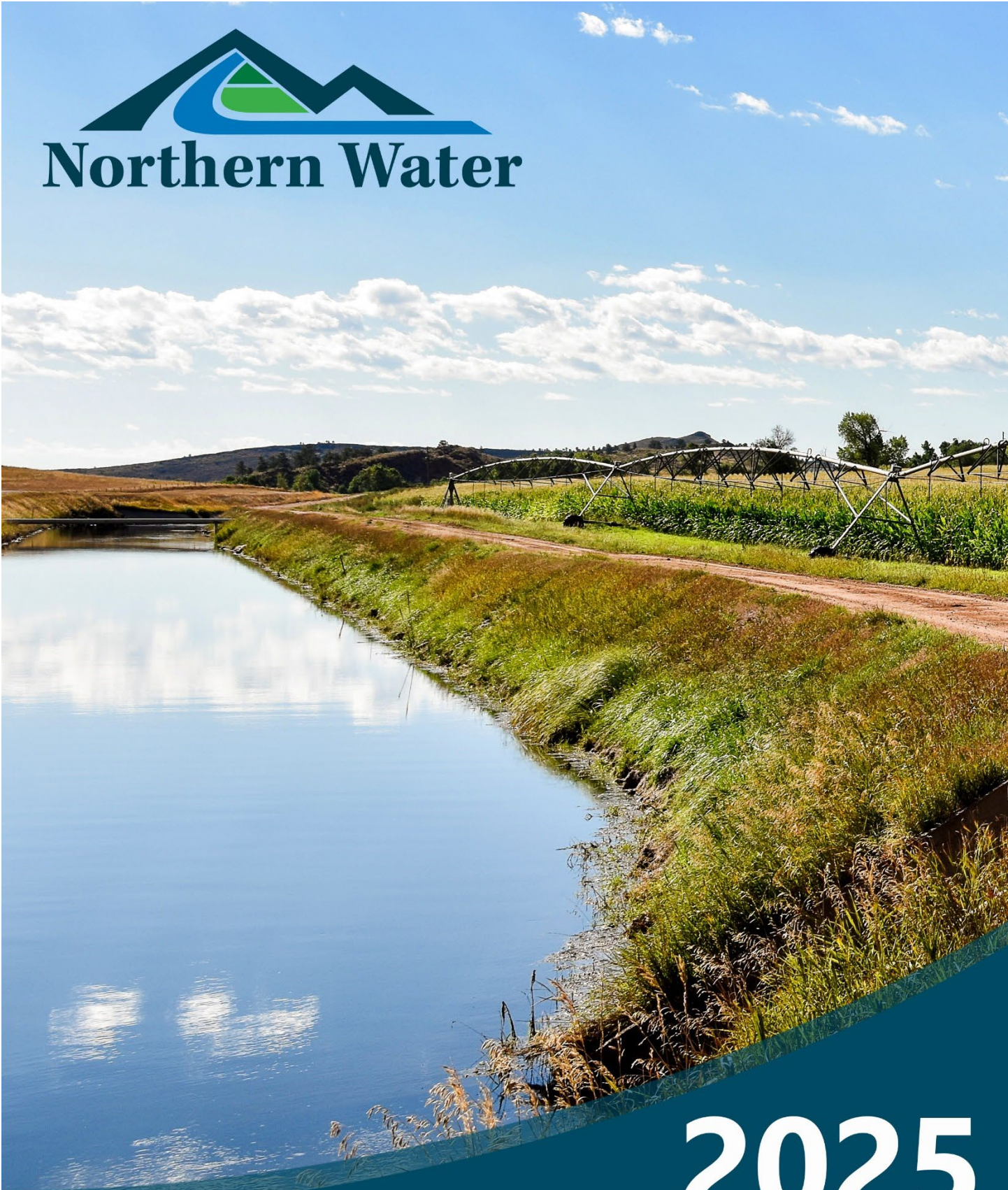




Northern Water



2025 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
Board Committees	19
Organizational Chart	20
Our Business Plan	21
Our Mission.....	21
Our Vision.....	21
Our Priorities	21
Our Values and Principles	21
Budget Process	22
Budget Schedule.....	22
Amending the Budget.....	22
Human Capital	23
Staffing	23
Schedule of Employees by Division	23
Labor Expenditures	24
Grade and Step	25
Employee Turnover.....	25
Fiscal Policies	26
Balanced Budget.....	26
Reserve Fund Policies	26
Charges for Services.....	26
C-BT Project Operations Costs.....	26
Property and Specific Ownership Taxes	27
Intergovernmental Grants.....	27
Risk Management.....	27
Investments.....	27
Capital Policy.....	27

Basis of Accounting	27
Capital Contributions	27
Fund Structure and Budget Appropriations – All Funds	28
Organizational Metrics	29
Priority: Protect and Conserve Water Supplies	30
Environmental Services Outreach and Education	30
Environmental Services Impressions	30
Fund Landscape Conversion Projects to Low-Water Alternatives	30
Priority: Maintain and Strengthen Relationships	31
Social Media - Northern Water District	31
Social Media - Northern Integrated Supply Project	32
Priority: Cultivate Operational and Organizational Excellence	33
District Enterprise Fund	34
Fund Overview	35
Budget Summary	35
Revenues	38
Sources of Funds	38
Property and Specific Ownership Taxes	39
Water Assessments	40
Other Operating Revenue	42
Initiatives and Studies	44
Other Non-operating Revenue	44
Certificates of Participation	45
Expenses	45
Fleet Expenses	46
Facilities Expenses	47
C-BT Operation and Maintenance Expenses	48
Operations Division Programs	49
Division: Operations – Collection Systems	49
Division: Operations – Distribution Systems	50
Division: Operations – Control Center	52
Division: Operations – Facilities and Equipment	53
Program Expenses	55
General Manager Programs	56
Division: General Manager – Senior Management Program	57
Division: General Manager – Human Resources Program	59
Division: General Manager – Security and Emergency Management Program	61
Finance and Administration Division Programs	62
Division: Finance and Administration – Administrative Services Program	63
Division: Finance and Administration – Communications Program	64
Division: Finance and Administration – Contracts Program	66
Division: Finance and Administration – Financial Services Program	68
Division: Finance and Administration – Information Technology Services Program	70
Division: Finance and Administration – Records Program	72
Division: Finance and Administration – Water Scheduling Program	73
Engineering Division Programs	75
Division: Engineering – Project Management Program	76
Division: Engineering – Real Estate Services Program	77
Division: Engineering – Water Resources Program	79
Division: Engineering – Water Rights Program	81
Environmental Services Division Programs	82
Division: Environmental Services – Environmental Data Management Program	83

Division: Environmental Services – Environmental Planning	84
Division: Environmental Services – Field Services Program	86
Division: Environmental Services – Water Quality Program	87
Division: Environmental Services – Water Efficiency Program	89
Operations Division Programs	91
Division: Operations – Instrumentation Controls and Electrical Engineering Program	92
Division: Operations – Safety Program	94
Capital Projects	95
Capital Process	95
Priorities	96
Strategies	96
Capital Projects, Initiatives and Studies Details	97
Capital Asset Purchases	103
Capital Outyears.....	104
Debt Service.....	105
Net Pension Liability.....	105
Southern Water Supply Project Water Activity Enterprise Fund.....	106
Fund Overview.....	107
Budget Summary.....	108
Revenues.....	109
Expenses.....	110
Pipelines and Pump Plants Map.....	111
Capital Outlay	112
Pleasant Valley Pipeline Water Activity Enterprise	113
Fund Overview.....	114
Budget Summary.....	114
Revenues.....	115
Expenses.....	116
Pipeline Map.....	117
Northern Integrated Supply Project Water Activity Enterprise Fund	118
Fund Overview.....	119
Budget Summary.....	120
Contributions	121
Project Map.....	121
Capital Outlay	121
Hydropower Water Activity Enterprise Fund	122
Fund Overview.....	123
Budget Summary.....	124
Revenues.....	125
Expenses.....	127
Debt Service.....	129
Acronyms	130
Glossary	132
Ad Valorem Mill Levy	138
Collection of Class D Special Assessments	140
Collection of All Sources of Revenue.....	141
Appropriation	142

GENERAL MANAGER TRANSMITTAL LETTER

To the President and Board of Directors,

We are pleased to present the fiscal year 2025 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 Northern Water, noting a stable outlook, which supported Northern Water's successful issuance of Certificates of Participation, Series 2022. Standard & Poor (S&P) Global issued an AA+ rating. Since that time, Northern Water has been the required Municipal Securities Rate Board (MSRB) reporting requirements, has received unqualified audit opinions, and holds no matter of going concern.

The budget utilizes available resources to maintain and improve our aging infrastructure. This budget is designed to fulfill the organization's vision: "Northern Water will be a leader in ensuring a secure water future for Northern Colorado."

Northern Water addresses several key issues and priorities in the 2025 budget. This budget continues to place an emphasis on additional resources needed to manage new capital projects and programs effectively. Programs to protect and conserve water supplies are part of planned activities along with the continuation of permit work on water supply projects. Maintaining one of the core priorities "collect and deliver water" is also included.

Fiscal Year 2025 Budget Summary and Highlights by Fund

District Enterprise Fund

Total Sources of Funds are estimated to be \$83.3 million, or approximately 12.0 percent lower than the fiscal year 2024 budget. Key components included with the fiscal year 2025 budgeted sources are:

- Property and Specific Ownership Tax revenues totaling approximately \$39.4 million.
 - \$2.1 million increase (or approximately 6.0 percent) due to increased property tax revenues and reappraisals of property which occurred in 2023.
- Water assessments totaling \$13.9 million, in accordance with the Board of Director's 2025 Forward Guidance Resolution.
- Charges for Services totaling \$6.7 million reflects an increase of \$196,953 (or 3.0 percent) due to increased labor charges from Northern Water enterprises.
- Estimated indirect cost recovery of \$2.5 million from Northern Water and Municipal Sub-District Enterprises.
- Other operating revenues from the Municipal Subdistrict's Windy Gap Project Enterprise totaling \$2.7 million.
- Other revenues reflecting increases are from anticipated Rule 11 revenues and investment earnings.
- Other revenues reflecting decreases are due to anticipated fire recovery and intergovernmental grant revenues by \$15.3 million and \$1.2M, respectively.

Total Uses of Funds are estimated to be \$83.3 million, or approximately 25.0 percent lower than fiscal year 2024. Key components included within fiscal year 2025 budgeted uses are:

- Operating expenses of \$50.6 million reflect an increase of \$5.8 million (or approximately 13.0 percent) compared to fiscal year 2024.
- Staffing to increase by 10 full-time positions.
- Capital investments of \$10.3 million, approximately 67 percent lower than fiscal year 2024, due to \$18.9M in decreased costs following the completion of the campus expansion projects.
- Other non-capital initiatives:
 - East Troublesome Fire Recovery, \$7.0 million, a decrease of approximately \$16.5M from fiscal year 2024 (\$6.8 million expected from grant reimbursements)
 - Airborne Snow Observatory Flights, \$278,605, (\$208,904 expected from grant reimbursements)
 - Other initiatives - \$925,000 (set forth by the Board of Directors)

- Debt service totaling approximately \$5.6 million, in line with fiscal year 2024, as no new debt instruments were issued in 2024.
- Reserve contribution of \$2.5 million, reflecting 5.0 percent of budgeted operating expenses.
- Additional reserve contribution of approximately \$5.2 million (set forth by the Board of Directors).

Southern Water Supply Project Water Activity Enterprise Fund

Total Sources of Funds are estimated to be \$4.3 million, \$46,986 lower than fiscal year 2024, from participant assessments and investment earnings.

Total Uses of Funds are estimated to be \$4.2 million, \$439,406 lower than fiscal year 2024.

- Approximately \$2.2 million for operating expenses
- \$414,970 for indirect costs
- Capital projects of \$1.5 million, \$394,446 higher than fiscal year 2024 (one of the two projects will be fully funded by those respective participants)

Pleasant Valley Pipeline Project Water Activity Enterprise Fund

Total Sources of Funds are estimated to be \$146,352, approximately \$100 thousand lower than fiscal year 2024, from participant assessments and investment earnings. There are no capital projects planned for the Pleasant Valley Pipeline Water Activity Enterprise Fund in fiscal year 2025.

Total Uses of Funds are estimated to be \$140,352, \$5,000 lower than fiscal year 2024.

- \$90,214 for operating expenses
- \$30,138 for indirect costs

Northern Integrated Supply Project Water Activity Enterprise Fund

Total Sources of Funds are estimated to be \$45.7 million, \$10.6 million higher than fiscal year 2024, with \$40.0 million expected in proceeds from participant contributions.

Total Uses of Funds of \$45.0 million (approximately 28.6% increase from fiscal year 2024) for capital project costs such as land purchases, legal fees, and pipeline easements for the Colorado Highway 287 relocation and Glade Reservoir projects.

Northern Water Hydropower Water Activity Enterprise Fund

Total Sources of Funds are estimated to be approximately \$1.5 million, \$70,813 higher than the fiscal year 2024 budget.

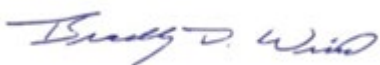
- \$1.3 million from energy revenue
- \$190,000 from investment earnings

Total Uses of Funds are estimated to be approximately \$1.2 million, \$79,901 lower than in fiscal year 2024.

- \$482,000 for operating expenses
- \$60,679 for indirect costs
- \$14,800 for capital projects
- \$639,037 for debt service

We believe the budget for Northern Water’s eighty-eighth 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

For the Fiscal Year Beginning

October 01, 2023

Christopher P. Morill

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 2023, agricultural and municipal/industrial deliveries were 70,510 and 92,857 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 88.0 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.



Celebration of the Adams Tunnel holing through near the East Portal in June 1940.

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.



The first water come into Carter Lake in February 1954.



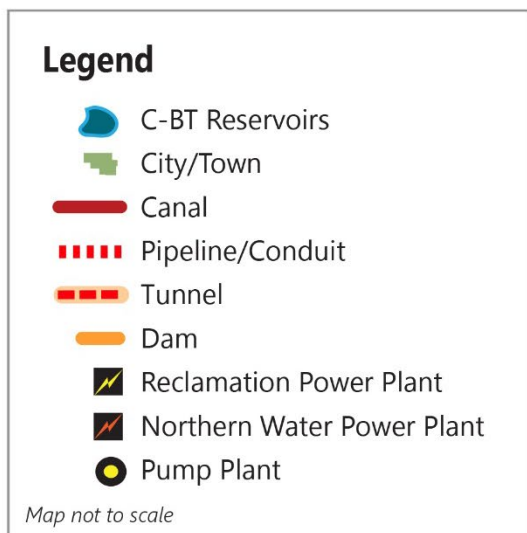
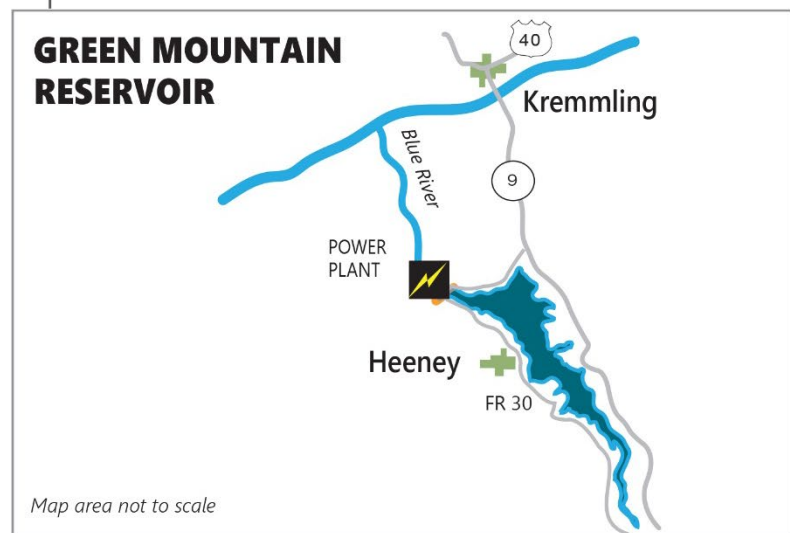
Crews construct the inlet structure on the Granby Pump Plant, later renamed Farr Pump Plant, in September 1948.

Construction of the Colorado-Big Thompson Project

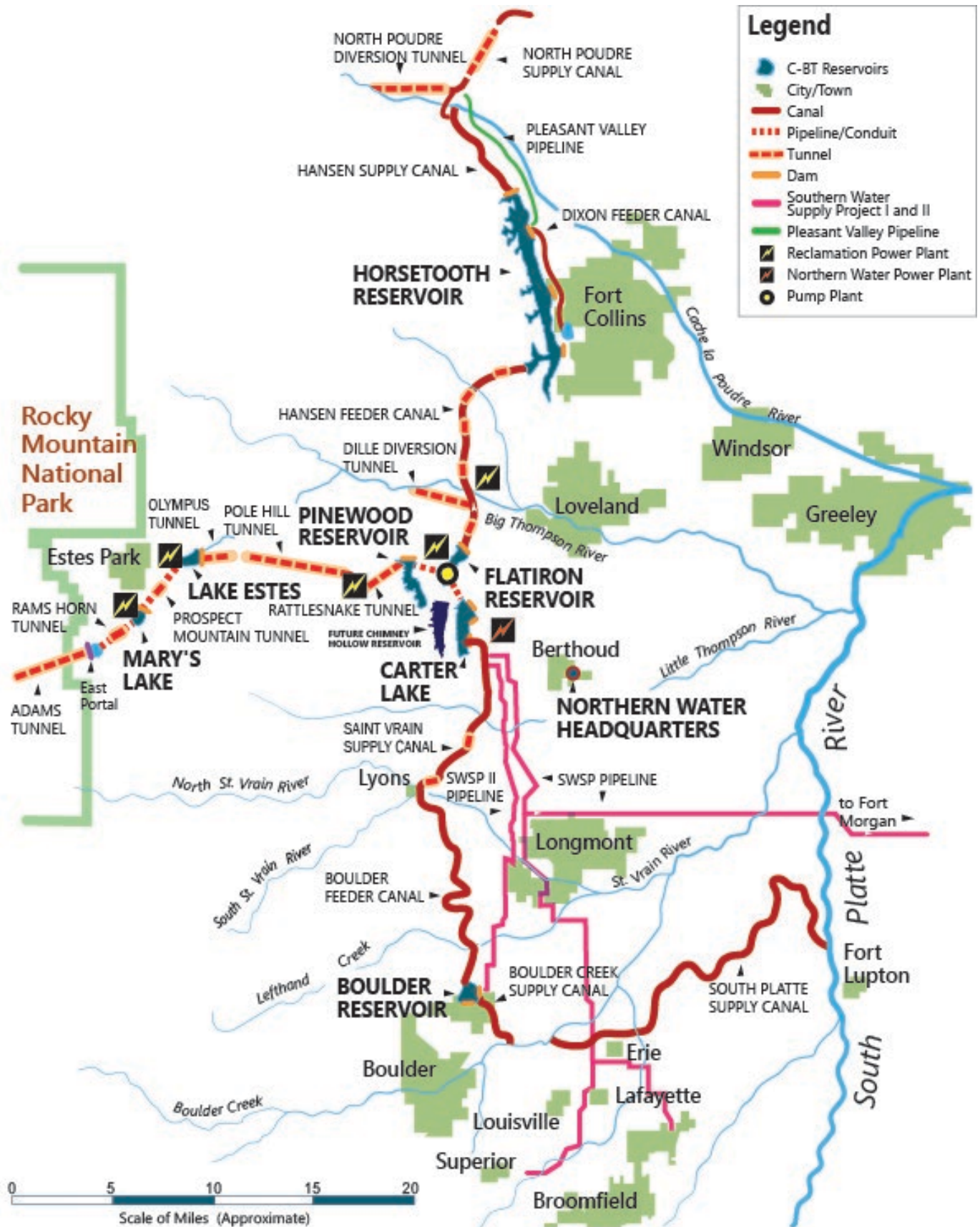
Reclamation oversaw construction on the more than 100 features of the C-BT Project. Work began in 1938 and took nearly 20 years to complete. Crews began work in 1938 on Green Mountain Reservoir, which would store water that could compensate the West Slope for the water that would be diverted to the East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



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.

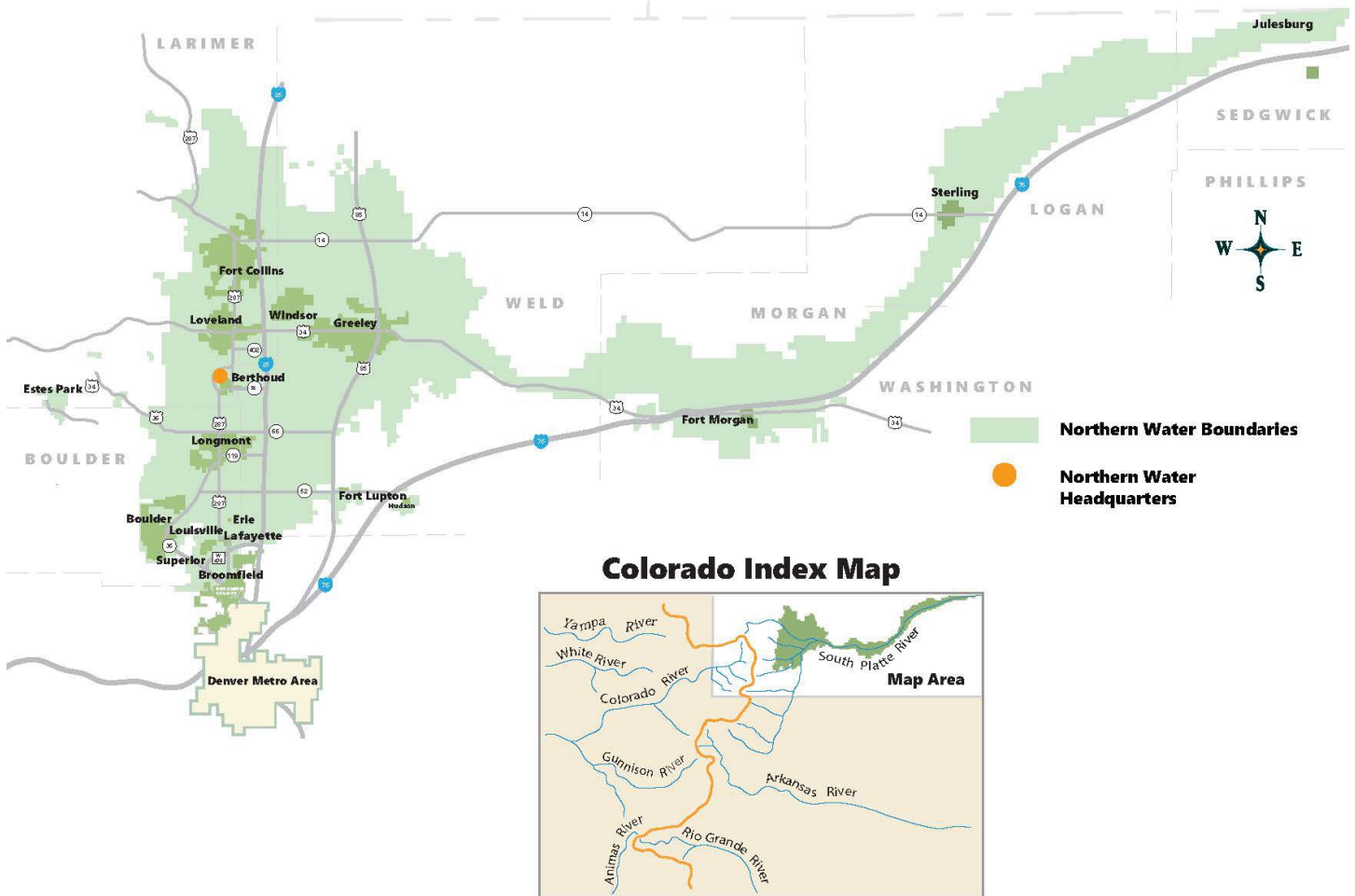
Northern Integrated Supply Project

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 Galetton, 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	UCHealth: Poudre Valley Hospital	9,620
2	Colorado State University	7,554
3	Poudre School District	4,176
4	Thompson School District R2-J	2,476
5	City of Fort Collins	2,400
6	Larimer County	2,050
7	YMCA of the Rockies	1,470
8	Woodward, Inc.	1,420
9	Orthopedic & Spine Center of the Rockies	1,180
10	Avago Technologies US Inc.	1,130
	Sum of largest employers	33,476
	Full labor force December 2023	200,963

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	UCHealth	1,060
9	State Farm Insurance	950
10	AIMS	934
	Sum of largest employers	21,928
	Full labor force December 2023	168,716

Rank	Boulder County Employer *	Employment
1	Ball Aerospace & Technologies Corp.	5,200
2	Boulder Community Health	2,300
3	Google	1,500
4	Good Samaritan Medical Center	1,200
5	University Corps for Atmos Research	1,200
6	Longmont Community Hospital	1,000
7	Seagate Technology	900
8	Tyco Healthcare Group LP	700
9	Avista Adventist Hospital	600
10	IBM	600
	Sum of largest employers	15,200
	Full labor force December 2023	204,165

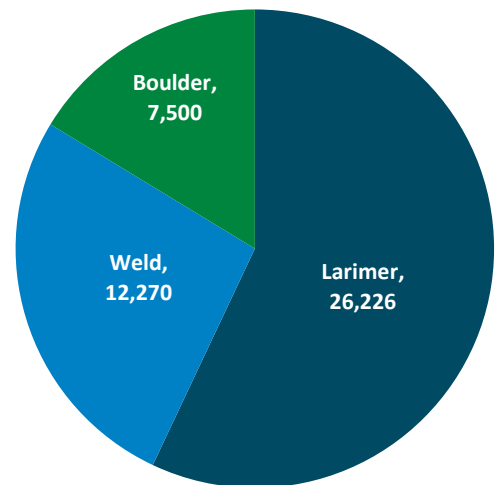
Rank	Broomfield City and County Employer	Employment
1	Oracle America	1,650
2	Intermountain (formerly SCL) Health Care	1,550
3	BAE Systems (formerly Ball Aerospace)	1,100
4	Hunter Douglas Window Fashions	950
5	City and County of Broomfield	900
6	Vail Resorts	750
7	Danone Wave Foods	600
8	Crocs	600
9	Broadcom, Inc.	500
10	VMware	400
	Sum of largest employers	9,000
	Full labor force December 2023	43,350

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	UCHealth: Poudre Valley Hospital	Larimer	9,620
2	Colorado State University	Larimer	7,554
3	JBS Swift Beef Company	Weld	6,000
4	Ball Aerospace & Technologies Corp	Larimer	5,200
5	Poudre School District	Larimer	4,176
6	Banner Health: Northern Colorado Medical Center	Weld	3,560
7	Vestas	Weld	2,710
8	Thompson School District R2-J	Larimer	2,476
9	City of Fort Collins	Larimer	2,400
10	Boulder Community Health	Boulder	2,300
	Sum of largest employers		45,996



LARGEST COUNTIES IN SERVICE AREA



Larimer County

Established	1861
Estimated Populations for 2023	370,771
Unemployment Rate for 2023	2.8%
Per Capita Income for 2023	\$67,849
Land Area (square miles)	2,640
Most Populous County in Colorado	7 th



Boulder County

Established	1861
Estimated Populations for 2022	326,663
Unemployment Rate for 2022	2.9%
Per Capita Income for 2022	\$98,553
Land Area (square miles)	742
Most Populous County in Colorado	9 th



Weld County

Established	1861
Estimated Populations for 2023	345,152
Unemployment Rate for 2023	3.0%
Per Capita Income for 2023	\$56,553
Land Area (square miles)	3,987
Most Populous County in Colorado	8 th



Broomfield County

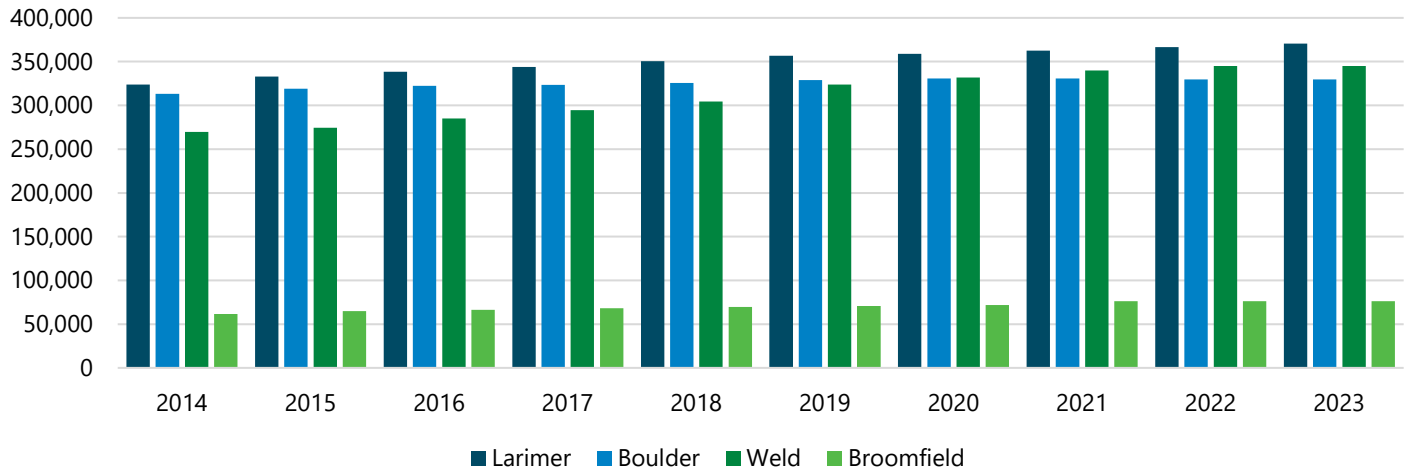
Established	1998
Estimated Populations for 2023	76,121
Unemployment Rate for 2023	2.6%
Per Capita Income for 2023	\$73,678
Land Area (square miles)	33.6
Most Populous County in Colorado	12 th

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 2023 is approximately 1,054,000.

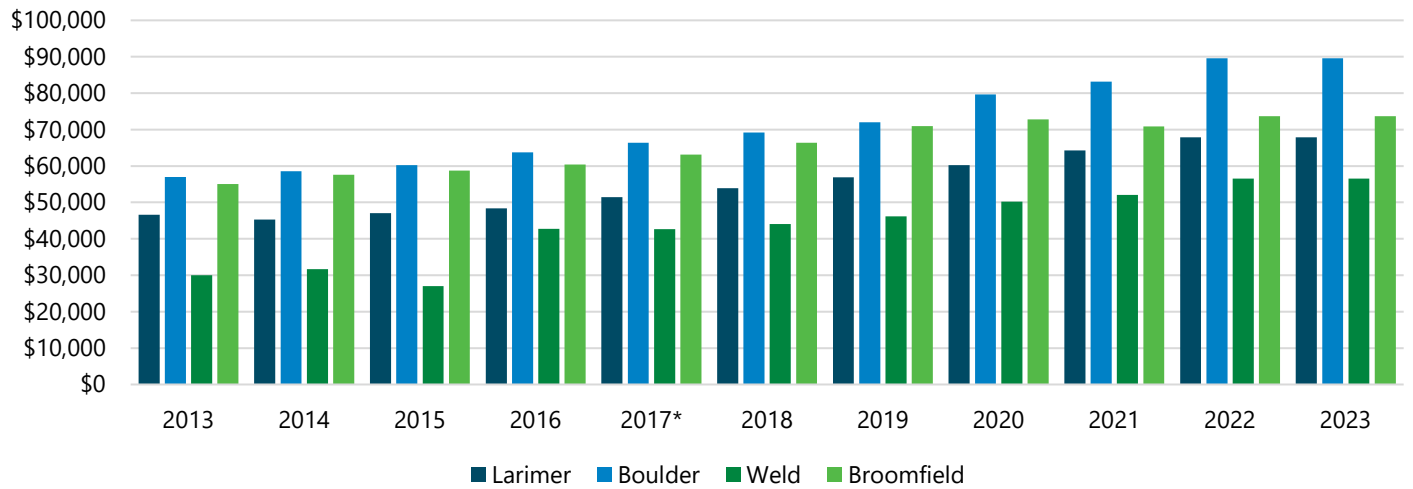
- Since 2020, Broomfield County’s population has grown 9.0 percent.
- Larimer County is the largest county within Northern Water’s boundary, with a population of 370,771.
- Since 2024, the four largest counties have grown by 147,457.
- Larimer County has the lowest unemployment at 2.8 percent.
- Boulder County has the highest per capita income at \$98,553.

Sources: 2023 County ACFRs

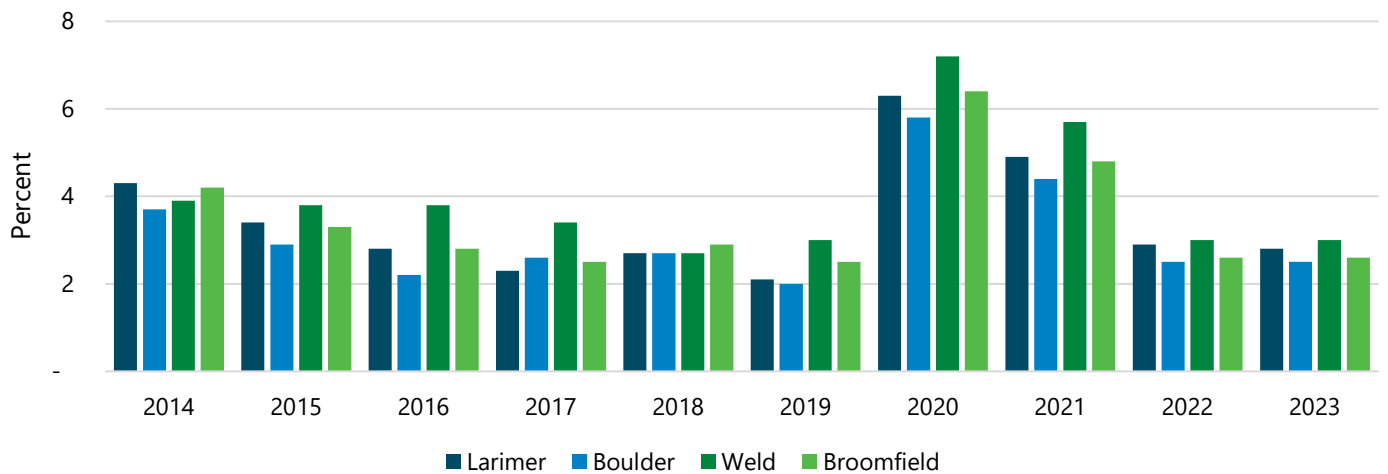
Population Trend By County



Per Capita Income by County



Unemployment Trend by County



Sources: 2023 County ACFRs

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, 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. Northern Water officers are elected by the Board at its annual organizational meeting each October. The Board holds its public meetings twice a month.

Current Board of Directors



Dennis Yanchunas
President
Boulder County
Aug. 20, 2010 – Sept. 28, 2028
* ▶ ◆



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



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



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



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



Dave Stewart
Larimer County
Sept. 28, 2023 – Sept. 28, 2027
* ◆ ✓



Dick Wolfe
Broomfield County
April 7, 2022 – Sept. 28, 2025
* ▶ ◆ ✓



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



Jennifer Gimbel
Larimer County
July 15, 2019 – Sept. 28, 2028
* ▶ ✓



Don Magnuson
Weld County
Sept. 28, 2004- Sept. 28, 2028
✓



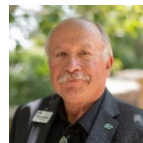
Rob McClary
Sedgwick County
Sept. 28, 2011 – Sept. 28, 2027
* ▶ ◆ ✓



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



Todd Williams
Boulder County
Sept. 28, 2017 – Sept. 28, 2025
* ▶ ◆ ✓



Mike Applegate
Director Emeritus
Mr. Applegate was appointed Director Emeritus in January 2024, after serving 35 years on the Board from 1991 to 2023.

Northern Water District Officers:

Secretary Brad Wind, General Manager
Treasurer Gerald Gibbens, Director of Operations

The General Manager is appointed by and serves at the pleasure of the Board.

Committees:

- Audit *
- Benefits and Human Resources ▶
- Business and Finance ◆
- Legal and Legislative ✓

BOARD COMMITTEES



Northern Water has four standing committees tasked with the detailed study of specialized topics: the Audit Committee, the Benefits and Human Resources Committee, the Business and Finance Committee and the Legal and Legislative Committee. The chair of each committee reports on the committee's activities and, depending on the subject matter, may present committee recommendations for Board action to the Board of Directors. The committees are duplicative between Northern Water and the Municipal Subdistrict. As a note, prior to October 2024, the Benefits and Human Resources Committee and the Business and Finance Committee were combined.

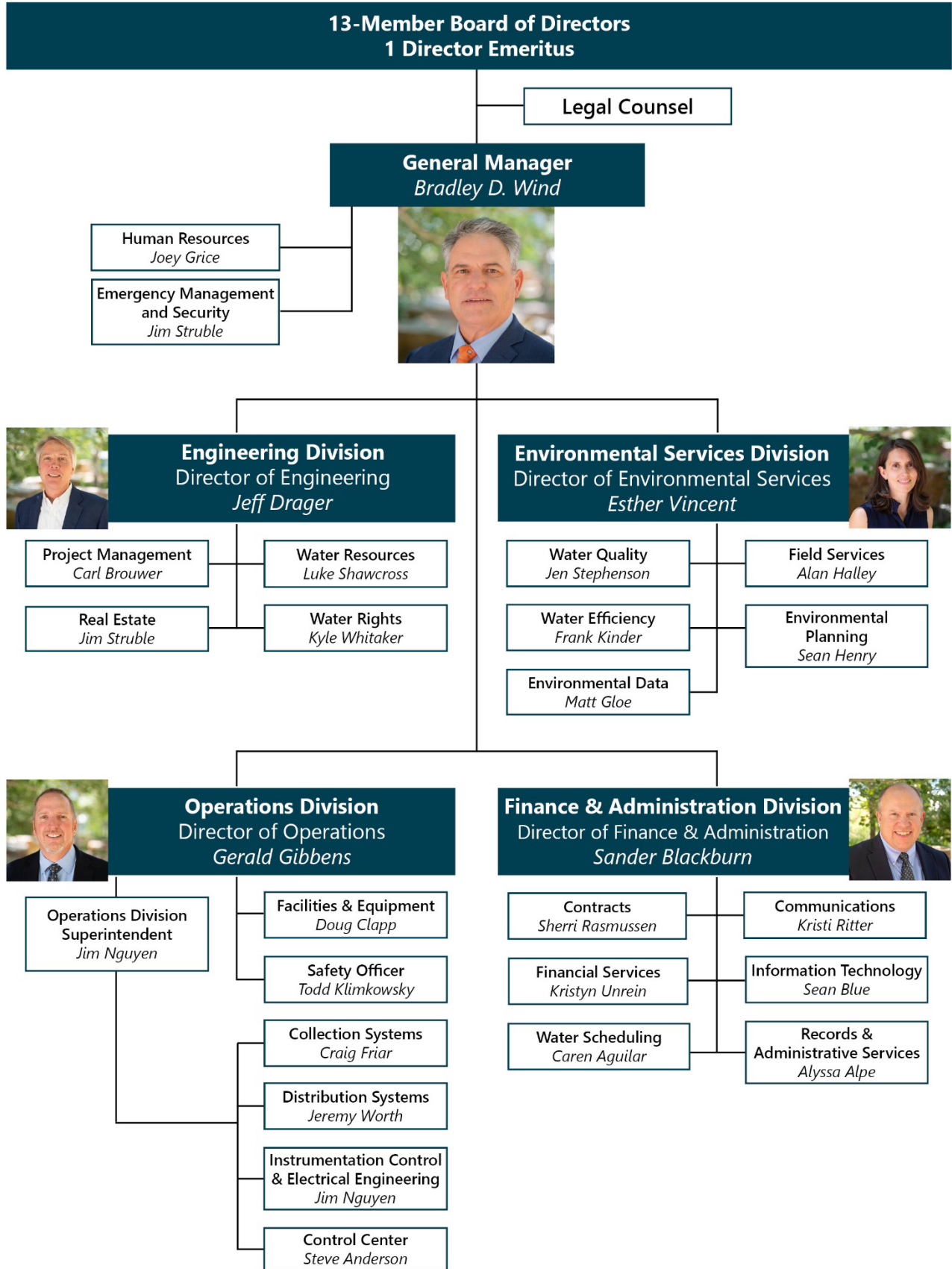
The Audit Committee meets semi-annually, or more often as necessary, to initiate and then conclude each year's annual financial audit process. The committee receives the auditor's findings and recommendations for changes to policy and procedures. The committee works closely with the independent auditors to ensure that the Board can faithfully carry out its fiduciary obligations to the Northern Water.

The Benefits and Human Resources Committee meets on a regular basis to review employee benefit policies, investment and Pension Plan fund performance.

The Business and Finance Committee meets on a regular basis with Northern Water financial, actuarial and benefit advisors to review financial policies and to discuss any other financial matters.

The Legal and Legislative Committee meets at least quarterly to receive updates on federal, state and local legislation of interest to Northern Water and its constituents. The committee works closely with its legislative consultant to recommend positions on proposed legislation and to provide input to authors of new legislation. The committee also receives briefings on specialized legal topics.

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 9, 2024, appointed Bradley Wind, Gerald Gibbens, Sander Blackburn, Kristyn Persichitte-Unrein, Myles Baker and Shawn Cyr as budget officers and directed them to prepare and submit the requisite budgets of Northern Water for fiscal year 2025. 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 27, 2024.

The 2025 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 188.

Summary of positions planned for:

Filled and funded	188
Vacant and funded	12
Total positions	200

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

Operations Division

Control System Engineer
Plant Electrician I
Custodian

Engineering Division

Construction Manager
Locate Specialist

Finance & Administration Division

Administrative Support Specialist
Accounting Supervisor
Records Coordinator - Projects

Environmental Services Division

Water Efficiency Planner
Electronics Instrumentation Technician

Schedule of Employees by Division

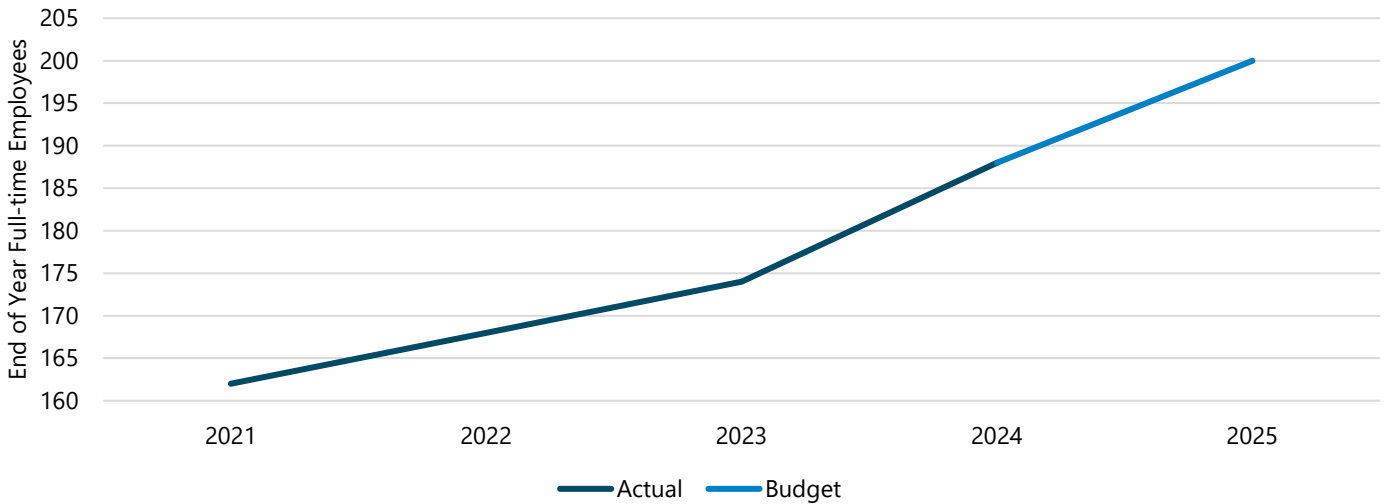
	Actual Full Time	Estimated Open Full Time	Estimated Total Full Time	Percent of Total	Part Time
2023					
Engineering	31	0	31	16.0%	0
Environmental	28	0	28	17.0%	0.5
Finance & Admin	52	5	57	33.0%	2
Operations	59	-1	58	34.0%	0
Total	170	4	174	100.0%	2.5
2024					
Engineering	31	-1	30	16.0%	1
Environmental	28	3	31	16.0%	0
Finance & Admin	57	5	62	33.0%	1
Operations	58	7	65	35.0%	0
Total	174	14	188	100.0%	2
2025					
Engineering	30	0	30	15.0%	0
Environmental	31	1	32	16.0%	1
Finance & Admin	62	5	67	34.0%	1
Operations	65	6	71	36.0%	2
Total	188	12	200	100.0%	4

Labor Expenditures

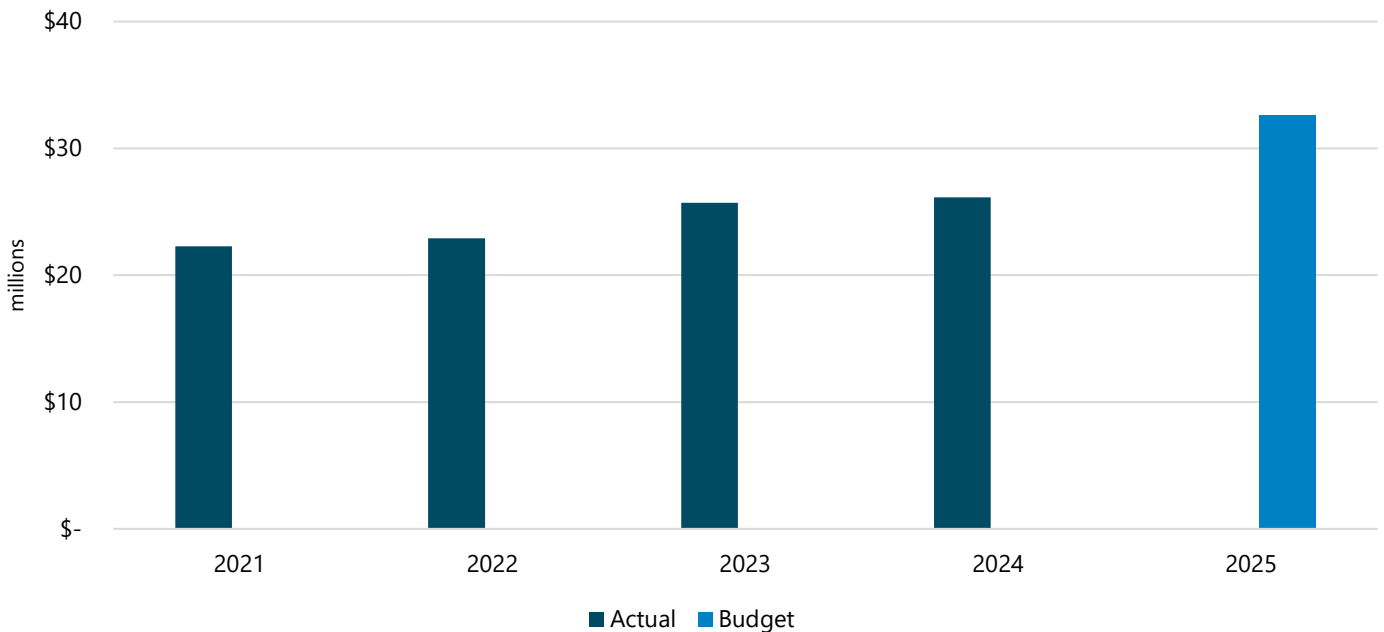
Labor expenditures are accounted for individually within the organizational divisions of Operations, Engineering, Environmental Services, and Finance and Administration, and further defined by key activities within each respective division. Labor costs including benefits and capitalized labor are budgeted at \$32,323,514 for fiscal year 2025 compared \$31,555,895 for fiscal year 2024. This is a 2.4 percent increase over fiscal year 2024. Total benefit costs are projected at 42.2 percent of labor and thus 2025 benefits are estimated at \$9,592,492 compared to \$9,364,689 for 2024.

The increase in staffing is related to filling open positions, new and expanded services, and support for two new major water projects. A 3.0 percent increase to Northern Water's salary pay structure is included in the fiscal year 2025 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 2025 budget encompasses labor costs for 200 full-time equivalent positions approved by the Board of Directors.

Full Time Employees



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	Step Increase Schedule	Percentage of Employees
Step 1	5%	6 months	1.6%
Step 2	5%	1 year	1.1%
Step 3	5%	1 year	4.4%
Step 4	5%	1 year	6.6%
Step 5	5%	2 years	21.3%
Step 6	5%	2 years	15.3%
Step 7	5%	3 years	20.2%
Step 8	5%	4 years	13.1%
Step 9	5%	5 years	8.7%
Step 10	5%	6 years	6.0%
Step 11	5%		1.6%

The fiscal year 2025 budget includes an additional \$171,476 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 service as of the end of each of the past calendar years.

	Sept. 30 2021	Sept. 30 2022	Sept. 30 2023	Sept. 30 2024	Sept. 30 2025
	162	168	174	188	200
Average years of active employment	9.7	8.9	7.8	7.9	
Turnover rate (number/percentage)	14/8.6%	17/10.2%	22/12.4%	9/4.8%	
Average years for discontinued employees	16.0	9.2	13.17	3.3	

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 Policies

The Board established the following unrestricted reserves and target funding levels within the District Fund 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.

District Fund Reserve	Purpose of Reserve	Target Funding for Reserve
Operating Reserve	Covers potential interruptions in Northern Water District Fund revenue streams; used to smooth and stabilize assessments	100 percent (12 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 1.0 percent and up to 2.0 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	50.0 percent of Northern Water District 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 5.0 percent of the annual District fund operating budget for that year to fund reserves unless financial conditions dictate otherwise.

The Southern Water Supply Project and Pleasant Valley Pipeline a reserve balance 1.5 times their average annual expenditures.

The Hydropower Water Activity Enterprise holds restricted reserves in accordance with the debt financing requirements of the Granby Hydropower Plant and the Robert V. Trout Hydropower Plant.

Charges for Services

The District Enterprise Fund provides certain administrative, engineering, environmental and operational services to the other Northern Water enterprise funds. Charges for these services are considered equal to their cost and, therefore, are reported as operating revenue from charges for services by the District Enterprise Fund and operating expenses by the enterprise funds receiving the services.

C-BT Project Operations Costs

Northern Water reimburses Reclamation 50 percent of the operations costs incurred by Reclamation on those multipurpose project features not maintained by Northern Water. Similarly, Reclamation reimburses Northern Water 50 percent of the operations costs incurred by Northern Water for multipurpose features up to agreed-upon limitations and

contingent on appropriations being made. In accordance with Northern Water's Repayment Contract with Reclamation, Northern Water makes estimated advance payments to Reclamation for its share of operations costs as described above. Reclamation reimbursements to Northern Water and Northern Water reimbursements to Reclamation are reflected as operating revenues from charges for services and operating expenses for operations, respectively.

Property and Specific Ownership Taxes

Northern Water collects a voter-approved 1 mill levy tax on real property located within Northern Water boundaries. This tax is levied by the respective eight county treasurers in December of each year and attached as an enforceable property lien on January 1 of the following year. The county treasurers are responsible for collecting the assessments and remitting them to Northern Water. Property and specific ownership tax revenue is reported as nonoperating revenue.

Intergovernmental Grants

Grant funding received under NRCS, CWCB, and BLM grant agreements relating to the East Troublesome Fire recovery effort is recognized as earned under the terms of the agreements and reflected as intergovernmental grant revenue. Hydropower intergovernmental grant revenue represents an incentive payment from the U.S. Department of Energy based on hydropower energy production from the Trout hydropower plant.

Risk Management

Northern Water is exposed to various risks of loss related to torts, (Colorado Governmental Immunity Act limits general liability to \$424,000 per person and \$1,195,000 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.

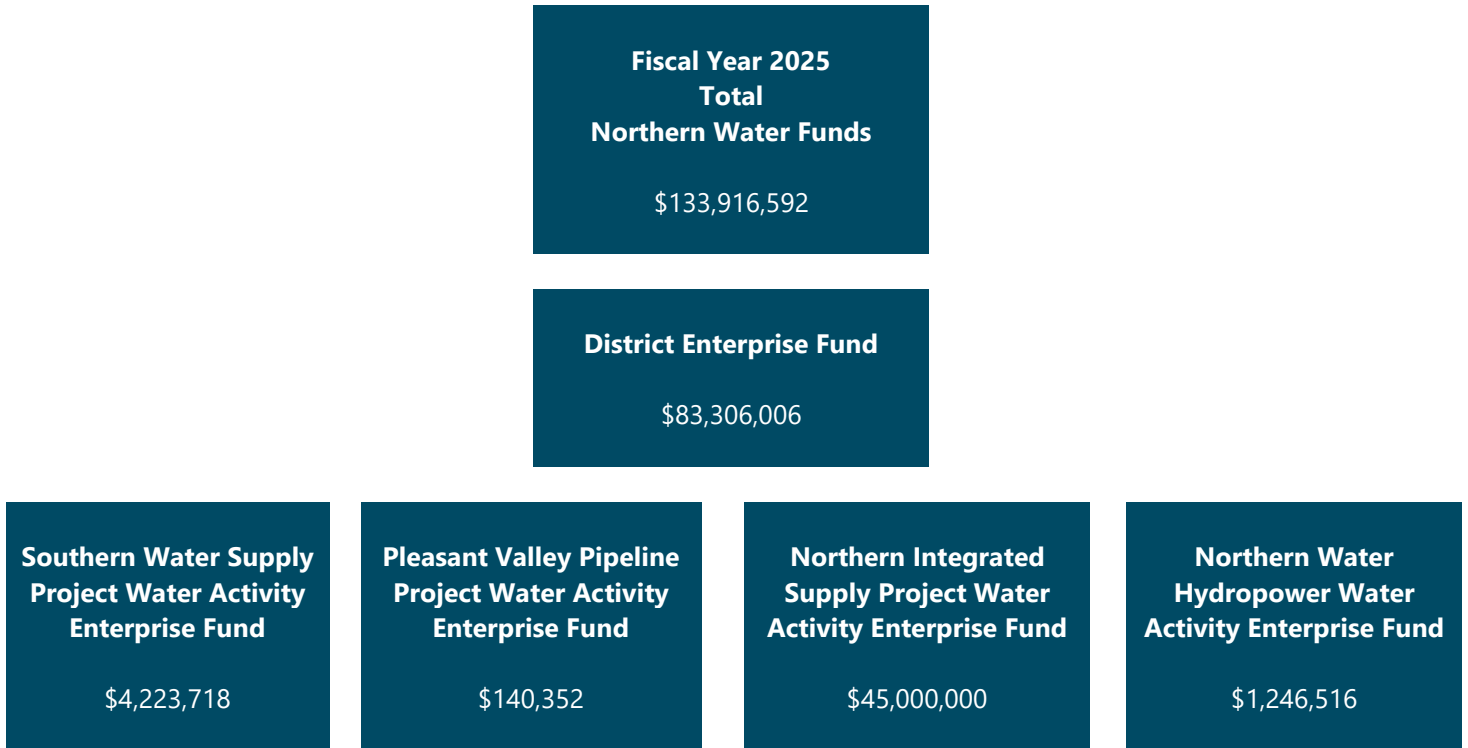
Capital Contributions

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).

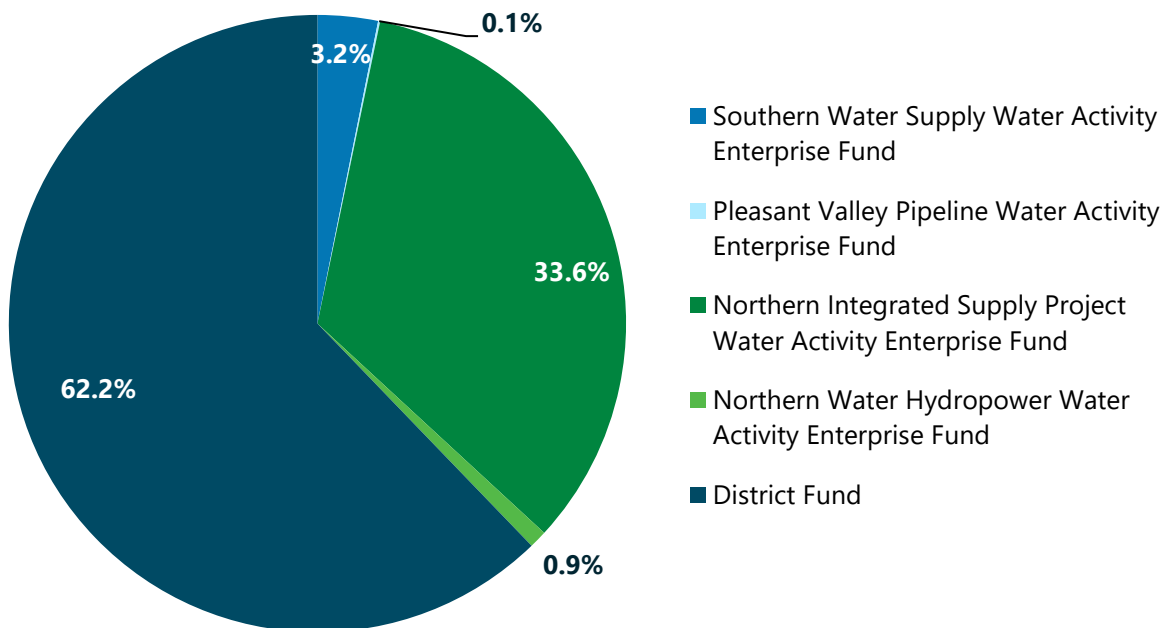
FUND STRUCTURE AND BUDGET APPROPRIATIONS – ALL FUNDS

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. Northern Water 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 2025. 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. This metric includes employee effort across all Northern Water systems, including C-BT, SWSP, PVP, NISP, and Hydropower.
- 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.
- 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.
- Liquidity position measures unrestricted cash and investments against operating expenses, over a 365-day year. This metric is an indicator of Northern Water's ability to quickly convert assets into cash to meet short-term obligations.

Increases from 2022 to 2023 were in part due to:

- Increased staffing related to the Windy Gap Firming Project, conservation efforts, NISP, campus maintenance, administrative needs, and more.
- Increased assets related to investment growth and property tax collections.
- Increased liabilities and expenses associated with a growing organization.

Fiscal Year	2021	2022	2023
Employees per thousand-acre-foot delivered	0.95	0.93	1.15
Assets per acre-foot delivered	\$ 1,670	\$ 1,761	\$ 2,196
Liabilities per acre-foot delivered	\$ 441	\$ 602	\$ 739
Debt per acre-foot delivered	\$ 359	\$ 511	\$ 597
Revenue/receipts per acre-foot delivered	\$ 370	\$ 382	\$ 420
Expenses per acre-foot delivered	\$ 274	\$ 336	\$ 338
Liquidity Position	-	\$ 1,033	\$ 858

Sources: Acre-feet delivered reported in Northern Water 2023 Annual Comprehensive Financial Report. 2024 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 2024, the Environmental Services Department participated in 90 events. This is an increase of nine from fiscal year 2023.

Environmental Services Impressions

In fiscal year 2024, Northern Water’s Environmental Services made 5,934 impressions at the various events. An impression in this case is the number of times we engage with people. This was an increase of 3,777 from fiscal year 2023. The annual goal is 1,000 impressions.

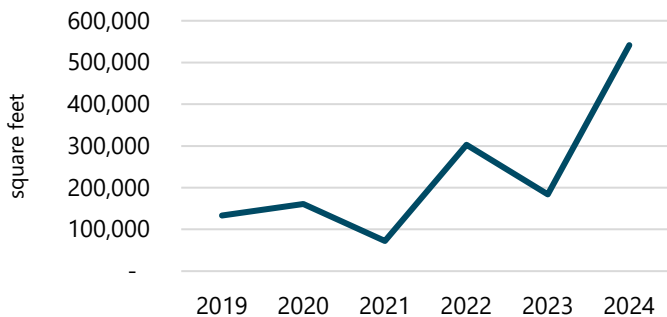
Fiscal Year	Events	Impressions
2021	51	900
2022	62	1,213
2023	81	2,157
2024	90	5,934

Fund Landscape Conversion Projects to Low-Water Alternatives

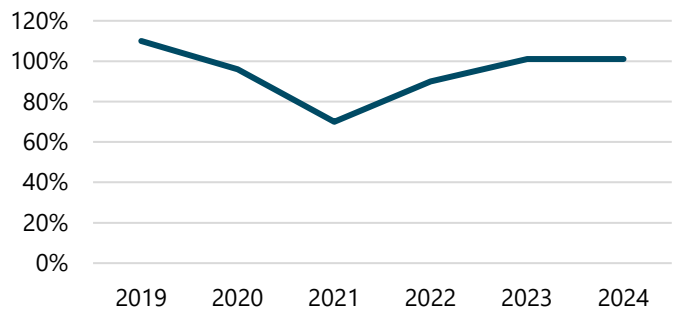
Northern Water offers grants to homeowners’ associations and public agencies to convert their landscape to low water alternatives. This is a competitive process and in fiscal year 2024, 101.0 percent of the budgeted grant money was distributed to fund the conversion of 541,601 square feet.

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%
2024	541,601	101.0%

Low Water Landscape Conversions



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.

<u>Fiscal Year</u>	<u>Impressions</u>	<u>Engagement</u>
2021	519,019	28,958
2022	508,340	29,136
2023	514,891	35,256
2024	576,646	45,229

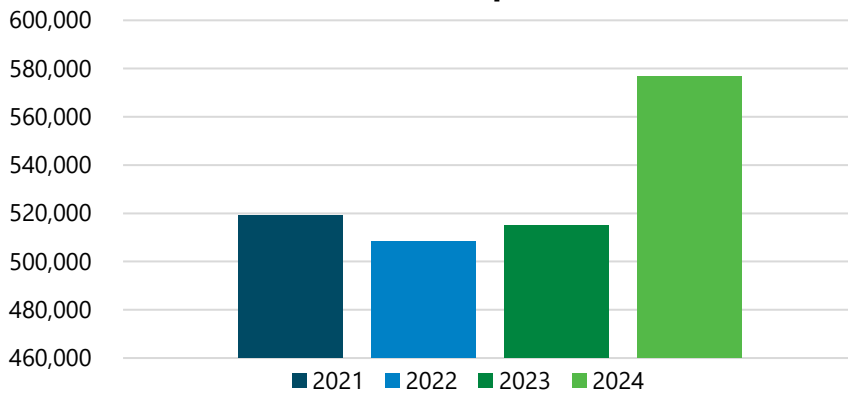
Impressions

Impressions are the number of times a person sees content across social media platforms (Facebook, X, Instagram, and LinkedIn). In fiscal year 2024, Northern Water’s total impressions across all Districts (excluding NISP) social media accounts were 576,646. This was an increase of 12.0 percent from fiscal year 2023.

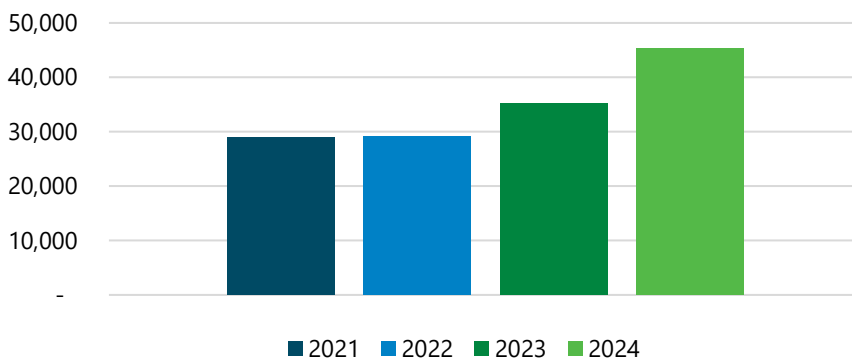
Engagement

Engagement is the number of times people comment, like or share content. Total social media engagement for fiscal year 2024 was 45,229, which was an increase of 9,973 or 28.3 percent.

Social Media Impressions



Social Media Engagement

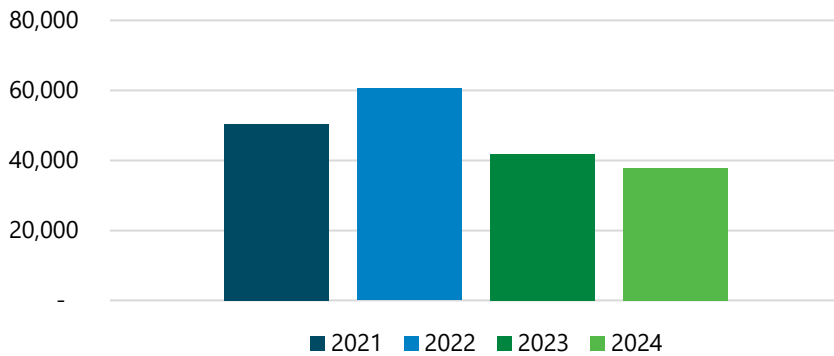


Social Media - Northern Integrated Supply Project

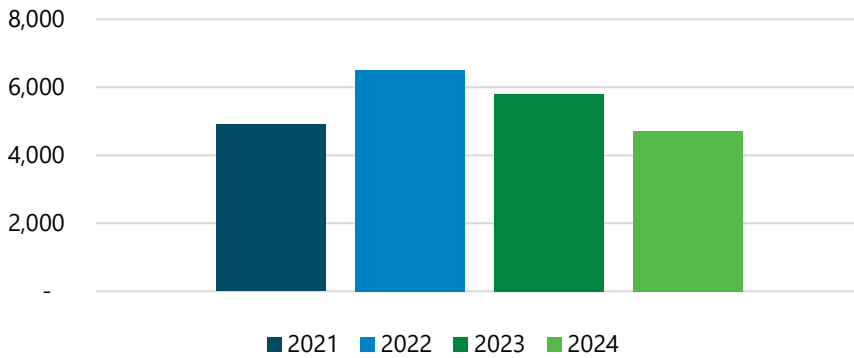
The Northern Integrated Supply Project enterprise is in the design and development stage. Northern Water uses social media to keep the public current on its progress. In fiscal year 2024, total impressions were 37,755, a decrease of 4,028 or 9.6 percent. Engagement decreased in fiscal year 2024 by 18.6 percent.

<u>Fiscal Year</u>	<u>Impression</u>	<u>Engagement</u>
2021	50,291	4,907
2022	60,542	6,507
2023	41,783	5,807
2024	37,755	4,724

District - NISP Social Media Impressions



District - NISP Social Media Engagement



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 2022 to fiscal year 2023, there is an insignificant change in the Assets-to-Liabilities and in Debt-to-Assets. There was no new borrowing in 2023 or 2024. Prior to 2021, Northern Water had not borrowed funds since 2002.

Additionally, the Current Ratio increased in fiscal year 2023 as compared to 2022 as a result of more cash being utilized for campus development activities. The operating ratio remained consistent in both years. Finally, the Current Assets as a Percent of Revenues increased as a result of maintaining lower cash balances on hand.

Fiscal Year	2021	2022	2023
Assets-to-Liabilities	3.8	2.9	3.0
Debt-to-Assets	0.2	0.3	0.3
Operating Ratio	0.7	0.9	0.8
Current Ratio	11.1	6.7	12.4
Current Assets as a Percent of Revenues	262.0%	173.5%	199.2%

The District Enterprise Fund's liquidity position has historically been strong. At fiscal year-end 2023, unrestricted cash and investments totaled \$107.7 million, representing about 858 days of operating expenses on hand and during the past five fiscal years, this metric has been not lower than 400 days.



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 210,000 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 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Year 2024 Budget
Beginning Cash & Reserves						
Unrestricted	\$118,469,000	\$74,144,407	\$52,774,691	\$71,223,818		
Restricted	54,432,000	17,500,000	17,338,868	-		
Total	\$172,901,000	\$91,644,407	\$70,113,559	\$71,223,818		
Sources of Funds						
Property & Specific Ownership Taxes						
Property Tax	\$28,778,832	\$35,593,689	\$36,702,972	\$37,783,363	\$ 2,189,674	6.2%
Specific Ownership Tax	1,551,330	1,654,352	1,561,920	1,577,539	(76,813)	(4.6%)
Total Property & Specific Ownership Taxes	\$30,330,162	\$37,248,041	\$38,264,892	\$39,360,902	\$ 2,112,861	5.7%
Water Assessments						
Class B-D Assessments	10,522,446	10,767,052	10,767,052	11,016,406	249,354	2.3%
Carryover Assessments	2,467,316	2,321,397	2,321,397	2,872,288	550,891	23.7%
Regional Pool Allocation	17,500	-	17,500	-	-	0.0%
Rule 11	576,698	11,499	722,146	649,422	637,923	5547.6%
Other (Transfer Fees, Inclusions, Winter Deliveries)	148,117	156,186	138,953	147,741	(8,445)	(5.4%)
Total Water Assessments	\$13,732,077	\$13,256,134	\$13,967,048	\$14,685,857	\$ 1,429,723	10.8%
Other Operating Revenues						
Charges for Services	7,489,601	6,565,091	6,565,091	6,762,044	196,953	3.0%
BOR Operation, Maintenance & Replacement Allocation	2,316,876	2,620,000	2,620,000	2,620,000	-	0.0%
Indirect Costs Recovery	2,773,800	2,773,800	2,773,800	2,542,018	(231,782)	(8.4%)
Other Operating Revenues (WGAP Carriage; Exchange Use)	3,059,570	2,674,068	2,153,050	2,721,934	47,866	1.8%
Total Other Operating Revenues	\$15,639,848	\$14,632,959	\$14,111,941	\$14,645,995	\$ 13,037	0.1%
Initiatives & Studies						
Fire Recovery (USFS & CWCB)	\$ 6,018,628	\$21,930,000	\$ 3,800,000	\$ 6,800,000	\$(15,130,000)	(69.0%)
Intergovernmental Grants (KVRC)	-	1,344,800	-	480,000	(864,800)	(64.3%)
Intergovernmental Grants (Airborne Snow Observation)	-	550,000	550,000	208,954	(341,046)	(62.0%)
Total Initiatives & Studies	\$ 6,018,628	\$23,824,800	\$ 4,350,000	\$ 7,488,954	\$(16,335,846)	(68.6%)
Other Non-operating Revenues						
Interfund Loan Receivable (Hydropower Fund)	\$ 352,676	\$ 352,676	\$ 352,676	\$ 352,676	-	0.0%
Earnings (loss) on Investments	5,280,004	694,554	7,028,200	4,332,962	3,638,408	523.8%
Sale of Assets	235,758	83,740	360,352	298,055	214,315	255.9%
Transfer from Fleet Reserves for Fleet & Equipment Carryover	1,156,508	750,000	750,000	-	(750,000)	n/a
BOR Horsetooth Fiber Allocation	-	1,500,000	964,000	536,000	(964,000)	(64.3%)
BOR RAX Tier 2 funding	-	2,136,374	-	800,000	(1,336,374)	(62.6%)
Other Nonoperating Revenues	154,504	101,336	101,336	804,604	703,268	694.0%
Total Other Non-operating Revenues	\$ 7,179,451	\$ 5,618,680	\$ 9,556,564	\$ 7,124,298	\$ 1,505,617	26.8%
Total Sources	\$72,900,165	\$94,580,614	\$80,250,445	\$83,306,006	\$(11,274,609)	(11.9%)
Balance Sheet Source (Use)	(84,197,448)	16,050,968	-	-		
Total Funds Available	\$161,603,717	\$202,275,989	\$150,364,004	\$154,529,823		

Budget Summary (continued from page 34)

	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Uses of Funds						
Operating Labor, Expenses & Projects						
Fleet & Equipment		\$ 450,065	\$ 391,112	\$ 408,995	\$ (41,070)	(9.1%)
Facilities	11,626,904	2,790,676	2,216,302	3,510,465	719,789	25.8%
Operation & Maintenance		7,550,705	8,775,980	9,171,277	1,620,572	21.5%
Programs (Engineering, Enviro. Svcs., F&A, Sr. Mgm't.)	30,303,012	33,992,326	29,936,844	37,542,652	3,550,326	10.4%
Total Operating Expenses	\$41,929,916	\$44,783,772	\$41,320,238	\$50,633,389	\$ 5,849,617	13.1%
Initiatives & Studies						
Fire Recovery (USFS & CWCB)	\$ 6,217,455	\$23,510,000	\$ 4,000,000	\$ 7,050,000	\$(16,460,000)	(70.0%)
Intergovernmental Grants (KVRC)	84,720	2,021,300	103,109	600,000	(1,421,300)	(70.3%)
Intergovernmental Grants (Airborne Snow Observation)	1,470,000	550,000	550,000	278,605	(271,395)	(49.3%)
Other Initiatives & Studies	100,000	310,000	100,000	925,000	615,000	198.4%
Total Initiatives & Studies	\$ 7,872,175	\$26,391,300	\$ 4,753,109	\$ 8,853,605	\$ (17,537,695)	-66.5%
Capital						
Capital Assets	\$ 2,545,681	\$ 2,109,000	\$ 2,109,000	\$ 2,351,200	\$ 242,200	11.5%
Fleet & Equipment (FY2023 Carryover)	1,156,508	750,000	750,000	-	(750,000)	n/a
Capital Projects - Facilities		370,187	185,000	645,000	274,813	74.2%
Capital Projects - Other	1,929,635	5,471,516	2,471,994	4,681,200	(790,316)	(14.4%)
Capital Projects - Horsetooth Security Fiber	-	1,500,000	964,000	750,000	(750,000)	(50.0%)
Capital Projects - BOR RAX Tier 2	-	2,136,374	-	1,600,000	(536,374)	(25.1%)
Capital Projects - Campus Development	28,694,912	19,200,000	18,950,000	280,000	(18,920,000)	(98.5%)
Total Capital & Initiatives	\$34,326,736	\$31,537,077	\$25,429,994	\$10,307,400	\$(21,229,677)	(67.3%)
Debt Service						
Horsetooth Safety of Dams	\$ 323,416	\$ 323,416	\$ 323,416	\$ 323,416	\$ -	0.0%
Certificates of Participation	5,254,813	5,255,763	5,255,763	5,253,563	(2,201)	0.0%
Total Debt Service	\$ 5,578,229	\$ 5,579,179	\$ 5,579,179	\$ 5,576,978	\$ (2,201)	0.0%
Supplemental Contribution to Pension						
Liability	\$ -	\$ -	\$ -	\$ 234,525	\$ 234,525	0.0%
Contingency Appropriation	-	-	-	-	-	n/a
Reserve Funding (5%, per Reserve Policy)	1,783,103	2,340,254	2,057,666	2,531,669	191,415	8.2%
Additional Reserve Funding	-	-	-	5,168,440	5,168,440	n/a
Total Uses	\$ 91,490,159	\$110,631,582	\$ 79,140,186	\$ 83,306,006	\$ (27,325,576)	(24.7%)
Ending Cash & Reserves						
Unrestricted	\$ 52,774,691	\$ 74,144,407	\$ 71,223,818	\$ 71,223,818		
Restricted	17,338,868	17,500,000	-	-		
Total	\$ 70,113,559	\$ 91,644,407	\$ 71,223,818	\$ 71,223,818		
Total Funds Accounted For	\$161,603,718	\$202,275,989	\$150,364,004	\$154,529,823		

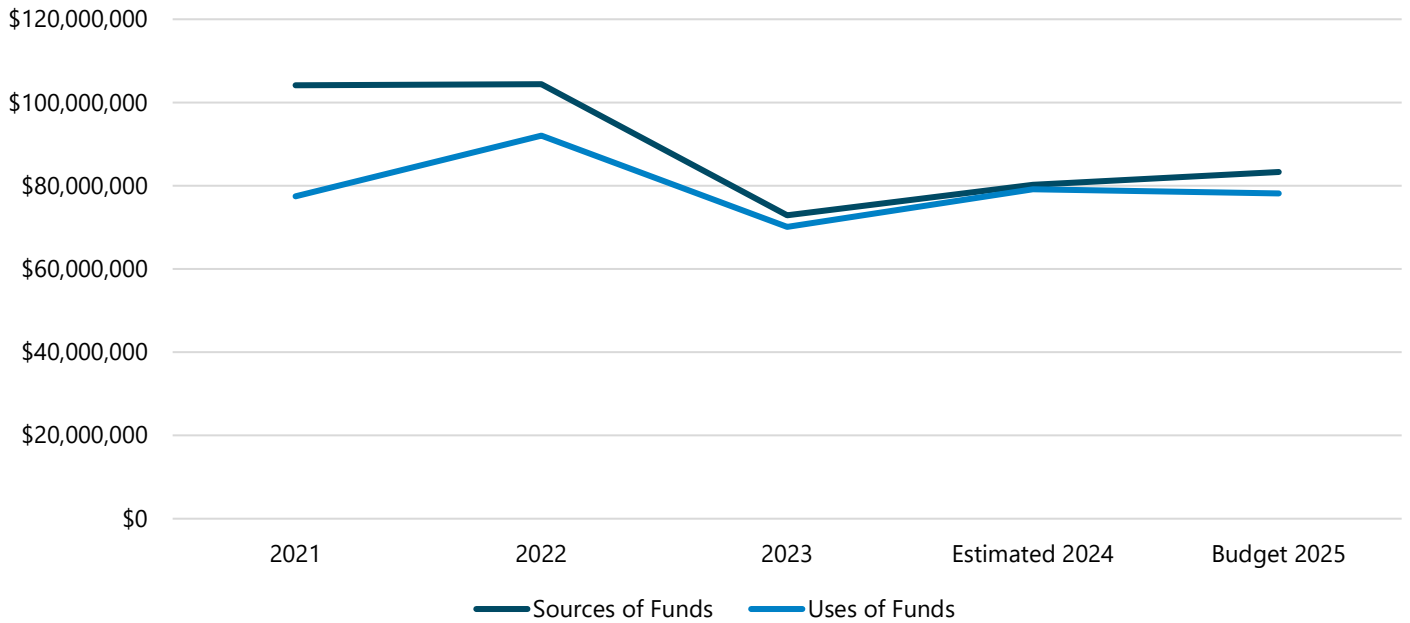
Beginning Cash and Reserves
\$71,223,818

Sources of Funds
\$83,306,006

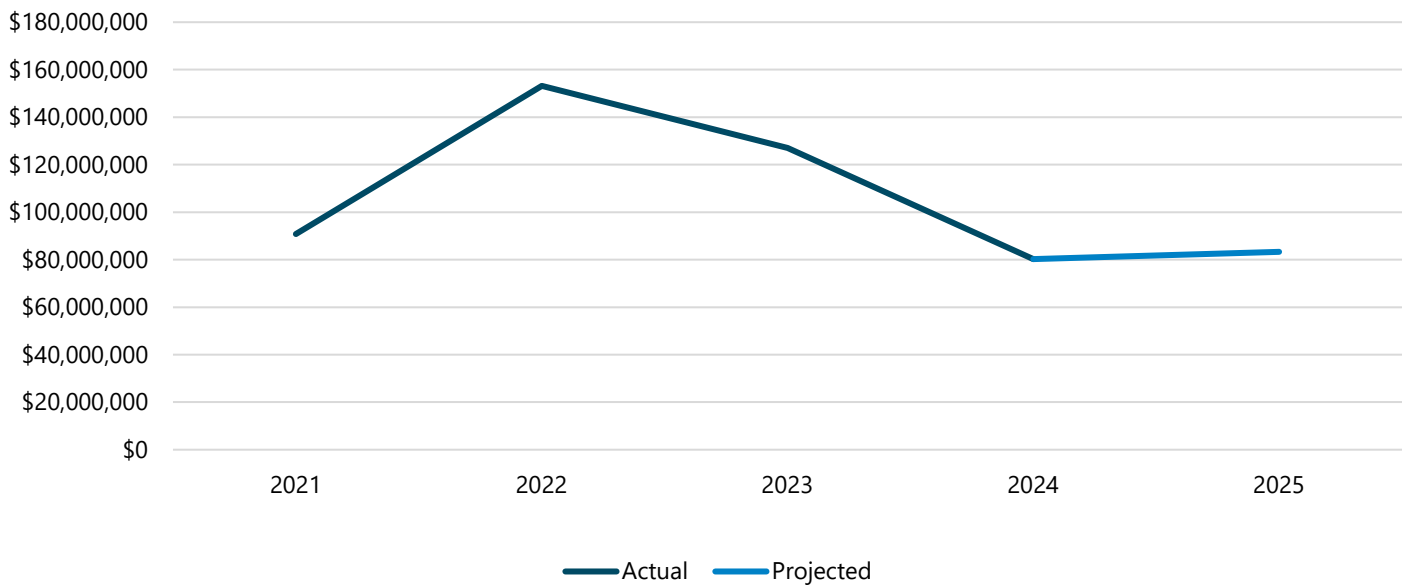
Uses of Funds
\$83,306,006

Ending Cash and Reserves
\$71,223,818

District Enterprise Funds
Sources and Uses of Funds



District Enterprise Fund
Cash and Reserves Trend



Revenues

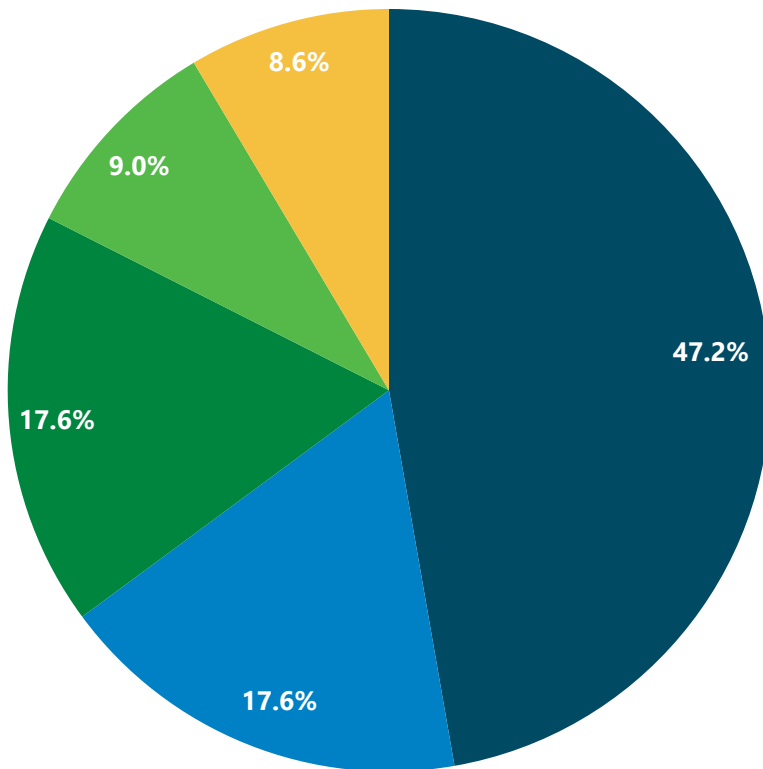
The fiscal year 2025 District Enterprise Fund budgeted revenues are \$83,306,006 compared to \$94,580,620 for fiscal year 2024, a decrease of \$11,274,614 or 11.9 percent.

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

Sources of Funds

	Budget	Percent
Property and Specific Ownership Taxes	\$39,360,902	47.2%
Water Assessments	14,685,857	17.6%
Other Operating Revenues	14,645,995	17.6%
Initiatives and Studies	7,488,954	9.0%
Other Non-Operating Revenues	7,124,298	8.6%
Total	\$83,306,006	100.0%

District Fund - Sources of Funds



- Property and Specific Ownership Taxes
- Water Assessments
- Other Operating Revenues
- Initiatives and Studies
- Other Non-operating Revenues

Property and Specific Ownership Taxes

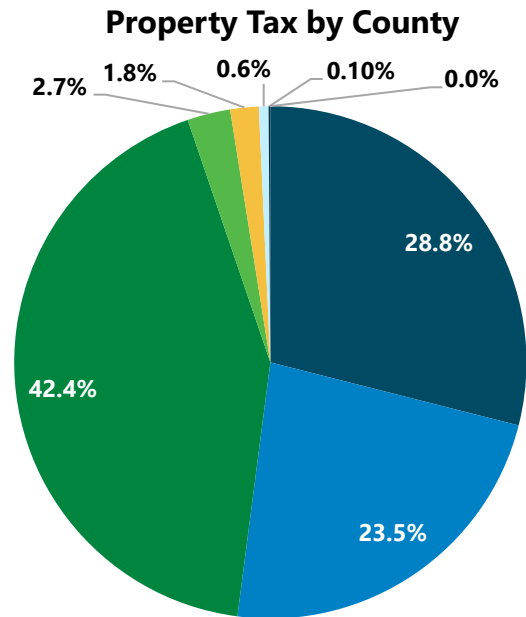
Ad valorem revenue is made up of two sources property and specific ownership tax collection, estimated ad valorem taxes in fiscal year 2025 are \$39,360,902 or 47.2 percent of the total District Enterprise Fund revenue. The Repayment Contract requires Northern Water collect a voter-approved 1 mill levy 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. Fiscal year 2025 is a property reassessment year. Northern Water’s taxable real property revenue is estimated to be \$37,783,683. This estimate is projected to be flat compared to that of fiscal year 2024. 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.

The state of Colorado also distributes revenue associated Specific Ownership Tax (SOT) which is an annual tax that Colorado residents pay on their vehicles to cities, counties, school districts, and special districts in proportion to the property tax levied by those entities. Total estimated revenue paid to Northern Water for fiscal year 2025 is \$1,577,539.

The charts and table below provide a summary.

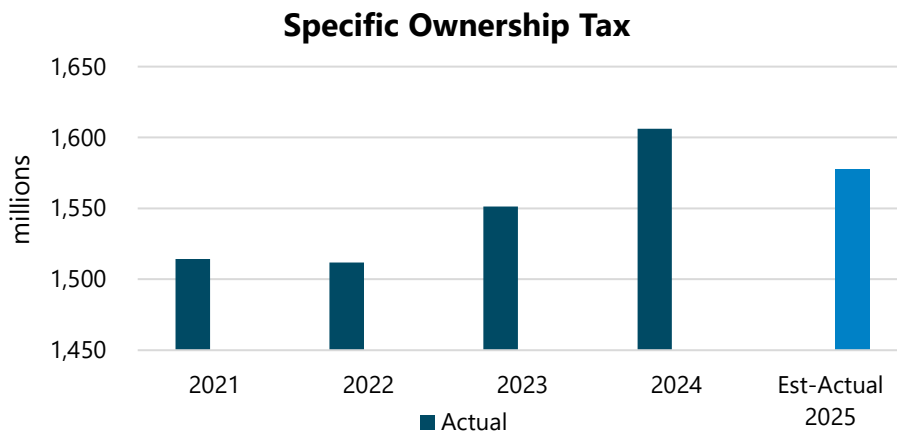
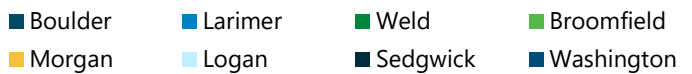
Property Tax by County

	Budget	Percent
Boulder County	\$11,337,757	28.8%
Larimer County	9,242,267	23.5%
Weld County	16,681,493	42.4%
Broomfield County	1,072,732	2.7%
Morgan County	725,788	1.8%
Logan County	255,809	0.6%
Sedgwick County	40,794	0.1%
Washington County	4,263	0.0%
Total	\$39,360,902	100.0%



Specific Ownership Tax

A type of Ad Valorem tax on motor vehicles.



Water Assessments

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.

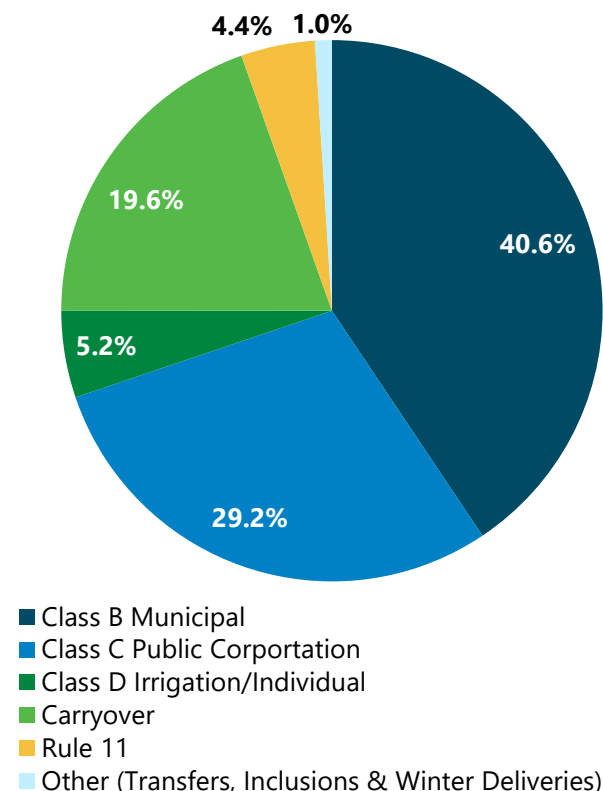
Fiscal year 2025 wholesale open-rate water assessments revenue is projected to increase \$1,429,723 or 10.8 percent from fiscal year 2024 budget based on the following rates: \$33.80 per acre-foot for agricultural users, \$53.65 per acre-foot for municipal/industrial users and \$1.50 per acre-foot for 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 \$2,872,288 for fiscal year 2025, an increase of \$383,206 or 15.0 percent from the fiscal year 2024 budget. Fiscal year 2025 budget was based on a three-year average with a projected water assessment rate increase of 7.2 percent.

Rule 11 Revenue is a charge that is assessed when water is transferred from a lower assessment class (typically agricultural or \$1.50 original contracts) to a higher assessment use (often municipal and industrial). Budgeted revenue from this revenue class is \$649,422. There is some volatility with this class as it is tied to the volume of water transferred, which is heavily dependent on water demand (weather) and quota.

Percentage of Water Assessments by Class



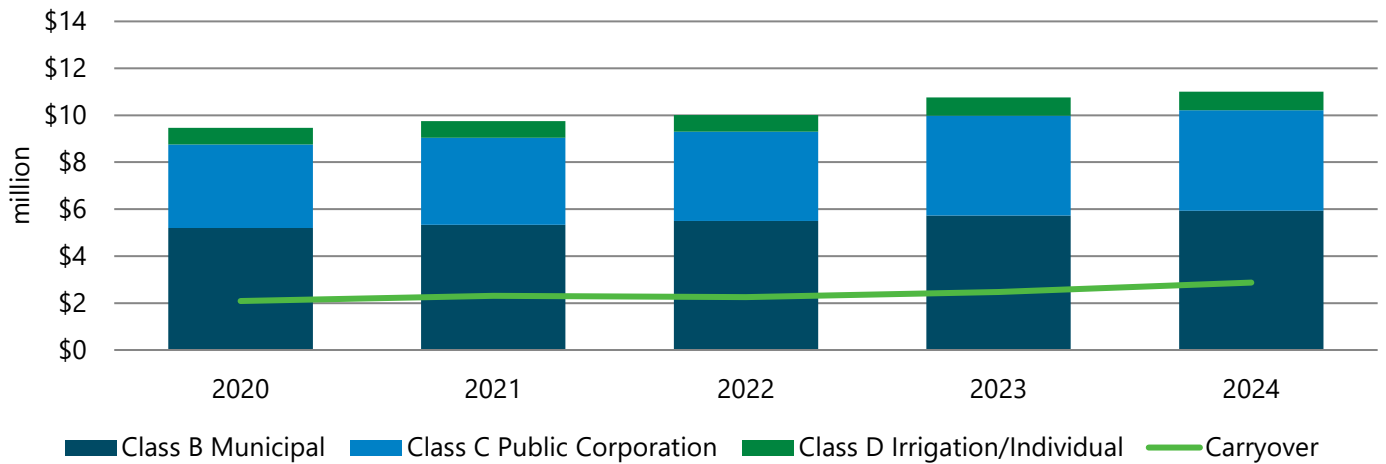
Other Water Assessment revenue sources include Transfer Fees which are a charge for the issuance of any new allotment contract and an inclusion fee which is charged to landowners to have their property added into Northern Water’s boundary to gain access to C-BT and Windy Gap project water. Finally, winter delivery contract fees which were established to supplement water resources for municipalities during the winter months. Total budgeted revenue for these sources is \$146,741 for fiscal year 2025.

Water assessment revenue comprises 17.6 percent of total sources of funds.

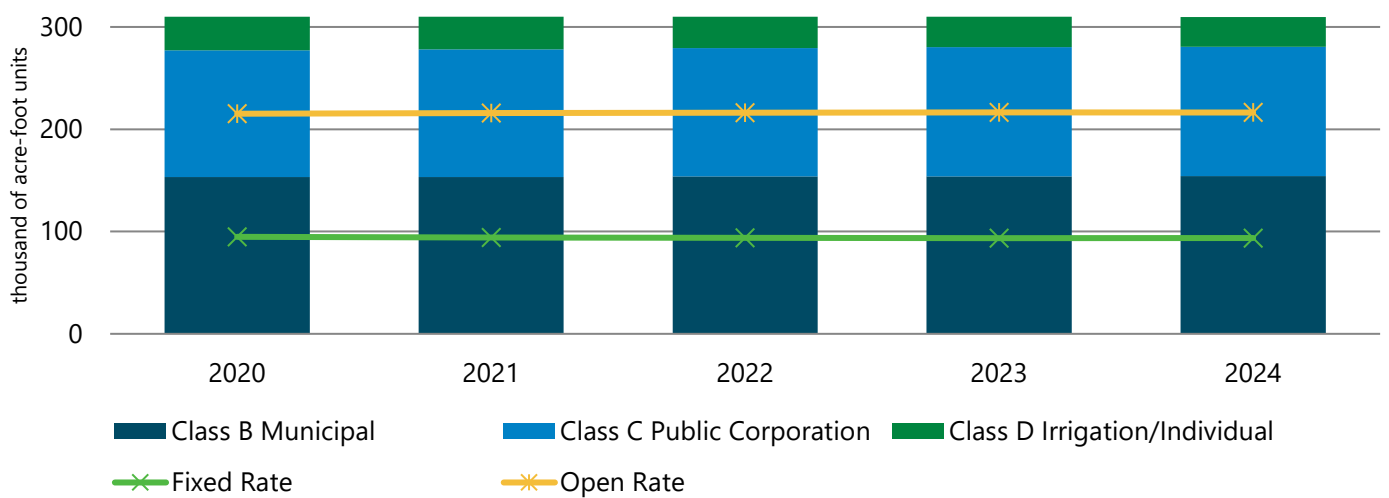
Water Assessments by Class of Service

	Budget	Percent
Class B Municipal	\$5,964,328	40.6%
Class C Public Corporation	4,288,633	29.2%
Carryover	2,489,082	19.6%
Class D Irrigation/Individual	763,445	5.2%
Rule 11	649,422	4.4%
Other (Transfer Fees, Inclusions & Winter Deliveries)	147,741	1.0%
Total	\$14,685,857	100.0%

Water Assessments by Class of Service

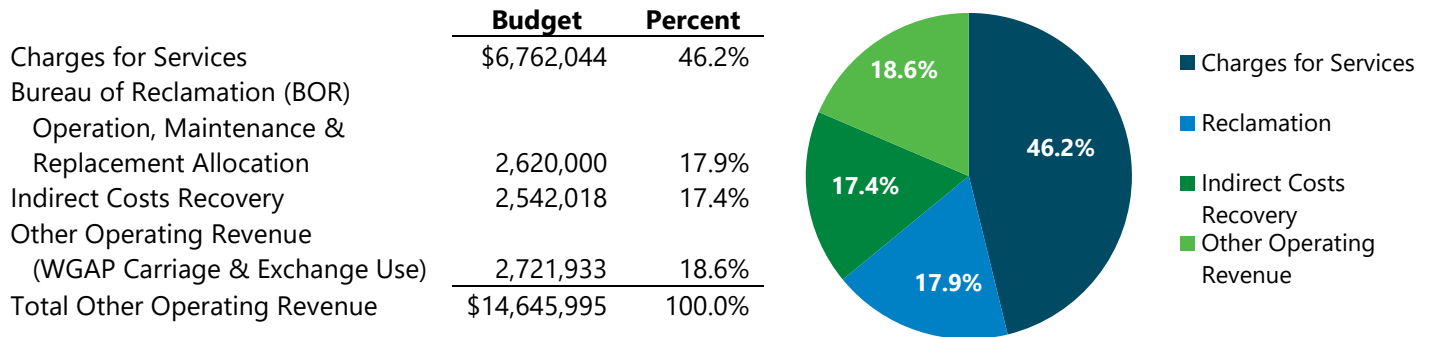


C-BT Ownership by Water Allotment Contract Class



Other Operating Revenue

Other Operating Revenue includes charges for services, the annual allocation from Reclamation for Operation, Maintenance and Replacement on the C-BT Project System, indirect costs and other operating revenue such as carriage delivery charges and exchange use fees. The budget for fiscal year 2025 is \$14,645,995 and is summarized in the table below.

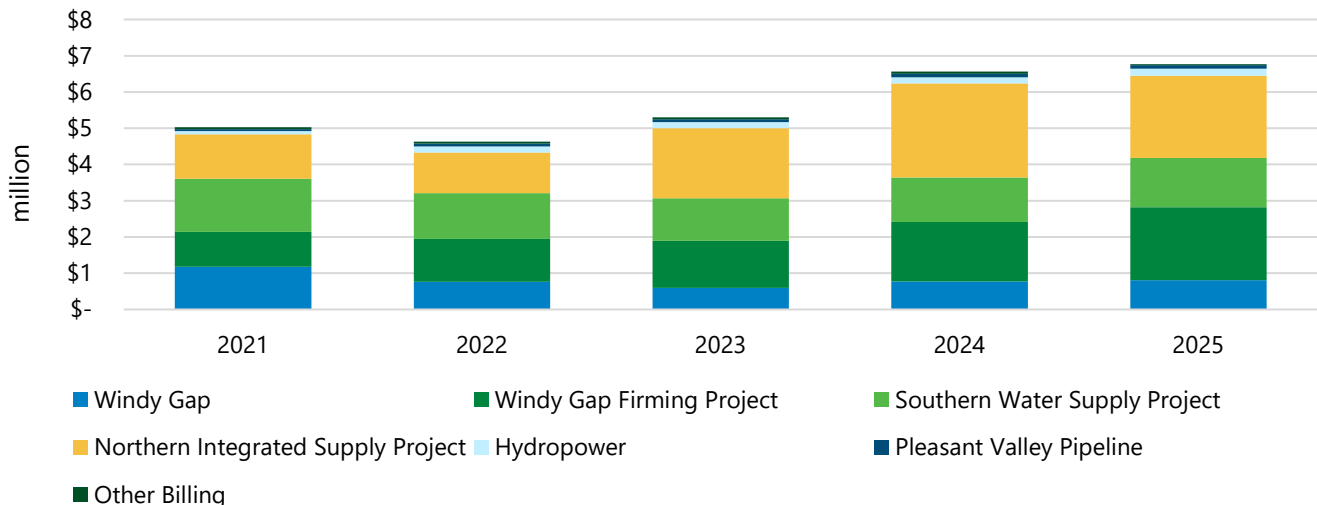


Charges for Services

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 (through the District Enterprise Fund) charges its costs for these services to the benefitted entity and is reimbursed for these costs. Fiscal year 2025 revenues are projected to increase 2.0 percent or \$196,953 as the result of a higher number of labor hours billed. Charges for services comprises 46.2 percent of total other operating revenue source of funds. The chart and table below provide a summary.

	Budget	Percent
Northern Integrated Supply Project Enterprise	\$2,265,285	33.5%
Windy Gap Firming Enterprise	2,008,327	29.7%
Southern Water Supply Project Enterprise	1,359,171	20.1%
Windy Gap Enterprise	811,445	12.0%
Hydropower Enterprise	196,099	2.9%
Pleasant Valley Pipeline Enterprise	101,431	1.5%
Reclamation Special Billing	20,286	0.2%
Total	\$6,762,044	100.0%

Charges for Services



Bureau of Reclamation (BOR) Operation, Maintenance and Replacement Allocation

When Northern Water was founded in 1937 to partner with Reclamation to operate and maintain the C-BT Project, an agreement was established that the project would require ongoing attention and support to continue to meet the needs of the participants. It was agreed between the two agencies that Reclamation would provide an annual allocation of funds to cover operation, maintenance and replacement of the system infrastructure. The current allocation for fiscal year 2025 is \$2,620,000 and represents 17.9 percent of total other operating revenue.

Indirect Costs Recovery

In March 2019, Northern Water engaged a third-party consultant to conduct an Indirect Cost Allocation study. Working closely with staff, the consultant identified and quantified indirect costs applicable to Northern Water and Municipal Subdistrict 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 Northern Water and Municipal Subdistrict Enterprises. Generally, Northern Water has not sought to recover costs associated with indirect labor, overhead or facilities from the enterprises in the past.

The goals of the study were to first develop a fair and equitable basis of indirect cost allocation to Reclamation, Northern Water Enterprises, Municipal Subdistrict Enterprises, and other services, and secondly, 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.

Windy Gap Carriage

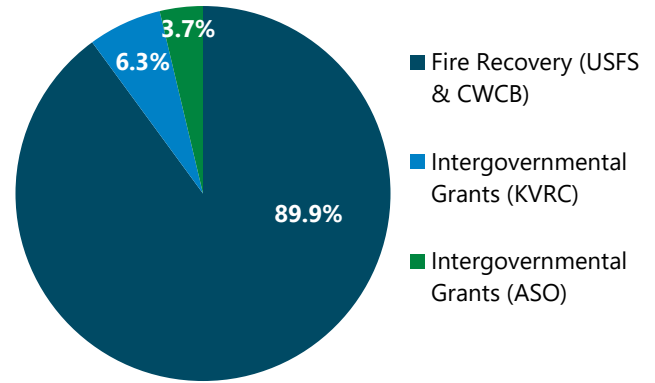
Carriage delivery charges represent the use by the Municipal Subdistrict of the C-BT Project conveyance and storage system. Winter delivery fees are for water delivered from C-BT Project facilities in the winter months, November through March. Rule 11 charges are when customers transferring water are 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. Other Operating Revenues are projected to be \$2,721,933 in fiscal year 2025, an increase of \$17,473 or 1.0 percent compared to fiscal year 2024. Other operating revenue comprises 2.8 percent of total sources of funds.

Initiatives and Studies

Working with several partners, Northern Water will work in 2025 on several initiatives and studies.

- Fire recovery efforts following the 2020 East Troublesome Fire will continue in conjunction with the United States Forest Service as the agencies will work to mitigate runoff of contaminants in the watershed. The Emergency Watershed Protection grant and program are complete and have led to a reduced budget for 2025.
- Working with regional partners, Northern Water is leading efforts to secure grants and procure contractors on habitat restoration as part of the Kawuneeche Valley Restoration Collaborative (KVRC) to help protect source waters.
- Northern Water will also continue its partnership with the Airborne Snow Observatories (ASO) Program, which 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.

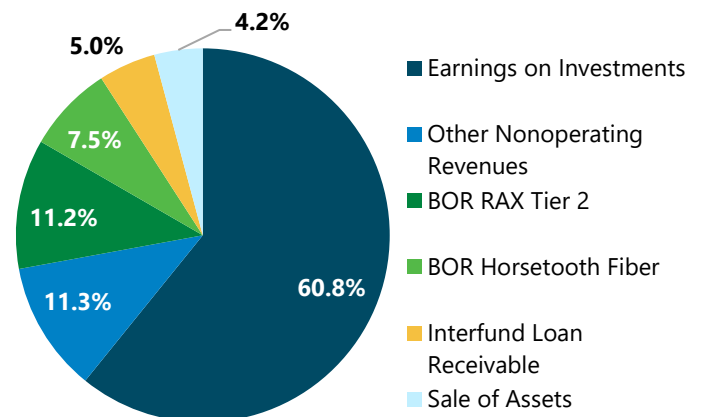
	Budget	Percent
Fire Recovery (USFS & CWCB)	\$6,800,000	89.9%
Intergovernmental Grants (KVRC)	480,000	6.3%
Intergovernmental Grants (ASO)	280,954	3.7%
Total Initiatives & Studies	\$7,560,954	100.0%



Other Non-operating Revenue

Other Non-operating Revenue Sources are the most volatile year over year. Estimated Earnings on Investments, represent 60.8 percent of this category. For fiscal year 2025 the budget team assumed market conditions will be less favorable for interest compared to the prior years. Recognition of the remaining 39.2 percent of this revenue source are, generally influenced by factors outside of our control, such as additional funding, in the case of additional Bureau of Reclamation (BOR) work, to power generation and assets made available for sale. Throughout the last three years, Northern Water has reserved funds to upgrade the vehicle and equipment fleet, however this line item is no longer needed. Other Non-operating Revenue sources total \$7,124,297 or 24.4 percent of the total revenue for fiscal year 2025.

	Budget	Percent
Earnings (loss) on Investments	\$4,332,962	60.8%
Other Non-operating Revenues	804,604	11.3%
BOR RAX Tier 2 funding	800,000	11.2%
BOR Horsetooth Fiber Allocation	536,000	7.5%
Interfund Loan Receivable (Hydropower Fund)	352,676	5.0%
Sale of Assets	298,055	4.2%
Transfer from Fleet Reserves for Fleet & Equipment Carryover	-	0.0%
Total Non-operating Revenues	\$7,124,297	100.0%



Certificates of Participation

In July 2021, Northern Water issued Certificates of Participation, Series 2021 to fund its Campus Development efforts. 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 projects. The 2022 Certificates were issued in an original principal amount of \$33,940,000 with stated interest rates of either 4.0 percent, 5.0 percent or 5.3 percent. The 2022 Certificates were sold at a premium to yield net proceeds of approximately \$37,252,689 and a true interest cost of 4.4 percent. Annual debt service consisting of principal and interest is due on both certificate series.

The Campus Development projects were completed in fiscal year 2024, and the proceeds from both series issuances were fully utilized as of September 30, 2024. As such, there are no drawdowns from proceeds or anticipated uses for Campus Development activities budgeted for fiscal year 2025.

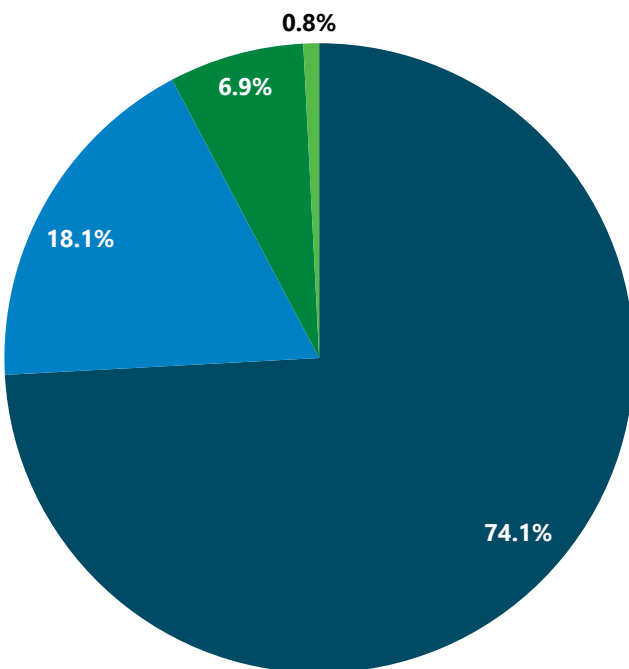
Expenses

Budgeted expenses for fiscal year 2025 are \$83,306,006 compared to \$110,631,582 for fiscal year 2024, a decrease of \$27,325,576 or 24.7 percent. Planned expenses include operating and capital expenses, grant-funded expenses, special initiatives, debt service and a contribution to operating reserves \$2,531,669 or 5.0 percent of operating expenses.

Budgeted operating expenses are \$50,633,389. The chart and table below provide a summary.

	Budget	Percent	Labor	Non-Labor
Programs	\$37,542,652	74.1%	\$22,682,580	\$15,318,840
C-BT Operation and Maintenance	9,171,277	18.1%	6,099,959	2,612,550
Facilities	3,510,465	6.9%	1,678,665	1,831,800
Fleet	408,995	0.8%	247,395	161,600
Total	\$50,633,389	100.0%	30,708,599	\$19,924,790

Operating Expenses by Function

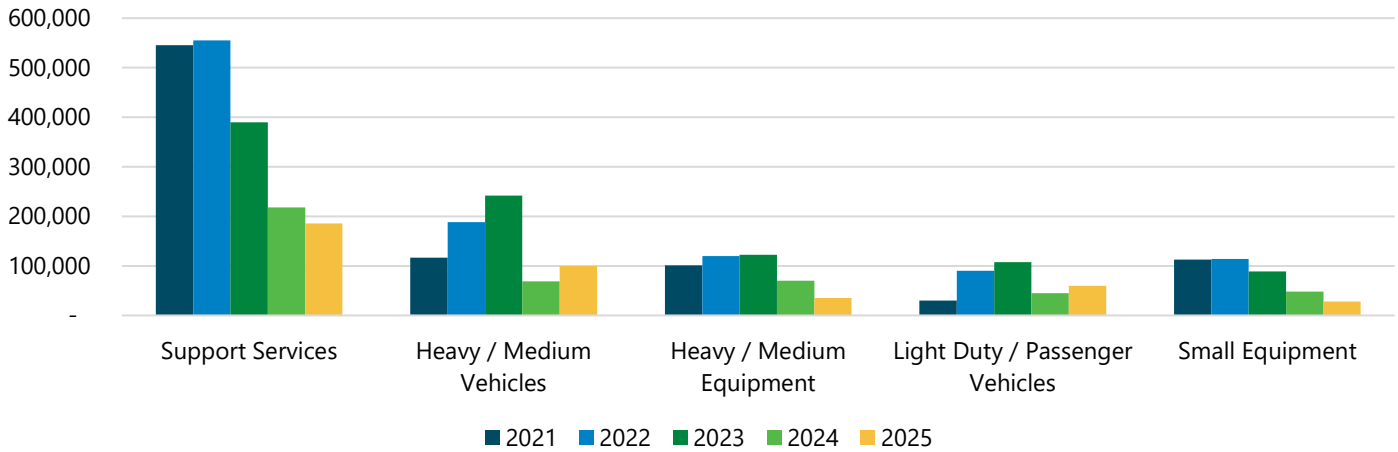


■ Programs ■ C-BT Operation and Maintenance ■ Facilities ■ Fleet

Fleet Expenses

Fleet expenses are used for the operation and maintenance costs of Northern Water’s vehicles and major equipment. The fiscal year 2025 fleet expense budget is \$408,995. This represents a decrease of \$41,070 or 9.0 percent from the fiscal year 2024 budget primarily due to less maintenance, repair and labor costs related to fleet service resulting from recent years’ Fleet Modernization Program. Fleet expenses comprise 0.8 percent of total uses of funds. Below is an updated breakdown of fleet expenditures for fiscal years 2021 through 2025.

Budgeted Fleet Expenses



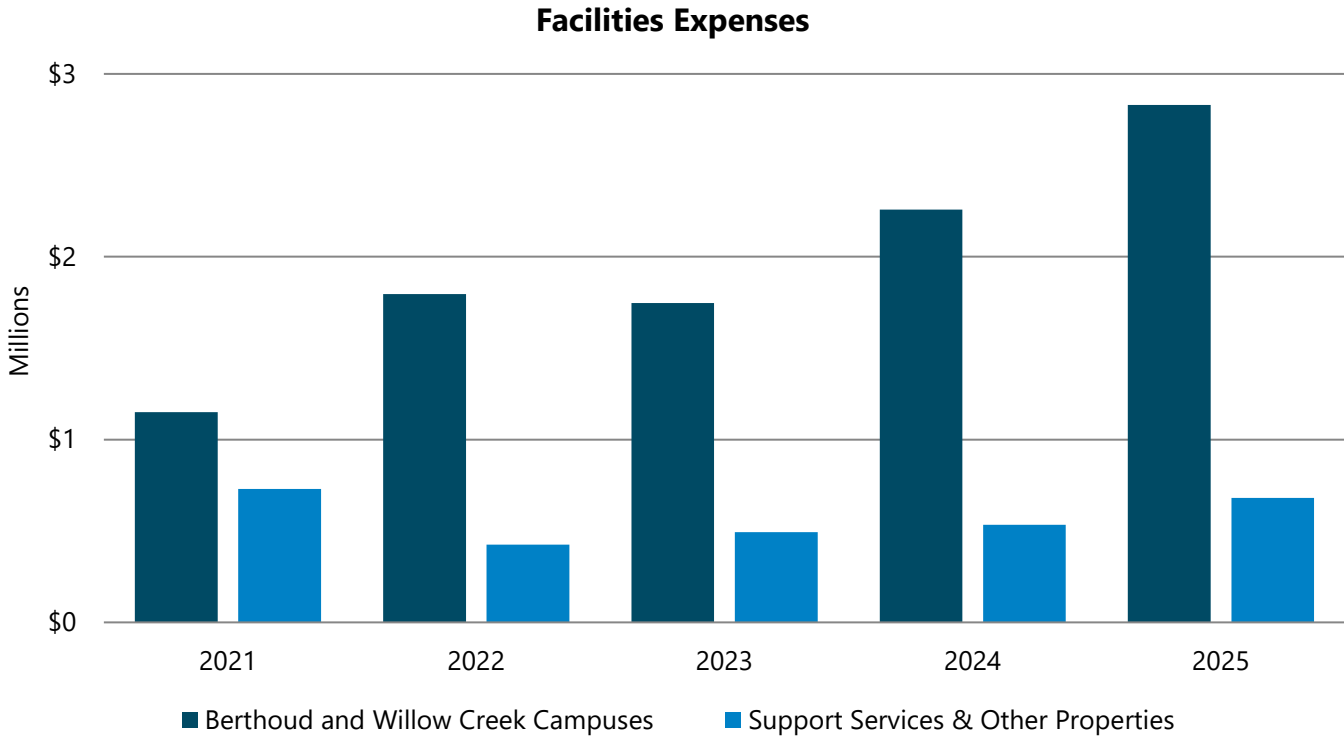
	Budget	Percent
Support Services	\$185,500	45.4%
Heavy/Medium Vehicles	100,000	24.5%
Light Duty/Passenger Vehicles	60,005	14.7%
Heavy/Medium Equipment	35,400	8.7%
Small Equipment	28,000	6.8%
Total	\$450,065	100.0%

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 and Willow Creek campuses and property held for future water supply projects. The fiscal year 2025 facilities budget is \$3,510,465. This represents an increase of \$719,789 or 26.0 percent more than fiscal year 2024 budget. The facilities square footage has increased dramatically throughout the last year due to Campus Development efforts. Facilities expenses comprise 6.9 percent of total uses of funds. The chart and table below provide a summary.



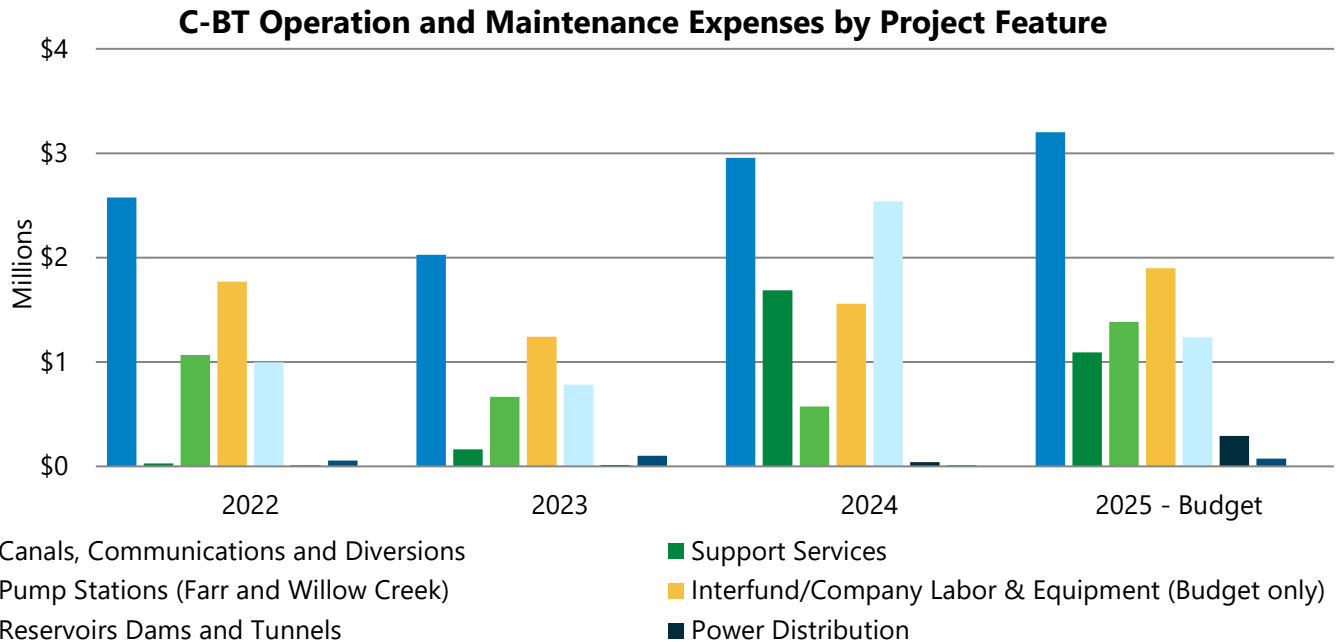
	Budget	Percent
Berthoud and Willow Creek Campuses	\$2,830,137	80.6%
Support Services & Other Properties	680,328	19.4%
Total	\$3,510,465	100.0%

Expenses by Category

Labor	\$1,678,665	47.5%
Non-Labor	1,831,800	52.2%
Total	\$3,510,465	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, pump plants, pipelines and tunnels. The fiscal year 2025 operation and maintenance budget totals \$9,171,277, which represents a 21.0 percent increase from the fiscal year 2024 budget. C-BT operation and maintenance expenses comprise 18.1 percent of total uses of funds.



	Budget	Percent
Canals, Communications and Diversions	\$3,200,042	44.0%
Pump Stations (Farr and Willow Creek)	1,381,836	19.0%
Reservoirs Dams and Tunnels	1,236,380	17.0%
Support Services	1,090,923	
Equipment Shops (Farr, Horsetooth and Lyons)	290,913	4.0%
Power Distribution	72,728	1.0%
Steam Gaging – Transferred to Programs	0.00	0.0%
Interfund/Company Labor and Equipment (budget only)	1,898,454	19.9%
Total	\$9,171,277	100.0%

Expenses by Category

Labor	\$4,345,446	47.4%
Non-Labor	4,823,439	52.6%
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 2025, the West Slope Collection Systems Program intends to:

- Continue to modernize of the Farr Pump Plant elevator.
- Complete the installation of the newly acquired generators.
- Rehabilitate piping and valves within Farr Pump Plant.
- Replace gate motors on the radial gates at Willow Creek gate house.
- Start design for Farr Pump Plant shop rehabilitation.
- Conduct annual silt removal from Willow Creek and Stillwater watersheds.
- Begin design on Granby Dam outlet works tunnel extension.
- Install new wire cables for radial gates at Shadow Mountain, Granby Dam, Granby Pump Canal and Willow Creek.

In 2024, the Collections Program:

- Modernized the Farr Pump Plant elevator.
- Replaced and installed new concrete lined canal at the outlet of Willow Creek Reservoir.
- Completed concrete repairs in West Portal of Adams Tunnel.
- Installed cameras on pump and motor floors at Farr Pump Plant.
- Acquired standby generators for West Portal, Shadow Mountain, Willow Creek and Granby Dam.
- Completed a hydraulic accumulator replacement project at Willow Creek Pump Plant.
- Replaced actuated ball valves on Farr Pump Plant Unit #3.
- Installed new monitoring equipment on Dike 3 on Lake Granby, this included flumes and piezometers.

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 2025, the East Slope Distribution Systems Program intends to:

Colorado-Big Thompson Project:

- Install new bypass lines at Soldier Valve House.
- Continue with the sealing and lining programs on the Hansen Supply Canal, Hansen Feeder Canal and the St. Vrain Supply Canal
- Continue the meter rehab project, in which installations will focus on the St. Vrain Supply Canal.
- Install back up power supply to provide auxiliary power to the gates on Lower Boulder Canal.
- Replace existing turnout for lefthand on Boulder Creek Supply Canal.
- Replace the existing bifurcation building in Lyons with a new building.
- Install a new actuator and gate at Supply Creek Turnout.
- Replace the roof at the Lyons shop.
- Complete the Masonville siphon project by continuation of the steel rig replacement.
- Conduct a bulk-head test on Horsetooth Outlet works, as well as conduct an unbalanced head test of the guard gates.
- Reshape and install new clay material on the Coal Ridge Canal.
- Reshape and install new clay lining material on the St. Vrain Supply Canal.
- Repaint and recoat steel fixtures in Horsetooth valve house to include doors and floor coverings.
- Install new automation for the Coal Ridge Canal trash rack, and provide a new programmable logic controller.
- Install new gate operators and programmable logic controller upgrades for the Munroe/Poudre River Diversion.

Southern Water Supply Project:

- Install a new anode well on County Line Road.
- Install new bypass valves on the downstream side of Broomfield Pump Plant.
- Install new downstream bypass valves in the following vaults, Fort Lupton, Mainline 1, Fort Lupton, Master Meter and SWSP 2 Mainline.

Trout Hydro Plant:

- Install new bathroom facilities.

In 2024, the East Slope Distribution Systems Program:

Colorado-Big Thompson Project:

- Continued with the meter rehabilitation project.
- Installed new Hansen Supply Canal Access and bridge.
- Continued with the Hansen Feeder canal lining and sealing program.
- Installed a new generator building at Carter Lake tower and shaft house.
- Installed new pool gate structures at Longmont and Little Thompson turnout pool gates.
- Upgraded concrete and sewer drains at Horsetooth shop.
- Installed new cattle guards on the Hansen Feeder Canal.
- Installed new seep measuring devices at Carter Lake.
- Installed new aluminum checks on the Hansen Feeder Canal.
- Continued with the tape wrap on the Horsetooth Penstocks.

- Installed new mechanical seals in Masonville siphon.
- Upgraded access and security fence at Lyons yard.
- Installed a new actuator at the Soldier Dam shaft house.
- Installed a new actuator on the dissipating valve at Carter Lake.
- Installed new aluminum checks on the St, Vrain Supply Canal.
- Installed a new check at Steele turnout.
- Completed a bulkhead test on Carter Lake outlet works.
- Upgraded the turnout at Steele turnout with new concrete structure and flume.
- Upgraded the turnout at Reseguie on the Hansen Supply Canal with new concrete structure and flume.
- Rehabilitated the turnouts along the Boulder Creek Supply Canal. This project included new gates, ultrasonic meters and a new programmable logic controller.

Southern Water Supply Project:

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

Trout Hydro Plant:

- Rehabilitated the coatings inside of Unit #1.

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 2025, the Control Center Program intends to:

- Perform annual training and refresher training with all departments requiring Hazardous Energy Control Program training.
- Prepare and issue all documents per the Hazardous Energy Control Program to all departments upon request.
- Prepared new Standing Operating Procedures for the Willow Creek Control Center.
- Continue to update all Standing Operating Procedures as needed throughout the year.
- Schedule West to East Slope tours for the operators along with continued training for the East Slope system.
- Training for the new Lead Operator, as well as for two Control Center Operators.

In 2024, the Control Center Program:

- Prepared and issued all necessary clearances requested by the Collection and Distribution Systems departments. This included special work permits, special conditions tags, confined space permits and all other documents associated with the FIST 1-1 Hazardous Energy Control Program.
- Updated all Standard Operating Procedures.
- Added a Lead Operator to the Control Center Department.

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 an 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 2025, the Facilities and Equipment Department intends to:

- Grind and replace asphalt and repair portions of concrete in yard areas.
- Automation / tie in UPS and computer room HVAC.
- Continue with garage door motor replacements.
- Install computer room HVAC.
- Install plasma cutter and table.
- Replace radiant tube heaters on several building locations.
- Replace mix air dampers.
- Install walls in Building C.

In 2024, the Facilities and Equipment Department:

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

2025 Budgeted Equipment Replacements and Additions:

Equipment:

- BT-7: Water Sample Boat replace BT-1
- BT-8: Water Sample Boat
- Snow equipment for West Slope: 2yrd poly spreader for sand
- BH-11: backhoe loader to replace BH-10
- TR-12: landscape tractor with attachments
- UV-8: utility vehicle with attachments
- UV-7: utility vehicle with hard cab

- G-11, G-12, G-13: trailer mounted generators to replace G-8, G-9, G-10
- TL-63: 23.5 yard belly dump trailer
- (3) golf carts to replace (2) golf carts

Large Trucks:

- T-87: 2 ton DRW ext. cab with flatbed and crane

Medium Trucks:

- T-88: 1 ton DRW ext. cab with utility body
- T-89: 1 ton SRW with plow to replace T-77

Pickups:

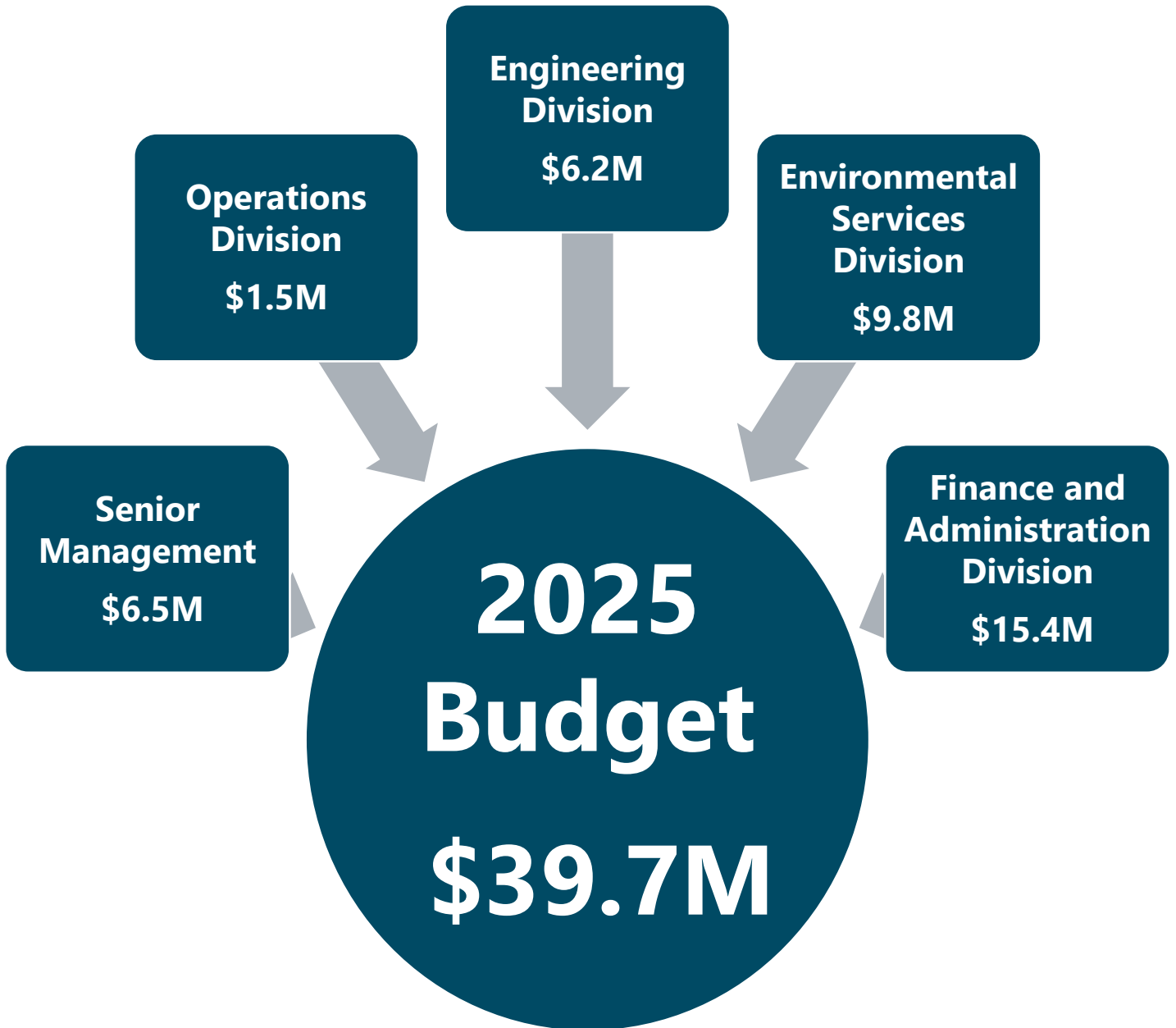
- P-142: ½ ton ext. cab 4x4 with bed cover replaces P-89
- P-143: ½ ton ext. cab 4x4 with bed cover
- P-144: ½ ton ext. Cab 4x4 with bed cover replaces V-24
- P-141: ½ ton Electric 4x4

SUV's:

- V-37: electric SUV
- V-38: hybrid SUV

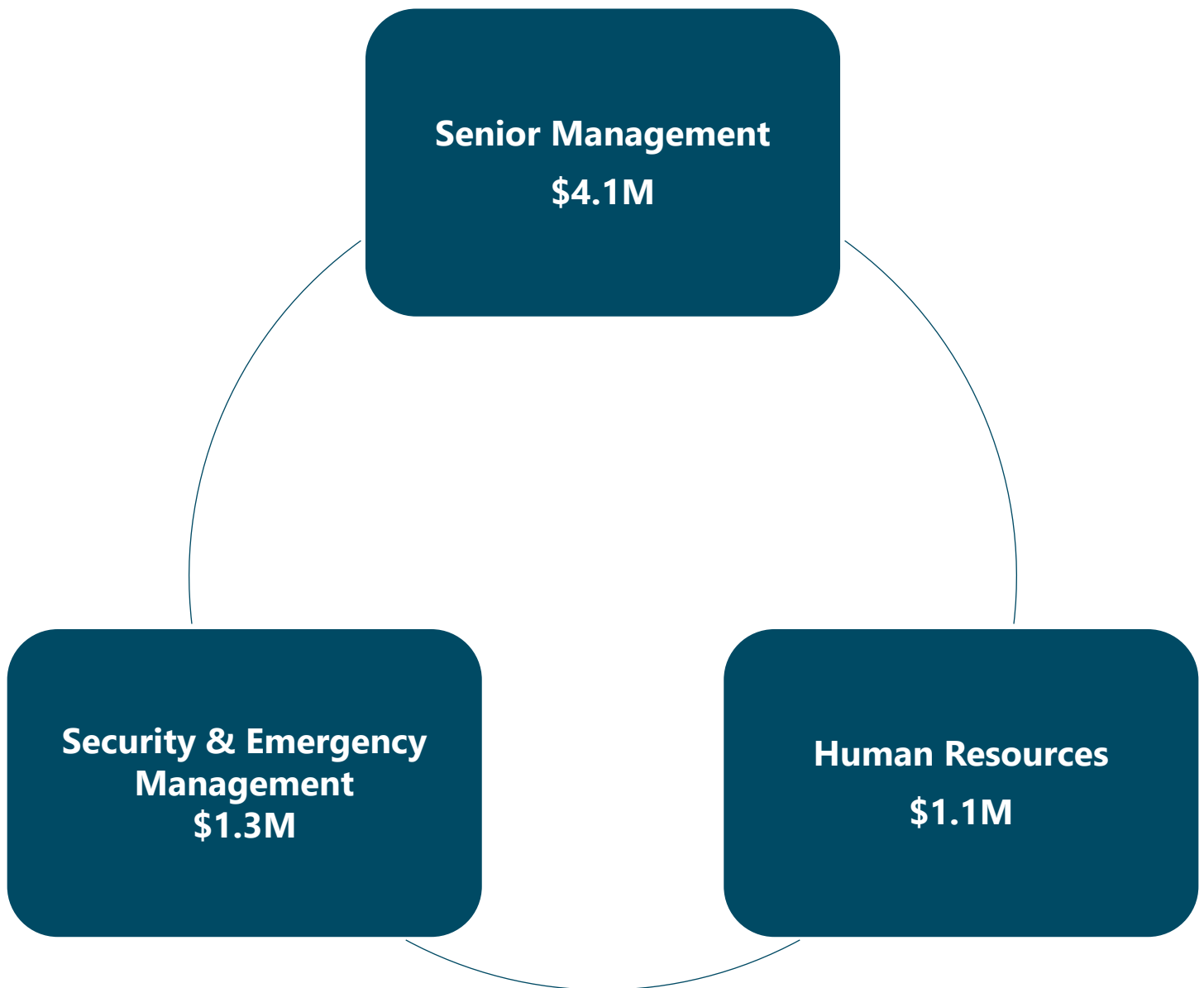
PROGRAM EXPENSES

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 74.1 percent of the total uses of funds. The fiscal year 2025 program budget totals \$50.6 million consisting of \$39.8 million for Northern Water division expenses and \$6.7 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 2025, 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. The Water Futures program is tailored specifically for individuals not currently in management of part of the Stewardship team and is ideal for employees with three or more years of full-time employment. Individuals in the program will broaden their understanding of the organization and enhance leadership proficiency.
- 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 project.
- 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.
- Provide oversight of Phase III Campus Development programs consisting of Berthoud Campus additional design and construction.

In 2024, 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 Northern Integrated Supply Project 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 final oversight and completion of Phase II of the Berthoud Campus Development program

- Responded to major unforeseen contingency projects and expenses.

Senior Management & Board of Directors	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Senior Management	\$829,525	\$659,590	\$765,715	\$738,163	\$78,573	11.9%
Legal Matters	1,055,137	1,177,174	1,289,231	1,234,060	56,886	4.8%
Board of Directors	76,510	437,042	287,490	300,000	(137,042)	(31.4%)
Senior Mgmt. Meetings	361,002	115,373	316,513	305,124	189,751	164.5%
General Programs	876,195	1,312,182	1,436,250	1,370,500	58,318	4.4%
Travel and Training	188,728	60,606	177,511	171,124	110,518	182.4%
Total	\$3,387,097	\$3,761,967	\$4,272,710	\$4,118,971	\$357,004	9.5%
Summary by Category						
Labor	\$1,793,474	\$2,431,121	\$2,137,364	\$2,266,491	(\$164,630)	(6.8%)
Expenses	1,593,623	1,330,846	2,135,347	1,852,480	521,634	39.2%
Total	\$3,387,097	\$3,761,967	\$4,272,710	\$4,118,971	\$357,004	9.5%

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 2025, 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.
- 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 2024, the Human Resources Program:

- Issued 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.
- Issued 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.
- Maximized the Human Resources Information Systems system to its fullest potential.
- Supported managers in recruiting and hiring approximately 28 new positions to bring departments up to full complement while promoting 17 internal positions.
- 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 employee and manager/supervisor trainings to update staff on the ever-changing employment laws.
- 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.
- Increased retirement seminars from four per year to six, providing employees with more knowledge of how to be prepared for retirement.
- Planned and hosted the annual employee benefits fair.

Human Resources	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Human Resources						
General	\$634,938	\$548,837	\$815,663	\$807,809	\$258,972	47.2%
Benefits Management	20,266	21,005	24,054	21,121	116	0.6%
Employee Engagement	85,184	83,125	81,203	37,203	(45,922)	(55.2%)
Recruiting	150,172	131,028	254,952	198,740	67,712	51.7%
Retirements	13,168	23,223	26,219	4,402	18,821	(81.0%)
Travel and Training	57,344	61,000	81,013	71,425	10,425	17.1%
Total	\$961,072	\$868,218	\$1,283,104	\$1,140,700	\$272,482	31.4%
Summary by Category						
Labor	\$901,541	\$661,315	\$1,069,063	\$676,100	\$14,785	2.2%
Expenses	59,531	206,903	214,041	464,600	\$257,697	124.5%
Total	\$961,072	\$868,218	\$1,283,104	\$1,140,700	\$272,482	31.4%

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 2025, the Security and Emergency Management Program intends to:

- Create Security Operations Center and remove the reasonability from the operators in the Northern Water Control Center.
- Complete Continuity of Operation Plans with remaining departments.
- Prepare and host active hurter training.
- Continue to add access control and cameras to critical infrastructure.
- Work with West Slope Control Rooms Operators to make sure they have correct camera views of critical operations facilities.
- Complete installation of Bureau of Reclamation cameras and confirm analytics are operational to Reclamation requirements.
- Educate staff on emergency response using “I Love U Guys” campaign.
- Perform fire drills at a minimum of two times per year.
- Prepare and offer at least one tabletop exercise.

In 2024, the Security and Emergency Management Program:

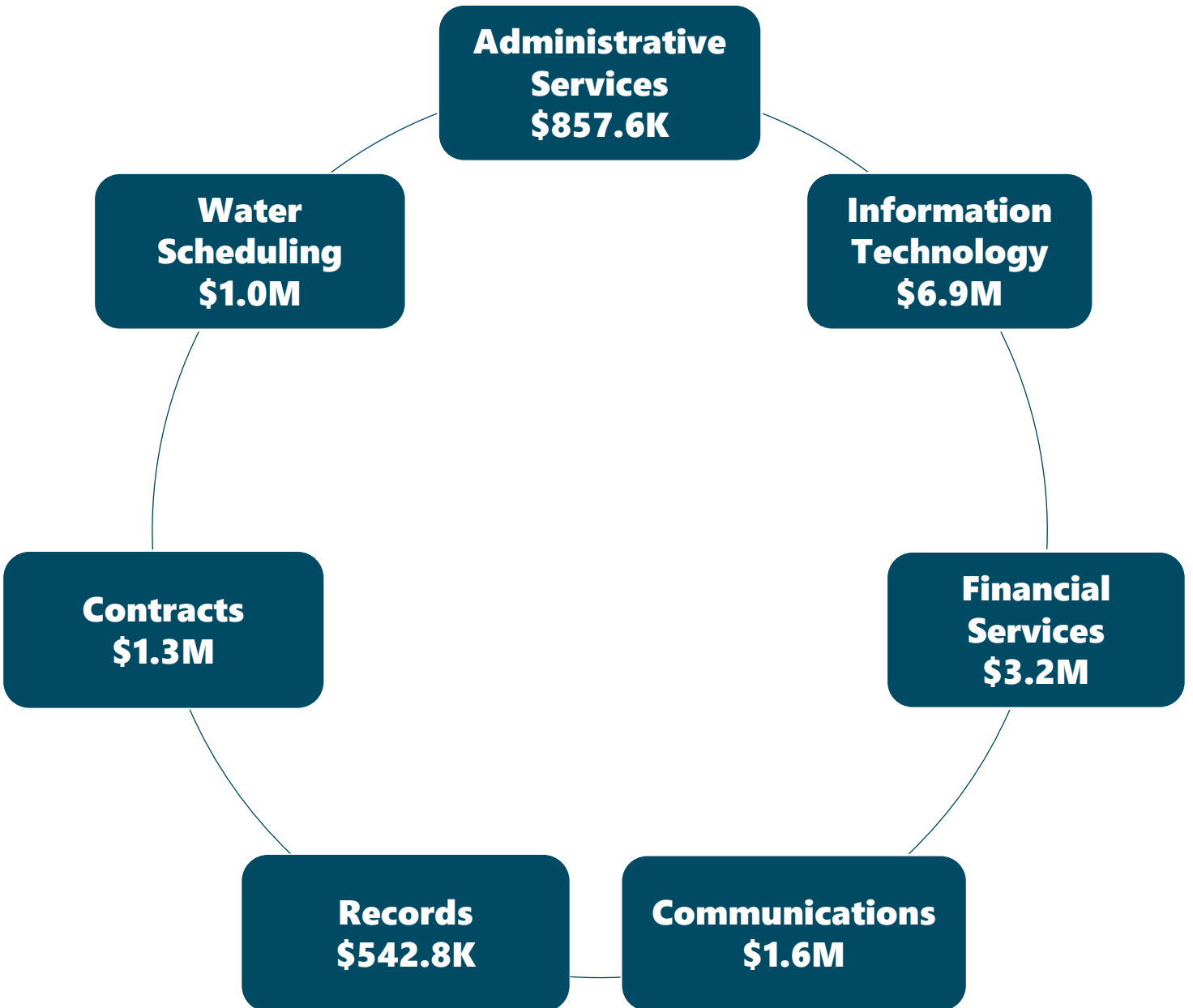
- Developed an Emergency Action Plan for C-BT Project canals.
- Held Incident Management Systems training for Northern Water staff.
- Continued working with department managers to develop emergency action plans for their respective departments.
- Added access control and cameras to critical infrastructure.
- Developed plans for access control and cameras at new facilities that are currently under construction.
- Continued working with Larimer County and Grand County Sheriff’s departments for security patrols of project facilities owned by Northern Water and Enterprise projects.
- Continued the integration of Lenel Access Control System and Milestone Video Management System.

Emergency/Security Management	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Security General	\$326,394	\$704,650	\$438,130	\$1,287,872	\$583,222	82.8%
Travel and Training	20,739	20,000	21,240	40,000	20,000	100.0%
Total	\$347,133	\$724,650	\$459,370	\$1,327,872	\$603,222	83.2%
Summary by Category						
Labor	\$-	\$-	\$-	\$603,072	\$603,072	*0.0%
Expenses	347,133	724,650	459,370	724,800	150	0.0%
Total	\$347,133	\$724,650	\$459,370	\$1,327,872	\$603,222	83.2%

*Labor was included in the Real Estate Department for fiscal year 2023 and fiscal year 2024

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 2025, the Administrative Services and Records Program intends to:

- Support hybrid Board and participant meetings in newly renovated Granby Boardroom.
- 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 protocols in newly renovated rotunda and front entry.
- Strategic coordination with Communications Department related to important dates and tours.
- Provide data entry, word processing, meeting and event support to staff working in the office and from remote locations.
- Coordination of Board travel and attendance at key regional and national water-related conferences.

In 2024, the Administrative Services and Records Program:

- Supported hybrid Board and participant meetings during the Phase II Berthoud Campus Development Project.
- Onboarded new Board of Directors members and developed materials for new Board member orientation.
- Continued to provide additional training to Northern Water staff on board meeting procedures, protocol and statute requirements.
- Supported additional front desk security measures during the Phase II Berthoud Campus Development Project and implemented new security protocols upon project completion.
- Provided data entry, word processing and meeting support to staff working in the office and from remote locations.

Administrative Services	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Administrative Support	\$293,407	\$639,069	\$396,754	\$639,069	\$-	0.0%
Workroom	36,715	85,759	43,995	85,759	-	0.0%
Travel and Training	25,225	17,561	30,158	132,759	115,198	656.0%
Total	\$355,347	\$742,389	\$470,907	\$857,586	\$115,197	15.5%
Summary by Category						
Labor	\$335,595	\$798,836	\$399,198	\$798,836	\$-	0.0%
Expenses	74,122	58,750	71,709	58,750	-	0.0%
Total	\$409,717	\$857,586	\$470,907	\$857,586	\$-	0.0%

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 2025, the Communications Department intends to:

- Continue work to ensure the Northern Water website is accessible to everyone to meet ADA compliance laws outlined through the requirements of Colorado’s statewide web accessibility standards. As part of this, develop training for staff to assist in meeting compliance and understanding the new laws.
- Begin development on a website refresh alongside Information Technology to evaluate current website demands, future needs and current digital trends.
- Continue development of the new digital asset management platform to make images and video assets available for the entire organization.
- 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.
- 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.

In 2024, the Communications Department:

- Worked alongside the Information Technology Department to implement both automated and manual website ADA compliance software to scan the Northern Water website for ADA deficiencies. Along with the compliance software, the digital communications team began remediation of PDFs for the public website and developed an overall Accessibility Plan to outline compliance progress.
- Implemented a new event management system alongside the Information Technology Department.
- Began development of a digital asset management platform to house and organize all images and video assets for the organization.
- 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.
- Evaluated and determined 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.
- Hosted national and international groups to provide education about the C-BT Project, construction progress for the Chimney Hollow Reservoir Project, various program updates and more.
- Worked with the Campus Development team to host a campus dedication and grand opening for the completed Phase II.

Communications	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Communications						
Programs	\$1,023,884	\$1,337,280	\$1,217,165	\$1,445,076	\$107,796	8.1%
Travel and Training	23,123	125,500	33,699	125,500	-	0.0%
Total	\$1,047,007	\$1,462,780	\$1,250,864	\$1,570,576	\$107,796	7.4%
Summary by Category						
Labor	\$949,657	\$1,224,380	\$1,064,791	\$1,238,726	\$14,345	1.2%
Expenses	128,582	238,400	186,073	331,850	93,450	39.2%
Total	\$1,047,007	\$1,462,780	\$1,250,864	\$1,570,576	\$107,795	7.4%

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 2025, the Contracts Program intends to:

- Continue our work with several remaining water providers to rectify boundary issues related to historical inclusions.
- Develop process for posting and sharing grant funding opportunities; tracking progress and tasks for grant proposals (pre-award); recording status of proposals (pending, not-funded, funded); tracking progress and tasks for awarded grants (post-award); and mapping grant project areas.
- 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 quarterly insurance meetings with various programs to track and process insurance requirements and track assets either acquired or sold.
- Continue work on corrective actions related to Class D allotment contracts.

In 2024, the Contracts Program:

- Developed and implemented new software to assist in annual checks with various county assessors to streamline landowner and legal description changes made to current allotment contracts within Boulder, Larimer and Weld counties.
- Completed work with several water providers to rectify boundary issues related to historical inclusions.
- Completed the 2024 annual general liability and workman’s compensation renewal with the Colorado Special Districts Pool.
- Completed tours of all Northern Water real property improvement assets, establishing replacement costs on all assets over \$100,000.
- Documented each facility’s descriptive reference, location, and physical characteristics, including construction type, occupancy, protection, and neighboring exposures for property underwriting.
- Developed a photo journal and booklet to document all assets.

Contracts	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Contracts	\$224,558	\$334,699	\$414,783	\$376,699	\$42,000	12.5%
Allotments	210,956	467,344	335,368	405,402	(61,942)	(13.3%)
Inclusions	200,605	180,059	237,217	184,265	4,206	2.3%
Insurance	66,428	311,247	444,047	328,189	16,942	5.4%
Travel and Training	26,023	15,000	51,194	45,000	30,000	200.0%
Total	\$728,570	\$1,308,349	\$1,482,609	\$1,339,555	\$31,206	2.4%
Summary by Category						
Labor	\$625,054	\$879,798	\$682,045	\$958,083	\$78,285	8.9%
Expenses	103,516	428,551	800,564	381,472	(47,079)	(11.0%)
Total	\$728,570	\$1,308,349	\$1,482,609	\$1,339,555	\$31,206	2.4%

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 2025, the Financial Services Program intends to:

- Implement additional modules within the Enterprise Resource Planning system.
- Develop additional reporting from the Enterprise Resource Planning system, including evaluation of conversion of ACFR, budget and annual reports to a new software platform.
- Engage consulting services for updates to the Northern Water Rate Study and Indirect Cost 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 Grants and Donations Procedures Manual for staff.
- Develop Investment Policy Statements for the 401(a) and 457(b) retirement plans.
- Begin development of a Public Annual Financial Report.

In 2024, the Financial Services Program:

- Developed additional reporting from the Enterprise Resource Planning system, including self-service options for department and project managers.
- Reviewed the Indirect Cost Allocation Model for any appropriate changes to the methodology.
- Continued to support the Northern Integrated Supply Project financing mechanisms.
- Continued to refine purchasing procedures.
- Continued to enhance the Accounting Policies and Procedures Manual.
- Implemented financial structure training opportunities for Northern Water staff.
- Continuity of Operations Planning and cross-training throughout the department.
- Earned the Award for Outstanding Achievement in Comprehensive Annual Financial Reporting for the 37th consecutive year for Northern Water from the Government Finance Officers Association (GFOA).
- Earned the Distinguished Budget Presentation Award for the sixth consecutive year for Northern Water from the GFOA.

Financial Services	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Accounting Services	\$1,329,403	\$1,334,398	\$1,217,269	\$1,237,463	\$(96,935)	(7.3%)
Purchasing	443,134	461,837	461,837	247,904	(213,933)	(46.3%)
Treasury	768,100	784,788	784,788	724,338	(60,450)	(7.7%)
Budget	177,254	163,897	163,897	238,454	74,557	45.5%
Payroll	118,169	102,781	102,781	284,338	181,557	176.6%
Pension	29,542	17,355	134,483	320,930	303,575	1749.2%
Travel and Training	54,750	28,290	122,523	129,127	100,837	356.4%
Total	\$2,920,352	\$2,893,346	\$2,987,579	\$3,182,553	\$289,207	10.0%
Summary by Category						
Labor	\$2,884,820	\$1,819,958	\$1,670,574	\$1,982,533	\$162,575	8.9%
Expenses	1,154,050	1,073,388	1,317,005	1,200,000	126,612	11.8%
Total	\$4,038,870	\$2,893,346	\$2,987,579	\$3,182,533	\$289,187	10.0%

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 2025, the Information Technology Services Program intends to:

- Refresh the Northern Water website to stay current with website trends and technologies.
- Procure a blue Unmanned Aerial System drone for phases two and three of the Northern Water drone initiative. The additional drone will provide additional capabilities and versatility with swappable payloads.
- Replace two virtual machine clusters that have reached their projected maximum end-of-life.
- Upgrade SQL Server licenses from Standard to Enterprise. The project will include consulting services to implement SQL Server High Availability and Disaster Recovery functionality.
- Complete the Horsetooth fiber dense wavelength-division multiplexing project. The project includes installing a Cisco Network Convergence System, configuring it, testing it, and providing hardware support. It also includes fiber characterization tests, hardware, and licensing.
- Engage with a third-party consultant to assist with the knowledge transfer needed to implement additional modules of the ERP solution.
- Complete the software-defined wide area network implementation.
- Implement micro-segmentation at Northern Water campuses, which is a network security strategy that divides a network into smaller, isolated segments to secure workloads and authorize specific traffic flows.

In 2024, the Information Technology Services Program:

- Implemented the Instrument Control System and Security System Recovery Project to enhance Northern Water's business continuity and disaster recovery capabilities.
- Added an Extended Detection and Response tool to its Cybersecurity Portfolio.
- Rolled out an internal testing platform for internal-based GIS mapping technology called ArcGIS Enterprise.
- Procured a second UAS drone with redundant capabilities for the Northern Water drone initiative.
- Conducted and oversaw Northern Water's boardroom audiovisual system refresh.
- Migrated critical services to a hybrid cloud to allow for redundancy and minimize the dependency on singular servers and infrastructure for core systems.

- Procured a website scanning compliance software to scan the Northern Water website for ADA deficiencies. This capital purchase is proposed to be an annual subscription to this software for ongoing compliance management.
- Replace the West Slope virtual machine cluster that has reached its projected end-of-life.

Information Technology	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Programming	\$407,558	\$421,207	\$435,102	\$525,200	\$103,993	24.7%
Cybersecurity & Governance	407,303	585,745	546,254	650,000	64,255	11.0%
IT Support Services	2,217,789	4,037,328	2,824,189	4,250,250	212,922	5.3%
Geographic Information System	258,749	423,733	350,589	530,050	106,317	25.1%
Policy Administration	28,223	40,550	38,916	42,020	1,470	3.6%
IT General	169,211	242,133	225,822	343,555	101,422	41.9%
Security	67,096	60,520	60,100	61,000	480	0.8%
Travel and Training	79,922	242,110	135,045	476,000	233,890	96.6%
Total	\$3,635,851	\$6,053,326	\$4,616,017	\$6,878,075	\$824,749	13.6%
Summary by Category						
Labor	\$1,909,601	\$2,865,286	\$2,776,676	\$2,858,737	\$(6,549)	(0.2%)
Expenses	1,726,250	3,188,040	1,839,341	4,019,338	\$831,298	26.1%
Total	\$3,635,851	\$6,053,326	\$4,616,017	\$6,878,075	\$824,749	13.6%

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 2025, the Records Program intends to:

- 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.
- Conduct staff training on eDocs Document Management system administration in coordination with Information Technology. Conduct staff training on Microsoft Purview Records and Information Management (RIM) tools.
- Develop and implement RIM training modules for employee onboarding.
- Continue facilitation of records transfers from offboarding/retiring personnel.
- Transition of the Board meeting minutes process into the Records and Administrative Services Department in coordination with the Administrative Services agenda management platform.
- Respond to records requests from Northern Water staff and the public.

In 2024, the Records Program:

- Migrated temporary physical records vaults into newly constructed space in Building A.
- Continued realignment of file taxonomy between the Records Management (RM) electronic file plan system and legacy filing system. Tracked and evaluated transitory material for disposition per the records retention schedule using the eDocs Document Management (DM)/RM system.
- Upgraded the eDocs DM/RM systems to enhance integration with other enterprise applications; continued to deploy the eDocs DM/RM system to select departments to import permanent electronic records; and train employees on use.
- Coordinated the transfer of vital electronic and paper records related to critical infrastructure and water allotment contracts into the eDocs DM/RM system for long-term preservation.
- Continued to inventory and index legacy record collections located in Building B and incorporate the material in the eDocs DM/RM system for long-term preservation.
- Facilitated records transfers from offboarding/retiring personnel.
- Responded to records requests from Northern Water staff and the public.

Records	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 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	\$478,533	\$(132,467)	(21.7%)
Expenses	5,730	41,298	9,367	64,250	22,952	55.6%
Total	\$523,222	\$652,298	\$573,646	\$542,783	\$(109,515)	(16.8%)

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 Systems' 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 2025, the Water Scheduling Program intends to:

- Accurately administer requests for delivery/transfer of water in a timely manner.
- Develop, test and implement a faster way to allow requests for water deliveries to be made within a few hours of receiving the water without any confusion on the ground all by using newly installed automatic gates, screens and dashboards.
- Maintain reporting products and develop new reports to support the needs of internal departments, the Board of Directors, and outside agencies, both state and federal.
- Maintain and submit monthly reservoir accounting for Carter Lake, Horsetooth and Boulder reservoirs, and newly added Chimney Hollow to state officials.
- 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 and more.
- Continue to support tools that allow power usage to be easily compared to pipeline intake flows for power plant bills.
- Create and support advanced comparative dashboards for internal and external partners.

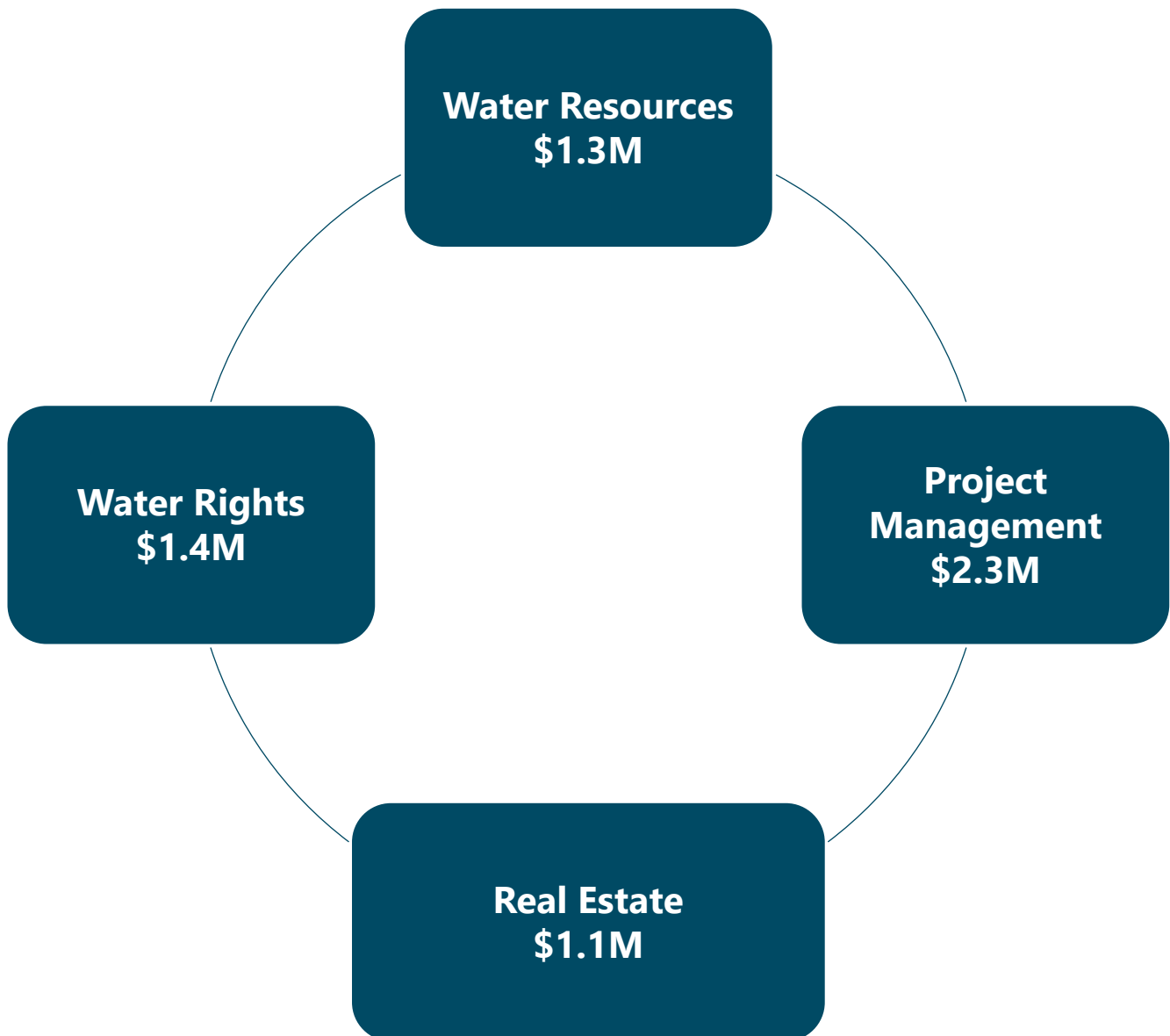
In 2024, the Water Scheduling Program:

- Continued to respond to customer requests in a timely manner and accurately administer requests for delivery and transfer of water.
- Continued to develop and maintain 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 Windy Gap Firming Project and the Northern Integrated Supply Project.
- Maintained and submitted monthly reservoir accounting for Carter Lake, Horsetooth and Boulder reservoirs, and newly added Chimney Hollow to state officials.
- Created 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.
- Submitted monthly accounting to the Colorado Division of Water Resources for the following: West Slope Intergovernmental Agreement, West Slope Building Augmentation plan.
- Developed a new tool that allows power usage to be easily compared to pipeline intake flows for power plant bills.

Water Scheduling	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Water Scheduling						
General	\$832,479	\$971,878	\$1,005,344	\$1,014,025	\$42,147	4.3%
Travel and Training	14,638	22,881	22,019	20,000	(2,881)	(12.6%)
Total	\$847,116	\$994,759	\$1,027,363	\$1,034,025	\$39,266	3.9%
Summary by Category						
Labor	\$837,939	\$981,259	\$1,022,276	\$1,024,025	\$42,766	4.4%
Expenses	9,177	13,500	5,088	10,000	(3,500)	(25.9%)
Total	\$847,116	\$994,759	\$1,027,363	\$1,034,025	\$39,266	3.9%

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 2025, the Project Management Program intends to:

- Continue the design, pre-construction and financial planning activities for the Northern Integrated Supply Project.
- Provide support to the Distribution and Collection programs related to budgeting, planning, design and construction management of various hydraulic structure improvements and rehabilitation.

In 2024, the Project Management Program:

- Completed the Berthoud Campus facilities upgrade project.
- Continued 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.

Project Management	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Project Management	\$1,430,007	\$2,317,968	\$1,764,387	\$2,186,662	\$(131,306)	(5.7%)
Travel and Training	48,456	100,000	103,649	110,000	10,000	10.0%
Total	\$1,478,463	\$2,417,968	\$1,868,036	\$2,296,662	\$(121,306)	(5.0%)
Summary by Category						
Labor	\$1,400,670	\$2,417,968	\$1,824,124	\$2,296,662	\$(121,306)	(5.0%)
Expenses	77,793	50,250	43,912	35,000	-15,250	(30.3%)
Total	\$1,478,463	\$2,468,218	\$1,868,036	\$2,331,662	\$(136,556)	(5.5%)

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 2025, the Real Estate Program intends to:

- Complete fee acquisitions of properties needed for the relocation of Highway 287 for Northern Integrated Supply Project.
- Make offers and purchase property interest needed for the Galeton Reservoir forebay and pump plant site near confluence of Poudre and South Platte Rivers.
- Continue to acquire easements needed for Northern Integrated Supply Project Conveyance pipeline.
- Acquire remaining properties needed for Glade Reservoir and Forebay pond, as well as other easements and fee lands for appurtenant facilities related to Glade Reservoir.
- Continue to work with tenants on Northern Water and Enterprise owned properties. This will include removing any unused buildings, fencing, and cleaning and clearing properties.
- Continue to work with GIS Department to confirm that all pipelines, electrical and fiber optic facilities are in Northern Water's mapping system and Colorado 811 system.
- Complete any easement agreements needed for the Chimney Hollow Reservoir Project with Larimer County and the Bureau of Reclamation.
- Develop a plan and mail notices to notify all property owners where Southern Water Supply Project and Pleasant Valley Pipeline owns easements. Meet with any property owners that request additional information regarding these easements.
- Continue to develop working relationships with ditch companies that Northern Water owns the property interests.

In 2024, the Real Estate Program:

- Continued with fee acquisition of properties for relocation of Colo. Highway 287 for the Northern Integrated Supply Project Glade Reservoir Construction.
- Developed legal descriptions and appraisal to begin negotiations for 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. Acquired access easements on the south side of the river from two of the three property owners.
- Acquired approximately six miles of pipeline easements necessary for the construction of Northern Integrated Supply Project conveyance pipeline.
- Continued negotiations with remaining property interest owners for Glade Reservoir.
- Managed fee owned properties acquired for future reservoir sites, as well as Northern Integrated Supply Project Water Secure Project.
- Continued to work with tenants to manage Northern Water and Enterprise owned properties.
- Continued to monitor oil, gas and property development activities adjacent to Enterprises' pipelines.
- Worked with the GIS Department to make sure enterprises' pipelines, electrical and fiber optic facilities are in the Colorado 811 system.
- Continued to identify other agencies granting third party access to Northern's fee lands and easements.
- Reviewed and administered Boulder Reservoir special events to reduce conflict with Northern's interest and obligations.
- Coordinated access for consultants, contractors, and others with landowners on Southern Water Supply Project pipelines and Northern Integrated Supply Project.
- Worked with Water Scheduling and Operations on rehabbing of the canal meters.
- Worked with Field Services and landowners on water sampling sites and locations.

- Attended annual meetings and worked on building relationships with ditch company's Northern holds stock in.

Real Estate	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Real Estate General	\$1,644,451	\$1,421,791	\$1,837,768	\$1,043,225	\$606,756	42.7%
Real Estate Travel/Training	108,644	115,000	89,376	100,000	513,856	446.8%
Total	\$1,753,095	\$1,536,791	\$1,927,144	\$1,143,225	\$1,120,612	72.9%
Summary by Category						
Labor	\$1,485,334	\$1,244,191	\$1,719,414	\$862,325	\$1,054,362	84.7%
Expenses	267,761	292,600	207,730	280,900	66,250	22.6%
Total	\$1,753,095	\$1,536,791	\$1,927,144	\$1,143,225	\$1,120,612	72.9%

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 2025, 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 including production of C-BT Project demand forecasts.
- Participate in the funding and planning of the 2026 Colorado Airborne Snow Measurement program project, including Airborne Snow Observatory flights.
- Implement Airborne Snow Observatory flight data and results in annual streamflow forecasting efforts.
- Participate in stakeholder groups including river administration and operations discussions, Green Mountain Historic User Pool discussions, Grand County Learning by Doing, and Grand Lake Adaptive Management for clarity.
- Provide water resources modeling and analytical and planning support for the Northern Integrated Supply Project.
- Provide water resources expertise and for other Northern Water programs including Management, Operations, Water Quality, Project Management, Water Scheduling, Water Rights, Contracts, Communications and Finance.
- Collaborate on the development of water quantity and water quality related operations plans for Boulder Reservoir.
- Participate in Northern Water's regional messaging initiative.
- Investigate impacts to water supplies due to climate change and other water supply pressures.
- Participate in South Platte Salinity Stakeholder Group salinity monitoring and modeling efforts.
- Develop new groundwater recharge projects in the lower South Platte River for local well augmentation groups and South Platte Water Related Activities Program as credits for Platte River Recovery and Implementation ESA Program and in response to a potential Nebraska Perkins Canal.
- Work with Northern Water field services on developing real time monitoring for irrigation efficiency and crop consumptive use.
- Perform educational outreach at group meetings on return flow hydrology as the foundation of South Platte River flows and river administration as well as the importance of well augmentation plans on maintaining return flows.
- Work with CSU Irrigation Innovation Consortium on the Testing Ag Performance Solutions field monitoring of corn plots at the Fort Collins ARDEC farm.

In 2024, the Water Resources Program:

- Informed leadership concerning the availability of C-BT Project supplies and made recommendations for allocation and use.
- Produced daily and seasonal streamflow forecasts for eight basins during the snow accumulation and snowmelt runoff seasons.
- Provided modeling, analytical and planning support for the C-BT Project Annual Operating Plan including the production of C-BT Project demand forecasts.
- Participated in the funding and planning of the 2025 Colorado Airborne Snow Measurement program project, including Airborne Snow Observatory flights.

- Implemented Airborne Snow Observatory flight data and results in annual streamflow forecasting efforts.
- Implemented state-of-the-art snow modeling system developed in collaboration with Reclamation and the U.S. Geological Survey.
- Participated in stakeholder groups including river administration and operations discussions, Green Mountain Historic User Pool discussions, Grand County Learning by Doing, and Grand Lake Adaptive Management for clarity.
- Developed new ways to access, manage and visualize water resources data and create regular informational reports for the Board, management and staff.
- Provided water resources expertise and analysis for the Northern Integrated Supply Project and led project participant operations committee to discuss details of future project operations.
- Collaborated on the development of water quantity and water quality related operations plans for Boulder Reservoir.
- 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.
- Managed 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.
- Participated with Colorado State University in the United States Department of Agriculture (USDA)/Northern Water Augmented Deficit Irrigation research and demonstrations at a local USDA research farm to monitor reduced evapotranspiration from deficit irrigation for leasing to cities and to monitor augmentation to protect historic return flows. Studies involved increasing water use efficiency (more bushels per inch of ET) and conversations with cities and farmers on the economic incentives and need for more groundwater recharge.
- Provided support and water accounting to the Tamarack Project of managed groundwater recharge, Colorado’s essential water contribution to the PRRIP and provided technical support to the SPWRAP. Participated as Member of the PRRIP Water Advisory Committee (WAC) representing South Platte Colorado water users.
- Monitored Nebraska’s proposed Perkins Canal diversion in Colorado per the South Platte Compact and its relationship to PRRIP requirements.
- Participated 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.

Water Resources	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Water Resources General	\$225,678	\$482,569	\$280,163	\$222,861	\$(259,708)	(53.8%)
Stream Flow Forecast	572,818	500,817	478,190	580,896	80,079	16.0%
Climate Change	67,400	76,656	70,650	68,351	(8,305)	(10.8%)
South Platte WRAP	14,080	10,595	15,650	14,278	3,683	34.8%
Project Modeling	5,632	5,810	5,579	5,711	(99)	(1.7%)
Mapping & Analysis	27,500	21,605	37,895	27,888	6,283	29.1%
USDA Deficit Study	361,336	296,516	387,379	366,432	69,916	23.6%
Travel and Training	54,392	60,000	55,875	55,158	(4,842)	(8.1%)
Total	\$1,328,835	\$1,454,568	\$1,331,382	\$1,341,575	\$(112,993)	(7.8%)
Summary by Category						
Labor	\$914,772	\$1,032,368	\$1,097,741	\$1,075,375	\$43,007	4.2%
Expenses	414,063	422,200	233,640	266,200	(156,000)	(36.9%)
Total	\$1,328,835	\$1,454,568	\$1,331,381	\$1,341,575	\$(112,993)	(7.8%)

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 local, 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 2025, the Water Rights Program intends to:

- Participate in various local, statewide, regional and interstate cooperative programs including endangered species recovery programs, stream management and river basin studies.
- Protect C-BT Project return flows within Northern Water 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’s water supply.
- Preserve native water supplies for use within Northern Water boundaries.

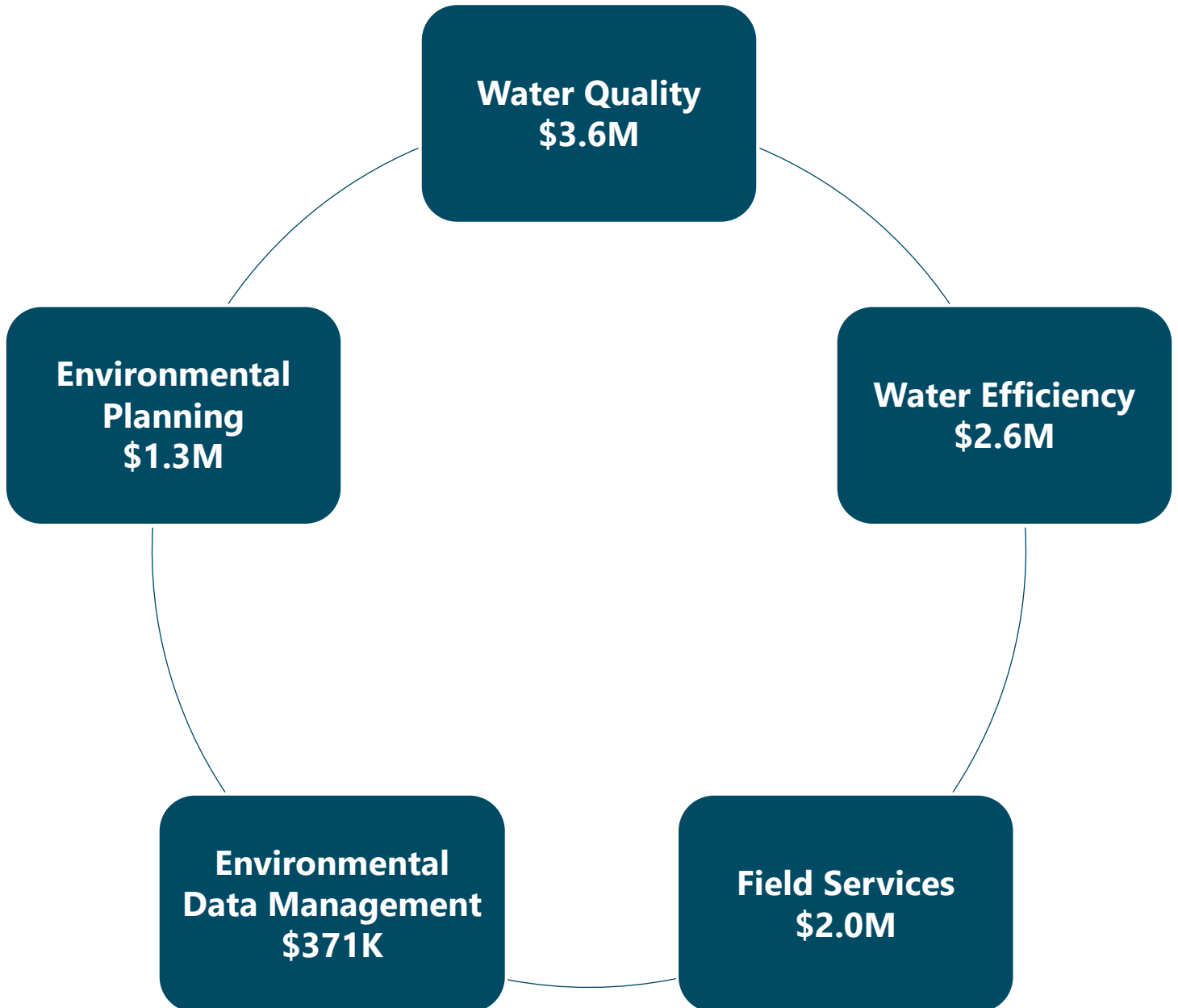
In 2024, the Water Rights Program:

- Participated in various local, statewide, regional and interstate cooperative programs including endangered species recovery programs, stream management operations and river basin studies.
- Protected C-BT Project return flows within Northern Water boundaries as per the Repayment Contract and continue to engage in statements of opposition on water rights applications.
- Filed statements of opposition and continued due diligence to protect C-BT Project and Northern Integrated Supply Project 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.
- Participated in the implementation of the Wild and Scenic Alternative Management Plan for the upper Colorado River for the reach from Kremmling to Glenwood Springs.

	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Water Rights						
Expenditures:						
Program Summary						
Water Rights Return Flow Study	\$350,040	\$280,000	\$268,948	\$302,457	\$22,457	8.0%
Water Opposition United, EC, ACW	280,851	350,000	207,823	233,717	(116,283)	(33.2%)
Water Opposition Other	624,129	251,000	362,648	493,670	242,670	96.7%
Water Rights General	315,674	350,593	344,498	304,961	(45,632)	(13.0%)
Travel and Training	44,645	40,000	45,977	40,000	-	0.0%
Total	\$1,615,339	\$1,271,593	\$1,229,894	\$1,374,806	\$103,213	8.1%
Summary by Category						
Labor	\$739,949	\$793,644	\$909,937	\$823,806	\$30,162	3.8%
Expenses	875,725	477,949	312,553	551,000	73,051	15.3%
Total	\$1,615,674	\$1,271,593	\$1,222,490	\$1,374,806	\$103,213	8.1%

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 2025, the Environmental Data Program intends to:

- Develop new mobile data acquisition systems for field data collection that directly interfaces with the WISKI data warehouse.
- Complete migration of Water Quality data to the new data management system.
- Further expand our data sharing capabilities through additional tools and services, both internally and externally
- Publish a new central hub of data system documentation, operations, logistics and troubleshooting accessible and searchable by all staff.

In 2024, the Environmental Data Program:

- Built, developed and published new data sharing tools including visualization dashboards, KPI’s, and ready-access summaries of pointed data, both internal and external.
- Updated our core software systems to a newer, more secure version.
- Further trained new team members and increased departmental work capacity.
- Expanded data governance framework, ownership, and quality control processes to adhere to proper management protocol and maintenance of data resources.
- Conducted internal review/feedback meetings to build upon and improve our new data systems.

Environmental Data Management	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Environmental Data Management	\$176,466	\$308,635	\$135,137	\$350,317	\$41,682	13.5%
Travel and Training	5,482	30,000	5,086	25,000	(5,000)	(16.7%)
Total	\$181,948	\$338,635	\$140,223	\$375,317	\$36,682	10.8%
Summary by Category						
Labor	\$59,882	\$309,635	\$120,223	\$320,317	\$10,682	3.4%
Expenses	3,192	29,000	20,000	55,000	\$26,000	89.7%
Total	\$63,074	\$338,635	\$140,223	\$375,317	\$36,682	10.8%

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 2025, the Environmental Planning Program intends to:

- Provide support for East Troublesome Fire recovery, including project management, environmental compliance, and primary point of contact for stakeholders, regulatory agencies and land administrators.
- 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 environmental compliance support for a variety of operations and maintenance projects. Anticipated activities include, but are not limited to, permitting, emergency guidance and strategic planning. Act as primary environmental contact for other stakeholders and regulatory agencies.
- Support NEPA process for evaluation of alternatives to meet the Grand Lake clarity standard.
- Track proposed legislation and regulatory changes. Work with legal counsel on strategy. Participate in stakeholder meetings. Provide feedback to stakeholders and regulatory agencies. Provide internal guidance.
- 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 forest health 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.
- Provide funding and capacity support to forest and watershed health partners to implement projects within Northern Water's source water protection areas.
- Participate in numerous stakeholder groups and collaboratives aimed at forest and watershed health improvement.

In 2024, the Environmental Planning Program:

- Provided 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.
- Provided support for East Troublesome Fire recovery, including project management, environmental compliance, and primary point of contact for stakeholders, regulatory agencies and land administrators.
- 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. Anticipated activities include, but are not limited to, permitting, emergency guidance and strategic planning. Act as primary environmental contact for other stakeholders and regulatory agencies.
- Tracked proposed legislation and regulatory changes. Work with legal counsel on strategy. Participate in stakeholder meetings. Provided feedback to stakeholders and regulatory agencies. Testified in house and senate committee hearings. Provide internal guidance.
- Provided environmental compliance training for construction and project management staff.

- Provided source water protection planning support. This includes development of an organizational source water protection plan and long-term forest health projects.
- Provided expert aquatic ecology guidance and problem-solving for operation of existing projects and planning of new projects.
- Pursued grant opportunities and managed awarded grants.
- Supported the establishment of organizational environmental stewardship initiatives.
- Provided funding and capacity support to forest and watershed health partners to implement projects within Northern Water’s source water protection areas.
- Participated in numerous stakeholder groups and collaboratives aimed at forest and watershed health improvement.

Environmental Planning	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Environmental Planning	\$69,643	\$350,000	\$452,920	\$550,000	\$200,000	57.1%
Watershed Groups	-	80,000	50,780	59,973	(20,027)	(25.0%)
Source Water Protection	-	700,000	765,243	520,000	(180,000)	(25.7%)
Fire Recovery	4,537,981	19,744,657	798,681	109,600	(19,635,057)	(99.4%)
Travel and Training	49,522	100,000	55,142	50,000	(50,000)	(50.0%)
Total	\$4,657,146	\$20,974,657	\$2,122,766	\$1,289,573	\$(19,685,084)	(93.9%)
Summary by Category						
Labor	\$446,968	\$1,224,657	\$650,946	\$617,973	\$(606,684)	(49.5%)
Expenses	4,889,284	19,750,000	1,471,820	671,600	(19,078,400)	(96.6%)
Total	\$5,336,252	\$20,974,657	\$2,122,766	\$1,289,573	\$(19,685,084)	(93.9%)

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 2025, 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 maintained 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.
- Continue 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 2024, the Field Services Program:

- Successfully 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 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Flow Monitoring Stations	\$606,542	\$650,000	\$529,433	\$750,000	\$100,000	15.4%
Weather Stations	625,942	678,146	513,060	710,000	31,854	4.7%
Field Services Programs	138,757	475,000	458,707	475,200	200	0.0%
Travel and Training	20,862	40,000	20,011	62,174	22,174	55.4%
Total	\$1,392,103	\$1,843,146	\$1,521,211	\$1,997,374	154,228	8.4%
Summary by Category						
Labor	\$1,171,225	\$1,491,146	\$1,316,637	\$1,616,374	\$125,228	8.4%
Expenses	220,878	352,000	204,574	381,000	29,000	8.2%
Total	\$1,392,103	\$1,843,146	\$1,521,211	\$1,997,374	\$154,228	8.4%

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 2025, 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.
- Conclude the evaluation of structural alternatives to support the Grand Lake NEPA process for Grand Lake clarity.
- Work with the Three Lakes Technical Committee to provide the technical basis needed to support Grand Lake Adaptive Management and Grand Lake NEPA and investigate studies that may help improve clarity in Grand Lake.
- Complete the update to the Three Lakes CE-QUAL-W2 Water Quality Model.
- 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 on to the WISKI platform.
- Develop the Northern Integrated Supply Project Adaptive Management and Poudre River Collaborative frameworks.
- Continue water quality monitoring in compliance with the Northern Integrated Supply Project 401 Water Quality Certification.
- Complete the update to the NISP temperature model in accordance with the Northern Integrated Supply Project 401 Water Quality Certification.
- Continue active engagement with the South Platte Salinity Stakeholder Group.
- Continue to support investigation of solutions to Eurasian Watermilfoil in Boulder Reservoir.

In 2024, 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.
- Conducted baseline macroinvertebrate monitoring to assess aquatic life health within the C-BT Project.
- Participated in Grand Lake Adaptive Management to develop operational approaches to improve clarity in Grand Lake while National Environmental Policy Act (NEPA) options are evaluated.
- Continued the evaluation of structural alternatives to support the Grand Lake NEPA process for Grand Lake clarity.
- Re-engaged the Three Lakes Technical Committee to provide the technical basis needed to support Grand Lake Adaptive Management and Grand Lake NEPA and investigate studies that may help improve clarity in Grand Lake.
- Started work on the update to the Three Lakes CE-QUAL-W2 Water Quality Model.
- Supported East Troublesome Fire recovery efforts through data collection and analysis.
- 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.
- Implemented water quality monitoring in compliance with the Northern Integrated Supply Project 401 Water Quality Certification.
- Started the update to the NISP temperature model in accordance with the Northern Integrated Supply Project 401 Water Quality Certification.
- Participated in the collaborative South Platte Salinity initiative to scope salinity issues in the basin and potential best management practices. Contributed a significant amount of data to this group to support their efforts.
- Supported investigation of solutions to Eurasian Watermilfoil in Boulder Reservoir.

Water Quality	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Water Quality Programs	\$959,388	\$1,258,600	\$1,292,560	\$1,550,000	\$291,400	23.2%
Baseline Monitoring	566,985	960,000	644,578	875,000	(85,000)	(8.9%)
Water Quality Studies	792,473	980,000	920,393	965,000	(15,000)	(1.5%)
Watershed Groups	138,070	-	-	-	-	**0.0%
Regulations	34,525	75,060	65,943	98,531	23,471	31.3%
Source Water Protection	133,858	-	-	-	-	**0.0%
Travel and Training	69,792	90,000	78,817	110,000	20,000	22.2%
Total	\$2,695,091	\$3,363,660	\$3,002,291	\$3,598,531	\$234,871	7.0%
Summary by Category						
Labor	\$1,200,220	\$1,270,560	\$1,354,993	\$1,186,431	\$(84,129)	(6.6%)
Expenses	1,494,872	2,093,100	1,647,298	2,412,100	319,000	15.2%
Total	\$2,695,091	\$3,363,660	\$3,002,291	\$3,598,531	\$234,871	7.0%

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 2025, the Water Efficiency Program intends to:

- Kick off a new five-year Urban Efficiency Roadmap with new and enhanced efficiency services.
- Publish commercial landscape plans for low- and no-water and low-maintenance median, right of way, street strip and buffer yard designs as demonstrated in the Conservation Gardens.
- Design, build and interpret Sustainable Landscape Templates in the Conservation Gardens.
- Expand installation of regional waterwise demonstration gardens through increased Landscape Consultations, Irrigation Assessments and Collaborative Water-Efficiency Landscape Grants.
- Expand collaboration with efficiency partners through sponsorship, outreach and education.
- Expand regional Commercial Indoor Assessments and Retrofits with the state and allottees.
- Expand regional Residential Indoor Retrofits through additional partnerships and pilot projects.
- Expand Conservation Campus demonstrations through signage, metering and media materials.
- Continue progressing the Regional Messaging Initiative through allottee engagement.
- Determine the landscape area and ownership of non-essential turf within our service territory.

In 2024, the Water Efficiency Program:

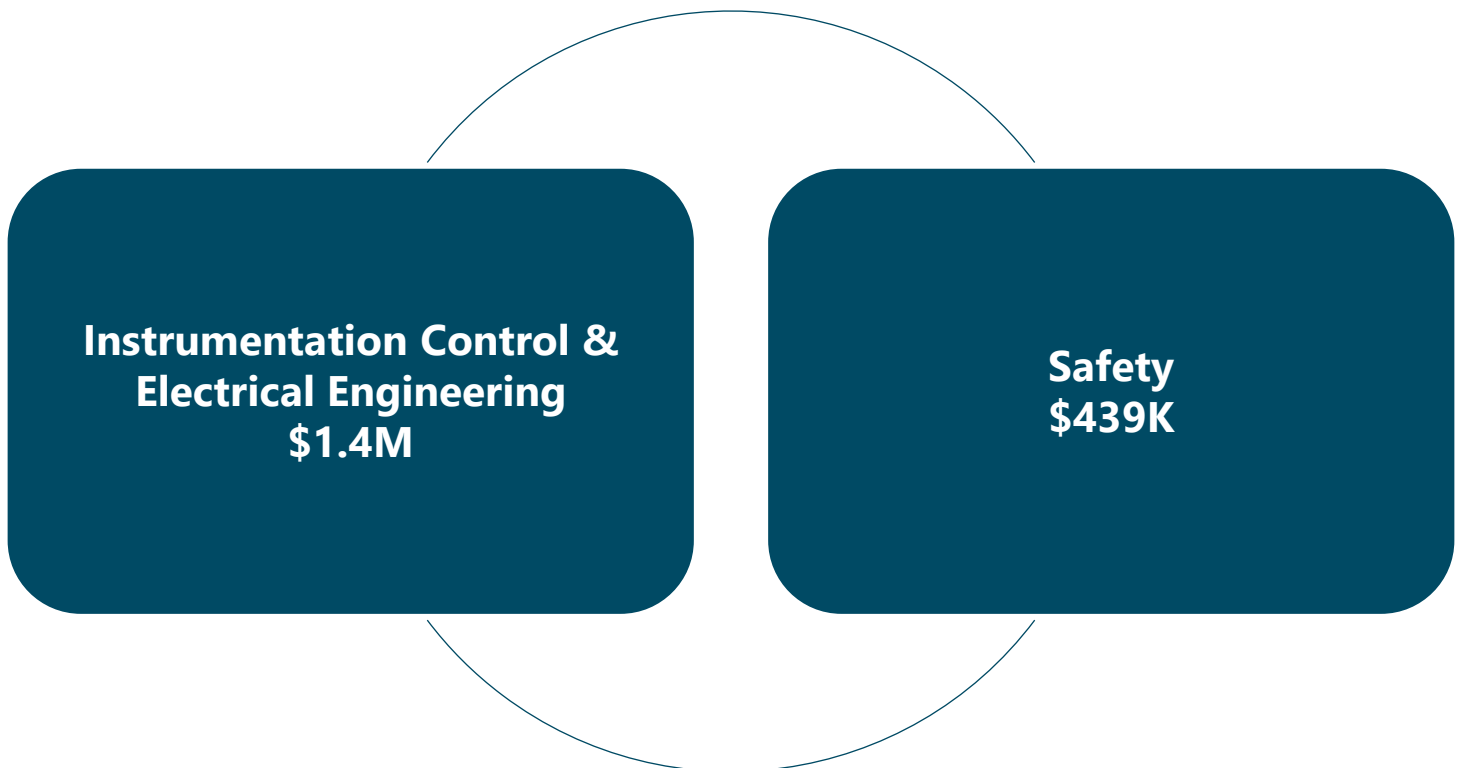
- Delivered six Sustainable Residential Landscape Template Plans to the Marshall Fire Recovery in support of homeowner rebuilding, future development projects and homeowners' associations.
- Delivered Sustainable Commercial Street Strips, Medians, Rights of Way and Bufferyard demonstrations for use in new construction, renovating existing landscapes and case studies.
- Delivered 19 Collaborative Water-Efficient Landscape Grants for regional demonstrations.
- Published an interactive Native Grass Website and provided training workshops and site visits.
- Enhanced irrigation management through four Irrigation Association classes and certifications and two Sustainable Landscape Management Classes from Associated Landscape Contractors of Colorado.
- Hosted a third Growing Water Smart Workshop to integrate water efficiency into land use planning.
- Participated in Colorado Water Conservation Board's Urban Landscape Conservation Task Force.
- Met increasing demand for landscape water management technical support through expanding capacity in our landscape consultations, irrigation audits and collaborative grant services.
- Shared initial findings and developed the next phase of the regional water messaging initiative.
- Expanded 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.

Water Efficiency	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Water Efficiency						
Programs	\$406,960	\$615,000	\$473,955	\$895,000	\$280,000	45.5%
Workgroups	400,647	404,743	275,000	516,181	111,438	27.5%
Landscape Grants	200,000	375,000	255,000	675,000	300,000	80.0%
Conservation Gardens	39,314	175,000	100,000	375,000	200,000	114.3%
Travel and Training	127,232	55,000	80,235	100,000	45,000	81.8%
Total	\$1,174,153	\$1,624,743	\$1,227,955	\$2,561,181	\$936,438	57.6%
Summary by Category						
Labor	\$590,232	\$818,743	\$733,062	\$1,008,181	\$189,438	23.1%
Expenses	583,921	806,000	675,136	1,553,000	747,000	92.7%
Total	\$1,174,153	\$1,624,743	\$1,408,198	\$2,561,181	\$936,438	57.6%

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 2025, 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 Pleasant Valley Pipeline Poudre River 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, Lefthand and Little Thompson.
- Put in place the commissioning of Chimney Hollow Reservoir.
- Test two units of Windy Gap Pump Plant programmable logic controllers.
- Replace last two units of Windy Gap Pump Plant programmable logic controllers.
- Connect Horsetooth Fiber to Flatiron substation.
- Maintain 100 percent system uptime.

In 2024, the Instrumentation Controls and Electrical Engineering Program:

- Replaced Morgan County Quality Water District programmable logic controller.
- Replaced Pleasant Valley Pipeline Poudre Diversion programmable logic controller.
- Replaced Mainline Valve programmable logic controller.
- Installed flow meter at Dry Creek Siphon.
- Configured and bench tested Chimney Hollow logics and graphics.
- Automate Boulder White Rocks.
- Replace Pleasant Valley Pipeline Munroe Canal Turnout programmable logic controller.
- Replace two units of Windy Gap Pump Plant programmable logic controller.
- Installed flow meter at Dry Creek Siphon.
- Installed fiber to Carter Lake Dam #3.
- Maintained 100 percent system uptime.

Instrumentation Control & Electrical Engineering	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Colorado-Big Thompson Project Support	\$500,801	\$891,547	\$919,043	\$940,524	\$21,481	2.4%
NW/MS Operations Support	389,512	486,299	328,230	335,901	7,672	1.6%
Specialized Equipment Operations & Maintenance	222,578	243,149	65,646	67,180	1,534	0.6%
Travel and Training	67,378	42,500	29,001	22,500	(6,501)	(15.3%)
Total	\$1,180,270	\$1,663,495	\$1,341,919	\$1,366,105	\$961,975	57.8%
Summary by Category						
Labor	\$883,335	\$1,215,395	\$1,139,220	\$1,165,805	\$26,585	2.2%
Expenses	296,935	448,100	202,698	200,300	(2,398)	(0.5%)
Total	\$1,180,270	\$1,663,495	\$1,341,919	\$1,366,105	\$961,975	57.8%

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 2025, the Safety Program intends to:

- Install fall protection at the Farr Pump Plant, Windy Gap Pump Plant and Willow Creek Pump Plant.
- Install fall protection netting at the Poudre Drop Structure.
- Identify location needing fall protection.
- Create CDL physical tracking program.
- Create a tracking program attached to work orders, to ensure only trained employees are entering hazardous environments.
- Add new buildings to audit schedule.
- Attempt to reach 100 percent training compliance for a larger Colorado Special District Pool discount.
- Add virtual reality training to the safety training.
- Develop a safety culture among employees by hosting annual Safety Day, host a safety speaker, develop safety contests and implement safety awards.

In 2024, the Safety Program:

- Identified and purchased horizontal lifelines and other fall protection at the Farr Pump Plant, Windy Gap Pump Plant and Willow Creek Pump Plant.
- Installed horizontal lifeline with restraint system at the Dille Diversion.
- Installed an anchor point and self-retracting lifeline on the Building A roof.
- Added fixed air monitoring and sound pressure monitoring to vaults.
- Added and stocked Personal Protective Equipment (PPE) supply cabinets.
- Added audiogram testing onto medical monitoring.
- Purchase a noise dosimeter for sound pressure mapping.
- Developed safety culture through Safety Day in June 2024 and promoted safety contests.
- Completed in-house HECF training with Control Center Department Manager.
- Completed crane inspections.
- Coordinated quarterly safety committee meetings.

Safety	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Expenditures:						
Program Summary						
Safety Programs	\$58,158	\$76,000	\$57,168	\$65,000	\$(11,000)	(14.5%)
Safety Contractors	1,226	5,000	3,761	7,000	\$2,000	40.0%
Environmental Health	11,982	25,000	18,805	30,000	\$5,000	20.0%
Safety Medical	7,923	12,965	9,752	14,143	\$1,178	9.1%
Safety Staff Training	34,801	130,116	97,874	140,291	\$10,175	7.8%
Safety General	117,453	123,500	92,897	150,000	\$26,500	21.5%
Safety Travel and Training	40,500	30,000	22,566	32,726	\$2,726	9.1%
Total	\$191,043	\$402,581	\$302,823	\$439,160	\$36,579	9.1%
Summary by Category						
Labor	\$148,230	\$164,431	\$176,848	\$171,410	\$6,980	4.2%
Expenses	163,353	238,150	125,975	267,750	29,600	12.4%
Total	\$311,584	\$402,581	\$302,823	\$439,160	\$36,580	9.1%

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:

1. Collect and deliver water
2. Protect and conserve water supplies
3. Plan and implement new water supply projects
4. Cultivate operational and organizational excellence
5. 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 on all projects (capital and non-capital in nature) within each combination of priority and strategy. This tool is used by staff and Senior Management to ensure capital projects, non-capital projects, other 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 2025 capital projects, initiatives and studies budget totals \$20,286,005. A listing of the capital projects and other initiatives and studies is provided below.

Impacts to Operating Costs

Most capital projects will have a positive financial impact on operating and maintenance costs through automation and 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.

	Fiscal Year 2025 Budget	Total Cost Estimate
Pump Plants		
RAX Tier 2 - Farr Pump Plant: Shop Rehabilitation or Addition	\$100,000	
Farr Pump Plant Pipe & Couplings *	\$70,000	
Willow Creek Gate House Motors *	\$60,000	
Farr Pump Plant Lathe Equipment *	\$35,000	
Farr Pump Plant Hydraulic Pumps *	\$35,000	\$300,000
Canals		
Hansen Feeder Canal 550: Capacity Restoration	\$1,000,000	
Granby Pump Canal: Discharge Tube Flow Measurement *	\$200,000	
Coal Ridge Clay Lining and Civil Work	\$150,000	
Meter Rehabilitation Project *	\$150,000	
St. Vrain Supply Canal Clay Lining	\$150,000	
Coal Ridge Trash Rack Automation and Programmable Logic Controller *	\$150,000	
Munroe OP programmable logic controller / Poudre Diversion programmable logic controller Rehab / Gate Actuators *	\$130,000	
Hansen Feeder Canal 550 & 930: Sealing & Lining Program	\$115,000	
Hansen Feeder Canal 550: Big T. Siphon Retaining Wall Repair	\$100,000	
Munroe Poudre River Diversion Programmable Logic Controller *	\$86,500	
Willow Creek Pump Canal: Box Section (Canal Rehabilitation)	\$75,000	
Lefthand Turnout Rehabilitation	\$75,000	
Masonville Siphon Limited Rehabilitation	\$102,200	
Dixon Tin Whistle Rehabilitation	\$50,000	
Dry Creek Turnout Rehabilitation	\$40,000	
Supply Creek Turnout Rehabilitation	\$40,000	
Boulder Feeder Canal Bridge Rehabilitation	\$30,000	
Lower Boulder Auxiliary Power	\$30,000	
Holland Turnout Rehabilitation	\$30,000	
Soldier Dome Chamber Actuator Replacement	\$5,000	\$2,708,700
Reservoirs and Dams		
Hansen Supply Canal Fiber *	\$650,000	
Shadow Mountain Dam: Spillway & Bulkhead *	\$375,000	
Horsetooth Reservoir: Fiberoptic Line to Soldier Canyon *	\$350,000	
Horsetooth Reservoir: Outlet Redundant Hydraulic Piping	\$250,000	
Horsetooth Auxiliary Outlet	\$230,000	
Horsetooth Reservoir: Dam Bulkhead Test	\$130,000	

Granby Dam Outlet Works: Tunnel Extension	\$100,000	
Horsetooth Outlet Works: Penstock Tape Wrap (Annual) *	\$70,000	
Carter Lake Generator #	\$50,000	
West Slope Security Booms #	\$50,000	
Soldier Canyon Dam Bypass Lines	\$50,000	
Lefthand Turnout Programmable Logic Controller Upgrades *	\$36,500	
Star Turnout Programmable Logic Controller Upgrades *	\$36,500	
Replacement Actuator for Dissipating Valve	\$5,000	\$2,383,000

Facilities

Boulder Reservoir EWM Pesticide Application	\$300,000	
Berthoud Campus Development Phase 3 #	\$280,000	
Asphalt Grind & Level	\$260,000	
Design & Install Computer Room HVAC Equipment	\$210,000	
RAX - Willow Creek Gate House: Addition #	\$150,000	
St. Vrain Supply Canal/Boulder Feeder Canal Bifurcation Rehabilitation	\$125,000	
Miller Hereford Ranch Rehabilitation	\$105,000	
Ideal Fencing Tilt Away Gate #	\$75,000	
Plasma Cutter & Table	\$65,000	
Portable Loading Dock	\$55,000	
Pump Skid Replacement	\$60,000	
Soldier Elevator Communication Lines *	\$40,000	
Radiant Tube Heaters	\$40,000	
Building C Warehouse Walls	\$35,000	
Raypak Boiler BAS Controls	\$30,000	
Lyons Shop Roof Replacement *	\$22,500	
Lighting Upgrades *	\$22,000	
Garage Door Operators	\$22,000	
Power Monitor Tie in to BAS (2)	\$16,000	
Automation System - Tie in UPS and Computer Room HVAC	\$15,000	
Replace Mix Air Dampers	\$15,000	
Replace Cooling Tower Media	\$5,000	\$1,947,500

Studies

Rate Study	\$200,000	
Capital Improvement Plan	\$150,000	
Indirect Cost Study	\$100,000	
Northern Water Futures Program (MORF Consulting)	\$100,000	
Northern Water Compensation and Classification Consulting Services	\$75,000	\$625,000

Initiatives

KVRC (Source Water Protection)	\$600,000	
Airborne Snow Observatories Program	\$278,605	
Native Water Use Studies Grant	\$200,000	
Northern Colorado Children's Museum Donation	\$100,000	\$1,178,605

Other

East Troublesome Fire - United States Forest Service	\$6,800,000	
DIST ICE Horsetooth Security Fiber Project *	\$750,000	
Infor Module Upgrade Implementation #	\$500,000	
East Troublesome Fire - Post Fire Recovery Obligation	\$250,000	
SQL Server Enterprise Licensing	\$140,000	

Server Cluster Hardware Replacement	\$80,000	
Restroom at Lefthand Turnout #	\$75,000	
Website Refresh	\$60,000	
Repaint Horsetooth Valve house and Floor Coating	\$50,000	
Lookout Road Power Supply to the Gate South	\$50,000	
Cattle Guards (3)	\$30,000	
Infor third Party Consulting	\$25,000	
iPads for EAM and Drawings (10) #	\$15,000	
West Portal Gate Height Indicators	\$15,000	\$8,840,000

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

Pump Plants

- Farr Pump Plant Shop Rehabilitation / Addition (\$100,000) – Northern Water staff will work on various shop upgrades and evaluate need for additional space.
- Farr Pump Plant Pipe and Couplings (\$70,000) – The installation of new pipe throughout Farr Pump Plant will help provide uninterrupted supply of water through the C-BT system.
- Willow Creek Gate House Motors (\$60,000) – Installation of new motors on the radial gates, which will provide uninterrupted supply of water through the C-BT system.
- Farr Pump Plant Lathe Equipment (\$35,000) – New equipment for the tool and machine shop. This will provide the ability to produce obsolete specialty parts.
- Farr Pump Plant Hydraulic Pumps (\$35,000) – Installation of new hydraulic pumps to provide uninterrupted supply of water through the C-BT system.

Canals

- Hansen Feeder Canal 550 Section Capacity Rehabilitation (\$1,000,000) – Capacity modeling and alternatives analysis for capacity restoration due to overtopping of the canal.
- Granby Pump Canal: Discharge Tube Flow Measurement (\$200,000) – Installation will allow Northern Water staff to monitor the flow of water
- Coal Ridge Clay Lining and Civil Work (\$150,000) – This project will include lining of the canal and include work around the trash rack. It will help provide uninterrupted supply of water.
- Meter Rehabilitation Project (\$150,000) – The replacement and/or repair of water meters along the canal system will ensure accurate water deliveries to water users and account for that water with the assurance of accuracy.
- St. Vrain Supply Canal Clay Lining (\$150,000) – The lining of approximately 200 linear feet of the canal will help provide uninterrupted supply of water through the canal.
- Coal Ridge Trash Rack Automation and Programmable Logic Controller (\$150,000) – This includes new automation of the trash rack and programmable logic controller. The current operations are manual and have malfunctioned recently.
- Munroe OP Programmable Logic Controller / Poudre Diversion Programmable Logic Controller / Gate Actuators (\$130,000) – New actuators on the pool gate and tunnel gate will help provide uninterrupted supply of water.
- Hansen Feeder Canal Sealing and Lining Program (\$115,000) – This is an ongoing program for operations and maintenance of the Hansen Feeder Canal 550 section.
- Hansen Feeder Canal Big Thompson Siphon Retaining Wall (\$100,000) - This project involves the repair or reconstruction of the Big Thompson Siphon retaining wall, located above Highway 34, west of Loveland, Colorado. The project will be executed in two phases
- Munroe Poudre River Diversion Programmable Logic Controller (\$86,500) – This project involves upgrading the programmable logic controller system at the Munroe Canal diversion, located northwest of Fort Collins on the Poudre River. The upgrade will improve automation, control, and efficiency of water diversion operations.
- Willow Creek Pumping Canal Box Section Rehabilitation (\$75,000) – Rehabilitate the section by enclosing the currently lined section with conduit or box section.
- Lefthand Turnout Rehabilitation (\$75,000) – This will provide a more secure structure for the overall system by rehabilitating the original turnout structure.

- Masonville Siphon Steel Rings Rehabilitation (\$102,200) – Continuing to place steel rings in the siphon will provide longevity to the existing original equipment.
- Dixon Tin Whistle Rehabilitation (\$50,000) – This project will be to rehabilitate the original tin whistle on the Dixon Canal with a permanent concrete structure.
- Dry Creek Turnout Rehabilitation (\$40,000) – This project will be to rehabilitate the Dry Creek turnout adding a rotork actuator and communication lines to shelter.
- Supply Creek Turnout Rehabilitation (\$40,000) – This project will be to rehabilitate the Supply turnout adding a rotork actuator and communication lines to shelter.
- Boulder Feeder Canal Bridge Rehabilitation (\$30,000) – This project will be to replace a walk bridge on the Boulder Feeder Canal. It will provide safety to staff taking measurements on the canal.
- Lower Boulder Auxiliary Power (\$30,000) – This will provide uninterrupted supply of water through Northern Water's conveyance systems.
- Holland Turnout Rehabilitation (\$30,000) – This will be to rehabilitate the Holland turnout adding a rotork actuator and communication lines to shelter.
- Soldier Dome Chamber Actuator Replacement (\$5,000) – This involves removing the old actuator from the valve assembly and installing the new actuator. Replacement will help ensure efficient system operation.

Reservoirs and Dams

- Hansen Supply Canal Fiber (\$650,000) – Installation of fiber optics communication line along the canal. This will improve automation systems and communications.
- Shadow Mountain Dam: Spillway and Bulkhead (\$375,000) – The scope of work will be to do destructive testing to determine the full condition of needed rehabilitation and then develop a preferred alternative design package for bid. An engineering consultant will be hired to coordinate testing and perform design services.
- Horsetooth Reservoir: Fiberoptic Line to Soldier Canyon Shaft House (\$350,000) – This project will provide fiber to the Soldier Canyon Shaft House ensuring consistent communication and automation.
- Horsetooth Reservoir: Outlet Redundant Hydraulic Piping (\$250,000) – Installation of new hydraulic piping at the outlet.
- Horsetooth Auxiliary Outlet (\$230,000) - Northern Water plans to have the consultant continue design on the Auxiliary Outlet Tower to 30 percent. Permitting costs for additional consultants are included.
- Horsetooth Reservoir: Dam Bulkhead Test (\$130,000) – Placement and removal of an 11,000 pound bulkhead at the intake structure of Horsetooth outlet works. This will include the dewatering of the intake structure, inspection of the intake structure, conducting an unbalanced head test on guard gates, and inspecting gate seals.
- Granby Dam Outlet Works: Tunnel Extension (\$100,000) – Provide protection to the outlet works from rock fall damage.
- Horsetooth Outlet Works: Penstock Tape Wrap Annual Program (\$70,000) – This project will continue the tape wrap on the penstocks at Horsetooth Outlet Works. This will help with the prevention of corrosion.
- Carter Lake Generator (\$50,000) – This will provide back-up power to Carter Lake outlet works
- West Slope Security Booms (\$50,000) – Procure replacement booms dam security features on Granby Dam and Shadow Mountain Dams.
- Soldier Canyon Dam Bypass Lines (\$50,000) – This project involves upgrading the programmable logic controller system. The upgrade will improve automation, control, and efficiency of water diversion operations. The role includes managing the installation, testing, and integration of the new programmable logic controller system to ensure reliable performance and minimal disruption to canal operations.
- Lefthand Turnout Programmable Logic Controller Upgrades (\$36,500) – This project involves upgrading the programmable logic controller system. The upgrade will improve automation, control, and efficiency of water diversion operations. The role includes managing the installation, testing and integration of the new programmable logic controller system to ensure reliable performance and minimal disruption to canal operations.
- Star Turnout Programmable Logic Controller Upgrades (\$36,500) – This project involves upgrading the programmable logic controller system. The upgrade will improve automation, control, and efficiency of water diversion operations. The role includes managing the installation, testing, and integration of the new programmable logic controller system to ensure reliable performance and minimal disruption to canal operations.

- Replacement Actuator for Dissipating Valve (\$5,000) – Replacement of outdated actuator for better control of the dissipating valve.

Facilities

- Boulder Reservoir EWM Pesticide Application (\$300,000) – Application of herbicide to eradicate and control the Eurasian Water Milfoil invasive species at the Boulder Reservoir.
- Berthoud Campus Development Phase 3 (\$280,000)
- Asphalt Grind and Level (\$260,000) – Grind down asphalt, layer new product flush with concrete. Entire asphalt section behind the gates minus the newer sections.
- Design and Install Computer Room HVAC Equipment (\$210,000) – Replace existing HVAC equipment that feeds the computer room in Building A, this equipment is no longer supported. Several parts no longer available.
- Willow Creek Gate House Addition (\$150,000) – Addition of a new building above the original outlet structure. This will provide room for new programmable logic controller equipment, heaters and air compressor.
- St. Vrain Supply Canal/Boulder Feeder Canal Bifurcation Rehabilitation (\$125,000) – This project will be to rehabilitate a structure in Lyons and will provide a more secure structure.
- Miller Hereford Ranch Rehabilitation (\$105,000) – Structural improvements to the existing facility.
- Ideal Fencing Tilt Away Gate (\$75,000) – Installation of new automated security gate.
- Plasma Cutter & Table (\$65,000) – Purchase of plasma cutting table to be shared across Northern Water departments.
- Pump Skid Replacement (\$60,000) – Year two of the replacement of the pump skid near the raw water pond. Several components have reached their end of life and are being replaced.
- Portable Loading Dock (\$55,000) – Installation of portable loading dock ramps to allow safe and efficient loading and unloading of trucks and trailers.
- Radiant Tube Heaters (\$40,000) – Replacement of radiant tube heaters with more efficient units. The current equipment is end of life and new heaters will make HVAC more efficient.
- Soldier Elevator Communication Lines (\$40,000) – This project will be to add new communication lines to the Soldier Elevator, at the Soldier shaft house and improve safety for employees entering.
- Building C Warehouse Walls (\$35,000) – Build addition walls that will help with warehouse deliveries and storage.
- Raypak Boiler BAS Controls (\$30,000) – Tie boilers to the building automation in order to make changes remotely and make them more efficient.
- Lyons Shop Roof Replacement (\$22,500) – Replace roof on shop at Lyons Yard. It has previously been repaired and beyond its useful life.
- Garage Door Operators (\$22,000) – Replacement of garage door operators. These are used a lot and beyond their useful life.
- Lighting Upgrades (\$22,000) – Upgrade lights throughout campus to LED. This will make the campus more energy efficient.
- Power Monitor Tie in to BAS (2) (\$16,000) – Tie in our Power Monitor equipment to our building automation system. This will allow us to view, track and set up data logs.
- Automation System – Tie in UPS and Computer Room HVAC (\$15,000) – Current equipment is no longer supported for the computer room.
- Replace Mix Air Dampers (\$15,000) – Replacement of mixed air dampers. Both are beyond useful life.
- Replace Cooling Tower Media (\$5,000) – Replacement of cooling tower that is beyond useful life.

Studies

- Rate Study (\$200,000) – Northern Water will hire a consultant to develop a forecast model that will provide 10-year guidance on the allotment contract rates.
- Capital Improvement Plan (\$150,000) – Northern Water will continue consulting services to facilitate creation of a 10-year master capital plan including integration with existing asset management software.
- Indirect Cost Study (\$100,000) – Indirect Costs were implemented in 2023 in order to recover costs that their enterprises benefited from. The original study will be evaluated to determine the best course of action going forward. This will be a two-year study.

- Northern Water Futures Program (\$100,000) – Northern Water is leading a group of staff through an internal leadership training and education program.
- DIST HRS Compensation and Classification Consulting Services (\$75,000) – To ensure Northern Water maintains its level of competitive compensation, a consultant will be hired to evaluate employee compensation and classification.
- Long-Term Master Capital Plan (\$263,740.00) – Northern Water will seek consulting services to facilitate creation of a 10-year master capital plan.

Initiatives

- KVRG Source Water Protection (\$600,000) – Working with regional partners, Northern Water is leading efforts to secure grants and procure contractors on habitat restoration in the Kawuneeche Valley.
- Airborne Snow Observatories Program (\$278,605) – Airborne Snow Observatories 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.
- Native Water Use Studies Grant (\$200,000) – Northern Water will solicit grant applications for grants that will be used to study native water uses.
- Northern Colorado Children's Museum Donation (\$100,000) – With a five-year commitment, Northern Water will sponsor a water education exhibit and the new Children's Museum of Northern Colorado.

Other Projects

- East Troublesome Fire - United States Forest Service (\$6,800,000) – Working with the United States Forest Service, Northern Water will continue work on mitigating runoff of contaminants in the watershed.
- DIST ICE Horsetooth Fiber Project (\$750,000) – This is a continuation of the project to provide fiber optic cabling between Northern Water's Horsetooth Dam and Dixon Dam and the Platte River Power Authority Sub Station. This will improve speed and reliability of operational data from remote sites.
- Infor Module Upgrade Implementation (\$500,000) – Northern Water is investing in their enterprise resource program with the purchase of new modules. These include budgeting, employee expense report and contract management.
- East Troublesome Fire - Post Fire Recovery Obligation (\$250,000) – As part of the Emergency Watershed Program, Northern Water is obligated to maintain repaired infrastructure should damage occur.
- SQL Server Enterprise Licensing (\$140,000) – Upgrade SQL Server licenses from Standard to Enterprise. The project will include consulting services to implement SQL Server High Availability and Disaster Recovery functionality.
- Server Cluster Hardware Replacement (\$80,000) – The VM3 and DEV virtual machine cluster have reached their projected max end-of-life this year. To continue maintaining our infrastructure environment these clusters will need to be replaced. Replacing the clusters will allow our infrastructure to continue running efficiently with no interruptions or end of life hardware failures.
- Restroom at Lefthand Turnout (\$75,000) – This is the installation of a new restroom at the Lefthand Turnout.
- Website Refresh (\$60,000) – Website refresh to stay current with new technologies and implement upgrades.
- Repaint Horsetooth Valve House and Floor Coating (\$50,000) – Steel coatings at valve house to extend their useful life.
- Lookout Road Power Supply to the Gate (\$50,000) – Installation of power supply to automated gate that is currently on battery power.
- Cattle Guards (3) (\$30,000) – Replacement of existing cattle guards on the Hansen Feeder Canal.
- Infor 3rd Party Consulting (\$25,000) – Northern Water is contracting the services to lead the implementation of a new Infor ERP module.
- iPads for EAM and Drawings (10) (\$15,000) – Purchase of iPads for maintenance staff to provide real time updates and drawings of Northern Water structures.
- West Portal Gate Height Indicators (\$15,000) – Purchase and installation of height indicators for more accurate readings.

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 \$2,303,200. A summary is provided in the table below.

Fleet Vehicles and Equipment

	Fiscal Year 2025 Budget	Total Cost Estimate
Bulldozer (Bureau of Reclamation Fire Recovery Funds)	\$595,000	
Electrician - 2 ton cab chassis with utility body and crane	\$210,000	
Backhoe - 420 Cat Backhoe Loader etc.	\$152,000	
Electrical - Crew Truck - 1 ton cab chassis with utility body	\$100,000	
20ft. Deck Boat, 125hp. Outboard, Tadum Trailer	\$90,000	
20ft. Deck Boat, 125hp. Outboard, Tadum Trailer	\$90,000	
Utility vehicle w/ bucket – (Bobcat Toolcat)	\$77,000	
Field Services - 1/2 ton 4x4 pickup	\$70,000	
Fleet electric check out - 1/2 ton 4x4 pickup	\$70,000	
Field Services - 1/2 ton Ext Cab 4x4 pickup	\$70,000	
Emergency Management - 1/2 ton 4x4 pickup	\$70,000	
Wrecked Vehicle - Replacement	\$65,000	
70Kva Trailer mount generator - Doosan	\$65,000	
Fleet check out - Hybrid AWD SUV	\$54,000	
Landscape compact tractor with loader arm & bucket	\$52,000	
45Kva Trailer mount generator - Kohler	\$52,000	
45Kva Trailer mount generator - Kohler	\$52,000	
Real Estate - Hybrid AWD SUV	\$50,000	
Northern Water Drone #2	\$45,000	
Belly Dump trailer - 23.5 cyrd trailer - blk	\$45,000	
Two-Way Radio Chargers for Vehicles (100)	\$41,000	
Utility Vehicle - Bobcat UV34XL hard cab etc.	\$35,000	
Willow Creek Pump Plant Bridge Crane	\$17,000	
Wire Feed Welder	\$15,000	
Electrical Personal Ground	\$15,000	
Spare Rotork Actuator	\$15,000	
Club Car Carryall 550 (Cart with Bed)	\$13,900	
Club Car Carryall 550 (6 Person)	\$11,400	
WS - 2 cyd truck mount Spreader	\$11,000	
Truck Mounted Welder - Miller or Lincoln	\$9,000	
Bobcat 72" Angle blade and snow pusher box	\$8,700	
60" sweeper bucket with side broom (Bobcat)	\$8,700	
Attachments for Tractor - seeder	\$8,500	
68" angle broom - Bobcat 68" Angle Broom	\$7,000	
Club Car Temp 2 + 2 (Dropdown Seat)	\$6,300	
Attachments for Tractor - mid-mount mower	\$5,200	
Attachments for Tractor - box blade	\$1,500	\$2,303,200

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

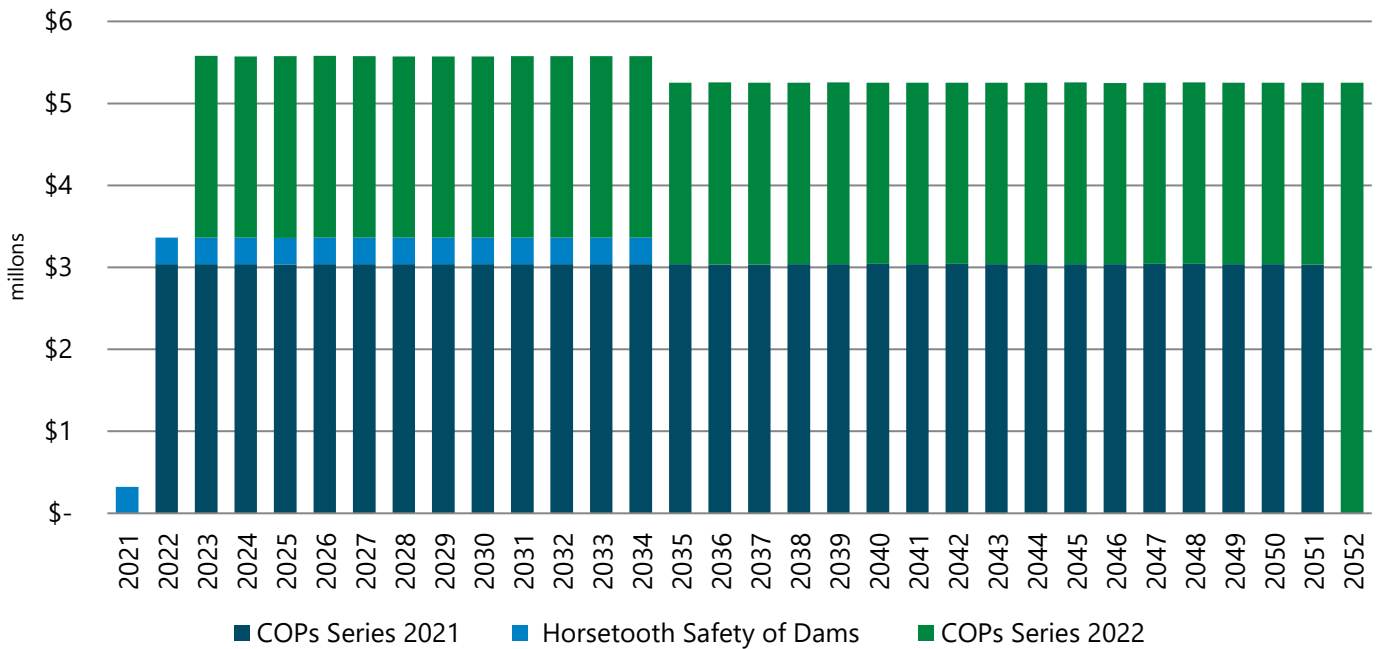
Northern Water has the advantage of many long-time staff to assess capital needs on an annual basis. However, there is also a need to plan out projects. Staff and Senior Management continue to evaluate and prioritize projects based on budget and alignment with stated priorities. In addition, in fiscal 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 2025 and will provide a five-year and 20 plan that staff can use to guide future capital decisions.

Project Name	Total Cost	2026	2027	2028	2029	2030
Northern Integrated Supply Project	\$ 2,000,000,000					
Fleet - Heavy / Medium Vehicles	\$ 3,000,000					
Light Duty / Passenger Vehicles	\$ 1,800,000					
Heavy / Medium Equipment	\$ 1,800,000					
Small Equipment	\$ 600,000					
WLPP VFD Replacement	\$ 300,000					
Broomfield VFD Replacement	\$ 100,000					
(2) Rectifiers on Ft. Lupton Segment	\$ 180,000					
(2) Rectifiers on Ft. 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					
Carter Lake Dam 1 Shaft House: Hydraulic Unit	\$ 400,000					
Granby Dam Outlet Works: Tunnel Extension (Engineering & Design)	\$ 550,000					
Granby Dam, Shadow Mountain: Radial Gate Re-Coating	\$ 250,000					
Hansen Feeder Canal (550 & 930): Blowoff Valve Replacements	\$ 100,000					
Hansen Feeder Canal (550 & 930): Tunnel Drains	\$ 100,000					
Hansen Feeder Canal 500: Tunnel Covers	\$ 300,000					
Hansen Feeder Canal 550 & 930: Sealing and Lining (Annual Program)	\$ 1,000,000					
Hanson Feeder Canal 550: Masonville Siphon Limited Rehabilitation	\$ 400,000					
Horsetooth Outlet Works: Dissipater Drain and Floor Repair	\$ 100,000					
Horsetooth Outlet Works: Electrical Upgrades	\$ 150,000					
Shadow Mountain Dam: Bulkhead Replacement	\$ 500,000					

Debt Service

The fiscal year 2025 Debt Service is scheduled at \$5,576,978 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 \$1,761,985 will remain due as of September 30, 2025), 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 2024. 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 liability of \$8,932,435 is included in the District Enterprise Fund on Northern Water’s financial statements on September 30, 2023. This was determined by an actuarial valuation as of January 1, 2023, using a long-term expected rate of return, net of investment expense of 5.25 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 2025, Northern Water has budgeted total contributions to the plan of \$1,182,308 (\$947,783 for the actuarially determined contribution, plus \$234,525 as a supplemental contribution).

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 four pump plants. The fiscal year 2025 Southern Water Supply Project Water Activity Enterprise Fund budget, including operating expenses, capital outlay and indirect costs totals \$4,165,531. 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.

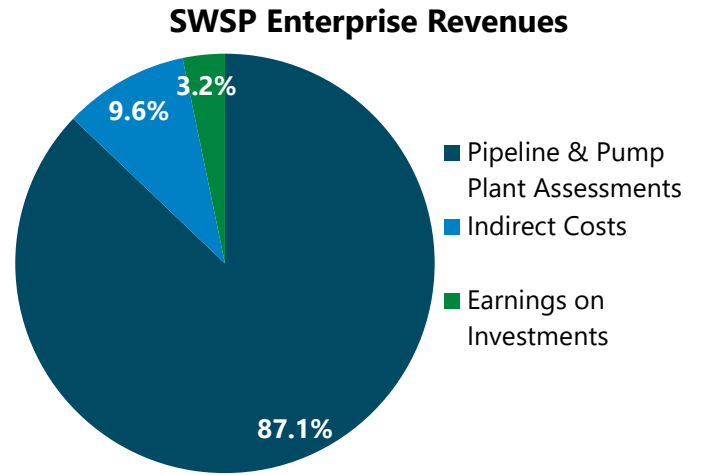
Budget Summary

	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Beginning Cash & Reserves						
Unrestricted	\$2,993,862	\$6,675,797	\$3,763,099	\$4,736,994		
Restricted	113,612	-	341,504	-		
Total	\$3,107,474	\$6,675,797	\$4,104,603	\$4,736,994		
Sources of Funds						
Revenues						
Operating Revenues						
Pipeline Assessments	\$3,882,258	\$4,663,124	\$3,457,588	\$4,165,531	\$ (497,593)	(10.7%)
Total operating revenues	3,882,258	4,663,124	3,457,588	4,165,531	(497,593)	(10.7%)
Other revenues						
Other nonoperating revenues	-	-	-	-	-	n/a
Earnings on Investments	129,664	108,000	149,551	139,607	31,607	
Total other revenues	129,664	108,000	149,551	139,607	31,607	0.0%
Contributions						
Total Contributions	-	-	-	-	-	0.0%
Total Sources	\$4,011,921	\$4,771,124	\$3,607,139	\$4,305,138	\$ (465,986)	(9.8%)
Balance Sheet Source (Use)	(108,366)	(108,000)	-	-		
Total Funds Available	7,011,029	11,338,921	7,711,742	9,042,133		
Uses of Funds						
Expenses						
Operating						
Operation & Maintenance	\$2,168,136	\$2,436,022	\$2,000,000	\$2,170,500	\$ (265,522)	(10.9%)
Indirect Cost	414,970	983,300	414,970	414,970	(568,330)	n/a
Total Operating	2,583,106	3,419,322	2,414,970	2,585,470	(833,852)	(24.4%)
Capital						
Capital Projects/Assets	323,320	840,615	559,777	1,480,061	639,446	76.1%
SWSP II Isolation Valve (Direct Pay by Boulder)	-	245,000	268,057	-	(245,000)	(100.0%)
Louisville Pump Study (Direct Pay by Louisville)	-	58,187	-	58,187	-	0.0%
Total Capital Projects	323,320	1,143,802	559,777	1,538,248	394,446	34.5%
Total Capital	323,320	1,143,802	559,777	1,538,248	394,446	34.5%
Contingency Appropriation	-	100,000	-	100,000	-	n/a
Total Uses	\$2,906,426	\$4,663,124	\$2,974,747	\$4,223,718	\$ (439,406)	(9.4%)
Ending Cash & Reserves						
Unrestricted	\$3,763,099	\$6,675,797	\$4,736,994	\$4,818,415		
Restricted	341,504	-	-	-		
Total	\$4,104,603	\$6,675,797	\$4,736,994	\$4,818,415		
Total Funds Accounted For	\$7,011,029	\$11,338,921	\$7,711,742	\$9,042,133		

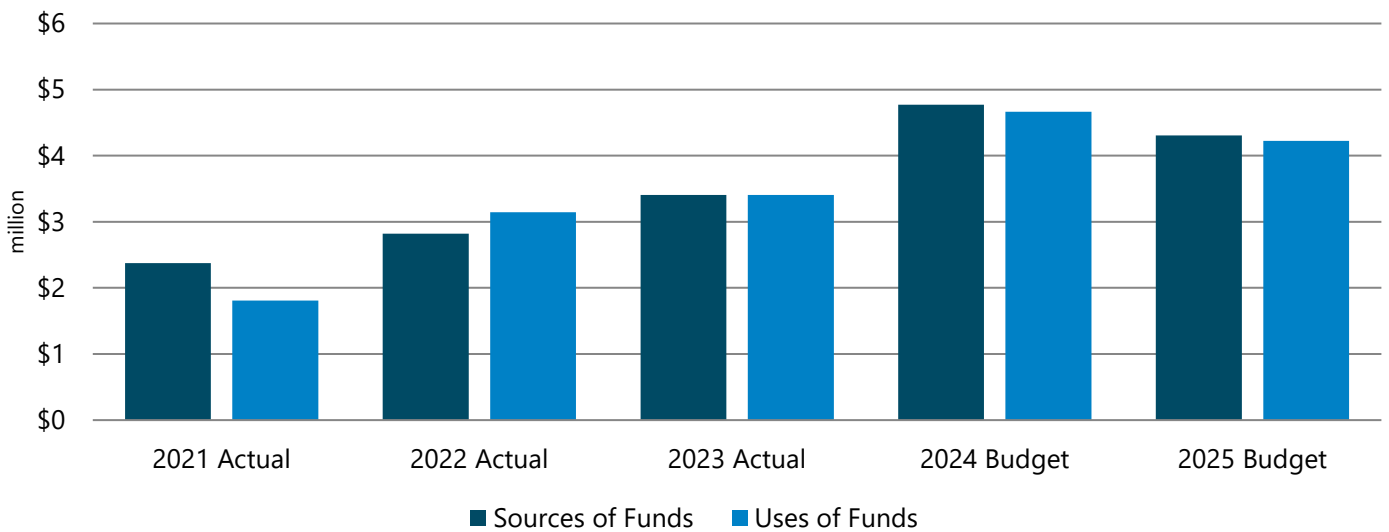
Revenues

The fiscal year 2025 Southern Water Supply Project Water Activity Enterprise Fund revenues and contributions total \$4,305,138. This amount represents a decrease of \$465,986 from the fiscal year 2025 budget. A summary is provided in the table and charts below.

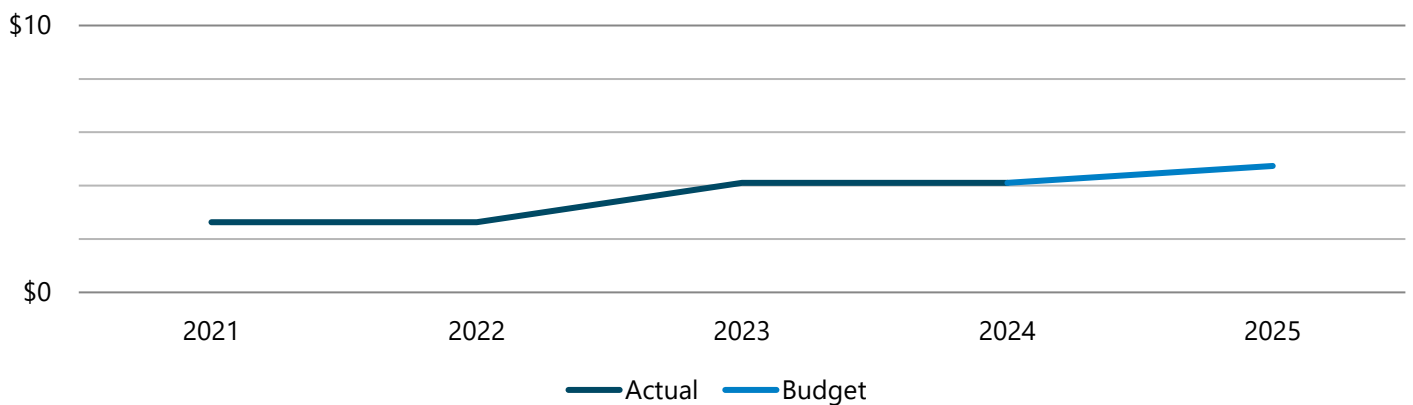
	Budget	Percent
Pipeline Assessments	\$3,750,561	87.1%
Indirect Costs	414,970	9.6%
Earnings on Investments	139,607	3.2%
Total	\$4,305,138	100.0%



SWSP Enterprise Sources and Uses of Funds



SWSP Enterprise Cash and Reserves

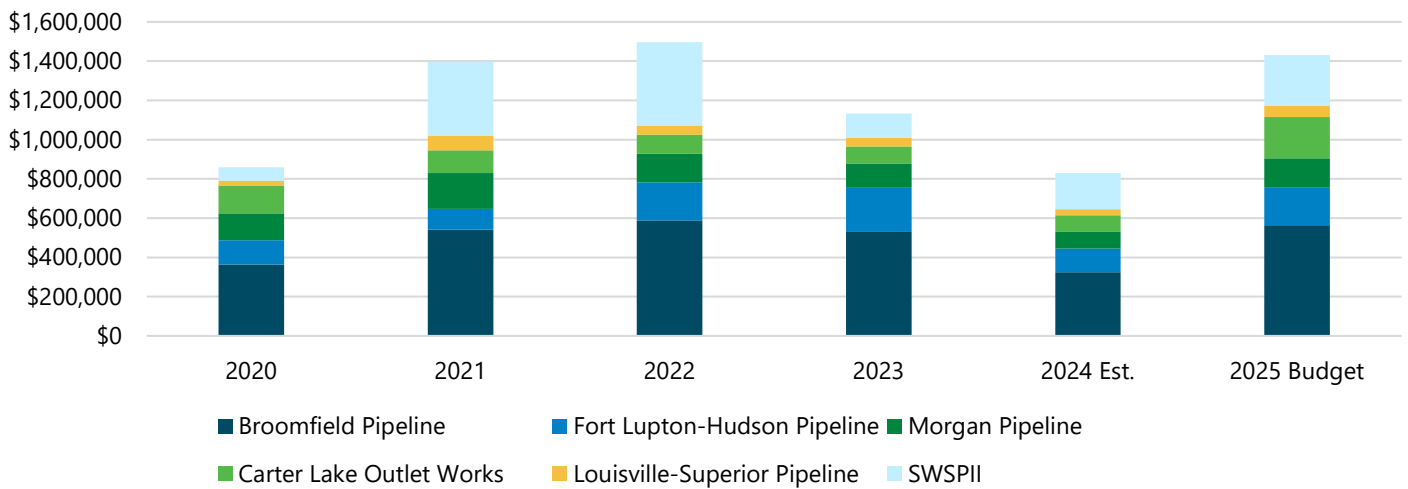


Expenses

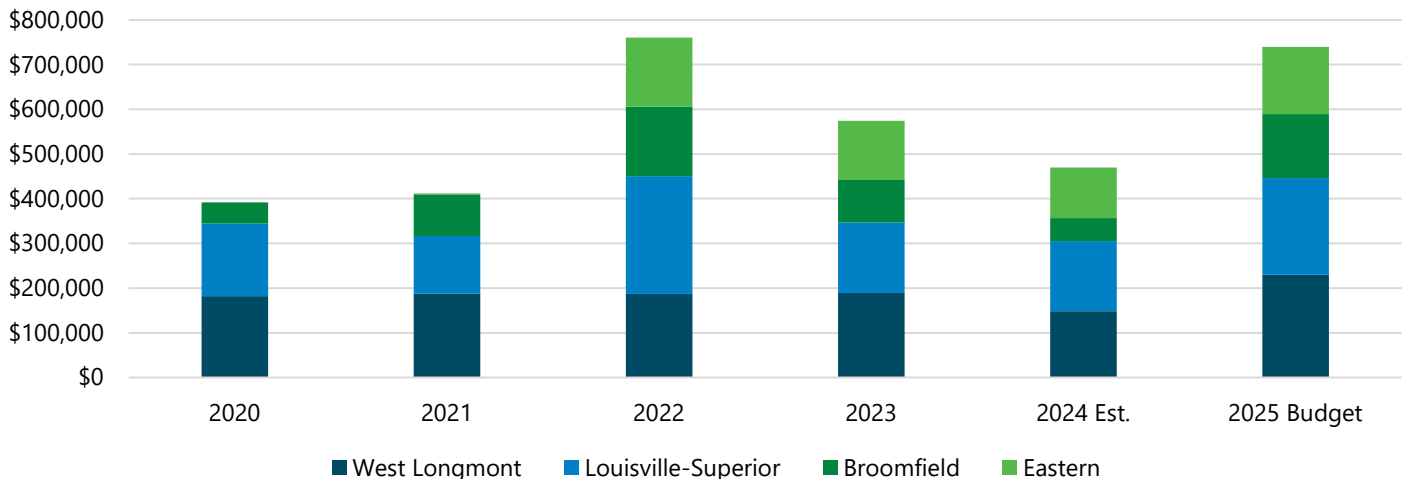
The fiscal year 2025 Southern Water Supply Project Water Activity Enterprise Fund operating expense budget totals \$2,585,470 including Indirect Costs. This represents a decrease of \$833,852 from the fiscal year 2024. A summary of the operating expenses by pump plant, pipeline and outlet is provided in the table and charts below.

	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimate	Fiscal Year 2025 Budget	Percent Change
Broomfield Pipeline	533,726	572,106	324,203	564,000	(1.4%)
Broomfield Pump Plant	95,182	295,451	51,507	143,500	(51.4%)
Carter Lake Outlet Works	87,446	211,638	85,451	210,000	(0.8%)
Eastern Pump Plant	131,998	173,686	113,362	150,000	(13.6%)
Fort Lupton / Hudson Pipeline	224,877	208,839	121,400	191,000	(8.5%)
Louisville / Superior Pipeline	44,052	49,471	29,800	58,000	17.2%
Louisville / Superior Pump Plant	157,576	210,190	157,000	216,000	2.8%
Morgan Pipeline	119,568	161,336	84,380	150,000	(7.0%)
SWSP II Pipeline	123,617	478,714	184,000	258,000	(46.1%)
West Longmont Pump Plant	189,226	174,592	148,000	230,000	31.7%
Total	1,707,268	2,536,022	1,299,103	2,170,500	(14.4%)

SWSP Enterprise Pipeline, Outlet and Turnout Expenses



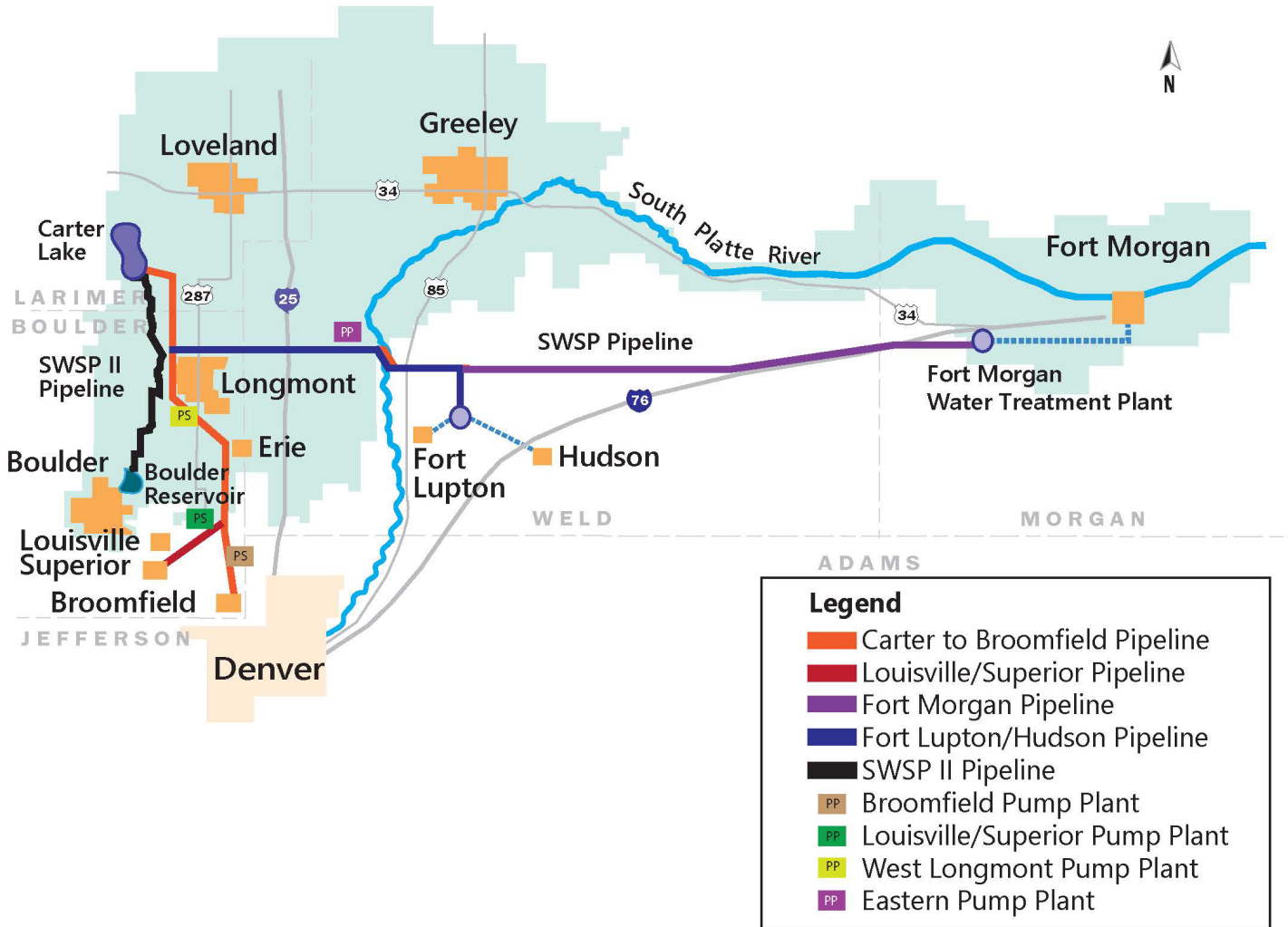
SWSP Enterprise Pump Plant Expenses



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 2025 Southern Water Supply Project Water Activity Enterprise Fund capital outlay budget totals \$1,538,248.

- West Longmont Variable Frequency Drive (\$310,000) – 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.
- (2) Rectifiers on Fort Lupton Segment (\$180,000)
- Programable Logic Control Replacements (\$172,000) – A multi-year project to remove and replace all existing programable logic control systems. They will provide additional functionality and security over legacy systems.
- SWSP Resiliency and Emergency Preparedness Study (\$150,000)
- Cathodic Assessment Repair of Fort Lupton Line (\$104,780) – Replace damaged pipe and provide uninterrupted supply and conveyance of water through the SWSP pipeline.
- Cathodic Assessment Repair on Louisville Superior Pipeline (\$104,780) – Replace damaged pipe and provide uninterrupted supply and conveyance of water through the SWSP pipeline.
- Broomfield Anode Well County Line Road (\$100,000) – 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 29+49 (\$60,000) – Replace 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.
- Broomfield Pump Plant Downstream Bypass Valves (\$50,000) – Add actuated bypass valves on the SWSP pipeline, which will allow Northern Water staff to fill the pipeline remotely.
- SWSP II Mainline Downstream Bypass Valves (\$25,000) – Add actuated bypass valves on the SWSP pipeline, which will allow Northern Water staff to fill the pipeline remotely.
- Master Meter Downstream Bypass Valves (\$25,000) – Add actuated bypass valves on the SWSP pipeline, which will allow Northern Water staff to fill the pipeline remotely.
- Mainline 1 Vault Downstream Bypass Valves (\$25,000) – Add actuated bypass valves on the SWSP pipeline, which will allow Northern Water staff to fill the pipeline remotely.
- Fort Lupton Meter Vault Downstream Bypass Valves (\$25,000) – Add actuated bypass valves on the SWSP pipeline, which will allow Northern Water staff to fill the pipeline remotely.
- Louisville Superior Pump Plant Security Gate (\$20,000) – Automated gates will be added to the Pump Plant grounds providing security to the facility.
- Carter Lake Box Section Lighting Upgrades (\$20,000) – New lights will be installed to help provide safe working conditions in a closed environment.
- Superior 150 HP Spare Motor (\$15,000) – A spare motor will be purchased to limit the downtime should a pump fail.
- Mainline 2 Communications Upgrade (\$15,500) – 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 100 HP Spare Motor (\$15,000) – A spare motor will be purchased to limit the downtime should a pump fail.
- Fixed Air Monitoring (various locations) (\$60,000) – Multiple fixed air monitoring systems will be installed at various locations. This will help provide a safe working environment and provide ongoing data to Northern Water staff regarding air quality.

PLEASANT VALLEY PIPELINE WATER ACTIVITY ENTERPRISE



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. The primary focus for fiscal year 2025 is to provide continued operational support to project participants and conduct periodic maintenance activities as necessary. No capital projects are planned for 2025. There are no future debt financing plans.

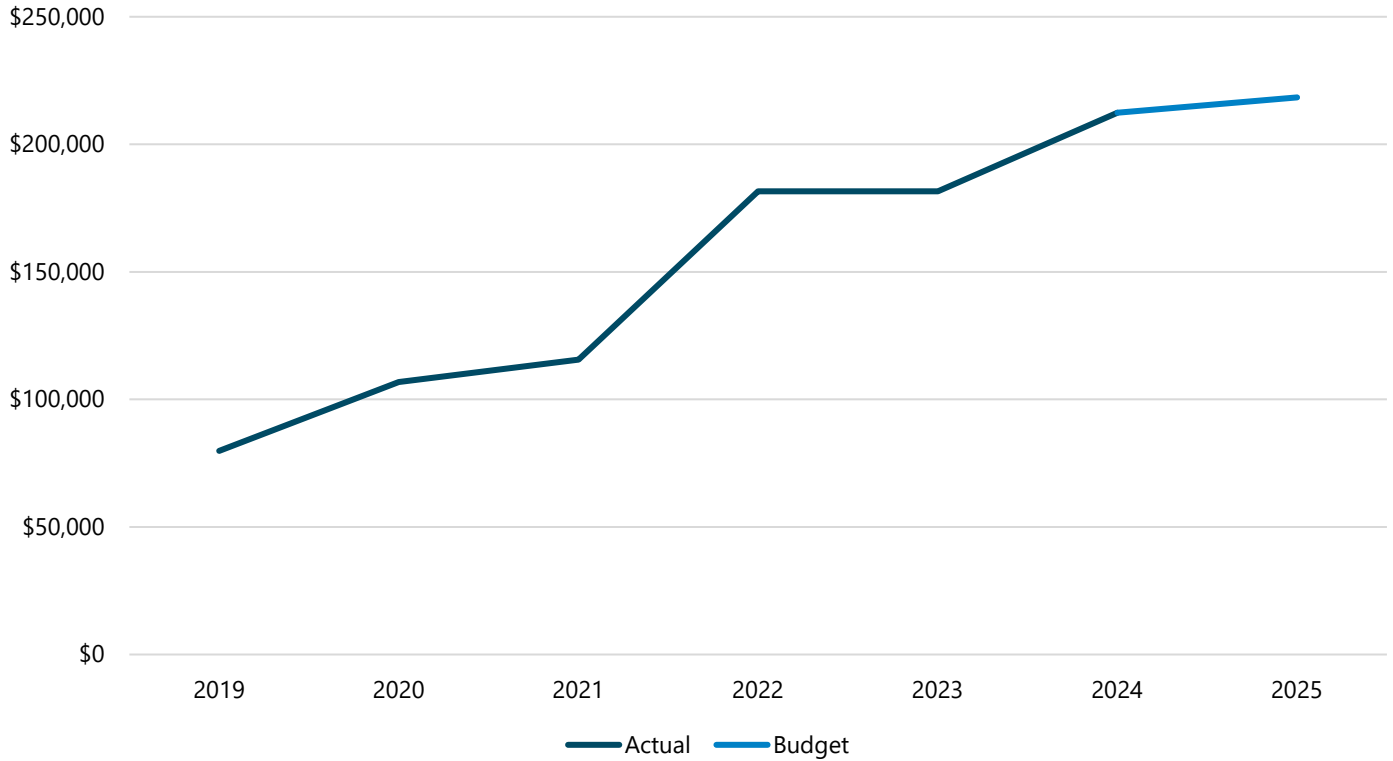
Budget Summary

	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Beginning Cash & Reserves						
Unrestricted	\$ 119,854	\$ 181,524	\$ 251,143	\$ 212,391		
Total	\$ 119,854	\$ 181,524	\$ 251,143	\$ 212,391		
Sources of Funds						
Operating Revenues						
Pipeline Assessments	\$ 226,242	\$ 182,818	\$ 117,762	\$ 140,352	\$ (42,466)	(23.2%)
Capital Contributions	73,655	57,979	-	-	(57,979)	n/a
Total Operating Revenues	299,897	240,797	117,762	140,352	(100,445)	(41.7%)
Other Revenues						
Earnings on Investments	8,061	4,500	5,996	6,000	1,500	n/a
Total Other Revenues	8,061	4,500	5,996	6,000	1,500	n/a
Total Sources	\$ 307,959	\$ 245,297	\$ 123,758	\$ 146,352	\$ (98,945)	(40.3%)
Balance Sheet Source (Use)	(39,059)	-	-	-		
Total Funds Available	\$ 388,754	\$ 426,821	\$ 374,901	\$ 358,743		
Uses of Funds						
Expenses						
Operating						
Operating Expenses	\$ 55,603	\$ 113,918	\$ 87,624	\$ 90,214	\$ (23,704)	(20.8%)
Indirect Cost	30,138	43,900	30,138	30,138	(13,762)	(31.3%)
Total	85,741	157,818	117,762	120,352	(37,466)	(23.7%)
Capital						
Capital Projects	51,870	-	-	-	-	n/a
Poudre Diversion / Munroe TO PLC (Direct Pay by Fort Collins & Soldier Canyon)	-	44,748	44,748	-	(44,748)	n/a
Greeley Vault - Access Control & Cameras (Direct Pay by Greeley)	-	13,231	-	-	(13,231)	n/a
Total Capital Projects	51,870	57,979	44,748	-	(57,979)	n/a
Contingency Appropriation	-	25,000	-	20,000	(5,000)	n/a
Total Uses	\$ 137,611	\$ 240,797	\$ 162,510	\$ 140,352	\$ (100,445)	(41.7%)
Ending Cash & Reserves						
Unrestricted	\$ 251,143	\$ 186,024	\$ 212,391	\$ 218,391		
Total	\$ 251,143	\$ 186,024	\$ 212,391	\$ 218,391		
Total Funds Accounted For	\$ 388,754	\$ 426,821	\$ 374,901	\$ 358,743		

Revenues

Revenue from pipeline assessments is estimated at \$140,352, a decrease of \$100,445 or 58.3 percent compared to the fiscal year 2024 budget. This is due to a decrease in capital spending. Pipeline assessments are expected to be the same as budgeted expenses. A summary is provided in the graph below.

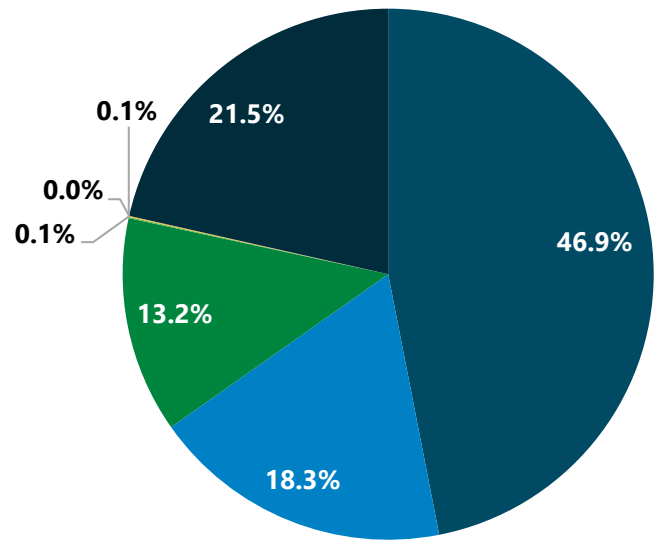
PVP Enterprise Cash and Reserves



Expenses

The fiscal year 2025 Pleasant Valley Pipeline Enterprise budgeted operating expenses are \$140,352. This represents a decrease of \$100,445 due to no capital expenses in fiscal year 2025. A summary of operating expenses is provided in the table and graphs below.

	Budget	Percent
Pleasant Valley Non-Segment	\$65,855	46.9%
Pleasant Valley Segment PV1	25,695	18.3%
Pleasant Valley Segment PV2	18,469	13.2%
Pleasant Valley Segment PV4	97	0.1%
Pleasant Valley Segment PV6	98	0.1%
Indirect Costs	30,138	21.5%
Total	\$140,352	100.0%

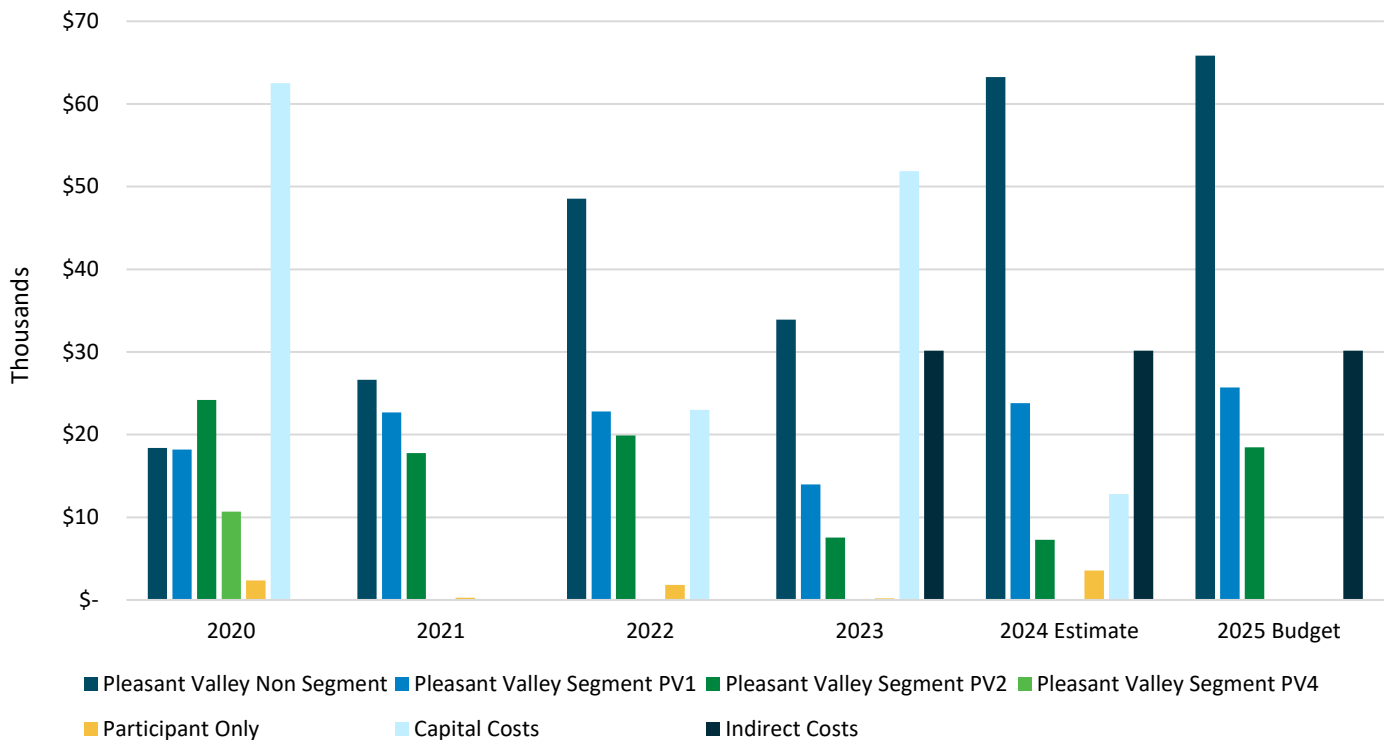


Expenses by Category

Non-Labor	\$66,874
Labor	73,478
Total	\$140,352

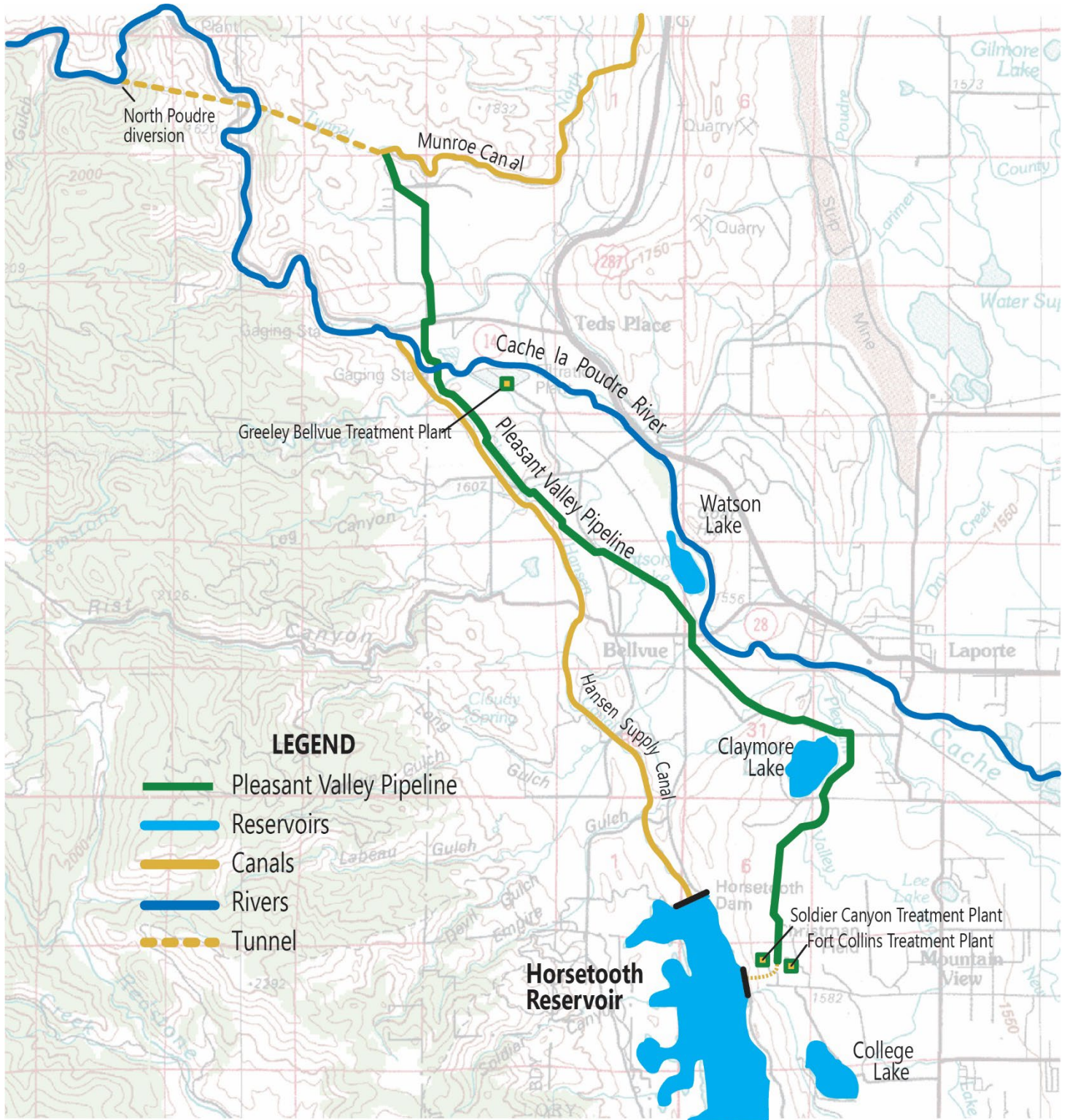
- Pleasant Valley Non-Segment
- Pleasant Valley Segment PV1
- Pleasant Valley Segment PV2
- Pleasant Valley Segment PV4
- Pleasant Valley Segment PV6
- Capital Costs

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.



**NORTHERN INTEGRATED SUPPLY PROJECT
WATER ACTIVITY ENTERPRISE FUND**



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 2025, NISP intends to:

- Develop an allotment contract with the NISP Participants.
- Complete final design of the Glade Reservoir facilities.
- Complete design of Highway 287.
- Continue design of the NISP delivery pipelines.
- Begin construction of the County Line Pipeline.
- Continue the NISP financial planning and submit a loan application to the EPA WIFIA program.
- 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 2024, NISP:

- Continued the final design of the Glade Reservoir facilities.
- Continued the final design of Highway 287.
- Continued the final design of the NISP delivery pipelines.
- Continued the NISP financial planning and received a \$100 million loan authorization from the Colorado Water Conservation Board.
- Continued to make progress on the NISP ditch substitution agreements.
- Continued ongoing permitting activities associated with Glade Reservoir, Highway 287, the conveyance pipeline.
- Continued purchase of additional land for Glade Reservoir and Highway 287 relocation areas.
- Continued purchase of pipeline easements for the NISP delivery pipelines.
- Continued advancement of NISP mitigation and environmental enhancement activities.
- Continued advancing the NISP Adaptive Management and Poudre River Collaborative frameworks.
- Continued public outreach.

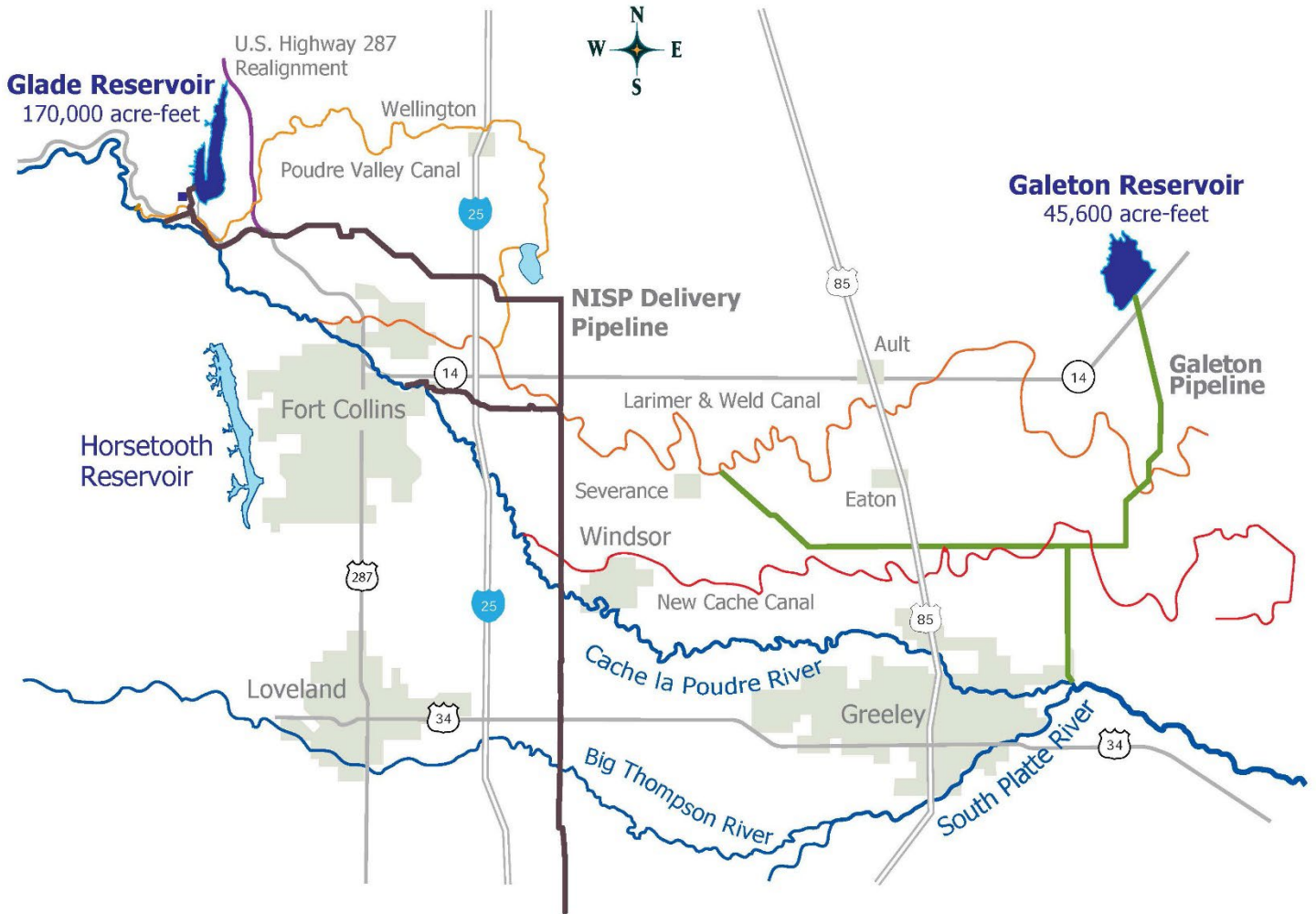
Budget Summary

	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Beginning Cash & Reserves						
Unrestricted	\$15,000,196	\$ 7,514,402	\$15,576,821	\$19,217,263		
Restricted	6,257,184	3,546,317	5,521,822	1,986,290		
Total	\$21,257,380	\$11,060,719	\$21,098,643	\$21,203,553		
Sources of Funds						
Participant Contributions	23,116,000	\$30,000,000	\$27,300,000	\$40,000,000	\$10,000,000	33.3%
Transfer from Restricted Cash	-	5,000,000	-	5,000,000	-	0.0%
Earnings on investments	1,215,879	100,000	1,071,308	675,000	575,000	575.0%
Other nonoperative revenue	65,385	40,000	64,500	65,000	25,000	62.5%
Total Sources	\$24,397,264	\$35,140,000	\$28,435,808	\$45,740,000	\$10,600,000	30.2%
Balance Sheet Source (Use)	1,947,833	(50,000.00)	-	-		
Total Funds Available	\$47,602,477	\$46,150,719	\$49,534,451	\$66,943,553		
Uses of Funds						
Capital						
Land Purchase	\$ 1,032,478	\$ 5,200,000	\$ 3,535,532	\$10,200,000	\$ 5,000,000	96.2%
Project Development	5,796,825	5,800,000	5,635,594	2,400,000	(3,400,000)	(58.6%)
Legal Costs	822,900	600,000	724,648	700,000	100,000	16.7%
Glade Reservoir	13,602,695	11,000,000	11,671,369	6,500,000	(4,500,000)	(40.9%)
Highway 287 Relocation	2,964,672	2,400,000	2,521,973	500,000	(1,900,000)	(79.2%)
Water Secure	47,879	-	17,500	-	-	n/a
Environmental Mitigation & Water Quality	1,378,478	2,900,000	3,423,230	2,300,000	(600,000)	(20.7%)
Pipeline Easements	-	3,000,000	-	4,000,000	1,000,000	33.3%
South Platte Water Cons. Project	-	200,000	-	-	-	0.00%
Galeton Advancement	57,906	400,000	1,052	-	(400,000)	(100.0%)
County Line Pipeline Early Construction	-	-	-	11,000,000	11,000,000	n/a
Poudre Inlet Canal Agreement & Design	-	-	-	1,400,000	1,400,000	n/a
NISP Delivery Pipeline Design	-	-	-	2,000,000	2,000,000	n/a
Indirect Cost	800,000	800,000	800,000	800,000	-	0.0%
Contingency Appropriation	-	2,700,000	-	3,200,000	500,000	18.5%
Total Uses	\$26,503,834	\$35,000,000	\$28,330,897	\$45,000,000	\$10,000,000	28.6%
Ending Cash & Reserves						
Unrestricted	\$15,576,821	\$11,150,719	\$19,217,263	21,943,553		
Restricted	5,521,822	-	1,986,290	-		
Total	\$21,098,643	\$11,150,719	\$21,203,553	\$21,943,553		
Total Funds Accounted For	\$47,602,477	\$46,150,719	\$49,534,451	\$66,943,553		

Contributions

Contributions from the 15 project participants and line of credit proceeds are projected to be \$40,000,000 in fiscal year 2025.

Project Map



Capital Outlay

The fiscal year 2025 Northern Integrated Supply Project Water Activity Enterprise Fund capital outlay budget totals \$45,000,000. This represents an increase of \$10,000,000 from the fiscal year 2024 budget.

HYDROPOWER WATER ACTIVITY ENTERPRISE FUND





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 2025 budget for expenses and capital outlay totals \$1,246,516.

Budget Summary

	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Estimated Actual	Fiscal Year 2025 Budget	Dollar Change From Fiscal Year 2024 Budget	Percentage Change From Fiscal Year 2024 Budget
Beginning Cash & Reserves						
Restricted	\$ 578,913	\$ 574,407	\$ 608,721	\$ 608,721		
Unrestricted	2,661,809	1,836,196	3,062,530	3,520,937		
Total	\$3,240,722	\$2,410,603	\$3,671,251	\$4,129,658		
Sources						
Operating Revenues						
Energy	\$1,245,462	\$1,300,000	\$1,300,000	\$1,300,000	\$ -	0.0%
Total Operating Revenues	1,245,462	1,300,000	1,300,000	1,300,000	-	0.0%
Other Revenues						
Earnings on Investments Dept. of Energy Hydroelectric Incentive	158,214	120,000	223,412	190,813	70,813	59.0%
	502,053	-	-	-	-	n/a
Total Other Revenues	660,267	120,000	223,412	190,813	70,813	0.0%
Total Sources	\$1,905,729	\$1,420,000	\$1,523,412	\$1,490,813	\$ 70,813	5.0%
Balance Sheet Source (Use)	(322,236)	(93,583)	-			
Total Funds Available	\$4,824,215	\$3,737,020	\$5,194,663	\$5,620,471		
Uses of Funds						
Operating Expenses						
Operation and Maintenance	\$ 386,757	\$ 482,000	\$ 365,289	\$ 482,000	\$ -	0.00%
Indirect Cost	120,600	120,600	60,679	60,679	(59,921)	(49.7%)
Total Operating	507,357	602,600	425,968	542,679	(59,921)	(9.9%)
Capital						
Capital Projects	6,570	34,780	-	14,800	(19,980)	(57.4%)
Total Capital	6,570	34,780	-	14,800	(19,980)	(57.4%)
Debt Service						
Debt Service-Granby Facility	229,286	229,286	229,286	229,286	-	0.0%
Debt Service-R.V. Trout Facility	409,751	409,751	409,751	409,751	-	0.0%
Total Debt Service	639,037	639,037	639,037	639,037	-	0.0%
Contingency Appropriation	-	50,000	-	50,000	-	0.0%
Total Uses	\$1,152,964	\$1,326,417	\$1,065,005	\$1,246,516	\$ (79,901)	(6.0%)
Ending Cash & Reserves						
Restricted	\$ 608,721	\$ 574,407	\$ 608,721	\$ 608,721		
Unrestricted	3,062,530	1,836,196	3,520,937	3,765,234		
Total	\$3,671,251	\$2,410,603	\$4,129,658	\$4,373,955		
Total Funds Accounted For	\$4,824,215	\$3,737,020	\$5,194,663	\$5,620,471		

Revenues

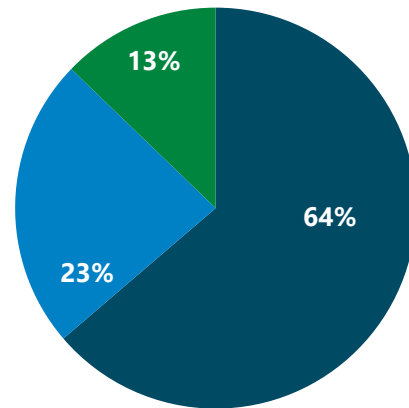
Hydropower Water Activity Enterprise Fund energy revenues are projected at \$1,300,000, which is 7.0 percent lower than the fiscal year 2024 estimated actual revenue. Revenue from the sale of energy from the Robert V. Trout Hydropower facility is estimated to be \$950,000. The energy revenues for the Granby Hydropower facility are projected to be \$350,000. Earnings on Investments are projected to be \$190,813. 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.

The Policy 115 and Policy 117 payments are from Tri-State Generation and Transmission policies that were put in place to reimburse their local rural electric association providers for renewable energy. The Policy 115 comes from the 115th Congress (2017-2018) and designates the Federal Energy Regulatory Commission (FERC) as the lead agency for coordinating all federal authorizations and reviews related to hydropower license applications, including compliance with the National Environmental Policy Act of 1969. FERC must establish a process to set a schedule for the review and disposition of each federal authorization following the filing of an application for a license. The bill expands the definition of "renewable energy" to include electric energy generated from hydropower projects. The bill authorizes FERC to extend the length of time of preliminary permits and to extend the time limit that a licensee has to commence construction on a hydropower project. The bill creates a process to approve license amendments for qualifying hydropower projects. Policy 117 comes from the 117th Congress (2019-2020) and expands provisions related to renewable energy, including hydropower production, and revises the hydropower licensing process. Policy 115 energy payment rates increased 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. Policy 117 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 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.

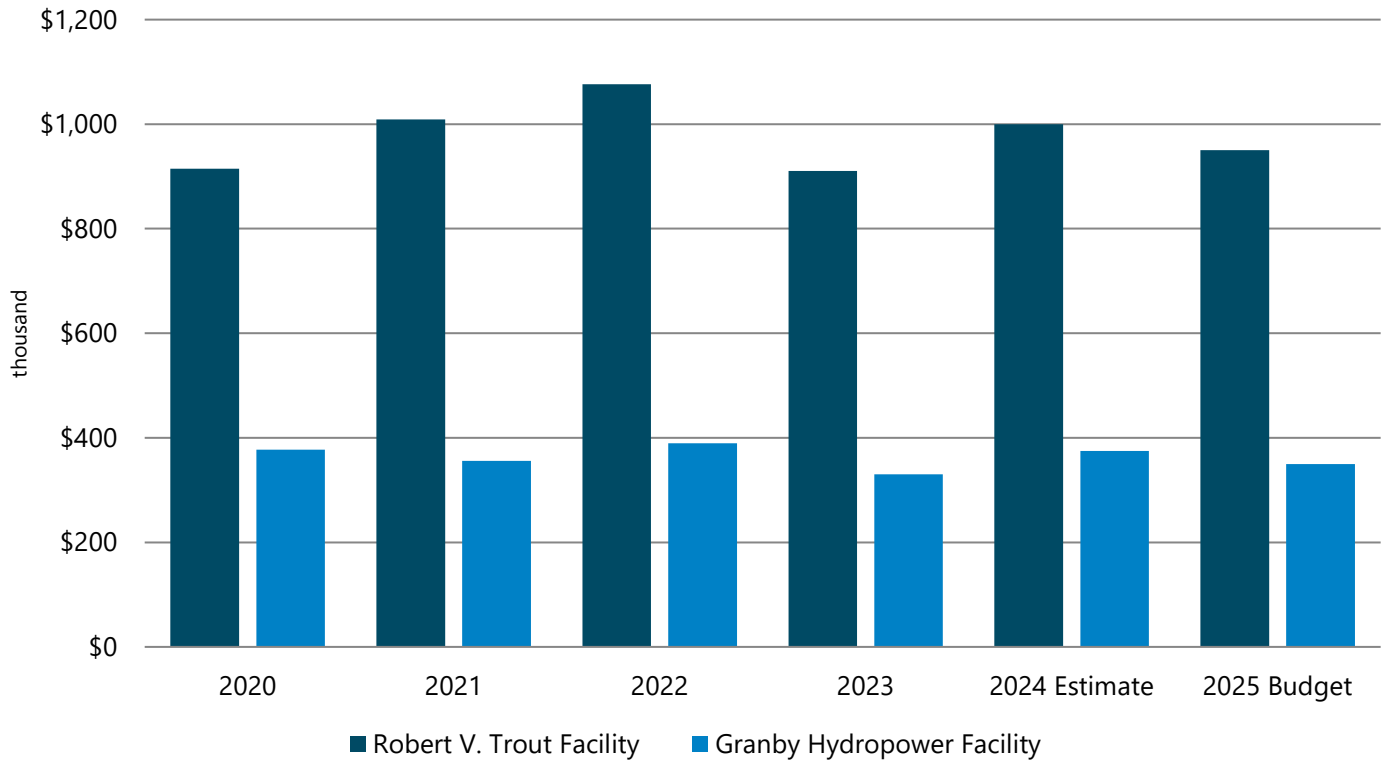
	Budget	Percent
Energy – Robert V. Trout Hydropower Facility	\$950,000	63.7%
Energy – Granby Hydropower Facility	350,000	23.4%
Earnings on Investments	190,813	12.7%
Total	\$1,490,813	100.0%

Hydropower Enterprise & Energy Revenues

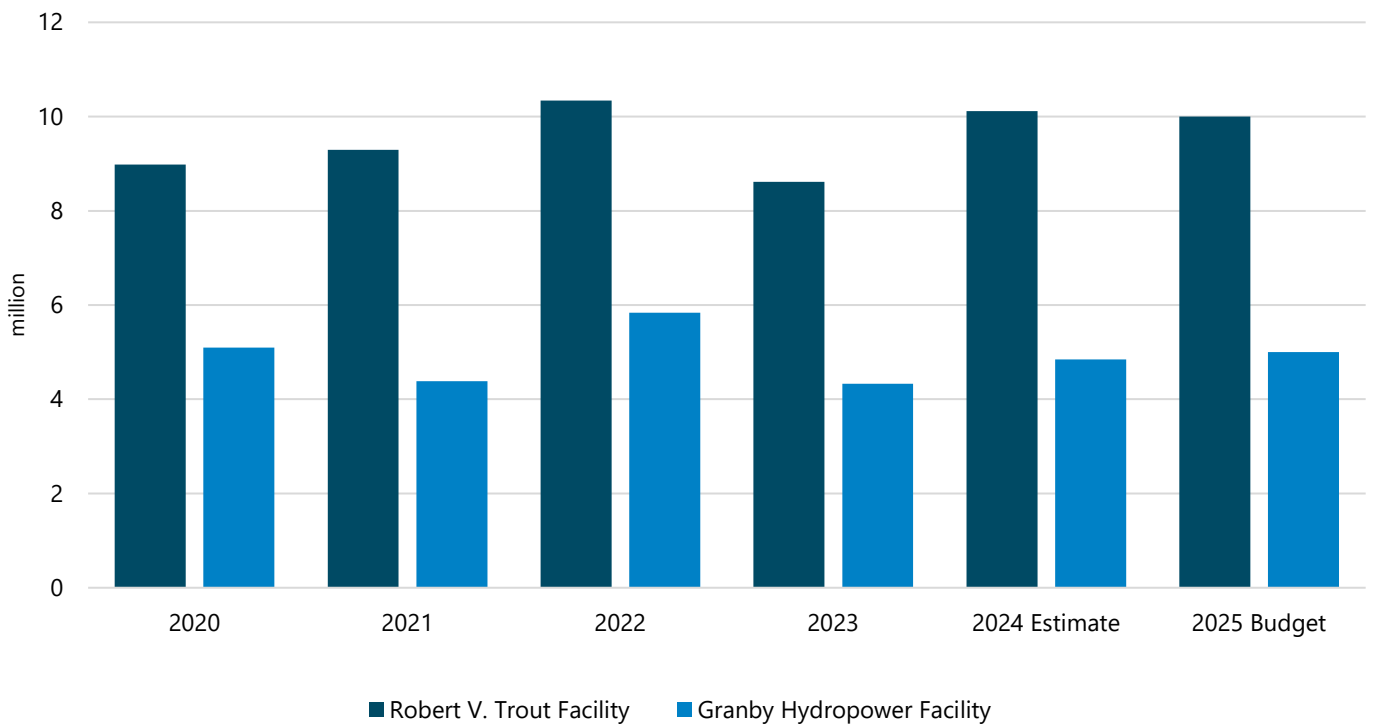


- Energy - Robert V. Trout Hydropower Facility
- Energy - Granby Hydropower Facility
- Earnings on Investments

Hydropower Enterprise Energy Revenues by Facility



Hydropower Enterprise Generation in Kilowatt-Hours by Facility



Expenses

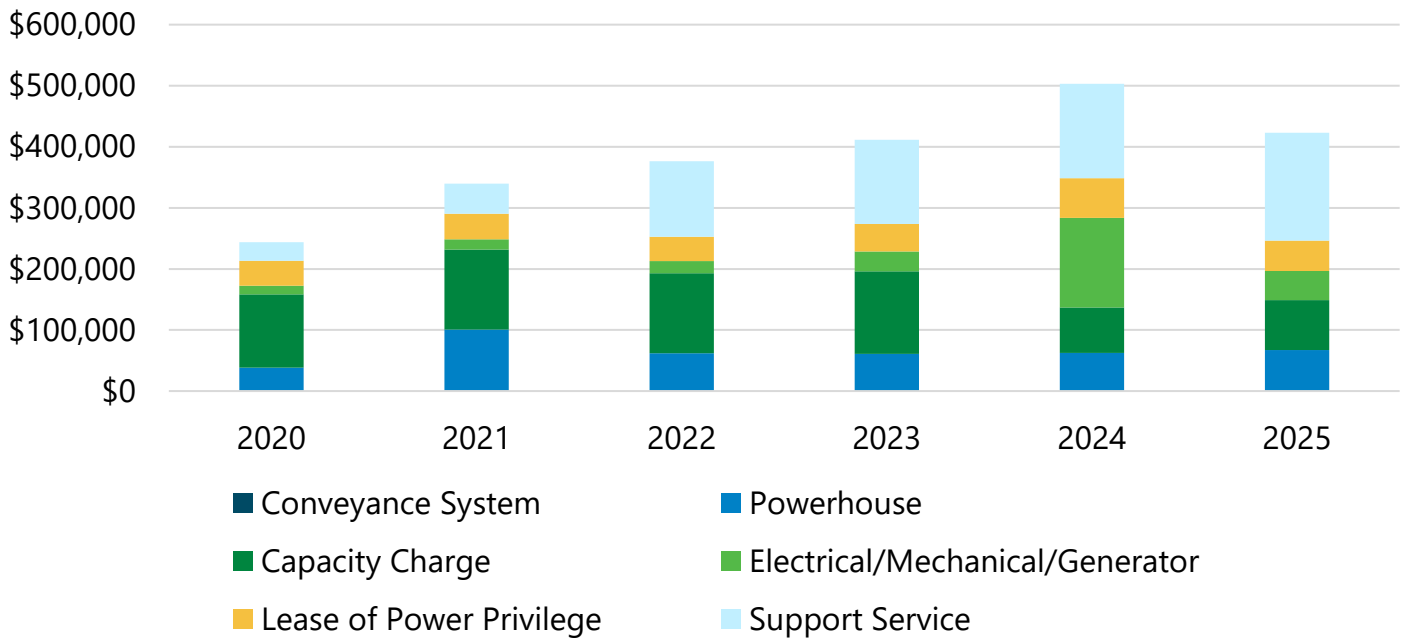
The fiscal year 2025 Hydropower Water Activity Enterprise Fund expenses total \$607,479, which includes capital expenses totaling \$14,800. Operating expenses for the Robert V. Trout Hydropower facility are budgeted at \$422,910. Granby Hydropower facility operating costs are projected to be \$184,569. 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	\$81,531	19.3%	Non-Labor	\$305,660
Powerhouse	67,252	15.9%	Labor	117,250
Support Services	176,259	41.7%	Total	\$422,910
Electrical Equipment	47,868	11.3%		
Lease of Power Privilege	50,000	11.8%		
Total	\$422,910	100.0%		

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



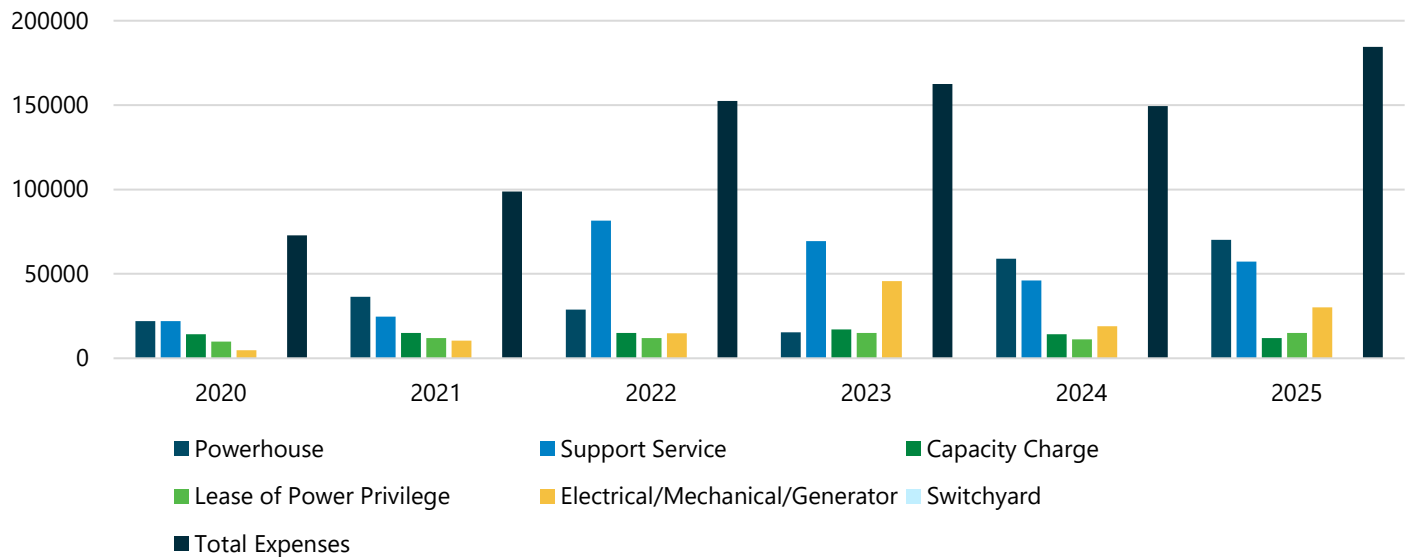


Granby Hydropower Plant

Granby Hydropower Facility Operating Expenses

	<u>Budget</u>	<u>Percent</u>	Expenses by Category	
Powerhouse	\$70,219	38.0%	Non-Labor	\$111,509
Support Services	57,222	31.0%	Labor	<u>73,060</u>
Capacity Charge	12,000	6.5%	Total	<u>\$184,569</u>
Lease of Power Privilege	15,000	8.1%		
Electrical/Mechanical/Generator	30,128	16.3%		
Switchyard	-	0.0%		
Total	\$184,569	100.0%		

Granby Hydropower Facility Operating Expenses Powerhouse leading operating expense



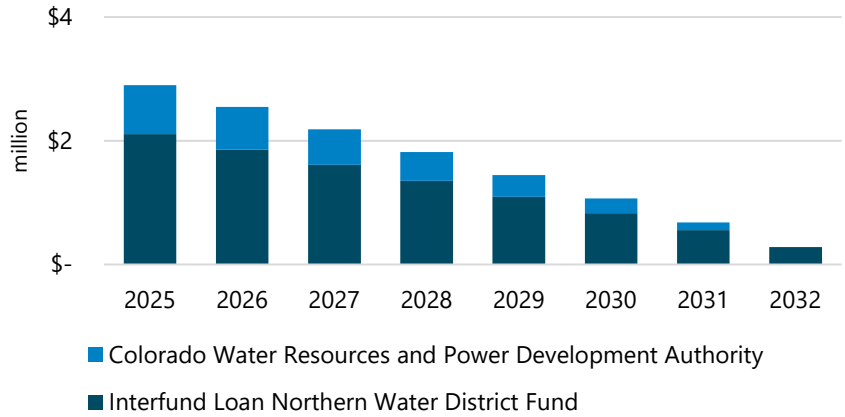
Debt Service

The fiscal year 2025 Debt Service is scheduled at \$639,036. No future debt financing is planned. The Debt Service payable and the projected September 30, 2025, 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 \$791,611 is outstanding
- Interfund Loan - Northern Water District Enterprise Fund: \$4,700,000, February 15, 2014, of which \$2,105,611 is outstanding

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

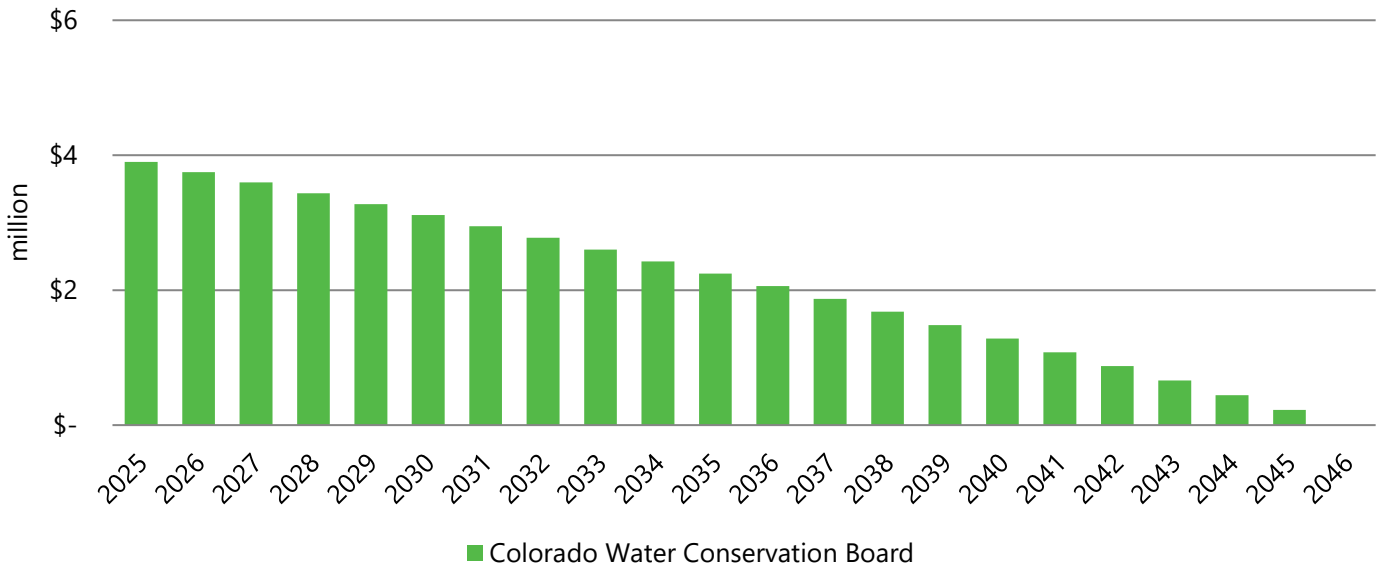


Granby Hydropower Facility

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

	<u>2023 Budget</u>	<u>2024 Budget</u>	<u>2025 Budget</u>
Robert V. Trout Hydropower Facility			
Principal	\$331,514	\$338,145	\$344,907
Interest	78,236	71,605	64,843
Total	\$409,750	\$409,750	\$409,750
Granby Hydropower Facility			
Principal	\$142,552	\$145,403	\$148,311
Interest	86,734	83,883	80,975
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 Financing

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 type 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-1411-08-24

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;

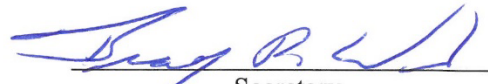
NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Northern Water does now estimate the amount of money to be raised by ad valorem taxation for the year of 2024, to be collected in the calendar year of 2025, is approximately \$37,783,363; and said Board of Directors does hereby fix the rate 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 2024; 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 Session of said Board held in Berthoud, Colorado, on August 1, 2024.


Secretary

COLLECTION OF CLASS D SPECIAL ASSESSMENTS

NORTHERN COLORADO WATER CONSERVANCY DISTRICT

RESOLUTION

D-1412-08-24

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

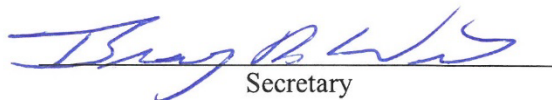
WHEREAS, the Northern Water Board has computed the aggregate total of such installments to be collected in each of the counties and such totals shall approximate but not exceed the following:

BOULDER	\$ 100,000
LARIMER	\$ 175,000
MORGAN	\$ 15,000
WELD	\$ 500,000

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 2024 and collect such special assessments in the year 2025 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 1, 2024.


Secretary

COLLECTION OF ALL SOURCES OF REVENUE

NORTHERN COLORADO WATER CONSERVANCY DISTRICT

RESOLUTION

D-1413-08-24

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 2024 collectable in 2025 in the estimated amount of \$37,783,363 and has levied the Class "D" special assessments for 2024, also collectable in 2025 in the estimated sum of \$790,000; and

WHEREAS, said Board has adopted its budget for all funds and appropriated the aggregate sum of \$133,916,592 for the Fiscal Year 2025.

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 2025.

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 1, 2024.


Secretary

APPROPRIATION

NORTHERN COLORADO WATER CONSERVANCY DISTRICT

RESOLUTION D-1414-08-24

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; Kristyn Unrein, Financial Services Department Manager; Myles Baker, Senior Financial Analyst; and Shawn Cyr, Senior Financial Analyst of said District to prepare a Budget for Fiscal Year 2025; 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 \$83,306,006 for Fiscal Year 2025, 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 \$4,223,718 for the purpose of paying the Fiscal Year 2025 construction, operation and maintenance expenses of the Southern Water 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 - 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 \$140,352 for the purpose of paying the Fiscal Year 2025 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 \$45,000,000 for the purpose of paying the Fiscal Year 2025 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 \$1,246,516 for the purpose of paying the Fiscal Year 2025 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 2024 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 three percent of the allowable revenue and spending limit for Fiscal Year 2025.

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 1, 2024.


Secretary

