

MINUTES OF THE MARCH 10, 2005 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom; Farley; Haynes

Also Present: Councilor Don Banner; Administrator Rick Kidd, Scott Hobson

President Sandstrom called the Pueblo Conservancy District board meeting to order at 8:05 am.

Scott Hobson provided copies of the Fishing Is Fun grant application. Hobson said that the previous Division of Wildlife in-kind was changed to be provided by Trout Unlimited. The other change he noted was that "fishing access" was changed to "fish stocking access". Sandstrom moved to sponsor and sign the application. Seconded by Farley. Motion passed.

With a quorum present, the Minutes of the February 18, 2005 Regular Meeting were reviewed. Haynes moved to approve the Minutes. Seconded by Farley. The Minutes were unanimously approved as posted.

Treasurer's Report:

The accountant's February 2005 Compilation Report was discussed. Kidd reported that he had met with PiperJaffay and Wachovia. The District does not have any more certificates of deposit. They have matured and been reinvested into other instruments. The District currently has in excess of \$125,000 currently available in money market funds. PiperJaffray had a recommendation that with about an additional \$2000 investment the District's annual return would go up approximately \$2000. Wachovia recommended reinvesting approximately \$50,000 more in the short turn-over bond program that the District has investments in. Sandstrom questioned where the \$4790 of accrued interest shown on the accountant's report resides. Farley moved to receive and file the accountants report, to invest \$55,000 at Wachovia, and if the \$4790 of accrued interest is available to invest \$4000 at PiperJaffray. The motion passed.

Sandstrom discussed the options concerning the accountant's increased fees and the new Accountant Agreement. It was moved to pay the additional \$25 per month, execute the Accountant Agreement, and then amend the District's budget at the end of the year. The motion passed.

Farley moved that the Board approve payment of the following bills:

\$ 225.00	MBD&G, Accountant fees
\$ 49.00	Belmont Storage, December for Unit M10 (Canceled N15)
\$ 111.83	Aquila, Electricity
\$ 100.00	HARP Authority
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 55.41	Sandstrom, Director's fee for December 15, 2004 meeting
\$ 55.41	Farley, Director's fee for December 15, 2004 meeting
\$ 55.41	Haynes, Director's fee for December 15, 2004 meeting

Weed Control Plan – Sandstrom has been trying to get the County to agree to weed control from 11th Street to Runyon for the concrete portion on the River side only. Kidd is to get Chem-Way pricing for the bank areas. Kidd is to check with Division of Wildlife concerning brush and tree control on the islands between Wild Horse Creek and Dutch Clark.

There was a discussion about the requirements to either disband the Pueblo Conservancy District and/or obtain funding for continued operation.

There was a discussion to have the Engineer develop a map of Pueblo Conservancy District boundaries and adjacent landowners. This work would be done as an additional cost for engineering services. Farley so moved and the motion passed.

March 10, 2005 Minutes, Page 2 of 2

There was a motion to pay the recurring bills for HARP, Belmont Storage, and Aquila without monthly Board action. The motion passed.

The next meeting is to be held on April 19, 2005, at 8:00 am. The meeting will be held at the HARP Authority Conference Room.

There being no further business to come before the Board, the meeting was adjourned at 8:50 a.m..

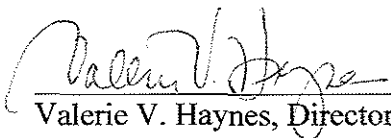
APPROVED:



Gus Sandstrom, Director



Kathleen Farley, Director



Valerie V. Haynes, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: MARCH 10, 2005 (Thursday) AT 8:00 A.M.

PLACE: VECTRA BANK, 200 1ST STREET, PUEBLO, COLORADO
HARP FOUNDATION OFFICE, 3RD FLOOR CONFERENCE ROOM
(Off elevator, go right to hallway, left to HARP Foundation)

AGENDA

1. ROLL CALL
2. FISHING IS FUN APPLICATION – Scott Hobson
3. APPROVAL OF FEBRUARY 8 & 18, 2005 MINUTES
4. TREASURER'S REPORT
 - a. FEBRUARY 2005 ACCOUNTANT'S REPORT
 - b. PAYMENT OF BILLS
5. INVESTMENTS
6. ACCOUNTANT ENGAGEMENT AGREEMENT
7. WEED CONTROL PLAN
8. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
9. APRIL MEETING DATE
10. ADJOURNMENT

Rick Kidd

From: "Scott Hobson" <shobson@pueblo.us>
To: "Doug Krieger (E-mail)" <doug.krieger@state.co.us>
"Jim Melby (E-mail)" <jim.melby@state.co.us>; "Steven Meier" <smeier@pueblo.us>; "Rick Kidd (E-mail)" <kiddecms@earthlink.net>; "Gus Sandstrom (E-mail)" <g.sandstrom@comcast.net>; "Kathy Farley (E-mail)" <kmfarley@aculink.net>; <haynes@co.pueblo.co.us>
Sent: Friday, March 04, 2005 3:01 PM
Attach: Fishing Is Fun 05 w-costs.doc; FIF Breakdown of Local Costs.doc; project map.pdf
Subject: Fishing Is Fun grant application

Doug,

Attached is the Fishing Is Fun grant application for the Pueblo Conservancy District in cooperation with the City of Pueblo and the Pueblo District Office of the Division of Wildlife. The Pueblo Conservancy District will review and approve the application at their meeting on March 10th and provide a signature page for the application. We will provide you with any changes that might be included following the Conservancy District board meeting. If you have any questions, please contact Jim Melby or me.

Scott Hobson
Senior Planner
City of Pueblo Planning Department
211 East "D" Street
Pueblo, CO 81003
(719) 553-2244
(719) 553-2359 fax

<<Fishing Is Fun 05 w-costs.doc>> <<FIF Breakdown of Local Costs.doc>> <<project map.pdf>>



FISHING IS FUN APPLICATION FORM

PLEASE USE THIS FORM AND FILL IN ALL SECTIONS!

PROJECT SPONSOR		
Name: Pueblo Conservancy District		
Type of Business: Water Conservancy District		
Mailing Address: P.O. Box 234, Pueblo, CO 81002		
Project Contact(s) & Title: Gus Sandstrom, Chairman, Pueblo Conservancy District		
Phone/Email: 544-6131 g.sandstrom@comcast.net		
FISHERY		
Type: Cold Water Stream		
Acres of Water/Miles of Stream Benefited: Project will allow the stocking of 4 miles of the Arkansas River below Pueblo Dam and stream restoration of 200' section of the inflow to the Arkansas River from Wildhorse Creek.		
Type of Access: access points and structures for stocking fish		
PROJECT COSTS		
Amount of federal aid requested: \$30,000		
Amount of match: Cash = \$10,000 In-kind = \$2,000 TOTAL = \$42,000		
PROJECT DESCRIPTION		
Name: Pueblo Arkansas River – Stream Bank Stabilization and Fish Stocking Access		
Purpose and Need: The Arkansas River has been significantly improved as a cold-water fishery through the completion of an Army Corps of Engineers Fishery Habitat Restoration Project along 9 miles of the river below Pueblo Dam. The project included the addition of weirs, j-hooks, cross vanes, and boulder clusters within the river. As a result of the project the Division of Wildlife is increasing the stocking program in the river, but currently do not have accessible points along the river to effectively and efficiently stock fish. This project will construct five (5) fishing access points along the four miles of the river below Pueblo Nature Center. In addition the stream bank at the inflow to the Arkansas River from Wildhorse Creek will be stabilized to eliminate the possibility of the Arkansas River cutting into the north bank of the river at Wildhorse Creek therefore reducing the amount of silt disposition in the existing habitat structures.		
Objective(s): 1. By December 31, 2006, construct five fish stocking access points along the four miles of the Arkansas River below the Pueblo Nature Center. 2. By June 15, 2006 complete stream bank restoration of the inflow to the Arkansas River from Wildhorse Creek.		

Approach (Work Plan):

- Bank Stabilization:** Reshape & stabilize the Arkansas River bank at the confluence of the Wildhorse Creek. Install riprap along 300 linear feet of the bank.
- Cross Vanes:** Construct 2 cross vanes using large boulder to direct the Arkansas River away from the confluence bank at the Wildhorse Creek area. The cross vanes will be approximately 30' in length.
- Fish Stocking Hoppers:** Fabricate out of metal or aluminum four (4) fish stocking hoppers and permanently install them on a concrete foundation. They will extend out over the bank of the Arkansas River allowing the fish to be release directly into the River.
- Fish Stocking Access:** Improve access to the River at the upper pool of the newly constructed fish ladder. Work includes reshaping (grading) the bank and improving the road access.

Expected Results & Benefits:

The bank stabilization will reduce the amount of disposition in the Arkansas River, which is currently occurring due to the erosion of the bank area at the confluence of the Wildhorse Creek. The stabilization will prevent bank erosion from creating silt deposits that would damage the fish habitat structures that were placed downstream of Wildhorse Creek as part of the Arkansas River Legacy Project. The improvements will expand the opportunities for angling on the Arkansas River from the current 1,000 fisherman days per year to 8,000 fisherman days per year. The hopper improvements will allow for easier and more efficient fish stocking in the River at critical locations.

Project Budget:

Work Item	Work Activity	Unit of Measurement	Quantity	Cost Unit	Total Cost	Local Share	Federal Share
1.	Bank Stabilization @ Wildhorse Creek Confluence	LF	300	\$66.67	\$22,500	\$7,500	\$10,000
2.	2 Cross Vanes / Fish Habitat Structures @ Wildhorse Creek Confluence (2@30')	LF	60	83.33	2,500	2,500	5,000
3.	Install Fish Stocking Hoppers	EA	4	3,500	14,000	2,000 (In-Kind)	12,000
4.	Improving Fish Stocking Access	EA	1	3,000	3,000	0	3,000
TOTAL					\$42,000	\$12,000	\$30,000

BREAKDOWN OF LOCAL SHARE
See attached breakdown of local share.
PROPOSED WORK SCHEDULE
April – May 2006: Engineering and design May – June 2006: Fabricate and install fish stocking hoppers November – December: Bank stabilization and cross vanes
ANGLER/MOTOR BOAT USE
Present Angler Use: 1,000 fisherman days/year
Estimated Angler Use after Project Completion: 8,000 fisherman days/year
Present Motor Boat Use: 0
Estimated Motor Boat Use after Project Completion: 0
Present Handicapped Angler Use: N/A
Estimated Handicapped Angler after Project Completion: N/A
ENGINEERING
Name: Rick Kidd, P.E., Pueblo Conservancy District, 44811 East U.S. Highway 50, Avondale, CO 81002, 544-5239, kiddecms@earthlink.net
Qualifications: Colorado Licensed Professional Engineer, Class A construction contractor, 29-years experience. Mr. Kidd will review and approve construction plans for the project. The bank stabilization will be designed and installed in a similar manner as the Arkansas River Legacy Project.
MAINTENANCE (Responsible Party)
Name: Pueblo Conservancy District - Stream Restoration Colorado Division of Wildlife – Stream Stocking Accesses
Contact Information: Rick Kidd, P.E., Pueblo Conservancy District, 44811 East U.S. Highway 50, Avondale, CO 81002, 544-5239, kiddecms@earthlink.net; Jim Melby, Aquatic Biologist, Pueblo District, 600 Reservoir Road, Pueblo, CO 81005, (719) 561- 5312, jim.melby@state.co.us
PROJECT SITE
Location of Project: Arkansas River for nine miles below Pueblo Dam and confluence of Arkansas River and Wildhorse Creek
Property Owners: Pueblo Conservancy District and City of Pueblo (fee & easements)
Legal Instrument: 1) Pueblo Conservancy District - fee simple ownership; 2) City of Pueblo - fee simple ownership & easement from State of Colorado (deeds available upon request)
MAIN CDOW CONTACT(S)
Name, title, phone number (e.g., District Wildlife Manager, Aquatic Biologist): 1) Al Trujillo, Pueblo District Wildlife Manager, 600 Reservoir Road, Pueblo, CO 81005, (719) 561- 5303, al.trujillo@state.co.us 2) Jim Melby, Aquatic Biologist, Pueblo District, 600 Reservoir Road, Pueblo, CO 81005, (719) 561- 5312, jim.melby@state.co.us

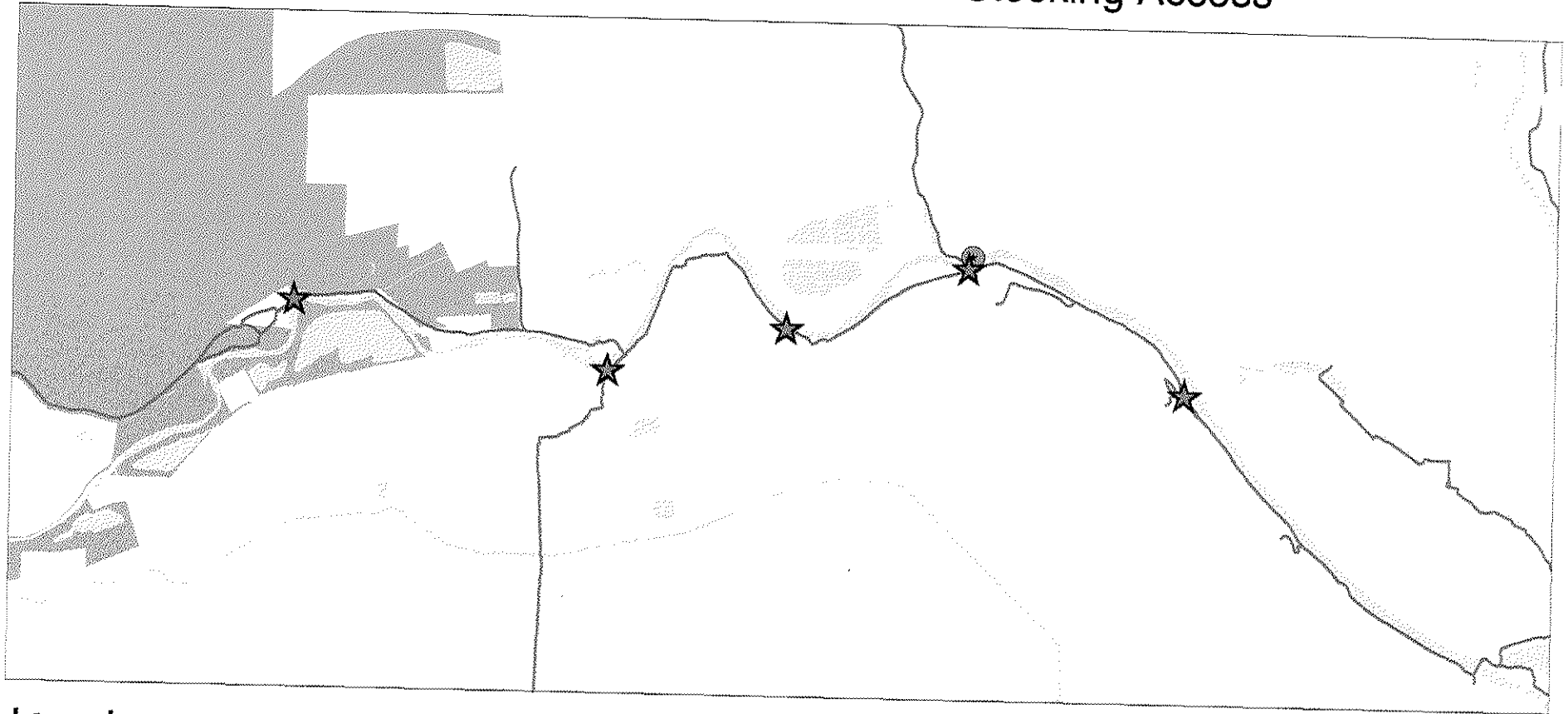
Attachments:

- Site & Location Map
- Breakdown of Local Costs

Breakdown of Local Costs

NO.	PROJECT ELEMENTS	IN-KIND	CASH	DONOR
1.	Bank Stabilization			
	400 Tons of Lg. Boulders @ \$25/ton		\$10,000	Pueblo Conservancy District
2.	Install Stocking Hoppers			
	133 hrs. Labors @ \$ 9/hr.	\$1,200		Division of Wildlife
	32 hrs. Welding @ \$25/hr	800		
	TOTAL	\$2,000	\$10,000	

Pueblo Arkansas River Stream Bank Stabilization and Fish Stocking Access



Legend

- ★ Fish Stocking Stations
- ⊙ Bank Stabilization
- Conservancy/City Property
- Lake Pueblo State Park
- Trails



SITE & LOCATION MAP

0 1,850 3,700 7,400 Feet

City of Pueblo
Community Development Department
March 2005

MINUTES OF THE FEBRUARY 8, 2005 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom; Farley; Haynes

Also Present: Councilor Don Banner; Administrator Rick Kidd, Fishing Is Fun
Committee Representatives

Chairman Sandstrom called the Fishing Is Fun Committee meeting to order at 8:07 a.m. on the above date. The proceedings of this meeting were recorded by Scott Hobson, Pueblo Department of Planning and Development, and are attached to these minutes. The Committee was adjourned at 9:14 am.

President Sandstrom called the Pueblo Conservancy District board meeting to order at 9:20 am.

With a quorum present, the Minutes of the January 6, 2005 Regular Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were unanimously approved as posted.

Treasurer's Report:

The accountant's final December 31, 2004 Compilation Report was discussed. Haynes moved to approve the report. Motion approved.

Farley moved that the Board approve payment of the following bills:

\$ 73.44	IRS, 2004 Form 941 Taxes
\$ 225.00	MBD&G, Accountant fees
\$ 49.00	Belmont Storage, December for Unit M10 (Canceled N15)
\$ 111.83	Aquila, Electricity
\$ 100.00	HARP Authority
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 55.41	Sandstrom, Director's fee for December 15, 2004 meeting
\$ 55.41	Farley, Director's fee for December 15, 2004 meeting
\$ 55.41	Haynes, Director's fee for December 15, 2004 meeting

There was discussion about the \$25.00 increase by MBD&G. MBD&G had not informed the District of a pending increase during the preparation and final approval of the budget. It was decided that this check should be held until after Sandstrom discussed this with the accountants. The motion passed unanimously.

The due dates of the District's investments were discussed. This information was not obvious from the accountant's report. Kidd and Farley are to find information on the investments and report at the next meeting. The District will determine what investments should be made after this information is available.

The District received a letter of agreement from the City regarding weed control, but not from the County. The funds will not be disbursed to HARP until both agreements are in place. Haynes is to contact Greg Severance, Pueblo County Public Works Director.

Hobson informed the District that the City, Corps of Engineers, and Aquila determined how they could drain the Aquila ponds, since the Legacy Project raised the grade of the River at the Aquila gate. To facilitate the draining, Aquila will need to install a concrete weir. The question is whether or not the existing easements between the District and Aquila will allow this or if a new easement will be required. Hobson is to research this further.

Hobson reported that the City is working with the Corps of Engineers to develop a plan to rough grade a new access from Pearl Street. They are working to coordinate this with the Colorado Department of Transportation. It was moved that the Corps be allowed to utilize borrow Page 2,

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materials from the Pearl Street access area, if the site is graded to enhance access to the River Trail, with engineering review and approval. Motion passed.

Kidd is to let Aquila know that a light is out at Runyon.

The meeting was recessed until February 18, at 8:00 am. Attendees were dismissed at 10:00 am.

FEBRUARY 18, 2005

Directors Present: Sandstrom; Farley; Haynes

Also Present: Councilor Don Banner; Administrator Rick Kidd, Fishing Is Fun
Committee Representatives

The meeting was reconvened at 8:05 am by Fishing Is Fun Committee Chairman Sandstrom. This meeting was scheduled as a follow up to the February 8 Fishing Is Fun brainstorming meeting, and to conduct additional business of the Conservancy District.

Proceedings of the Fishing Is Fun committee meeting were recorded by Hobson and are attached to these minutes. The application proposal includes a 25 percent (\$10,000) contribution by the Conservancy District. The reasoning for this is the required repairs and maintenance at the confluence of Wild Horse Creek and the Arkansas River. The District is to be the applicant for this grant. The Fishing Is Fun Committee representatives were dismissed at 8:40 am.

The Pueblo Conservancy District meeting was reconvened, by President Sandstrom, at 8:45 am.

The January 2005 accountant's compilation report was reviewed. Approval was moved and the motion passed.

Sandstrom reported that there is \$130,000 cash on hand at Wachovia. Kidd and Farley are to determine the District's current investments, due dates, and current cash availability. This will be reported at the March meeting.

The accountant's engagement agreement was discussed. It was decided to table further discussion and approval until after Sandstrom discusses the agreement with Joann Cook.

Banner is to prepare a contract with the City and County for their maintenance of the River trail and levy from 11th Street to Santa Fe.

Sandstrom and Kidd are to look for a map of the trail and levy. Also maps of District property and easements.

Kidd is to research for property owners within the boundaries of the Pueblo Conservancy District. Haynes suggested starting with the Assessor's web site.

The next meeting is to be held on March 10, 2005, at 8:00 am. The meeting will be held at the HARP Authority Conference Room.

RECORD OF PROCEEDINGS

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There being no further business to come before the Board, the meeting was adjourned at 9:25 a.m..

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Valerie V. Haynes, Director

Fishing Is Fun Committee
Meeting

February 8, 2005

Committee members in attendance: Gus Sandstrom, Kathy Farley, and Valarie Hayes, Rick Kidd, Bob Gilliland, Steven Meier, Al Trujillo, Allan Ward, Jim Melby, Van Truan, Don Rodriquez, Gretchen Holschuh, Scott Hobson, Michael Dowd, and Chuck Ryan

Minutes

Gus Sandstrom called the meeting to order and welcomed those in attendance. Al Trujillo, Pueblo District Manager for the Colorado Division of Wildlife reviewed the history of the Fishing Is Fun program and the projects that have been completed within the Pueblo region.

Mr. Sandstrom asked for ideas on possible projects to submit a grant application to the Division of Wildlife for FY2005 funds. Three projects were discussed including:

1. Additional boulder clusters in the Arkansas River that would enhance the Arkansas River Legacy Project.
2. Public access, fish stocking access points along the Arkansas River, and bank stabilization at the Wildhorse Creek confluence.
3. Fishery enhancements at Minnequa Lake.

Jim Melby indicated that matching funding had not been approved by the DOW for additional boulder clusters in the Arkansas River, so that would limit an application for Fishing Is Fun.

He also reviewed a project to increase public access to the river between Pueblo Blvd. and Runyon Lake that would be combined with improved stocking stations. The project could also include bank stabilization at the confluence of Wildhorse Creek. If the erosion is not controlled, the new rock habitat structures constructed downstream of Wildhorse Creek would collect silt and not function properly.

Scott Hobson reviewed the fishing ideas at Minnequa Lake and talked about the master plan that was currently underway for the site. After reviewing the project, the group felt that Minnequa Lake could be a good project for 2006, but not this round of grant applications.

The maintenance of Runyon Lake was discussed regarding the general cleanup of trash and the condition of the restroom buildings, especially the restroom between the two lakes near the outlet to the river. City staff indicated they would check to see whether the restroom was a City, Conservancy District, or DOW facility and reported back at a future meeting. Chuck Ryan of the Nature Center said that Runyon Lake could be an area they will focus on during their Spring River clean up activity.

The committee indicated that the Wildhorse Creek bank stabilization and the fish stocking access points was the best project to apply for Fishing Is Fun grant funds. They needed more information and costs regarding the overall project and how much funding would be needed from the Pueblo Conservancy District.

The next meeting was set for February 18, 2005 at 8:00 A.M. to review the potential grant proposal. The location of the meeting would be included with the meeting announcement.

Submitted by,

Scott Hobson

Fishing Is Fun Committee
Meeting

February 18, 2005

Committee members in attendance: Gus Sandstrom, Kathy Farley, and Valarie Hayes, Rick Kidd, Bob Gilliland, Steven Meier, Al Trujillo, Allan Ward, Jim Melby, Van Truan, Scott Hobson, and Michael Dowd

Minutes

Gus Sandstrom called the meeting to order and welcomed those in attendance. Jim Melby reviewed the Wildhorse Creek bank stabilization project and the development of fishing stocking stations between the Nature Center and the kayak course.

He indicated that the bank stabilization would require placing two cross vanes along the bank of the river just downstream of the pedestrian bridge across the Arkansas River. The cross vanes, bank sloping, and revegetation would cost approximately \$30,000. The five fish stocking stations would cost \$2,000 each. The total project cost is estimated at \$40,000, with the Pueblo Conservancy District contributing \$10,000 of cash towards the bank stabilization portion of the project that would be used as the overall project matching funds.

The Committee approved the general concept of the grant and asked Jim Melby and City Planning staff to work on completing the grant application by the March 4, 2005 deadline. Jim Melby indicated that he had talked with Doug Krieger about not having final signatures on the application until after the next Conservancy District meeting. Mr. Krieger indicated that the application could be submitted by March 4th without the Conservancy District signature and a signed grant application could be provided by March 11th. If the Conservancy District was not in favor of submitting the application after reviewing the proposal, they could withdraw the application.

The application will be reviewed by the Conservancy District at their next meeting on Thursday, March 10, 2005.

Submitted by,
Scott Hobson



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 February 28, 2005 and December 31, 2004, and the related comparative statement of revenue and expenditures – actual and budget – general fund for the one month and two months ended February 28, 2005, and the twelve months ended December 31, 2004, 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 mentioned above, 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

March 3, 2005

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
FEBRUARY 28, 2005 AND DECEMBER 31, 2004

	<u>2/28/2005</u>	<u>12/31/2004</u>
ASSETS		
VECTRA BANK CHECKING	\$ 14,850	\$ 12,149
VECTRA BANK MONEY MARKET	11,423	11,420
BROKERAGE MONEY MARKET ACCOUNTS	150,841	109,077
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	573,849	615,298
PIPER JAFFRAY INVESTMENT	355,299	356,459
ACCRUED INTEREST	<i>where from?</i> 4,790	4,790
BOOK INVENTORY	<u>6,413</u>	<u>6,429</u>
 TOTAL ASSETS	 <u>\$ 1,142,465</u>	 <u>\$ 1,140,622</u>
LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 712
PAYROLL TAXES PAYABLE	28	73
DEFERRED INCOME	<u>625</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>653</u>	 <u>1,827</u>
RESERVE FOR EMERGENCIES	6,000	6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	111,176	52,090
UNDESIGNATED	<u>1,024,636</u>	<u>1,080,705</u>
 TOTAL FUND EQUITY	 <u>1,141,812</u>	 <u>1,138,795</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,142,465</u>	 <u>\$ 1,140,622</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE ONE AND TWO MONTHS ENDED FEBRUARY 28, 2005
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2004

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2005 BUDGET	UNUSED BUDGET	2004 ACTUAL
REVENUES					
INTEREST INCOME					
CERTIFICATES OF DEPOSIT	\$ -	\$ -	\$ -	\$ -	\$ 1,687
COLOTRUST	89	89	-	-	320
MONEY MARKET ACCOUNTS	132	132	-	-	336
WACHOVIA SECURITIES	1,686	4,325	-	-	31,045
PIPER JAFFRAY	2,316	2,316	-	-	14,208
UNREALIZED GAINS (LOSSES)	(975)	(975)	-	-	8,274
TOTAL INTEREST INCOME	3,248	5,887	50,000	44,113	55,870
LEASE PAYMENTS	416	416	2,500	2,084	5,308
OTHER INCOME	180	180	-	(180)	-
COST OF SALES	(15)	(15)	-	15	-
TOTAL REVENUES	\$ 3,829	\$ 6,468	\$ 52,500	\$ 46,032	\$ 61,178
EXPENDITURES					
80 LEGAL FEES	\$ 300	\$ 600	\$ 3,600	\$ 3,000	\$ 3,600
81 DIRECTORS FEES	180	360	2,160	1,800	2,220
82 FICA TAXES	-	-	166	166	170
83 ENGINEER/ADMINISTRATIVE	400	400	4,800	4,400	4,400
90 AUDIT & BOOKKEEPING	-	-	2,400	2,400	2,200
92 INSURANCE/BONDS	-	1,616	2,500	884	2,823
96 OFFICE EXPENSE	-	-	650	650	433
97 OFFICE RENT	149	298	1,800	1,502	1,189
100 PROFESSIONAL FEES	-	-	5,000	5,000	691
103 TRAVEL	-	-	-	-	40
105 REPAIRS & MAINTENANCE	112	112	45,000	44,888	21,920
108 CONTINGENCIES	-	-	500	500	-
109 EMERGENCY REPAIR	-	-	20,000	20,000	-
110 CAPITAL IMPROVEMENTS	-	-	25,000	25,000	-
111 PLANNING & DEVELOPMENT	-	-	-	-	-
112 HARP - O & M	-	-	50,000	50,000	200
113 SALES TAX	65	65	100	35	50
TOTAL EXPENDITURES	1,206	3,451	163,676	160,225	39,936
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 2,623	\$ 3,017	\$ (111,176)	\$ (114,193)	\$ 21,242

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
1/31/2005

3/3/2 9:45 AM

BROKER	DESCRIPTION	MATURITY DATE	RATE	PAR VALUE	BALANCE 12/31/2004	ADDITIONS	MKT VALUE CHANGE	REDEMPTION SALES	BALANCE 12/31/2005	INTEREST RECEIVED 12/31/2005
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,420.44	2.43	-	-	11,422.87	2.43
PIPER JAFFRAY	Money Market Account				21,407.33	249.95	-	-	21,657.28	27.97
WACHOVIA SEC.	Evergreen Money Mkt Fund				87,669.81	41,514.07	-	-	129,183.88	101.93
TOTAL CASH ACCOUNTS WITH BROKERS					120,497.58	41,766.45	-	-	162,264.03	132.33
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	88.83
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	88.83
WACHOVIA SEC.	GNMA 03-54 MA REMIC MULTICLASS CMO	7/20/2033	5.000%	183,000.00	28,815.31	-	140.10	11,886.13	17,069.28	295.95
	FHLMC 2831 JJ RETAIL LOTTERY	1/15/2033	5.500%	9,000.00	9,036.36	-	(15.64)	1,000.00	8,020.72	82.50
	FHLMC 2841 AA RETAIL LOTTERY BOND	9/15/2034	5.500%	10,000.00	10,045.60	-	(14.28)	1,000.00	9,031.32	91.66
	FNMA 03-52 BD REMIC MULTICLASS CMO	3/25/1933	5.500%	28,000.00	28,301.28	-	(51.24)	-	28,250.04	256.66
	FHLMC 2810 KC REMIC MULTICLASS CMO	5/15/2033	5.500%	13,000.00	6,892.26	-	3.44	1,029.23	5,866.47	69.89
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	60,811.52	-	786.30	3,000.00	58,597.82	541.67
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	35,817.84	-	(120.24)	-	35,697.60	330.00
	FHLMC 2804 UC REMIC MULTICLASS CMO	11/15/2033	6.000%	8,000.00	5,420.91	-	(6.65)	508.73	4,905.53	56.59
	FHLMC 2810 AA RETAIL LOTTERY	3/15/2034	6.000%	12,000.00	6,012.66	-	(8.42)	2,000.00	4,004.24	65.00
	FNMA 04-50 DA RETAIL LOTTERY	6/25/2034	6.000%	79,000.00	19,198.45	-	4.31	10,956.30	8,246.46	243.88
	GNMA 04-39 AH REMIC MULTICLASS CMO	5/20/2032	5.500%	20,000.00	3,095.88	-	(11.04)	3,084.84	-	56.68
	BANK OF AMERICA 04-8 1A1 MULTICLASS CMC	9/25/2034	5.500%	28,000.00	18,494.17	-	(42.62)	6,946.91	11,504.64	197.21
	HARTFORD MUT FDS INC, INFLATION PLUS FD			389,693.00	383,355.96	-	(701.47)	-	382,654.49	2,037.78
TOTAL WACHOVIA SEC.					615,298.20	-	(37.45)	41,412.14	573,848.61	4,325.47
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		4,536.97	-	(82.08)	92.89	4,362.00	59.31
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	115,047.60	-	(410.40)	-	114,637.20	600.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	98,840.00	-	(220.00)	-	98,620.00	666.66
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	128,323.00	-	(104.00)	-	128,219.00	866.66
	FHLMC #170217	3/1/2017	8.000%		9,711.10	-	(121.44)	129.09	9,460.57	123.16
TOTAL PIPER JAFFRAY					356,458.67	-	(937.92)	221.98	355,298.77	2,315.79
TOTAL INVESTMENTS					996,756.87	-	(975.37)	41,634.12	954,147.38	6,730.09
TOTAL ALL ACCOUNTS					1,117,254.45	41,766.45	(975.37)	41,634.12	1,116,411.41	6,862.42

PUEBLO CONSERVANCY DISTRICT

FEBRUARY-MARCH 2005

RECEIPTS

VENDOR	ITEM	AMOUNT
Wells Fargo	Colo Trust	\$ 45.97
HARP	Payment for Books	\$ 160.00
HARP	Payment for Books	\$ 20.00
First Clearing, LLC	Interest Payment	\$ 568.65
First Clearing, LLC	Interest Payment	\$ 71.56
First Clearing, LLC	Dividend & Interest Payment	\$ 860.49
Wells Fargo	Colo Trust	\$ 45.67
Piper Jaffray	Interest Payment	\$ 1,154.84

		\$ 2,927.18

DEBITS

VENDOR	ITEM	AMOUNT	CHECK
MBDG, PC	January Bookkeeping		3175
Belmont Self Storage	Storage Rental	\$ 49.00	3176
Aquila	Electrical Billing	\$ 111.83	3177
HARP Authority	3-20-05 Office Lease	\$ 100.00	3178
Don Banner	Attorney Fees	\$ 300.00	3179
Kidd Engineering	Engineer/Admin Fees	\$ 400.00	3180
Director Sandstrom	Fees	\$ 55.41	3181
Director Farley	Fees	\$ 55.41	3182
Director Haynes	Fees	\$ 55.41	3183
		\$ 1,127.06	

MBDG, PC + 225.00
\$

Account Summary for January 1, 2005 - January 31, 2005

Your Financial Advisor :
CALVIN MASON
503 N. MAIN STREET
SUITE 125
PUEBLO, CO 81003
800-545-2466 / 719-544-8611

Message from Wachovia Securities

SAVE FOR YOUR RETIREMENT WITH A WACHOVIA SECURITIES IRA BY MAKING YOUR 2004 CONTRIBUTION BY APRIL 15. YOU CAN ALSO MAKE YOUR 2005 CONTRIBUTION NOW. THE SOONER YOU MAKE YOUR CONTRIBUTION, THE MORE TIME YOUR MONEY HAS THE POTENTIAL TO GROW. CONTACT YOUR FINANCIAL ADVISOR TODAY.

At a Glance

If you have more than one account with us, why not get them linked? Your summary below will list them all. Contact Your Financial Advisor today.

Accounts	Branch	Rep	Account no.	Previous portfolio value	Current portfolio value
Investment Account	W9	W903	6384-6594	\$702,968.01	\$703,667.32
Total				\$702,968.01	\$703,667.32

028232 02 3DG 109 ***AUTO**3-DIGIT 810
PUEBLO CONSERVANCY DISTRICT
PO BOX 234
PUEBLO CO 81002-0234



Wachovia Securities, LLC, member NYSE/SIPC. Brokerage accounts are carried by First Clearing, LLC (FCC), member NYSE/SIPC.

Investment Account

46,223

PUEBLO CONSERVANCY DISTRICT

Page 1 of 8

Sub / Branch / Rep / Account No.
001 / W9 / W903 / 6384-6594

January 1 - January 31, 2005

Your Financial Advisor:
CALVIN MASON
503 N. MAIN STREET
SUITE 125
PUEBLO, CO 81003
800-545-2466 / 719-544-8611

Investment Objective/Risk Tolerance: INCOME + MODERATE

Portfolio Summary

Portfolio Assets

	Value on Dec 31	Value on Jan 31	Est. Ann. Income	% Total Assets
Cash and Money Market	\$87,669.81	\$129,818.71	1,550.20	18.45
Stocks and Options	\$0.00	\$0.00	0.00	
Preferred Stocks	\$0.00	\$0.00	0.00	
Fixed Income Securities	\$231,942.24	\$191,194.12	10,348.31	27.17
Open End Mutual Funds	\$383,355.96	\$382,654.49	7,618.01	54.38
Closed End Mutual Funds	\$0.00	\$0.00	0.00	
Managed Futures/Hedge Funds	\$0.00	\$0.00	0.00	
Annuities/Insurance	\$0.00	\$0.00	0.00	
Unit Investment Trusts	\$0.00	\$0.00	0.00	
Total Assets	\$702,968.01	\$703,667.32	19,516.52	100%
Margin Balance	\$0.00	\$0.00	0.00	
Net Portfolio Value	\$702,968.01	\$703,667.32		

Other Assets

These positions reflect purchases made through us or information supplied to us; they are displayed for informational purposes only. If you no longer own any of these investments, please tell us so we can update this section. These assets are not included in the net portfolio value, and are not protected by SIPC.

	Value/Cost on Dec 31	Value/Cost on Jan 31
Direct Investments	\$0.00	\$0.00
Special Products	\$0.00	\$0.00
Repurchase Agreements/Bonds Borrowed	\$0.00	\$0.00
Total Other Assets	\$0.00	\$0.00

Cash Activity Summary

Total Cash and Money Market Funds on Dec 31:			\$87,669.81
	Credits	Debits	Year to Date
Securities Purchased	\$0.00	\$0.00	\$0.00
Securities Sold and Redeemed	\$7,000.00	\$0.00	\$7,000.00
Deposits and Withdrawals	\$0.00	\$0.00	\$0.00
Withdrawals by Check	\$0.00	-\$1,051.58	-\$1,051.58
Electronic Banking Activity	\$0.00	\$0.00	\$0.00
Dividends	\$634.83	\$0.00	\$634.83
Interest	\$1,153.51	\$0.00	\$1,153.51
Money Market Income	\$0.00	\$0.00	\$0.00
Short-term Distributions	\$0.00	\$0.00	\$0.00
Long-term Distributions	\$0.00	\$0.00	\$0.00
Return of Principal	\$34,412.14	\$0.00	\$34,412.14
Partnership Distributions	\$0.00	\$0.00	\$0.00
Interest Charged	\$0.00	\$0.00	\$0.00
Withholding	\$0.00	\$0.00	\$0.00
Other Activity	\$0.00	\$0.00	\$0.00
Total Activity	\$43,200.48	-\$1,051.58	
Total Cash and Money Market Funds on Jan 31:			\$129,818.71

Tax-Exempt Income Year-to-Date: \$0.00
Other Income Year-to-Date: \$1,686.41

Tax-exempt income and other income year-to-date totals are taken from the tax reporting system. They may not match back to the activity summary due to reclassification activity. Money market income can be either taxable or tax exempt and is not reflected in either of these totals. The YTD Money market income is displayed in the Cash Activity Summary. (Money market income from FDIC funds is shown in the Interest line of the Cash Activity Summary, not the Money market income line.) The Cash Activity Summary is based on the activity that has been shown on this statement, not what will be reported to you on your forms 1099. This statement is not a tax document, and should be used for informational purposes only.

Acct: 6384-6594

Account Information6384-6594 W903
PUEBLO CONSERVANCY DISTRICT**Details**CSI 4C-Street Name-Hold/Hold All Funds
MMF Code BDS
Investment Objective G-Moderate Income
Managed Prod Cd
Statement Code
** BORD Restricted ** N
Birth Date**Balances**Total Acct Val 694,747.63
Funds Available 143,711.30
Cash Bal
Margin Bal
MMF Bal 143,711.30
Fed Call**Contact information**

Home Phone 719/542-8100 Business Phone 719/544-6823 Fax Phone 719/544-6823

	Quantity	Name	Symbol	CUSIP	Mkt Price	Value	Account Type	Loc	Mgn
						551,036.36			
1	35,073.73900	HARTFORD INFLATN PL FD A	HIPAX	416646-15-6	10.9100	382,654.49	1	SKF	No
2	28,000	BOAMS 04-8 5.5% 10/25/34		05949A-SH-4	99.9580	11,478.12	1	SEG	Yes
3	60,000	FHR 2646 LL 5% 7/15/33		31393V-ZT-1	96.2120	57,727.20	1	SEG	No
4	36,000	FHR 2688 DD 5.5%10/15/33		31394K-3K-8	98.6240	35,504.64	1	SEG	Yes
5	3,000	FHR 2810 AA 6% 3/15/34		31395A-HB-1	99.9550	2,998.65	1	SEG	No
6	8,000	FHR 2804 UC 6% 11/15/33		31395A-RA-5	100.2330	4,570.12	1	SEG	Yes
7	13,000	FHR 2810 KC 5.5% 5/15/33		31395A-JD-8	99.0520	5,018.09	1	SEG	Yes
8	6,000	FHR 2831 JJ 5.5% 1/15/33		31395C-JQ-5	100.0870	6,005.22	1	SEG	Yes
9	8,000	FHR 2841 AA 5.5% 3/15/33		31395E-RP-4	100.1970	8,015.76	1	SEG	No
10	28,000	FNR 03-52 BD 5.5%3/25/33		31393C-N5-8	100.8450	28,236.60	1	SEG	Yes
11	79,000	FNR 04-50 DA 6% 4/25/34		31394A-HY-5	99.8130	40.29	1	SEG	No
12	183,000	GNR 03-54 MA 5% 12/20/31		38373Q-N5-6	99.5540	8,787.18	1	SEG	Yes

CASH

Govt
Backed
Mortgages

Avg Life

- 2413
5.5%Risk
↓ ↑

\$380,000

TIPS

2%

+2.6 CPI

4.6

^
x

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Securities and Insurance Products: are Not FDIC - Insured, Not Bank Guaranteed, and May Lose Money.

Account Workbook

Positions

68117644 - PUEBLO CONSERVANCY D

PUEBLO CONSERVANCY DISTRICT PO BOX 234 PUEBLO CO 81002		Account	6811-7644	Business	719/544-5239	MMF Bal	22,687.57
		Rep	BA04			Cash Bal	433.33 -
		TaxID	98-0274700			Total Market Val	353,269.58
		Open Date	10/20/1993	BORD Restricted	N	Total Acct Val	376,390.48
		Old Acct#	260579904			Funds Available	23,120.90
		Restricted Date	02/22/2005	IO	2		

	Quantity	Name	Type	Symbol	Secno	CUSIP	Mkt Price	Value	Loc
Σ								353,269.59	
1	1,120,000	FHLMC 170217 8.0 030117	1		6170-666	313401-XK-2	108.6560*	9,216.26	SEG
2	100,000	FNMA NOTE 4.0 082010	1		6302-597	3136F2-4R-6	98.1800	98,180.00	SEG
3	130,000	FNMA NOTE 4.0 062411	1		6306-273	3136F3-FK-7	98.1900	127,647.00	SEG
4	415,000	GNMA 24920 8.25 061508	1		6358-315	362053-VM-9	104.5110*	4,264.73	SEG
5	120,000	FHLMC MTN 3.0 121509	1		6418-269	3133F0-S9-1	94.9680	113,961.60	SEG

Securities products and services are offered through Piper Jaffray & Co. Since 1895. Member SIPC and NYSE.

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Today's date: 2/23/05

Bond Ladder Analysis

PUEBLO CONSERVANCY DISTRICT (Current Portfolio)

Settlement Date: 2/24/05

Qty	Issue	Moody	S & P	Cusip	Cpn	Maturity	Callable	Price	Yield	YTM	Current Yld	Next pay	Principal	Accrued	Net
415,000	GNMA #24920 (1.2 yr avg life)	AAA	AAA	362053VM9	8.250%	06/15/08		104.000	4.513%	4.513%	7.933%	04/15/05	4,243.88	19.64	\$ 4,263.52
120,000	FEDL HOME LOAN MTG CORP	Aaa	-	3133F0S91	3.000%	12/15/09	03/01/05 100.000	94.000	4.386%	4.386%	3.181%	03/15/05	112,800.00	90.00	\$ 112,890.00
100,000	FEDL NATL MTG ASSN	Aaa	-	3136F24R6	4.000%	08/20/10	03/04/05 100.000	97.500	4.515%	4.515%	4.103%	03/20/05	97,500.00	44.44	\$ 97,544.44
130,000	FEDL NATL MTG ASSN	Aaa	-	3136F3FK7	4.000%	06/24/11	03/07/05 100.000	96.250	4.685%	4.685%	4.156%	03/24/05	125,125.00	-	\$ 125,125.00
1,120,000	FHLMC 170217 (3.5 yr avg life)	AAA	AAA	313401XK2	8.000%	03/01/17		107.250	5.014%	5.014%	7.458%	05/15/05	9,121.50	24.50	\$ 9,146.00
Totals		-	-	-	-	-	-	-	-	-	-	-	348,790.38	178.58	348,968.96
Weighted Averages		AaaFed Ins-	Aaa-Fed Ins	-	-	-	-	-	4.547%	4.547%	3.961%	-	-	-	-

Subject to change and availability at any time. The longer a bond's period to maturity, the greater its price sensitivity. If you sell prior to maturity, you may receive more or less than you originally paid. Please keep in mind fixed income securities offer varying degrees of credit risk, interest rate risk and liquidity. Piper Jaffray & Co. may make a market in the company's common stock and/or another company security. A Piper Jaffray & Co. officer, director, or other employee may be a director and/or officer of the company. Within the past three years, Piper Jaffray & Co. may have been managing underwriter of an offering of the company's securities. Supporting documentation available upon request. Securities products and services are offered through Piper Jaffray, Inc., member of SIPC and NYSE, Inc..

Mark A. Kennedy
Senior Vice President - Investments

Monthly cash flow

January	\$1,128	July	\$1,142
February	\$1,126	August	\$1,140
March	\$1,124	September	\$1,137
April	\$1,135	October	\$1,135
May	\$1,147	November	\$1,133
June	\$1,145	December	\$1,130

Annual interest income: \$13,622



Today's date: 2/23/05

Bond Ladder Analysis

PUEBLO CONSERVANCY DISTRICT

Settlement Date: 2/24/05

Qty	Issue	Moody	S & P	Cusip	Cpn	Maturity	Callable	Price	Yield	YTM	Current Yld	Next pay	Principal	Accrued	Net
415,000	GNMA #24920 (1.2 yr avg life)	AAA	AAA	362053VM9	8.250%	06/15/08		104.000	4.513%	4.513%	7.933%	04/15/05	4,243.88	19.64	\$ 4,263.52
50,000	FEDL NATL MTG ASSN	Aaa	-	3136F24R6	4.000%	08/20/10	03/04/05	100.000	4.515%	4.515%	4.103%	03/20/05	48,750.00	22.22	\$ 48,772.22
50,000	FEDL NATL MTG ASSN	Aaa	-	3136F3FK7	4.000%	08/24/11	03/07/05	100.000	4.685%	4.685%	4.156%	03/24/05	48,125.00	-	\$ 48,125.00
75,000	FEDL HOME LOAN BANK	Aaa	-	31339Y5J7	4.375%	07/18/13	04/16/05	100.000	4.646%	4.646%	4.458%	07/16/05	73,597.31	346.35	\$ 73,943.66
65,000	FEDL NATL MTG ASSN Step Up*	Aaa	-	3136F5NC1	4.250%	04/01/14	04/01/05	100.000	4.180%	5.123%	4.250%	04/01/05	65,000.00	1,097.33	\$ 66,097.33
100,000	FEDL NATL MTG ASSN Monthly Pay	Aaa	-	3136F6ZJ1	5.000%	03/09/15	03/09/06	100.000	5.000%	5.000%	5.000%	04/09/05	100,000.00	-	\$ 100,000.00
1,120,000	FHLMC 170217 (3.5 yr avg life)	AAA	AAA	313401XK2	8.000%	03/01/17		107.250	5.014%	5.014%	7.459%	05/15/05	9,121.50	24.50	\$ 9,146.00
Totals		-	-	-	-	-	-	-	-	-	-	-	348,837.69	1,510.04	350,347.73
Weighted Averages		AaaFed Ins- Aaa-Fed Ins		-	-	-	-	-	4.656%	4.831%	4.604%	-	-	-	-

* Coupon steps up one time; 4.25% to 10/09; 6.25% thereafter. Callable quarterly from 4/1/05 to 10/1/09. Non-callable thereafter.

Subject to change and availability at any time. The longer a bond's period to maturity, the greater its price sensitivity. If you sell prior to maturity, you may receive more or less than you originally paid. Please keep in mind fixed income securities offer varying degrees of credit risk, interest rate risk and liquidity. Piper Jaffray & Co. may make a market in the company's common stock and/or another company security. A Piper Jaffray & Co. officer, director, or other employee may be a director and/or officer of the company. Within the past three years, Piper Jaffray & Co. may have been managing underwriter of an offering of the company's securities. Supporting documentation available upon request. Securities products and services are offered through Piper Jaffray, Inc., member of SIPC and NYSE, Inc..

Mark A. Kennedy
Senior Vice President - Investments

Monthly cash flow

January	\$2,452	July	\$2,466
February	\$809	August	\$823
March	\$807	September	\$820
April	\$2,200	October	\$2,199
May	\$831	November	\$816
June	\$828	December	\$814

Annual interest income: \$15,866

VECTRA BANK

COLORADO

P.O. Box 5160 • Denver, Colorado • 80217-5160

Statement of Accounts

Page 1 of 1

This Statement: February 28, 2005

Last Statement: January 31, 2005

Account 4550004611

0022070 01 AT 0.292 **AUTO T9 1 5101 81002-023434 02 VBC PG0023 00000
THE PUEBLO CONSERVANCY DISTRICT
PO BOX 234
PUEBLO CO 81002-0234

DIRECT INQUIRIES TO:

24-hour Account Information:
Reddi Response or Customer Service
(800) 232-8948



Pueblo North Branch
1250 Hwy 50 West
Pueblo, CO 81008-0000

Vectra Bank - Thinking Ahead for your Financial Needs

SUMMARY OF ACCOUNT BALANCE

Account Type	Account Number	Account Ending Balance	Outstanding Balances Owed
Public Funds Money Market	4550004611	\$11,425.06	

PUBLIC FUNDS MONEY MARKET 4550004611

981 0

Previous Balance	Deposits/Credits	Charges/Debits	Checks Processed	Ending Balance
11,422.87	2.19	0.00	0.00	11,425.06

1 DEPOSIT/CREDIT

Date	Amount	Description
02/28	2.19	INTEREST PAYMENT 0001142287

0 CHARGES/DEBITS

There were no transactions this period.

0 CHECKS PROCESSED

There were no transactions this period.

DAILY BALANCES

Date	Balance
02/28	11,425.06

INTEREST

Interest Earned This Interest Period	\$2.19	Number Of Days This Interest Period	28
Interest Paid Year-To-Date 2005	\$4.62	Annual Percentage Yield Earned	0.25%

Current interest rate is 0.25% with no rate change this interest period



MEMBER FDIC

0022070 00000001 000049245

VECTRA BANK

COLORADO

P.O. Box 5160 • Denver, Colorado • 80217-5160

Statement of Accounts

Page 1 of 3

This Statement: February 28, 2005

Last Statement: January 31, 2005

Account 4550000783

0022095 01 AT 0.292 **AUTO T9 1 5101 81002-023434 02 VBC PG0023 00012
THE PUEBLO CONSERVANCY DISTRICT
PO BOX 234
PUEBLO CO 81002-0234

DIRECT INQUIRIES TO:

24-hour Account Information:
Reddi Response or Customer Service
(800) 232-8948



Pueblo North Branch
1250 Hwy 50 West
Pueblo, CO 81008-0000

Vectra Bank - Thinking Ahead for your Financial Needs

SUMMARY OF ACCOUNT BALANCE

Account Type	Account Number	Account Ending Balance	Outstanding Balances Owed
Public Funds Commercial Checking	4550000783	\$14,915.16	

PUBLIC FUNDS COMMERCIAL CHECKING 4550000783

129 12

Previous Balance	Deposits/Credits	Charges/Debits	Checks Processed	Ending Balance
11,887.49	4,228.17	0.00	1,200.50	14,915.16

3 DEPOSITS/CREDITS

Date	Amount	Description
02/01	1,902.25	DEPOSIT 0034224255
02/08	2,099.95	DEPOSIT 0034185807
02/24	225.97	DEPOSIT 0034178847

0 CHARGES/DEBITS

There were no transactions this period.

9 CHECKS PROCESSED

Number	Date	Amount	Number	Date	Amount	Number	Date	Amount
3164	02/07	73.44	3168	02/18	100.00	3171	02/08	55.41
3166*	02/11	49.00	3169	02/23	300.00	3172	02/15	55.41
3167	02/18	111.83	3170	02/25	400.00	3173	02/15	55.41

* Not in check sequence

DAILY BALANCES

Date	Balance	Date	Balance	Date	Balance
02/01	13,789.74	02/11	15,711.84	02/23	15,089.19
02/07	13,716.30	02/15	15,601.02	02/24	15,315.16
02/08	15,760.84	02/18	15,389.19	02/25	14,915.16



MEMBER FDIC

0022095 00000002 000048290



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

January 27, 2005

Board of Directors
Pueblo Conservancy District
P.O. Box 234
Pueblo, CO 81002

This letter is to confirm our understanding of the terms and objectives of our engagement for 2005 and the nature and limitations of the services we will provide.

We will perform the following services:

1. Post the general ledger monthly from coded check copies and deposit receipts;
2. Reconcile business bank accounts monthly;
3. Adjust investment portfolio to market value quarterly;
4. Adjust books to accrual basis at year-end;
5. Propose monthly journal entries to post the above transactions for your approval;
6. Prepare monthly compiled financial statements for the general fund only;
7. Prepare annual application for exemption from audit.

You will need to provide us with the following each month:

1. Board approved listing of checks issued, coded checks, and invoices;
2. Bank statements (including savings accounts, certificates of deposit, and investment accounts), with cancelled items;
3. Copy of duplicate deposits and receipts, (including detail of deposited items);
4. Approval of proposed journal entries.

We will compile, from information you provide, the annual and monthly balance sheets – general fund only – and the related comparative statements of revenue and expenditures – actual and budget – general fund, of the Pueblo Conservancy District for the year 2005. We will not audit or review such financial statements. Our report on the annual financial statements of The Pueblo Conservancy District is presently expected to read as follows:

“We have compiled the accompanying balance sheets – general fund only - of the Pueblo Conservancy District as of December 31, 2005 and 2004, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the years then ended, 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 mentioned above, 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.

If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

You are responsible for management decisions and functions, and for designating a competent person to oversee any bookkeeping services or other services we provide. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist. However, we will inform you of any material errors that come to our attention and any fraud or illegal acts that come to our attention, unless they are clearly inconsequential. In addition, we have no responsibility to identify and communicate significant deficiencies or material weaknesses in your internal control as part of this engagement.

Our fees for these services are as follows:

Compiled financial statements and monthly accounting – A monthly fee of \$225, payable each month upon completion of the prior month’s work;

and

Preparation of annual application for exemption from audit – No additional charge.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign this letter below and return to us. A copy is enclosed for your records. If your needs change during the year, the nature of our services can be adjusted appropriately. Likewise, if you have special projects with which we can assist, please let us know.

Sincerely,

McPherson, Breyfogle, Daveline & Goodrich, PC

A handwritten signature in black ink, appearing to read "Larry A. Daveline". The signature is fluid and cursive, with the first name "Larry" and last name "Daveline" clearly distinguishable.

Larry A. Daveline, C.P.A.
Shareholder

Acknowledged:
Pueblo Conservancy District

Chairperson

Date