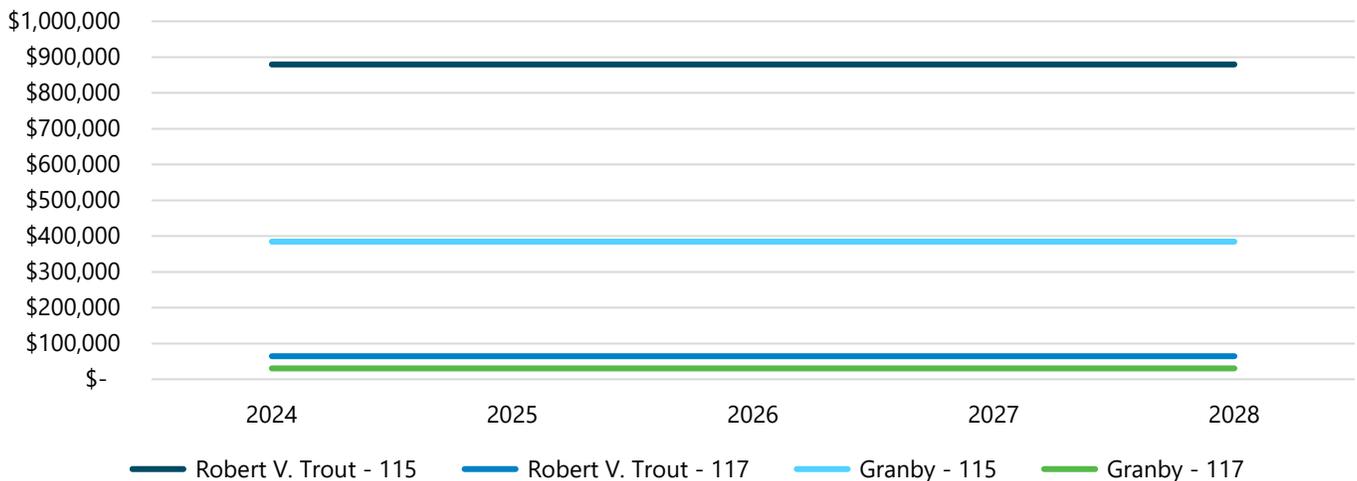
A summary of the major resources is provided in the table and charts below.

	Budget	Percent
Energy – Robert V. Trout Hydropower Facility	\$950,000	73.1%
Energy – Granby Hydropower Facility	\$350,000	26.9%
Earnings on Investments	\$120,000	0.0%
Total	\$1,420,000	100.0%

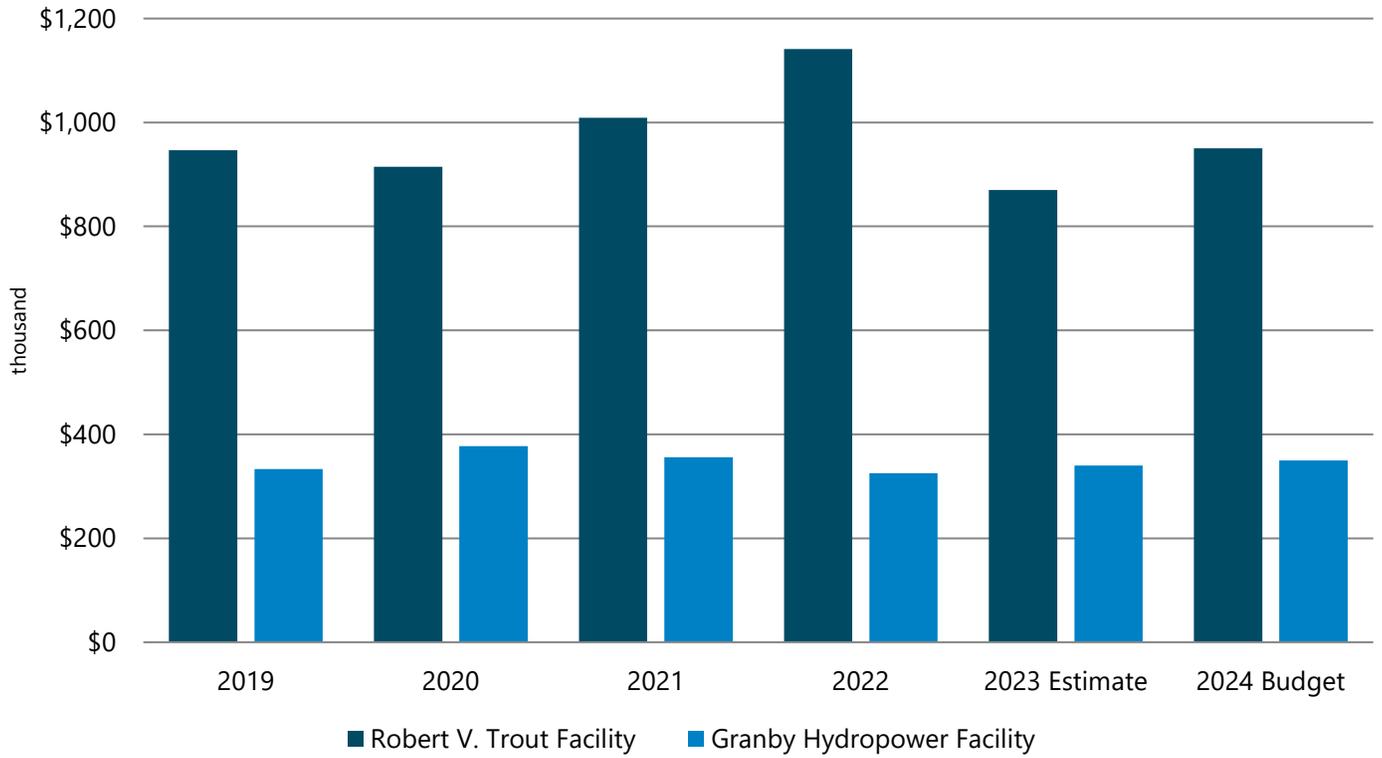
Hydropower Enterprise Revenues



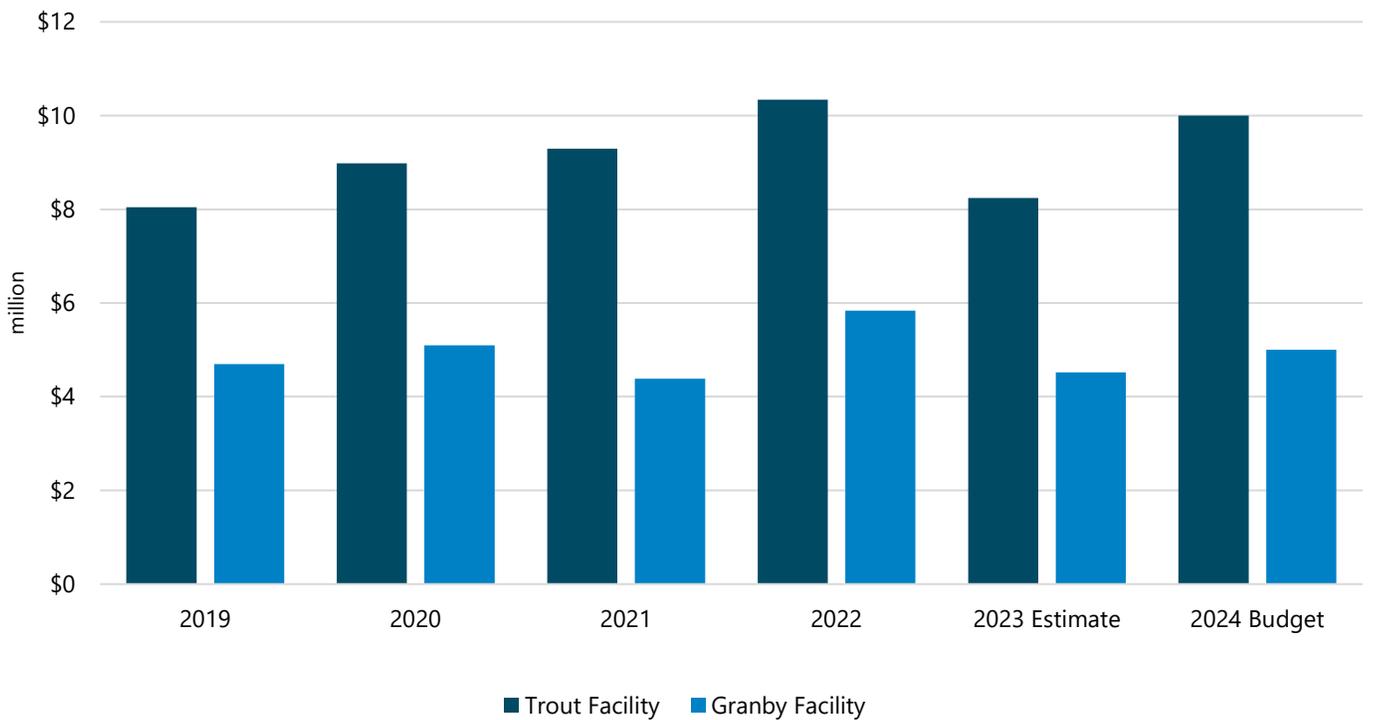
Hydropower Enterprise 5-Year Revenue Forecast



Hydropower Enterprise Energy Revenues by Facility



Hydropower Enterprise Generation in Kilowatt-Hours by Facility



Expenses

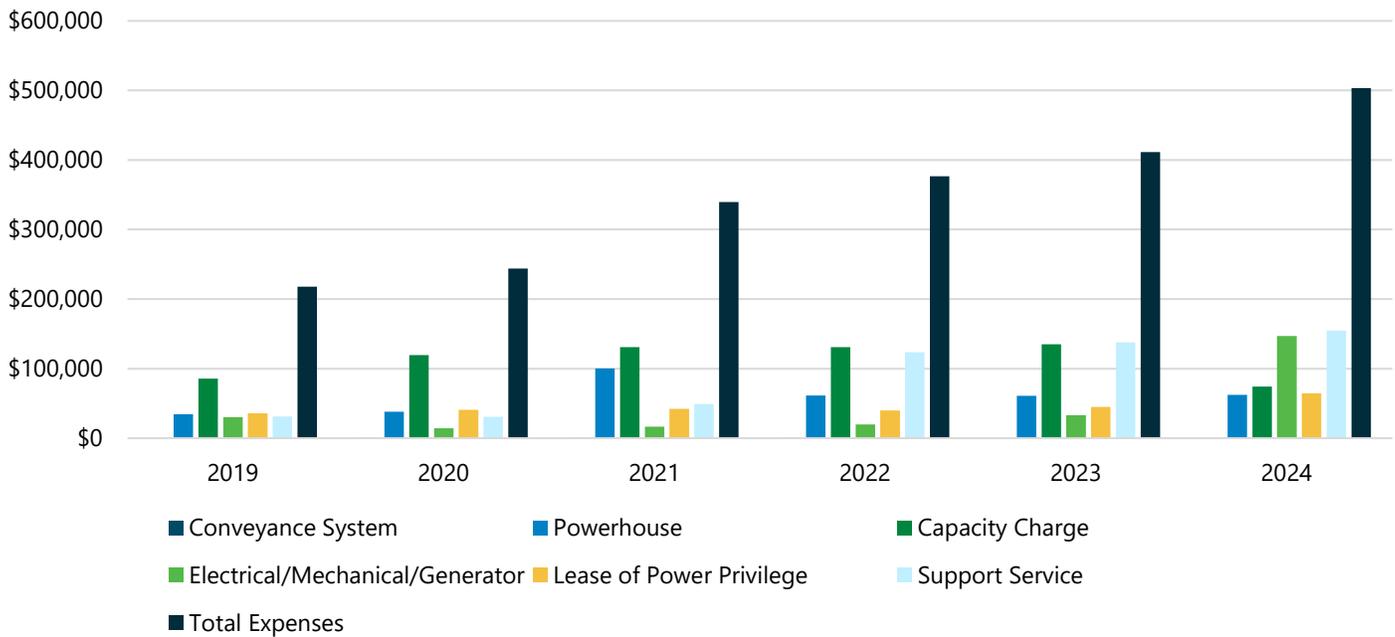
The fiscal year 2024 Hydropower Water Activity Enterprise Fund expenses total \$687,380, which includes capital expenses totaling \$34,780. Operating expenses for the Robert V. Trout Hydropower facility are budgeted at \$503,161. Granby Hydropower facility operating costs are projected to be \$149,439. Capacity charge is the system use charge assessed by the electric cooperatives. Lease of Power Privilege are the charges associated with the non-federal development of hydropower at Reclamation facilities.

A summary of the Hydropower Water Activity Enterprise Fund major operating expenses by facility are provided in the tables and chart below.

Robert V. Trout Hydropower Facility Operating Expenses

	Budget	Percent	Expenses by Category	
Capacity Charge	\$74,277	14.8%	Non-Labor	\$386,839
Powerhouse	\$62,545	12.4%	Labor	\$116,322
Support Services	\$154,816	30.8%	Total	\$503,161
Electrical/Mechanical/Generator	\$147,020	29.2%		
Conveyance System	\$0	0.0%		
Total	\$503,161	100.0%		

Robert V. Trout Hydropower Facility Operating Expenses Capacity charge leading operating expense



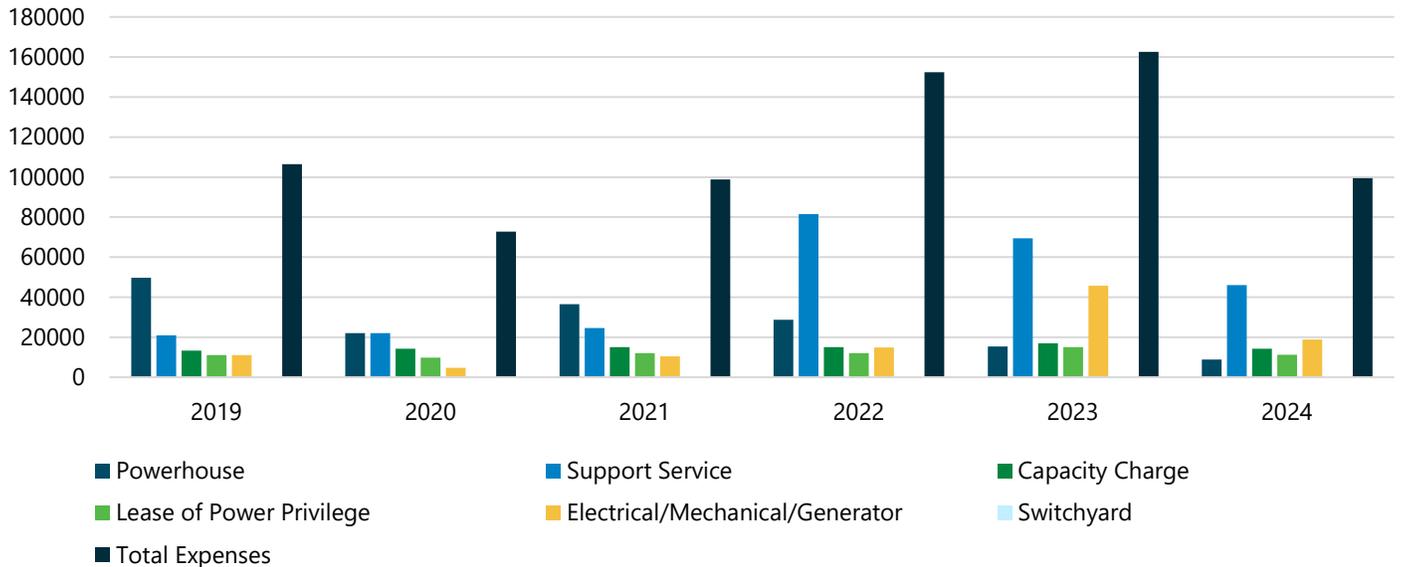


Granby Hydropower Plant

Granby Hydropower Facility Operating Expenses

	Budget	Percent	Expenses by Category	
Powerhouse	\$58,916	39.4%	Non-Labor	\$93,749
Support Services	\$46,118	30.9%	Labor	\$55,690
Capacity Charge	\$14,271	9.5%	Total	\$149,439
Lease of Power Privilege	\$11,228	7.5%		
Electrical/Mechanical/Generator	\$18,906	12.7%		
Switchyard	-	0.0%		
Total	\$149,439	100.0%		

Granby Hydropower Facility Operating Expenses Powerhouse leading operating expense



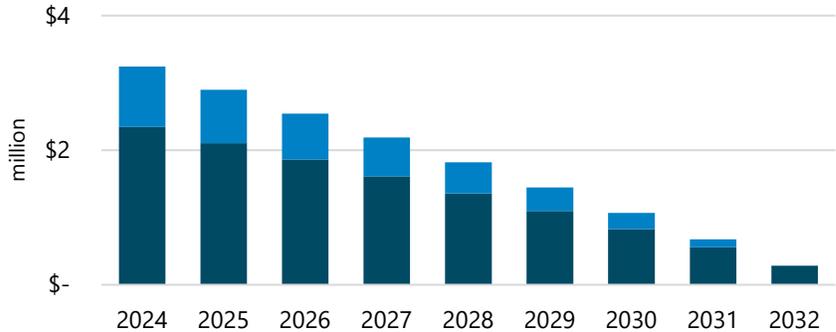
Debt Service

The fiscal year 2024 Debt Service is scheduled at \$639,036. No future debt financing is planned. The Debt Service payable and the projected September 30, 2024, outstanding balance by each hydropower facility are provided below.

Robert V. Trout Hydropower Facility

- Colorado Water Resources and Power Development Authority: \$2,000,000, September 1, 2013, of which \$1,098,690 is outstanding
- Interfund Loan - Northern Water District Fund: \$4,700,000, February 15, 2014, of which \$2,813,098 is outstanding

**Robert V. Trout Hydropower Facility
Outstanding Debt**



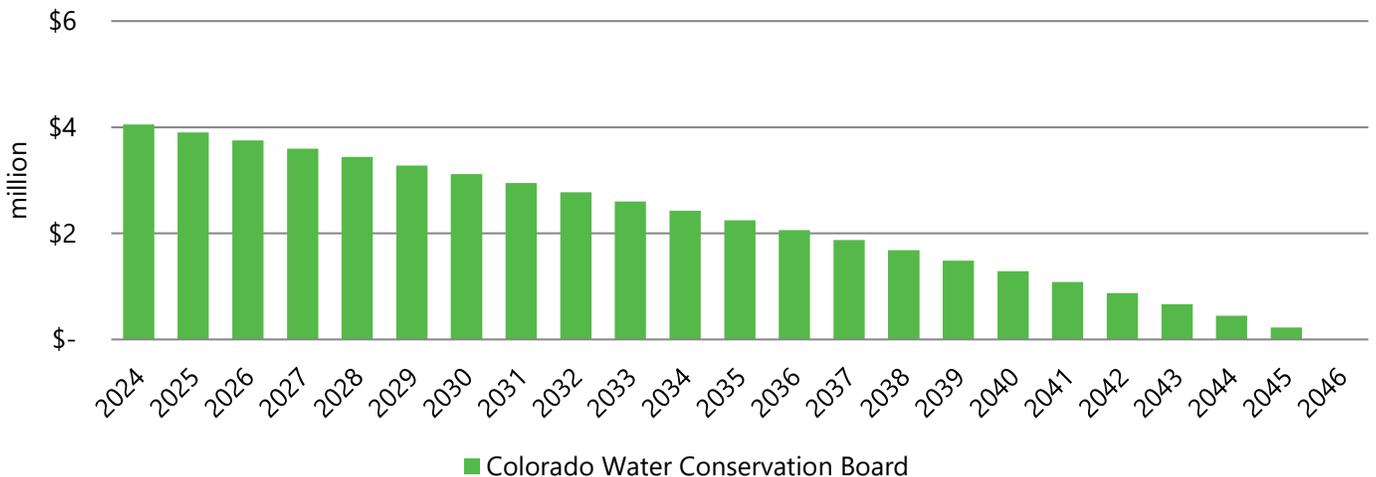
Granby Hydropower Facility

- Colorado Water Conservation Board: \$5,135,183, July 1, 2017, of which \$4,336,689 is outstanding

- Colorado Water Resources and Power Development Authority
- Interfund Loan Northern Water District Fund

	2022 Budget	2023 Budget	2024 Budget
Robert V. Trout Hydropower Facility			
Principal	\$325,014	\$331,514	\$338,145
Interest	\$84,736	\$78,236	\$71,605
Total	\$409,750	\$409,750	\$409,750
Granby Hydropower Facility			
Principal	\$137,016	\$142,552	\$145,403
Interest	\$92,269	\$86,734	\$83,883
Total	\$229,286	\$229,286	\$229,286

**Granby Hydropower Facility
Outstanding Debt**



ACRONYMS

ACFR

Annual Comprehensive Financial Report

AF

Acre-foot or Acre-feet

C-BT

Colorado-Big Thompson Project

CIP

Capital Improvement Plan

COPs

Certificates of Participation

CWCB

Colorado Water Conservation Board

CRS

Colorado Revised Statutes

CWA

Clean Water Act

DEIS

Draft Environmental Impact Statement

DOLA

Department of Local Affairs (Colorado)

EAM

Enterprise Asset Management

EIS

Environmental Impact Statement

EPA

Environmental Protection Agency

FEMA

Federal Emergency Management Agency

FTE

Full time equivalent

FONSI

Finding of no significant impact

GAAP

Generally Accepted Accounting Principles

GASB

Governmental Accounting Standards Board

GIS

Geographic Information System

IPS

Investment Policy Statement

NEPA

National Environmental Policy Act

Northern Water

Northern Colorado Water Conservancy District

NRCS

Natural Resource Conservation Service

NWRA

National Water Resource Association

ROD

Record of Decision

ROW

Right of Way

SUBDISTRICT

Municipal Subdistrict, Northern Colorado Water Conservancy District

TABOR

Taxpayers Bill of Rights, revenue, and tax limit amendment. See Amendment 1 (glossary).

TIF

Taxing Increment Finance District

GLOSSARY

Accounting Standards

Northern Water's financial statements are prepared in accordance with principles generally accepted in the United States of America (GAAP). Additionally, Northern Water applies all applicable pronouncements of the Governmental Accounting Standards Board.

Acre-foot or Acre-feet

Volume of water equal to one foot in depth covering an area of one acre, or 43,560 cubic feet; approximately 325,851 gallons. One acre-foot is roughly the amount needed to serve 2.5 families each year.

Adopted Budget

The budget adopted by the Board of Directors at the August Planning and Action meeting. The adopted budget becomes effective annually as of October 1, and appropriations lapse at fiscal year-end (September 30).

Allocations

Distribution of costs.

Amendment 1

Approved by the electorate in the November 1992 election, this amendment is known as the Taxpayers Bill of Rights (TABOR). This is a revenue and expenditure limiting amendment to the Colorado constitution. The limit is determined by whichever is more restrictive to the growth of government.

Appropriation

Legal authorization granted by the Board to make expenditures as specified in the appropriating resolution.

Assessed Valuation

Total valuation established by the County Assessor on real and personal property within Northern Water boundaries which is used as a basis for levying taxes.

Assets

Economic resources owned by Northern Water.

Audit

A systematic collection of sufficient, competent evidential matter needed to attest to the fairness of management's assertions in the financial statements.

Basis of Accounting

Northern Water's financial statements are accounted for on the flow of economic resources measurement focus, using the accrual basis of accounting. Under this method, all assets and liabilities associated with operations are included on the statement of net assets, revenues and are recorded when earned, and expenses are recorded at the time liabilities are incurred. This is different from the basis of budgeting.

Board or Board of Directors

For Northern Water, this is a 13-member group of appointed officials.

Budget

A financial plan for a specified period (fiscal year) that assigns resources to each activity in sufficient amounts to reasonably expect accomplishment of the objectives in the most cost-effective manner.

Budget Hearing

A publicly held meeting where the public can comment or ask questions about the proposed budget.

Capital Policy

Initial acquisition costs of assets are capitalized if they have a service life of more than one year and a cost of \$5,000 or more. Costs not meeting these criteria are expenses. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the respective asset classes.

Capital Project

Expenditures which result in the construction of or major improvements to buildings and infrastructure; generally, consist of projects costing more than \$5,000 and lasting more than three years.

Clean Water Act

The federal law that establishes how the United States will restore and maintain the chemical, physical and biological integrity of the country's waters (oceans, lakes, streams and rivers, ground water and wetlands.) The law provides protection for the country's waters from both point and nonpoint sources of pollution.

Colorado Local Government Budget Law

All local governments are required to conform to the budget regulations of Title 29, Article 1, Part 1 of the Colorado Revised Statutes which define the legal requirements for budget format and content. It covers budget hearing and adoption; appropriations resolution; filing the budget; and changing the budget.

Commitments

Obligations in the form of purchase orders, contracts, or salary commitments.

Contingency

Appropriation to cover the deficiency that might arise where an expenditure could not be foreseen at the time the budget was prepared.

COPs

Certificates of Participation are a kind of municipal debt which can be contracted by cities/counties without voter approval. Courts have ruled that, because of their structure, COPs do not constitute long-term obligations of the issuing authority and are therefore exempt from state and local laws that require voter approval of long-term debt.

Debt Service

Cash required in a given period, usually one year, for payment of interest and current maturities of principal for outstanding debt.

Depreciation

The expiration in the service life of an asset generally attributable to wear and tear through use, lapse of time or obsolescence. Depreciation is generally not budgeted; however, it is accounted for on the financial statements.

Direct Cost

An expense that can be traced directly to (or identified with) a specific cost center or activity. A direct cost may include labor, materials, services, and equipment charges.

Emergency

An emergency is defined as an a) Act of God; b) Public Enemy; and c) something which could not have been reasonably foreseen at the time of the adoption of the budget. For the purpose of TABOR this is further restricted to exclude economic conditions, or revenue shortfalls.

Enterprise

An entity that qualifies under the Taxpayer's Bill of Rights (TABOR) as being a government-owned business authorized to issue its own revenue bonds and receiving fewer than 10 percent of its annual revenue in grants from all Colorado state and local governments combined.

Enterprise Asset Management (EAM)

Software system to manage major infrastructure with a preventative maintenance program.

Expenses

Charges incurred, whether paid or unpaid for operation, maintenance, and interest, and other charges, which are presumed to benefit the current fiscal period.

Fiscal Period

A period usually consisting of twelve months. At the end of the fiscal period a government unit determines its financial position and the results of its operations. Northern Water's fiscal period is October 1 to September 30.

Fixed Cost

Indirect or overhead expense of a business that does not vary with the volume of activity.

Full Time Equivalent

An employee position is converted to decimal equivalent value. Numeric equivalent of one person occupying one employment position for one year. Example: 0.50 FTE is equal to half time position.

Fund

Fiscal and accounting entity with self-balancing set of accounts which are segregated usually by financial resources or other special regulations, restrictions, or limitations.

Generally Accepted Accounting Principles

Uniform minimum standards and guidelines for financial accounting and reporting, and encompasses the conventions, rules, and procedures necessary to define accepted accounting practices.

Government Finance Officers Association (GFOA)

An organization whose membership consists of government financial officers throughout the United States and Canada. Information on pertinent legislation, accounting changes, new programs or innovations is shared with members in a regular newsletter. Career seminars and educational classes are provided regularly.

Governmental Accounting Standards Board

The authoritative accounting and financial reporting standard-setting body for government entities.

Hydropower

Hydroelectric power of/or relating to production of electricity of water power.

Indirect Cost

An expense that cannot be traced directly to (or identified with) a specific cost center or activity. Indirect costs types may include indirect labor, indirect materials, and overhead costs.

Internal Controls

A plan of organization under which employee's duties are so arranged and records and procedures so designed as to make it possible to protect and exercise effective accounting control over assets, liabilities, revenues, and expenditures.

Levy

The total amount of taxes, special assessments or service charges imposed by Northern Water.

Long-term debt

Debt with a maturity of more than one year from date reported.

Mill

One one-thousandth of a dollar (\$1.00 of tax for each \$1,000 of assessed valuation) of assessed valuation of property used to determine property taxes.

Net Revenues

Gross revenue less operating and maintenance expenses.

Nonoperating Revenue

Revenue received from property and specific ownership taxes, investment income, and other nonoperating revenues.

Operating Revenue

Revenue from water assessments, charges for services, energy, and other operating revenue.

Operation and Maintenance (O&M) Expenses

All reasonable and necessary current expenses paid or accrued for operating, maintaining, and repairing infrastructure.

Operation and Maintenance Work Plan

A category of master plan items not capital in nature, which are normally ongoing activities and pertain to the general operations of Northern Water.

Political Subdivision

A county, city, town, or other municipal corporation, a public authority, and generally any publicly owned entity that is an instrumentality of a state or of a municipal corporation.

Principal and Interest Requirements

As used in the debt guidelines, interest requirements plus the current portion of long-term debt (includes general obligation bonds, certificates of participation and capital leases).

Professional Services

Consists of consultant payments for consultants to provide services such as facility design, legal work, and auditors.

Program

An organized group of activities and the resources to carry them out, aimed at achieving related goals.

Program Budget

A method of budgeting in which the focus is on the project and activities that are required to accomplish Northern Water's mission, goals, and objectives. It provides for consideration of alternative means to accomplish these criteria. It also provides a control device for higher level management and cuts across organizational lines. Resources are allocated along program lines and across organizational lines.

Property Tax

Taxes levied on all real and personal property according to the property's valuation and the tax rate, in compliance with state and local statutes.

Proprietary Funds

Used to account for activities that are similar to businesses in the private sector. These funds are considered self-supporting in that the services rendered by them are generally financed through user charges or on a cost reimbursement basis. There are two types of proprietary funds such as Enterprise Funds and Internal Services Funds.

Pump Plants

A pump plant is a manmade structure that uses a pump to transfer water from one location to another.

Purchase Order

A document which authorizes the delivery of specified services.

Quasi Municipal Corporation

A quasi corporation generally refers to an entity that exercises some of the functions of a corporation but has not been granted separate legal personality by statute, particularly a public corporation with limited authority and powers such as a county or school district.

Rating

The creditworthiness of Northern Water as evaluated by independent agencies.

Raw Water

Untreated water.

Reclamation

United States Bureau of Reclamation

Reservoir

An impoundment to collect and store water. Raw water reservoirs impound water in a watershed; terminal reservoirs collect water where it leaves a watershed to enter the treatment process; and treated-water reservoirs are tanks or cisterns used to store potable water.

Revenue Bonds

Bonds whose principal and interest are payable exclusively from a dedicated revenue source.

Revenues

Northern Water Enterprise Funds are financed through assessments, tax revenues, charges for services and energy revenues.

Risk Management

Northern Water is exposed to various risks of losses.

Statutory Property Tax Revenue Limit

Colorado Revised Statute 29-1-301. Property tax increases are limited to 5.5 percent from one tax year to the next. An adjustment for growth factor is allowed for new construction. The exemptions to this restriction are payment of bonds, payment of other contractual obligations approved by voters, and capital expenditures allowed by "Truth in Taxation" legislation.

Strategic Plan

Process that is a practical method used by organizations to identify goals and resources that are important to the long-term wellbeing of its future.

Supplemental Budget Request

Appropriations may be changed to allow for unforeseen circumstances that may occur after the budget has been adopted.

Tax Levy

Unit of measurement is a mill (.001) which is then multiplied times the assessed value of real or personal property to determine the amount of taxes due.

Taxing Increment Finance District

Tax increment financing is a public financing method that is used as a subsidy for redevelopment, infrastructure, and other community improvement projects.

Temporary Employee

An employee hired as an interim replacement or temporary supplement of the workforce. Assignments in this category can be of limited duration or indefinite duration, but generally do not exceed one year.

TIF

Taxing increment financing is a public financing method that is used as a subsidy for redevelopment, infrastructure, and other community-improvement projects.

Type of Expenditure

A classification of resources or commodities that will be budgeted and charged to projects and activities by cost control centers.

Water Conservancy District

Water Conservancy Districts are formed in conformance with the Water Conservancy Act. They are organized under procedures in state district courts and remain under their jurisdiction and are formed at the request of communities and are local instrumentalities of state government.

Water Efficiency

Obtaining the benefits of water more efficiently, resulting in reduced demand for water. Sometimes called "end-use-efficiency" or "demand management."

Water Revenues

Revenues generated through billing process from the delivery of water.

Works

Dams, storage reservoirs, compensation and replacement reservoirs, canals, conduits, pipelines, tunnels, power plants, and any and all works, facilities, improvements, and property necessary or convenient for the supplying of water for domestic, irrigation, industrial and all other beneficial uses.

Working Capital

Current and restricted assets less current liabilities other than current year principal payments or long-term debt.

AD VALOREM MILL LEVY

NORTHERN COLORADO WATER CONSERVANCY DISTRICT

RESOLUTION

D-1393-08-23

AD VALOREM MILL LEVY

WHEREAS, it is the duty of the Board of Directors of Northern Colorado Water Conservancy District, as provided by law, in each year to determine the amount of money necessary to be raised by ad valorem taxation, taking into consideration other sources of revenue of Northern Water, and to fix a rate of levy, which when levied upon every dollar of assessed valuation will raise the amount required for Northern Water to supply funds for paying the costs of all construction obligations; for providing the services required to conserve, allocate, and control the water supplies of Northern Water; for paying the expenses of administration, engineering, operation, maintenance, repair, and replacement of the works, facilities, and properties of Northern Water; and for paying the expenses of such other business functions and activities as found by said Board to be necessary and convenient; and

WHEREAS, the Repayment Contract between Northern Water and the United States, Contract No. 9-07-70-W0020, was submitted to and approved by vote of the qualified electors of Northern Water, which contract states in part "...Northern Water shall levy not less than one mill tax on property within Northern Water as authorized by the Water Conservancy Act of Colorado..." in order to operate and maintain Northern Water functions and facilities; and

WHEREAS, C.R.S. § 37-45-122 limits the rate of levy to one mill on the dollar of assessed valuation of property within Northern Water after delivery of water from the works of Northern Water and Northern Water is not increasing the levy above one mill, which levy was in existence for years prior to November 4, 1992; and

WHEREAS, C.R.S. § 29-1-301 as amended, does not apply to a conservancy district if the property tax revenue increase results from a contractual obligation which has been approved by a majority of the qualified electors of the taxing authority; and

WHEREAS, the Board of Directors found and determined that water has been delivered; is being delivered; and will continue to be delivered from the works of Northern Water;

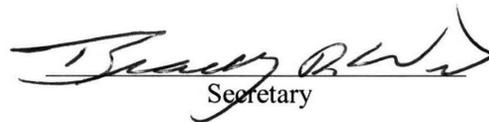
NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Northern Water does now estimate the amount of money to be raised by ad valorem taxation for the year of 2023, to be collected in the calendar year of 2024, is approximately \$35,593,689; and said Board of Directors does hereby fix the rate of levy of one mill to be levied upon every dollar of assessed valuation of property, both real and personal, within Northern Colorado Water Conservancy District for the year 2023; and

BE IT FURTHER RESOLVED, that the Board of Directors of Northern Water does now certify to the Board of County Commissioners of Boulder, Larimer, Weld, Morgan, Washington, Logan, and Sedgwick Counties, and the City Council of the City and County of Broomfield, in the State of Colorado, said rate of one mill, so fixed for said purposes of Northern Water to be levied upon every dollar of assessed value on all property within Northern Water in said counties and city and county as aforesaid, and does now direct that at the time and in the manner required by law for levying of taxes for county and city and county purposes, said Boards of County Commissioners and City Council shall levy said tax of one mill upon each dollar of assessed valuation of all property, real or personal, within Northern Water, in their respective counties and city and county, in addition to such other taxes as may be levied by such Boards of County Commissioners and City Council; and

BE IT FURTHER RESOLVED, that all officers having authority to levy and collect such taxes within each said county and city and county, levy and collect such taxes in the form and manner as county and city and county taxes are collected and when collected to pay same to Northern Colorado Water Conservancy District, all as provided by the Water Conservancy Act of Colorado, C.R.S. §§ 37-45-101 et seq.

CERTIFICATE

I, Bradley D. Wind, do hereby certify that the above is a true and correct copy of a Resolution unanimously adopted by the Board of Directors of Northern Colorado Water Conservancy District at a Planning & Action Session meeting of said Board held in Berthoud, Colorado, on August 3, 2023.


Secretary

COLLECTION OF CLASS D SPECIAL ASSESSMENTS

NORTHERN COLORADO WATER CONSERVANCY DISTRICT

RESOLUTION D-1394-08-23

COLLECTION OF CLASS D SPECIAL ASSESSMENTS

WHEREAS, the Board of Directors of Northern Colorado Water Conservancy District has heretofore made Class “D” allotments of water, as provided by law, and such allotments are attached to certain lands within Northern Water; and

WHEREAS, the Northern Water Board has caused to be recorded in the counties in which said lands are located, the petitions of the owners of the land and the attached Orders of the Board for the allotments so made; and

WHEREAS, to levy and collect special assessments upon those lands having Class “D” allotments, the Board of Directors of Northern Water is required, on or before the first day of October of each year, to certify to the County Assessors of the counties within Northern Water in which such lands are located, the amount of the annual installment to be collected on the tax roll as a flat special assessment against the lands for which such water was petitioned and allotted; and

WHEREAS, the Board has certified to the County Assessors in each of the counties in which such allotments have been made, a list of the lands and the amount of such annual installments in dollars to be collected against said lands; and

WHEREAS, the Northern Water Board has computed the aggregate total of such installments to be collected in each of the counties and such totals shall approximate but not exceed the following:

BOULDER	\$ 98,000.00
LARIMER	\$165,000.00
MORGAN	\$ 15,000.00
WELD	\$465,000.00

NOW, THEREFORE, BE IT RESOLVED, that under the provisions of the Water Conservancy Act, C.R.S. §§ 37-45-101 et seq. all officers or bodies having authority to levy and collect special assessments within their jurisdiction shall so levy in the year 2023 and collect such special assessments in the year 2024 as are herein provided, in the time, form, and manner and with like interest and penalties as special assessments are collected, and when collected, shall pay the same to Northern Colorado Water Conservancy District.

CERTIFICATE

I, Bradley D. Wind, do hereby certify that the above is a true and correct copy of a Resolution unanimously adopted by the Board of Directors of Northern Colorado Water Conservancy District at a Planning Session of said Board held in Berthoud, Colorado, on August 3, 2023.


Secretary

COLLECTION OF ALL SOURCES OF REVENUE

NORTHERN COLORADO WATER CONSERVANCY DISTRICT

RESOLUTION D-1395-08-23

COLLECTION OF ALL SOURCES OF REVENUE

WHEREAS, it is the duty of the Board of Directors of Northern Colorado Water Conservancy District, as provided by law and in compliance with the District - United States Contract No. 9-07-70-W0020, formerly Contract 11r-1051, and supplements thereof, to provide such revenues, in addition to those arising from taxation and special assessments, as will fulfill the purposes and obligations of said District; and

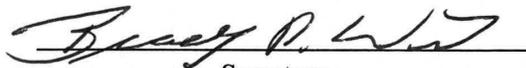
WHEREAS, said Board has fixed the rate of tax levy for the calendar year 2023 collectable in 2024 in the estimated amount of \$35,593,689 and has levied the Class "D" special assessments for 2023, also collectable in 2024 in the estimated sum of \$743,000; and

WHEREAS, said Board has adopted its budget for all funds and appropriated the aggregate sum of \$151,861,920 for the Fiscal Year 2024.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager and Treasurer of said District are hereby authorized and directed to collect from all outstanding contracts for District water supplies or services and, further, to collect from all other revenue sources legally available to this Board, a sum which, with revenues from taxation and Class "D" special assessments, will provide the aggregate revenues required to meet the sum appropriated for all District purposes in 2024.

CERTIFICATE

I, Bradley D. Wind, do hereby certify that the above is a true and correct copy of a Resolution adopted by the Board of Directors of Northern Colorado Water Conservancy District at a Planning Session meeting of said Board held in Berthoud, Colorado, on August 3, 2023.


Secretary

APPROPRIATION

NORTHERN COLORADO WATER CONSERVANCY DISTRICT

RESOLUTION

D-1396-08-23

APPROPRIATION RESOLUTION

WHEREAS, the Board of Directors of Northern Colorado Water Conservancy District appointed; Bradley D. Wind, Secretary and General Manager; Gerald A. Gibbens, Treasurer and Operations Division Director; Sander Blackburn, Finance and Administrative Services Division Director; Myles Baker, Senior Financial Analyst; and Kristyn Unrein, Financial Services Department Manager; of said District to prepare a Budget for Fiscal Year 2024; and they have submitted the same to said Board and caused to be published the requisite Notice of Hearing;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Northern Colorado Water Conservancy District hereby approves and adopts the Budget of the Northern Colorado Water Conservancy District Fund as submitted by the duly appointed Budget Officers and appropriates the aggregate sum of \$110,631,582 for Fiscal Year 2024, for the purpose of paying the costs of all contractual obligations; meeting the expenses required to conserve, allocate, and control the water supplies of the District including the expense of construction, administration, and engineering; costs associated with the design and construction of new office, maintenance and site facilities using proceeds from the issuance of debt through Certificates of Participation; and the expenses for the transaction of all such other business functions and activities as found by said Board to be necessary and convenient; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Northern Colorado Water Conservancy District hereby approves and adopts the Budget as submitted by the duly appointed Budget Officers and appropriates the aggregate sum of \$4,663,124 for the purpose of paying the Fiscal Year 2024 construction, operation and maintenance expenses of the Southern Water Pipeline Project; and the expenses for the transaction of all such other business functions and activities as found by said Board to be necessary and convenient for the Northern Colorado Water Conservancy District - Southern Water Supply Project Water Activity Enterprise; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Northern Colorado Water Conservancy District hereby approves and adopts the Budget as submitted by the duly appointed Budget Officers and appropriates the aggregate sum of \$240,797 for the purpose of paying the Fiscal Year 2024 operation and maintenance expenses of the Pleasant Valley Pipeline Project; and the expenses for the transaction of all such other business functions and activities as found by said Board to be necessary and convenient for the Northern Colorado Water Conservancy District - Pleasant Valley Pipeline Project Water Activity Enterprise; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Northern Colorado Water Conservancy District hereby approves and adopts the Budget as submitted by the duly appointed Budget Officers and appropriates the aggregate sum of \$35,000,000.00 for the purpose of paying the Fiscal Year 2024 capitalized expenses of the Northern Integrated Supply Project; and the expenses for the transaction of all such other business functions and activities as found

by said Board to be necessary and convenient for the Northern Colorado Water Conservancy District - Northern Integrated Supply Project Water Activity Enterprise; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Northern Colorado Water Conservancy District hereby approves and adopts the Budget as submitted by the duly appointed Budget Officers and appropriates the aggregate sum of \$1,326,417 for the purpose of paying the Fiscal Year 2024 operation and maintenance expenses of the Hydropower Project; and the expenses for the transaction of all such other business functions and activities as found by said board to be necessary and convenient for the Northern Colorado Water Conservancy District – Hydropower Water Activity Enterprise.

BE IT FURTHER RESOLVED, that the funds required for the sums so appropriated shall be provided in the manner and by the means set forth in those certain Resolutions of even date in which the Board of Directors of said District exercises the authority given by C.R.S. §§ 37-45-101 et seq. for the levying of taxes and special assessments and for providing other revenues to the District; and

BE IT FURTHER RESOLVED, that the funds required to be appropriated shall be provided in the manner and by the means adopted by the Board of Directors of Northern Colorado Water Conservancy District; and

BE IT FURTHER RESOLVED, that pursuant to Article X Section 20(2) of the Colorado State Constitution, any revenues within the allowable revenue and spending limit which will not be spent during Fiscal Year 2023 shall be set aside and classified as reserve increases, and that pursuant to Article X Section 20(5) of the Colorado State Constitution, the reserve funds of said District for use in declared emergencies equals or exceeds 3% of the allowable revenue and spending limit for Fiscal Year 2024.

CERTIFICATE

I, Bradley D. Wind, do hereby certify that the above is a true and correct copy of a Resolution adopted by the Board of Directors of Northern Colorado Water Conservancy District at a Planning Session meeting of said Board held in Berthoud, Colorado, on August 3, 2023.


Secretary

