



COLORADO FOUNDATION FOR WATER EDUCATION

Annual Report 2007/2008



Letter from the Executive Director

Colorado Foundation for Water Education

Staff

Nicole Seltzer
Executive Director

Kristin Maharg
Educational Programs Associate

David Harper
Office Manager

Board Officers

Matt Cook
President

Justice Gregory Hobbs, Jr.
1st Vice President

Rita Crumpton
2nd Vice President

Wendy Hanophy
Secretary

Taylor Hawes
Assistant Secretary

Chris Rowe
Treasurer

Dale Mitchell
Assistant Treasurer

Board of Trustees

Becky Brooks

Rep. Kathleen Curry

Alexandra Davis

Veva DeHeza

Jennifer Gimbel

Alan Hamel

Callie Hendrickson

Sen. Jim Isgar

Margaret Medellin

Chris Piper

John Porter

Rick Sackbauer

Robert Sakata, Jr.

Steve Vandiver

Reagan Waskom



Filing and paperwork often seems to be a large part of my job, but it is not without the occasional surprise. About six months ago, I was compiling proof of the Foundation's nonprofit status for a grant application. In reviewing the documents, I realized that the organization's fifth birthday had slipped by unnoticed during the transition of the previous year. Reflecting on the missed milestone, I thought of the countless people and the years of effort it took to turn the idea of the Colorado Foundation for Water Education into a reality.

We all now benefit from the hard work of those before us, which resulted in a secure organization with a clear track record of producing high-quality educational experiences and products. But as is my nature, I could not help but think

of those paths that we did not go down. What programs could we have launched? With which audiences have we yet to connect? Thankfully, I have the opportunity to lead the CFWE staff and Board of Trustees through these questions over the next few months as we undertake an update of our strategic plan.

Past Foundation leaders, such as Karla Brown and Diane Hoppe, succeeded in meeting and exceeding most of the goals from the 2003 strategic plan. The current CFWE Board and staff are excited to set new goals and priorities that will guide us for the next few years. An update on this process will be available in the Spring 2009 edition of *Headwaters*.

During the strategic plan update, one of the big questions we will ask ourselves is, "What are the needs of our members and stakeholders, and how can we better meet them?" Luckily, a statewide assessment of water education in Colorado led by the Colorado Water Conservation Board and finalized in June 2008 made some of these needs clear.

The Foundation intends to pursue a number of the task force's recommendations. One of these is to provide a better hub for water education providers across the state. It seems rarely a week goes by without a passionate individual or group asking for our input or involvement in a new water education program. We try our best to support their efforts and point them towards others doing similar work, but I am still amazed at the number of proposals and ideas I hear of second- or thirdhand. Water education is truly thriving in Colorado!

In late 2009, the Foundation will unveil a new Web site. Its design will help connect water education providers and users across the state. It will also serve as an information hub for the latest news, reports and happenings in the water profession. My hope is that it will become a resource for the water-interested community to learn and support each other.

And speaking of support, I would like to thank all of our sponsors, members and donors for a successful 2008. The important work we accomplish would be impossible without you. As I look forward to 2009, I know we have a six-year history of support in the form of time and financial assistance from you that will keep the Foundation strong.

Best wishes to all for a peaceful and happy 2009.

A handwritten signature in blue ink that reads "Nicole Seltzer".

Nicole Seltzer
Executive Director



Hanging Lake, CO

The Colorado Foundation for Water Education was created in 2002 by the Colorado General Assembly. It holds the unique position of being the only statewide, non-governmental, non-advocacy, non-profit organization working to provide water resource information and educational programs to the people of the State of Colorado.

The Foundation's dedication to an even-handed representation of water issues is central to its mission. The educational publications and programs offered are designed to benefit public decision-makers, water professionals, business people, and the citizens of Colorado at-large.

A key facet of achieving this mission is the CFWE Board of Trustees. Comprised of 22 water and education leaders from across the state, the Board contributes not only expertise to the Foundation, but a diversity of geography and interest. Having a board comprised of environmental, agricultural, industrial and legal experts affords the Foundation the leadership necessary to achieve its mission.

Consequently, all programs and publications coming from the CFWE are subject to a rigorous and structured review process. Publications, including our magazine *Headwaters*, and our *Citizen's Guide* series, are submitted to outside experts for technical assistance and input on balanced representation of the issues.

In non-publication activities, like our Water Leaders Program, we strive to bring rising water professionals with unique interests and agendas to the table to focus on professional development. The goal is to provide individuals within the water community and citizens at-large the information and perspective necessary to successfully manage our most precious resource into the 21st century.

Staff and Board of Directors.....	1
Letter from the Executive Director.....	1
History and Values.....	2
Mission Statement.....	3
Vision Statements.....	3
Tours, Events and Programs.....	4
<i>Publications</i>	4
<i>South Platte Tour</i>	5
<i>Friends of Water Education Golf Classic</i>	6
<i>Water Leaders Program</i>	7
<i>President's Award</i>	8
<i>Membership</i>	9
Financials.....	10

Mission Statement

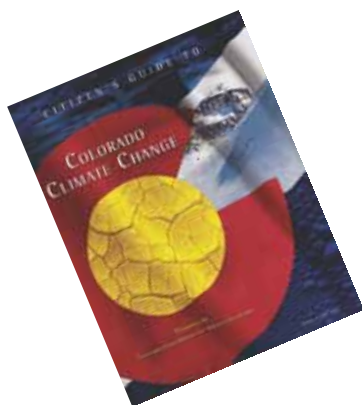
Promote better understanding of Colorado's water resources and issues through balanced and accurate information and education.

Vision Statements

- *Citizens of Colorado make sound water management decisions by working together in an economic, social and environmentally sound manner*
- *People understand limitations to water availability and act accordingly*
 - *Children know where their water comes from*
- *Water resource issues remain important in the public consciousness even after periods of drought*

Citizen's Guide Series

The Colorado Foundation for Water Education has published a new Citizen's Guide for 2007-2008. It is a complement to the 7 other guides in the series. Beginning with our flagship *Citizen's Guide to Colorado Water Law*, the series has become a go-to source for water information in the state.



Citizen's Guide to Colorado Climate Change

The eighth guide in the series, *The Citizen's Guide to Colorado Climate Change* provides an in depth look at a phenomenon that will affect everyone, including Colorado water users. Written primarily by State Climatologist Nolan Doesken and Western Water Assessment director Brad Udall, the guide explains climate modeling and takes a look at possible effects of climate change on our state, both as a whole and as it particularly pertains to water resource issues..

Headwaters Magazine

Published three times a year, *Headwaters* magazine has become a trusted source for up-to-date news from the world of Colorado water. This year, the magazine focused on the Arkansas river basin, wildlife and its symbiotic relationship with watersheds in the state and an examination of public land issues that relate to water.

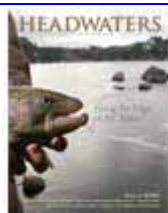


Issue 15,
Fall 2007

Issue 15: Fall 2007

Rising Expectations: The Arkansas River Basin

This year's river basin issue focused on the Arkansas River. Current issues in the upper and lower Arkansas basins were discussed. Among them were the recreational nature of the upper Ark, cooperative efforts in the management of Fountain Creek and moving certain Fry-Ark programs forward.



Issue 16,
Winter 2008

Issue 16: Winter 2007/2008

Along the Edge of the Water: Focus on Wildlife

The Wildlife focus of this issue took readers all over the state. From the beleaguered Bonny Lake to the rise of wildlife mitigation as an increasingly pressing consideration in water development, this issue covered a lot of ground. There was a current account of Colorado's problems with endangered species and a spotlight on interstate cooperation in some mitigation matters.



Issue 17: Summer 2008

Stream of Visions: Public Land Issues

The uses of public land are more numerous now than could have been anticipated. This issue focuses how public land and water are intertwined. Issues such as mining, fire suppression and Wild and Scenic river designation are all illuminated in this issue.

South Platte Tour June 19-20, 2008

On June 19th, 2008, the Colorado Foundation for Water Education held its annual river basin tour. This two day educational event focused on the South Platte basin. Eighty-four attendees from diverse backgrounds, many of whom have a stake in the river's effective and mindful administration in the years to come, visited the stops, listened to the speakers and formed their own opinions about the myriad water administration issues of the basin.

Tour participants were educated about several issues of importance to the basin. From regulatory issues such as calls on the river, to large projects such as the Arkansas Valley Super Ditch and the Tamarack project, the tour served as a well-

rounded introduction into the inner-workings of the South Platte.

Much of the focus of this year's tour was on adapting to changing water use patterns and the ability to deal with the anticipated continuation of this trend.

As a result of the tour, participants emerged with a clearer picture of the South Platte basin. Given the diversity of tour presenters and participants—state legislators, farmers, lawyers, and water administrators, among others—the knowledge imparted by the tour will afford the key decision makers in attendance a greater and more nuanced understanding of the South Platte basin.

Here is what some of the attendees had to say:

"The tour highlighted several different operations and areas of the South Platte and gave people a good overall understanding of what happens on a day to day basis in the basin,"

"Incredibly informative. I learned a lot, made great contacts, and had fun!"

"A good, diverse agenda -- very balanced and non-biased."

"Far exceeded my expectations."

"It was wonderful to get to see things in the field for the first time."

"Excellent mix of speakers. Presentations were excellent, and timely topics."

"For content and format, this is the best tour I've been on."

"A good tour with good balance on agricultural, municipal, industry, recreation and environmental needs."

"Highly informative and educational."



Northern Water's Eric Wilkinson talks with tour participants during their final stop. Wilkinson represents the South Platte River on the Interbasin Compact Committee.



Participants explore Northern's model of the Colorado-Big Thompson Project. The water feature demonstrates the project's journey from diversions on the Colorado River, across the Continental Divide to cities, towns and farms on the eastern plains.



2nd Annual Friends of Water Education Golf Classic

On July 20th, 2007, the Foundation held its 2nd annual golf tournament. The tournament served as a networking opportunity for leaders in the water field as well as a fundraiser for the Foundation. In the end, 77 golfers took to the links at Arrowhead golf course in Littleton. The tournament raised vital funds for the Foundation.

With the help of sponsors like the Colorado Water Resources and Power Development Authority, Parker Water and Sanitation and MWH, the tournament proved to be a great success.



The Water Leaders Program



2007 Water Leader Beorn Courtney, Photograph by Kevin Moloney

The Colorado Foundation for Water Education is committed to providing education and leadership opportunities to professionals throughout the West. The Water Leaders Program was created in 2006 to offer emerging Colorado professionals the opportunity to develop their leadership potential with a focus on water resources issues. The year-long

program provides training in conflict resolution, communication and negotiation to participants from across Colorado. The program also includes extensive self-assessment and networking opportunities.

By identifying emerging leaders in the water field and nurturing their professional development, the CFWE hopes to create a situation where

water leaders from across the state possess the appropriate managerial tools to navigate the contentious world of water.

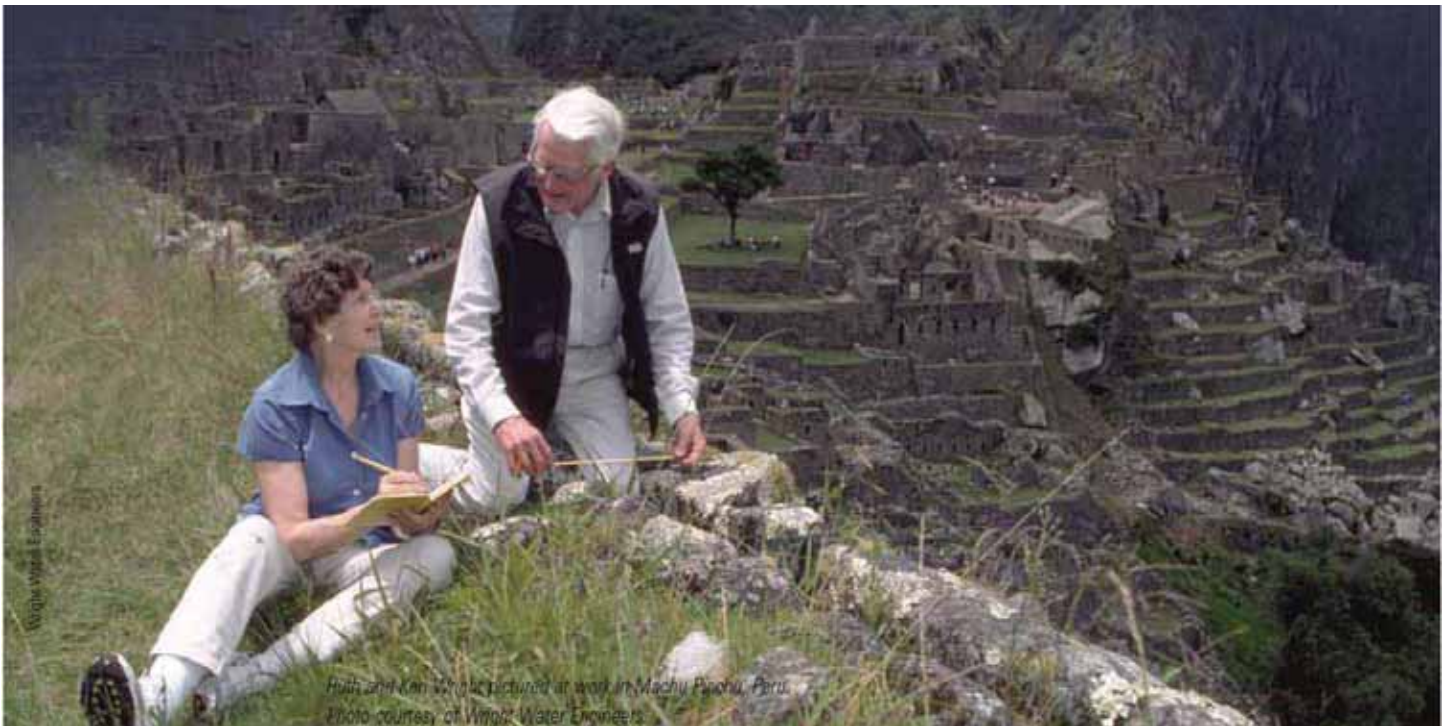
With professional development training provided by respected management consultant Len Loudis, the water leaders program allows up-and-comers in Colorado water to forge their path with greater connections and confidence.

2007 Participant Roster

Richard Marsicek—City of Aurora
Matthew Lindburg—Brown and Caldwell
Scott Hummer—Colorado Division of Water Resources
Jeffrey Bandy—Boyle Engineering Corporation
Beorn Courtney—Headwaters Corporation
David Frommell—DU Law
Craig Ullmann—Applegate Group, Inc.
Richard Vidmar—City of Aurora
Kate Muldoon—Riverside Technology, Inc.

The President's Award

The Colorado Foundation for Water Education annually recognizes an individual, individuals, or an organization, for their significant leadership, achievement, and contribution to water education for Colorado citizens. The recipient/s are honored in an award ceremony that highlights their accomplishments and dedication to water education. Last year's recipient was Routt County's John Fetcher and this year the award went to Ken and Ruth Wright of Boulder. The Wright's work in the field of water policy, water engineering and paleohydrology is coupled with a passion for philanthropy and the desire to share their work with the world. The President's Award reception is not just a fundraiser, but also a chance to honor the remarkable achievements of people who have given so much to the state of Colorado and, in the case of the Wrights, the world.



Ken and Ruth Wright of Boulder make progress backwards. They dig into the past for proof that ancient people were good water engineers and governed themselves effectively in the community for the public good. They've married their talents and degrees to a passion for each other and water education that embraces peoples of all ages in Peru and in Colorado.

From Machu Picchu to Mesa Verde, Ken and Ruth's story is compelling. They met on a ski bus in Wisconsin while she was at Marquette and he at the University of Wisconsin. A resident non-Catholic, take-the-streetcar-to-the-local-Jesuit-university-daughter-of-a-single-mother kind of girl, she studied philosophy, English, and history. He took civil engineering, business, and her seriously enough to have two daughters and a lifetime together of public giving.

They married in Salzburg, Austria, in 1954 while he was working in Saudi Arabia for the ARAMCO oil company. She was in Germany as a civilian employee for the U.S. Army. He proposed to her from a hospital bed after a car accident on an Austrian ski trip. Because he was so injured he couldn't speak, he wrote on the back of his ski boot receipt, "I dreamt that I had asked you to marry me and I think that's a good idea." —Hon. Gregory J. Hobbs, Jr.

Thank You!

The Colorado Foundation for Water Education would like to sincerely thank all of the organizations and individuals who have provided their financial support for 2008. Our work would not be possible without you.

ENDOWING PARTNERS

Colorado Water Conservation Board | MWH Engineering

CHARTER MEMBERS

Board of Water Works of Pueblo, Central Colorado Water Conservancy District, City of Greeley, Colorado Association of Realtors, Colorado Division of Wildlife, Colorado River Water Conservation District, Colorado Water Resources & Power Development Authority, Coors Brewing Company, Denver Suburban Water District, Douglas County Water Resource Authority, Eagle River Water & Sanitation District, Northern Colorado Water Conservancy District, Southwestern Water Conservation District, Stanek Constructors, Inc, U.S. Bureau of Reclamation, Western Colorado Area Office, Wright Water Engineers, Brown & Caldwell.

PIONEER MEMBERS

Metro Wastewater Reclamation District, Colorado Farm Bureau, Tri-State Generation & Transmission Association, Sakata Farms, Rio Grande Water Conservation District, The Consolidated Mutual Water Company, Ute Water Conservancy District, Colorado Corn Growers Assn, Parker Water & Sanitation District, White & Jankowski, AWWA, Rocky Mountain Section.

SUSTAINING MEMBERS

Gregory Hobbs, Jr., Applegate Group, Suncor Energy, Orchard Mesa Irrigation District, Colorado Dairy Farmers, Douglas County Community Development, Upper Gunnison River Water Conservancy District, Summit County Board of Commissioners, City of Grand Junction Utilities, City of Thornton, Martin & Wood Water Consultants, Denver Water, JF Companies, Lower Arkansas Valley Water Conservancy District, Maynes Bradford Shipp & Sheftel, Bishop-Brogden Associates, Leonard Rice Engineers.

ASSOCIATE MEMBERS

Jonathon Perlmutter, Kim Koehn, Patty Stulp, Scott Hummer, Colorado Municipal League, Middle Park Water Conservancy District, Christianson Corporate Resources, Headwaters Corporation, Delta County Commissioners, Roggen Farmers Elevator Assn, Duncan, Ostrander & Dingess, P.C., St Vrain & Left Hand Water Cons District, Platte Canyon Water & Sanitation District, Arkansas River Outfitters Assn, Y-W Electric Assoc, Inc, Colorado Livestock Association, Eagle River Water & Sanitation District, Krassa & Miller, LLC, Black & Veatch Corporation, Kennedy/Jenks Consultants, Roxborough Water & Sanitation District, Center Conservation District, Wheatland Electric Co-op, Colorado Bankers Association, Ayres Associates, Delta Conservation District, Water Colorado, Porzak Browning & Bushong.

WATERSHED MEMBERS

Dale Mitchell, Dan Bush, Daniel Tyler, Diane Hoppe, Erik Fallenius, Evan Ela, Fred Wolf, Greg Hoskin, Greg Larson, Jack McCormick, James Gehres, Jody Williams, Joel Hecht, John Ballagh, John Blanchard, John & Nancy Porter, John & Susan Maus, Kenton Brunner, Melissa Young, Patricia Blakey, Robert Rich, Robert Ward, Susan Marein, William Tourtellott, Anderson & Chapin, P.C., Aqua Engineering, Inc., Badger Creek Farm, Inc., Boulder County Parks and Open Space, Brown and Caldwell, CH2MHill, City of Longmont, City of Loveland, City of Westminster, Clinton Ditch & Reservoir Company, Colorado Springs Utilities, CWRRI, ERO Resources Corp., Farmers Grain Co., Pallesen Engineering, Inc., Roaring Fork Conservancy, San Luis Valley Water Conservancy District, South Metro Water Supply Authority, Southeastern Colorado Water Conservancy District, Town of Frisco, Tri-County Water Conservancy District, Trout Raley Montano Witwer & Freeman, USDA Forest Service.

INDIVIDUAL MEMBERS

Steven Acquafresca, Kim Albright, Rick Anderson, Susan Andrews, Frank Anesi, Carl Bachhuber, David Bailey, Jini Bates, Denise Bates, David Batts, David Baumgarten, Jeffrey Baumgartner, Amy Beatie, Carl & Julie Bellmyer, Jeff Berlin, David Bernhardt, Tillie Bishop, Ronald Blatchley, Linda Bledsoe, Sharon Bokan, Ann Brady, Rod Brauer, Allyn Brown, Rob Buirgy, Gretchen Cerveney, Kathy Chandler-Henry, Sasha Charney, Ron Childs, Aaron Clay, Steve Coffin, Amy Conklin, John Cordes, Pete Crabb, Barry Cress, Rita Crumpton, Don Cummins, Elaine Davis, Denver Rescue Mission, Skip Dinges, Joseph Dischinger, Carol Dunn, Jeff Durbin, Blaine Dwyer, Lewis Entz, Megan Estep, Harold Evans, Barney Fix, Jack Fox, Kevin France, Brent Gardner-Smith, Gloria Garza, Jord Gertson, William Goetz, Karen Guglielmo, Pete Gunderson, David Hallford, Jean Hammes, Paul Harms, Stephen Harris, Taylor Hawes, William Hendrickson, Mark & Sara Hermandstad, Kinsey Holton, Diane Hoppe, Barbara Horn, Nancy Hurt, Tom Huston, Will Hutchins, Robert Huzjak, Cliff Inbau, Stacie Johnson, Korey Kadmas, Russell Kemp, Kirk Klancke, Candace Knoll, Walter Knudsen, Steve Koeckert, Ray Kogovsek, Sam Krage, Kate Kramer, Bruce Kroeker, Barbara Lambert, Peter Lavigne, Katryn Leone, Scott Leslie, Mark Levorsen, Penny Lewis, Patricia Locke, Robert Longenbaugh, Zach Margolis, Tyler Martineau, Cheryl Matthews, Murray McCaig, Kevin McCarty, Bryan McCarty, Sharon McCormick, John McCutchan, Gerry McNally, Rich Meredith, Jim Miller, Harold Miskel, Bob Moore, Larry Morgan, Andrew Mueller, David Nelson, Ken Neubecker, Stevan O Brian, Michael O Grady, John Orr, David & Linda Overlin, Lindsey Parlin, William & Donna Patterson, Susan Pence, Jack Perrin, Mark Perry, Stan Peters, Connie Peterson, J T Pickarts, Kristi Pollard, Greg Poschman, Michael Reeg, Chris Reichard, David Reinertsen, Melvin Rettig, Kathy Richards, Daniel Ritchie, Gary Roberts, Bob Robins, Ellen Robinson, Kelly Roesch, Janet Rowland, Rick Sackbauer, Gerry Saunders, Donald Schwindt, Mary Ann Seltzer, Paul & Martie Semmer, Susi Sewald, Tom Sharp, Mike Shimmin, Douglas Shriver, Jim Skvorc, Gregory Smith, Richard Sprague, David Stiller, Gordon Stonington, Luther Stromquist, James Taylor, Phyllis Thomas, Danny Tomlinson, Ralf Topper, Carl Trick, Dale Trowbridge, Brad Uddall, Horst Ueblicher, Val Valentine, Richard von Bernuth, Dennis Wagner, Brad Wallace, William Wangnild, Chuck Wanner, Robert Ward, Russell Waring, Jeff Wasden, Tom Waymire, David Wegner, Carrie Weiss, Kyle Whitaker, Curt Wiederspan, Scott Williams, Pat Wilson, Lois Witte, Dick Wolfe, Lane Wyatt, David Yardley, Paul Zaenger, Edith Zagana, Christa Zemlin.

**COLORADO FOUNDATION FOR
WATER EDUCATION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2008

TOGETHER WITH ACCOUNTANTS' REVIEW REPORT

COLORADO FOUNDATION FOR WATER EDUCATION

FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

CONTENTS

	<u>Page</u>
Accountants' Review Report	1
Financial Statements	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6

Taylor, Roth and Company, PLLC
Certified Public Accountants
working exclusively with nonprofit organizations

June 5, 2009

ACCOUNTANTS' REVIEW REPORT

Board of Directors
Colorado Foundation for Water Education
Denver, Colorado

We have reviewed the accompanying statement of financial position of **Colorado Foundation for Water Education** (a Colorado nonprofit corporation) as of June 30, 2008 and the related statements of activities, functional expenses, and cash flows for the year then ended. This review was conducted in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Colorado Foundation for Water Education.

A review consists principally of inquiries of organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Taylor Roth & Company, PLLC
TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

COLORADO FOUNDATION FOR WATER EDUCATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008

	<u>2008</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 67,341
Contracts receivable	100,312
Publication inventory	44,903
Prepaid expenses	4,129
Total assets	<u>\$ 216,685</u>
<u>Liabilities and net assets</u>	
<u>Liabilities</u>	
Accounts payable	\$ 39,417
Payroll accruals	7,009
Line of credit (Note 3)	-
Deferred event income	12,825
Commitments (Note 4)	-
Total liabilities	<u>59,251</u>
<u>Net assets</u>	
Unrestricted	
Operating	<u>157,434</u>
Total net assets	<u>157,434</u>
Total liabilities and net assets	<u>\$ 216,685</u>

See accountants' review report
The accompanying notes are an integral part of these financial statements

COLORADO FOUNDATION FOR WATER EDUCATION

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

	2008		
	Unrestricted	Temporarily Restricted	Total
<u>Revenue and other support</u>			
Government grants and contracts	\$ 237,849	\$ -	\$ 237,849
Membership dues	68,525	-	68,525
Contributions	52,521	-	52,521
Program fees	31,330	-	31,330
Special events	19,705	-	19,705
Sale of materials	14,922	-	14,922
All other	8,807	-	8,807
Total revenue and other support	433,659	-	433,659
<u>Expense</u>			
Program services	223,292	-	223,292
Supporting services			
Management and general	117,830	-	117,830
Fund-raising	25,741	-	25,741
Total expense	366,863	-	366,863
Change in net assets	66,796	-	66,796
Net assets, beginning of year	90,638	-	90,638
Net assets, end of year	\$ 157,434	\$ -	\$ 157,434

See accountants' review report
The accompanying notes are an integral part of these financial statements

COLORADO FOUNDATION FOR WATER EDUCATION

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008

	2008			
		Supporting Services		
	Program Services	Manage- ment and General	Fund-raising	Total
Salaries and benefits	\$ 36,501	\$ 76,241	\$ 9,213	\$ 121,955
Graphic design	40,830	-	-	40,830
Editing	30,641	-	-	30,641
Contract services	22,430	875	-	23,305
Rent	6,235	13,185	1,455	20,875
Writers	20,685	-	-	20,685
Printing	18,162	1,875	342	20,379
Cost of goods sold	13,763	-	-	13,763
Travel	12,975	506	22	13,503
Events	-	-	12,437	12,437
Postage	7,915	2,747	260	10,922
Conferences and meetings	4,857	346	271	5,474
Telephone	1,266	3,520	295	5,081
Equipment	1,840	3,200	-	5,040
Accounting	-	4,880	-	4,880
Food	3,015	547	-	3,562
Bank charges	100	3,246	-	3,346
Supplies	510	1,347	505	2,362
Computer expense	568	1,478	132	2,178
Insurance	-	1,059	-	1,059
All other	999	2,778	809	4,586
Total expenses	<u>\$ 223,292</u>	<u>\$ 117,830</u>	<u>\$ 25,741</u>	<u>\$ 366,863</u>

See accountants' review report

The accompanying notes are an integral part of these financial statements

COLORADO FOUNDATION FOR WATER EDUCATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>2008</u>
<u>Cash flows from operating activities</u>	
Change in net assets	\$ 66,796
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	-
<u>Changes in operating assets and liabilities</u>	
(Increase)decrease in contracts receivable	(28,071)
(Increase)decrease in inventory	13,763
(Increase)decrease in prepaid expenses	(2,410)
Increase(decrease) in accounts payable	12,821
Increase(decrease) in payroll accruals	(6,724)
Increase(decrease) in deferred contract revenue	12,825
Net cash provided(used) by operating activities	69,000
<u>Cash flows from financing activities</u>	
(Repayment) on line of credit	(18,235)
Net increase(decrease) in cash and cash equivalents	50,765
Cash and cash equivalents, beginning of year	16,576
Cash and cash equivalents, end of year	<u>\$ 67,341</u>
 Cash paid during the period for interest	 <u>\$ 412</u>

See accountants' review report
The accompanying notes are an integral part of these financial statements

COLORADO FOUNDATION FOR WATER EDUCATION

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 1 - DESCRIPTION OF THE ORGANIZATION

The Colorado Foundation for Water Education (the Organization) is a nonprofit organization incorporated in 2003 to promote a better understanding of water issues through education opportunities and resources, so Colorado citizens will understand water as a limited resource and make informed decisions. The Organization is supported primarily by government grants and contracts, and membership dues.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

2. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standard (SFAS) No. 117, "Financial Statement of Not-for-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

3. Cash and Cash Equivalents

Cash and cash equivalents are considered to be all unrestricted highly liquid investments with an initial maturity of three months or less.

4. Donations

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities, as net assets released from restrictions. Government contract revenue is recognized when earned.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless the explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Continued)

5. Capitalization and Depreciation

The Organization follows the practice of capitalizing all expenditures for land, buildings and equipment of \$5,000 or more. The fair value of donated assets is similarly capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. At year end, there were no such assets.

6. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

7. Income Taxes

The Organization is exempt from Federal and State income taxes under the provisions of Internal Revenue Code Section 501(c)(3).

8. Functional Reporting of Expenses

For the year ended June 30, 2008, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 3 - LINE OF CREDIT

There is no balance on a \$20,000 bank line-of-credit at an interest rate of prime plus one.

NOTE 4 - COMMITMENTS

The Organization has acquired office equipment under operating leasing arrangements. The future minimum lease payments are:

<u>Fiscal Year</u>	<u>Amount</u>
2009	\$ 4,788
2010	4,788
2011	4,788
2012	4,788
2013	<u>2,394</u>
Total payments remaining	<u>\$ 21,546</u>

NOTE 4 - COMMITMENTS - CONTINUED

The Organization leases office space in Denver Colorado. The future minimum lease payments are as follows:

<u>Fiscal</u> <u>Year</u>	<u>Amount</u>
2009	\$ 19,461
2010	<u>10,003</u>
Total payments remaining	<u>\$ 29,464</u>

NOTE 5 - PENSION PLAN

The Organization has a SEP/IRA plan covering eligible employees. Contributions are immediately vested. The Organization contributes up to 12% of annual salary to the plan. Total pension expense for the year was \$6,533.