

MINUTES OF THE REGULAR DECEMBER MEETING OF THE
PUEBLO CONSERVANCY DISTRICT ON DECEMBER 10, 2002

DIRECTORS PRESENT: Farley, Kelly and Sandstrom

ALSO PRESENT : Ray Koester and Don Banner

The meeting was called to order at 7:30 a.m. on the above date with a quorum, Gus Sandstrom Chairing.

The minutes for November were reviewed and approved by a unanimous vote, and the Treasurers report for November was reviewed and approved to file, and the following December bills were approved for payment:

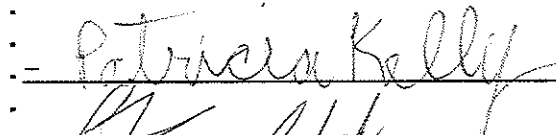
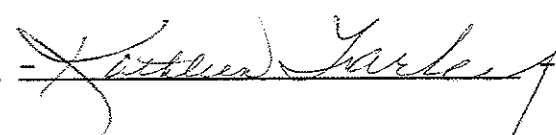
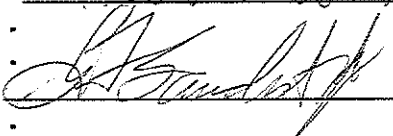
2228	G. Sandstrom	Directors Fees	\$ 55.41
2229	K. Farley	Directors Fee	55.41
2230	P. Kelly	Directors Fee	55.41
2231	Banner	Legal Fees	300.00
2232	Engineer Koester	Eng/Admin Fee	400.00
		Rental Fees	100.00
2233	MBDG, pc	Bookkeeping Service	200.00
2234	Aquila (Westplains)	Power at Runyon	90.00
2235	Vectra Bank	2003 Safe Dep. rent	35.00
2236	HARP Authority	2002 PCD Approp.	55,000.80

A report on sales and progress with distribution was made by Koester indicating sales were slow, but most entities holding copies of the book for sale are in progress with their seperate promotional ideas and sales will be reported at the next regular meeting of this Board.

Attyorney Banner reorted that the 2003 Budget has been sent to the State and the Court but no confirmation from either. Banner also reported that there has been no reply on the Department of Wildlife Lease, but is not concerned that its approval will be forthcoming.

There being no further business at this time, the meeting was adjourned at 7:50 a.m. with the next regular meeting to be Tuesday January 14, 2003 at 7:30 a.m. at this Districts Office at NorthStar Engineering.

APPROVED:

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THE PUEBLO CONSERVANCY DISTRICT

BOARD OF DIRECTORS
P. KELLY
K. FARLEY
G. SANDSTROM

111 EAST FIFTH STREET
544-6823
PUEBLO, COLORADO

MAILING ADDRESS:
P. O. BOX 234
PUEBLO, COLO. 81002

NOTICE OF JANUARY MEETING

DATE : JANUARY 14, 2003 (TUESDAY) at 7:30 a.m.

PLACE : At NorthStar Engineering Conference Room
(PCD Office)
111 East 5th Street

- A G E N D A -

1. Roll Call
2. Approval of Minutes of December meeting
3. Treasurers Report for December 2002
 - a. Accept reports
 - b. Approve bills for January
4. Update on HARP History, marketing etc.
5. New Business -
7. Set date for February meeting.
8. Adjourn.

pcd00.bud



McPherson,
Breyfogle,
Daveline &
Goodrich, PC
Certified Public Accountants

740 Thatcher Building
P. O. BOX 918
Pueblo, CO 81002-0918
Phone (719) 543-0516
Fax (719) 544-2849

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
The Pueblo Conservancy District
Pueblo, Colorado

We have compiled the accompanying balance sheet -general fund only of The Pueblo Conservancy District as of November 30, 2002 and December 31, 2001, and the related comparative statement of revenue and expenditures – actual and budget – general fund for the one month and eleven months ended November 30, 2002, and the twelve months ended December 31, 2001, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

McPherson, Breyfogle, Daveline & Goodrich PC

December 5, 2002

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
NOVEMBER 30, 2002 AND DECEMBER 31, 2001

	<u>11/30/02</u>	<u>12/31/01</u>
ASSETS		
VECTRA BANK CHECKING	\$ 7,698	\$ 5
VECTRA BANK MONEY MARKET	2,057	5,479
BROKERAGE MONEY MARKET ACCOUNTS	18,492	190,501
VECTRA BANK CERTIFICATE OF DEPOSITS	356,331	349,875
FNB COLORADO CERTIFICATE OF DEPOSIT	106,000	100,000
COLOTRUST INVESTMENT	200,000	150,000
DAIN RAUCHER INVESTMENT	-	100,375
FIRST UNION INVESTMENT	209,625	207,035
PIPER JAFFRAY INVESTMENT	274,781	52,905
ACCRUED INTEREST	16,807	16,807
DUE FROM OTHER ENTITIES	<u>-</u>	<u>-</u>
 TOTAL ASSETS	 <u>\$ 1,191,791</u>	 <u>\$ 1,172,982</u>
 LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 265
PAYROLL TAXES PAYABLE	<u>41</u>	<u>82</u>
 TOTAL LIABILITIES	 <u>41</u>	 <u>347</u>
 RESERVE FOR EMERGENCIES	 6,000	 6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	96,840	96,840
UNDESIGNATED	<u>1,088,910</u>	<u>1,069,795</u>
 TOTAL FUND EQUITY	 <u>1,191,750</u>	 <u>1,172,635</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,191,791</u>	 <u>\$ 1,172,982</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE ONE AND ELEVEN MONTHS ENDED NOVEMBER 30, 2002
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2001

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2002 BUDGET	UNUSED BUDGET	2001 ACTUAL
REVENUES					
INTEREST INCOME					
CERTIFICATES OF DEPOSIT	\$ 3,023	\$ 22,958	\$ 30,000	\$ 7,042	\$ 31,491
COLOTRUST	560	3,128	8,000	4,872	7,009
MONEY MARKET ACCOUNTS	2	419	4,000	3,581	2,819
DAIN RAUCHER	-	3,125	12,000	8,875	12,375
FIRST UNION	3,000	12,674	12,000	(674)	12,313
PIPER JAFFRAY	2,510	9,030	6,000	(3,030)	4,766
UNREALIZED GAINS (LOSSES)	(157)	4,803	3,000	(1,803)	3,302
TOTAL INTEREST INCOME	8,938	56,137	75,000	18,863	74,075
LEASE PAYMENTS	-	-	250	250	-
OTHER INCOME	600	600	-	(600)	-
TOTAL REVENUES	\$ 9,538	\$ 56,737	\$ 75,250	\$ 18,513	\$ 74,075
EXPENDITURES					
80 LEGAL FEES	\$ 300	\$ 3,300	\$ 3,600	\$ 300	\$ 3,600
81 DIRECTORS FEES	180	2,160	3,000	840	2,160
82 FICA TAXES	41	123	240	117	164
83 ENGINEER/ADMINISTRATIVE	400	4,400	4,800	400	4,800
90 AUDIT & BOOKKEEPING	200	2,000	2,100	100	2,100
92 INSURANCE/BONDS	-	1,878	500	(1,378)	1,896
96 OFFICE EXPENSE	17	281	650	369	262
97 OFFICE RENT	100	1,100	1,200	100	1,200
100 PROFESSIONAL FEES	25	12,430	5,000	(7,430)	4,103
103 TRAVEL	-	-	500	500	346
105 REPAIRS & MAINTENANCE	564	9,950	25,000	15,050	19,688
108 CONTINGENCIES	-	-	500	500	-
109 EMERGENCY REPAIR	-	-	20,000	20,000	-
110 CAPITAL IMPROVEMENTS	-	-	25,000	25,000	-
111 PLANNING & DEVELOPMENT	-	-	25,000	25,000	-
112 HARP - O & M	-	-	55,000	55,000	50,000
TOTAL EXPENDITURES	1,827	37,622	172,090	134,468	90,319
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 7,711	\$ 19,115	\$ (96,840)	\$ (115,955)	\$ (16,244)

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
DECEMBER 31, 2002

12/5/02 2:51 PM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/01</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 12/31/02</u>	<u>INTEREST RECEIVED 12/31/02</u>
<u>CERTIFICATES</u>										
VECTRA BANK	CD#114728 dtd 5/21/00, Int. Paid Semi-Ann	5/21/02	6.000%	80,000.00	80,000.00			80,000.00	-	2,429.79
VECTRA BANK	CD#114728 dtd 5/21/02, Int. Paid Semi-Ann	5/21/04	3.250%	80,000.00	-	80,000.00			80,000.00	1,321.42
VECTRA BANK	CD#115371 dtd 5/18/99, Int. Comp Qlty	5/18/02	4.890%	150,000.00	169,875.08	6,456.23			176,331.31	6,456.23
VECTRA BANK	CD#116196 dtd 7/7/00, Int. Paid Qlty	7/7/03	6.750%	100,000.00	100,000.00				100,000.00	6,750.00
FNB-COLO	CD#100010930 dtd 2/5/01, Int. Comp Annually	2/4/04	6.100%	100,000.00	100,000.00	6,000.00	-	-	106,000.00	6,000.00
TOTAL CERTIFICATES					449,875.08	92,456.23	-	80,000.00	462,331.31	22,957.44
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				5,479.23	101,652.26		105,075.00	2,056.49	87.48
PIPER JAFFRAY	Money Market Account				87,343.15	11,004.49		80,000.00	18,347.64	283.37
DAIN RAUSCHER	Cash & Money Market Account				103,062.50			103,062.50	-	-
WACHOVIA SEC.	Evergreen Money Mkt Fund				95.80	48.70	-	-	144.50	48.70
TOTAL CASH ACCOUNTS WITH BROKERS					195,980.68	112,705.45	-	288,137.50	20,548.63	419.55
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		100,000.00	100,000.00			200,000.00	2,820.77
	Acct. 2726 - PRIME		5.940%		50,000.00	50,000.00	-	100,000.00	-	308.10
TOTAL COLOTRUST					150,000.00	150,000.00	-	100,000.00	200,000.00	3,128.87
DAIN	T-NOTE, purchased 1/30/97	1/31/02	6.250%	100,000.00	100,375.00	-	(375.00)	100,000.00	-	3,125.00
TOTAL DAIN					100,375.00	-	(375.00)	100,000.00	-	3,125.00
WACHOVIA SEC.	T-NOTE	8/15/04	6.000%	100,000.00	106,156.00		1,594.00		107,750.00	9,000.00
	FEDERAL NATL MTG ASSN	11/8/10	6.000%	100,000.00	-	100,000.00	1,875.00		101,875.00	-
	FEDERAL NATL MTG ASSN	3/25/09	6.390%	100,000.00	100,879.00	-	(879.00)	100,000.00	-	3,674.25
TOTAL WACHOVIA SEC.					207,035.00	100,000.00	2,590.00	100,000.00	209,625.00	12,674.25
PIPER JAFFRAY	GNMA POOL #24920	6/15/08	8.250%		19,336.72		(127.91)	3,834.46	15,374.35	975.67
	FEDL NATL MTG ASSN INVT NOTES B/E	3/13/09	5.250%	130,000.00	-	130,005.00	1,863.75		131,868.75	3,374.58
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	8/15/08	5.000%	100,000.00	-	100,005.00	(105.00)		99,900.00	2,930.58
	FHLMC #170217	3/1/17	8.000%		33,568.07	-	957.06	6,886.66	27,638.47	1,748.71
TOTAL PIPER JAFFRAY					52,904.79	230,010.00	2,587.90	10,721.12	274,781.57	9,029.54
TOTAL INVESTMENTS					510,314.79	480,010.00	4,802.90	310,721.12	684,406.57	27,957.66
TOTAL ALL ACCOUNTS					1,156,170.55	685,171.68	4,802.90	678,858.62	1,167,286.51	51,334.65

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THE PUEBLO CONSERVANCY DISTRICT:

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ACCOUNTS PAYABLE - - - -

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December Accounts Payable to Approve 12-10-02<

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2228 G. Sandstrom Directors Fee (Dec) (81) 55.41
*
2229 K. Farley Directors Fee (Dec) (81) 55.41
*
2230 P. Kelly Directors Fee (Dec) (81) 55.41
2231 BBK&O (Banner) * Legal Fee (Dec) (80) 300.00
2232 Engineer Koester Eng/Admin (Dec) (83) 400.00
Rental of Stor and Mtg (97) 100.00
2233 MBDG, PC * Bookkeepg Serv (Nov) (90) 200.00
*
2234 AQUILA (Westplains Energy) Power at Runyon (105) 90.00
*
2235 Vectra Bank 2003 Safe Dep. Box rent (96) 35.00
*
2225 H A R P Authority 2002 PCD Approp. (112) 55,000.00
*
*
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PAYABLE TOTAL \$1,291.23

plus \$55,000.00

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THE PUEBLO CONSERVANCY DISTRICT

2 0 0 3 BUDGET

	2001 Actual	2002 Budget	Est. 2002 Rev. & Exp.	2003 BUDGET
REVENUES				
Interest:	\$ 72,936	\$ 75,000	\$ 65,000	\$ 60,000
Leases, Books, Other	0	250	0	8,500
TOTAL REVENUES	\$ 72,936	\$ 75,250.	\$ 65,000.	\$ 68,500.
EXPENDITURES				
Directors Fees	\$ 2,160	\$ 3,000	\$ 2,430	\$ 3,000
FICA Taxes	164	240	62	240
Legal Fees	3,600	3,600	3,600	3,600
Eng, Adm & Stor	4,800	4,800	4,800	4,800
Audit & Bkpg Fees	1,925	2,100	2,100	2,100
Insurance & Bonds	1,886	500	1,878	2,000
Office Exp.	262	650	330	650
Office Rent	1,200	1,200	1,200	1,200
Professional Fees	4,104	5,000	4,635	5,000
Travel	346	500	0	500
Repairs & Mainten.	19,598	25,000	9,200	45,000
Contingencies	0	500	0	500
Emerg. Flood Repairs	0	20,000	0	20,000
Capital Improvements	0	25,000	0	25,000
Planning & Devel.	0	25,000	0	25,000
HARP O & M	50,000	55,000	55,000	0
History Book Pub.	0	0	6,380	4,000
TOTAL EXPENDITURES	\$ 90,055.	\$172,090.	\$ 91,185.	\$142,590.
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES (\$17,119.) (\$96,840) (\$26,185) (\$74,090)				
BEGINNING RESERVE FUND BALANCE	\$1,189,225.	\$1,171,843	\$1,171,843.	\$1,124,473
ENDING RESERVE FUND BALANCE	\$1,171,843	\$1,075,003	\$1,124,473.	\$1,050,383

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ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)

11/27/2002

PRODUCER (719)544-1111 FAX
Peoples Insurance Agency, Inc.
PO Box 8210
Pueblo, CO 81008
Tom Ratzlaff

THIS CERTIFICATE IS ISSUED AS A _____ OF INFORMATION
ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE
HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR
ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED Spaccamonti Excavating
1805 Aspen Circle
Pueblo, CO 81006

INSURER A: American Casualty
INSURER B: Transportation
INSURER C: CNA Surety/Western
INSURER D: Pinnacle Assurance
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	C 1043647121	12/01/2002	12/01/2003	EACH OCCURRENCE \$ 1,000,000
	☒ COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire) \$ 100,000
	☐ CLAIMS MADE ☒ OCCUR				MED EXP (Any one person) \$ 5,000
					PERSONAL & ADV INJURY \$ 1,000,000
					GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC				
B	AUTOMOBILE LIABILITY	C 1056451732	12/01/2002	12/01/2003	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	☒ ANY AUTO				BODILY INJURY (Per person) \$
	☐ ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	☒ SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	☒ HIRED AUTOS				
	☒ NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	☐ ANY AUTO				OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
C	EXCESS LIABILITY	14454971	12/31/2002	12/31/2003	EACH OCCURRENCE \$
	☐ OCCUR ☐ CLAIMS MADE				AGGREGATE \$
	☐ DEDUCTIBLE				\$
	☐ RETENTION \$				\$
					\$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	4058548	07/01/2002	07/01/2003	WC STATUTORY LIMITS ☐ OTHER ☐
					E.L. EACH ACCIDENT \$ 1,000,000
					E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
					E.L. DISEASE - POLICY LIMIT \$ 1,000,000
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER

ADDITIONAL INSURED; INSURER LETTER: _____

CANCELLATION

Pueblo Conservancy District &
Northstar Engineering & Surveying
111 E. 5th St.
Pueblo, CO 81003

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Tom Ratzlaff/CARLIE

M. Buxman

LAW OFFICES OF
BANNER, BUXMAN, KWITEK & OHLSEN
PROFESSIONAL CORPORATION

601 N. MAIN STREET, SUITE 200
P. O. BOX 1423
PUEBLO, COLORADO 81002-1423
(719) 544-5081
FAX: (719) 546-3457
WWW.PUEBLOLAWYERS.COM

November 11, 2002

DONALD J. BANNER
DARRIN L. BUXMAN
DOUGLAS J. KWITEK
MARK A. OHLSEN
JOSEPH D. BOWER
J. E. CHOSTNER
KATHY D. SHAPIRO

Mr. Scott K. Patterson
615 S. Main Street
Pueblo, CO 81004

Dear Scott:

Pursuant to my letter of October 24, 2002, I still have not heard from you. As requested, please forward a check to me in the amount of \$200.00, payable to the "Pueblo Conservancy District" and let me know if you want to continue the license for another year. Rent in the amount of \$200.00 will be due for the year November 6, 2002 to November 6, 2003, in advance.

I'll look forward to hearing from you within the next five days.

Very truly yours,



Donald J. Banner

DJB/tr

cc: Raymond F. Koester