

MINUTES OF THE MAY 17, 2005 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom; Farley; Haynes

Also Present: Councilor Don Banner; Administrator Rick Kidd

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

With a quorum present, the Minutes of the April 19, 2005 Regular Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were unanimously approved as posted.

Treasurer's Report:

The accountant's April 2005 Compilation Report was discussed. Farley moved to receive and file the Accountant's report. Motion passed.

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

\$ 225.00	MBD&G, Accountant fees
\$ 294.00	Belmont Storage, April for Unit M10
\$ 113.51	Aquila, Electricity
\$ 100.00	HARP Authority
\$ 346.00	Chem-Way
\$ 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

Legacy – Sandstrom reported that the City and COE are wanting to install 10 more rock structures above Dutch Clark Stadium. They are also exploring installing two more kayak chutes, in cooperation with the Pueblo Board of Waterworks.

Piping – Sandstrom reported that he had not yet received the COE report about potential piping below the "Stop Sign" mural.

Murals – Dave Roberts has request approval to refurbish three paintings. Sandstrom and Kidd are to look for previous release forms.

Fireworks – Sandstrom signed a MOA, on May 6, 2005, for the 2005 July 4th fireworks display.

Runyon – There was a discussion about how to administer and keep the Runyon Lake area clean. Sandstrom is to contact Al Trujillo and invite him to come to the next PCD Board meeting.

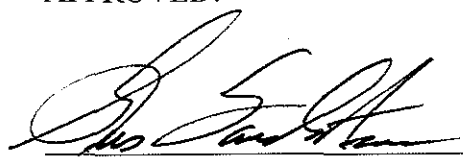
Kayak Course – There was a suggestion to name the kayak course for Ray Koester. The suggestion was embraced by the Board. Sandstrom is to contact Scott Hobson about this possibility and the process.

May 17, 2005 Minutes, Page 2 of 2

The next meeting is to be held on Friday June 24, 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 8:37 a.m..

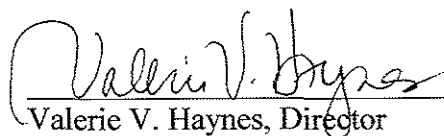
APPROVED:



Gus Sandstrom, Director



Kathleen Farley, Director



Valerie V. Haynes, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: MAY 17, 2005 (Tuesday) 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. APPROVAL OF APRIL 19, 2005 MINUTES
3. TREASURER'S REPORT
 - a. APRIL 2005 ACCOUNTANT'S REPORT
 - b. PAYMENT OF BILLS
4. HARP and LEGACY PROJECTS – SCOTT HOBSON
5. POTENTIAL RIVER REPAIRS
6. CITIZEN CONTACTS
7. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
8. JUNE MEETING DATE
9. ADJOURNMENT



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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
The Pueblo Conservancy District
Pueblo, Colorado

We have complied the accompanying balance sheet – general fund only – of the Pueblo Conservancy District as of April 30, 2005 and December 31, 2004, and the related comparative statement of revenue and expenditures – actual and budget – general fund for the one month and four months ended April 30, 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

May 5, 2005

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
APRIL 30, 2005 AND DECEMBER 31, 2004

	<u>4/30/2005</u>	<u>12/31/2004</u>
ASSETS		
VECTRA BANK CHECKING	\$ 17,732	\$ 12,149
VECTRA BANK MONEY MARKET	11,427	11,420
BROKERAGE MONEY MARKET ACCOUNTS	139,823	109,077
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	579,112	615,298
PIPER JAFFRAY INVESTMENT	347,996	356,459
ACCRUED INTEREST	4,790	4,790
BOOK INVENTORY	<u>6,290</u>	<u>6,429</u>
 TOTAL ASSETS	 <u>\$ 1,132,170</u>	 <u>\$ 1,140,622</u>
 LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 712
PAYROLL TAXES PAYABLE	14	73
DEFERRED INCOME	<u>208</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>222</u>	 <u>1,827</u>
 RESERVE FOR EMERGENCIES	 6,000	 6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	111,176	52,090
UNDESIGNATED	<u>1,014,772</u>	<u>1,080,705</u>
 TOTAL FUND EQUITY	 <u>1,131,948</u>	 <u>1,138,795</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,132,170</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 FOUR MONTHS ENDED APRIL 30, 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	54	188	-	-	320
MONEY MARKET ACCOUNTS	224	533	-	-	336
WACHOVIA SECURITIES	1,803	7,629	-	-	31,045
PIPER JAFFRAY	1,152	4,623	-	-	14,208
UNREALIZED GAINS (LOSSES)	(7,026)	(14,262)	-	-	8,274
TOTAL INTEREST INCOME	(3,793)	(1,289)	50,000	51,289	55,870
LEASE PAYMENTS	208	833	2,500	1,667	5,308
OTHER INCOME	-	180	-	(180)	-
COST OF SALES	-	(138)	-	138	-
TOTAL REVENUES	\$ (3,585)	\$ (414)	\$ 52,500	\$ 52,914	\$ 61,178
EXPENDITURES					
80 LEGAL FEES	\$ 300	\$ 1,200	\$ 3,600	\$ 2,400	\$ 3,600
81 DIRECTORS FEES	180	720	2,160	1,440	2,220
82 FICA TAXES	41	41	166	125	170
83 ENGINEER/ADMINISTRATIVE	400	1,200	4,800	3,600	4,400
90 AUDIT & BOOKKEEPING	225	675	2,400	1,725	2,200
92 INSURANCE/BONDS	-	1,616	2,500	884	2,823
96 OFFICE EXPENSE	-	46	650	604	433
97 OFFICE RENT	149	596	1,800	1,204	1,189
100 PROFESSIONAL FEES	-	-	5,000	5,000	691
103 TRAVEL	-	-	-	-	40
105 REPAIRS & MAINTENANCE	115	339	45,000	44,661	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)	-	100	100	50
TOTAL EXPENDITURES	1,345	6,433	163,676	157,243	39,936
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (4,930)	\$ (6,847)	\$ (111,176)	\$ (104,329)	\$ 21,242

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
3/31/2005

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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	7.05	-	-	11,427.49	7.05
PIPER JAFFRAY	Money Market Account				21,407.33	942.36	-	-	22,349.69	90.84
WACHOVIA SEC.	Evergreen Money Mkt Fund				87,669.81	84,077.71	-	54,274.24	117,473.28	434.72
TOTAL CASH ACCOUNTS WITH BROKERS					120,497.58	85,027.12	-	54,274.24	151,250.46	532.61
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	188.37
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	188.37
WACHOVIA SEC.	GNMA 03-54 MA REMIC MULTICLASS CMO	7/20/2033	5.000%	183,000.00	28,815.31	-	243.57	28,534.55	524.33	404.29
	FHLMC 2831 II RETAIL LOTTERY	1/15/2033	5.500%	9,000.00	9,036.36	-	(35.21)	4,000.00	5,001.15	169.59
	FHLMC 2841 AA RETAIL LOTTERY BOND	9/15/2034	5.500%	10,000.00	10,045.60	-	(40.84)	3,000.00	7,004.76	201.66
	FNMA 03-52 BD REMIC MULTICLASS CMO	3/25/1933	5.500%	28,000.00	28,301.28	-	(109.48)	-	28,191.80	513.32
	FHLMC 2810 KC REMIC MULTICLASS CMO	5/15/2033	5.500%	13,000.00	6,892.26	-	12.31	2,764.42	4,140.15	139.41
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	60,811.52	-	(769.24)	5,000.00	55,042.28	1,291.67
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	35,817.84	-	(599.40)	-	35,218.44	825.00
	FHLMC 2804 UC REMIC MULTICLASS CMO	11/15/2033	6.000%	8,000.00	5,420.91	-	(15.56)	1,275.28	4,130.07	124.42
	FHLMC 2810 AA RETAIL LOTTERY	3/15/2034	6.000%	12,000.00	6,012.66	-	1.76	4,000.00	2,014.42	110.00
	FNMA 04-50 DA RETAIL LOTTERY	6/25/2034	6.000%	79,000.00	19,198.45	-	(3.26)	19,195.19	-	285.27
	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	-	(68.72)	12,788.71	5,636.74	293.37
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/1935	5.000%	56,000.00	-	54,107.26	(1,397.34)	-	52,709.92	(166.98)
	HARTFORD MUT FDS INC, INFLATION PLUS FD			389,693.00	383,355.96	-	(3,858.11)	-	379,497.85	3,381.10
TOTAL WACHOVIA SEC.					615,298.20	54,107.26	(6,650.56)	83,642.99	579,111.91	7,628.80
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		4,536.97	-	(90.60)	281.95	4,164.42	116.06
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	115,047.60	-	(2,658.00)	-	112,389.60	1,200.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	98,840.00	-	(2,010.00)	-	96,830.00	1,333.32
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	128,323.00	-	(2,522.00)	-	125,801.00	1,733.32
	FHLMC #170217	3/1/2017	8.000%		9,711.10	-	(330.89)	569.57	8,810.64	240.69
TOTAL PIPER JAFFRAY					356,458.67	-	(7,611.49)	851.52	347,995.66	4,623.39
TOTAL INVESTMENTS					996,756.87	54,107.26	(14,262.05)	84,494.51	952,107.57	12,440.56
TOTAL ALL ACCOUNTS					1,117,254.45	139,134.38	(14,262.05)	138,768.75	1,103,358.03	12,973.17

PUEBLO CONSERVANCY DISTRICT

April - May 2005

RECEIPTS

VENDOR	ITEM	AMOUNT
Wells Fargo	Colo Trust	\$ 55.14
First Clearing, LLC	Interest Payment	\$ 515.60
First Clearing, LLC	Interest Payment	\$ 384.08
Piper Jaffray	Interest Payment	\$ 1,150.61
		\$ 2,105.43

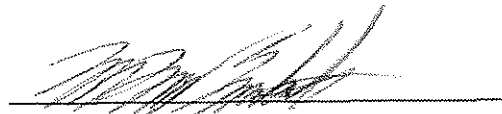
DEBITS

VENDOR	ITEM	AMOUNT	CHECK	Code
MBDG, PC	March Bookkeeping	\$ 225.00	3195	90
Belmont Self Storage	Storage Rental	\$ 294.00	3194	97
Aquila	Electrical Billing	\$ 113.51	3196	105
HARP Authority	5-20-05 Office Lease	\$ 100.00	3197	97
Chem-Way	Soil Sterilant	\$ 346.00	3198	105
Don Banner	Attorney Fees	\$ 300.00	3199	80
Kidd Engineering	Engineer/Admin Fees	\$ 400.00	3200	83
Kidd Engineering	Minutes Binder	\$ 33.83	3200	96
Director Sandstrom	Fees	\$ 55.41	3201	81
Director Farley	Fees	\$ 55.41	3202	81
Director Haynes	Fees	\$ 55.41	3203	81
		\$ 1,978.57		

Memorandum of Agreement

The undersigned Michael Canfield desiring to participate in the Legacy Project public opening with a fireworks display hereby executes this agreement in exchange for permission of the Pueblo Conservancy District allowing access to and the use of the Levy mound near the water diversion conduit below the Fourth Street Bridge, Pueblo, Colorado on Friday the 6th day of May, 2005. In exchange for that access and use of the levy mound to launch a fireworks display the undersigned agrees to indemnify and hold harmless the Pueblo Conservancy District from any and all claims, expenses, liabilities, loss or damage to property or injury to or death of persons caused by or arising out of the above describe activity.

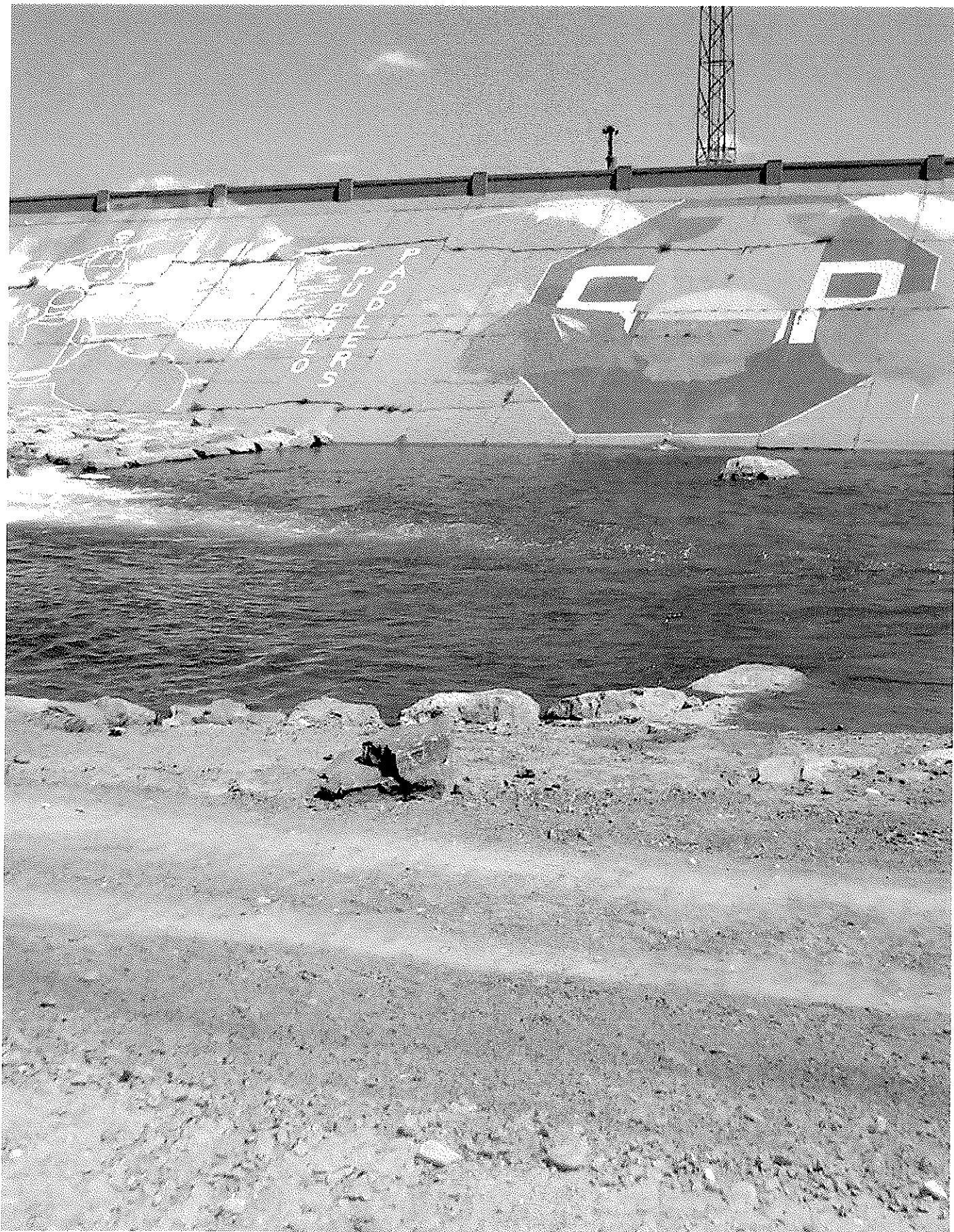
Dated this 6 day of May, 2005.



Approved: Pueblo Conservancy District



By G.F. Sandstrom
President



Board of Directors
August 17, 1977
Page Six

18(2)(a) and (2)(b) of Article XIV of the state constitution adopted at the 1970 general election, and the amendment to Section 2 of Article XI of the state constitution, adopted at the 1974 general election. On the one hand the constitution provides that the general assembly may provide by statute for the terms and conditions under which a county, city or quasi-municipal corporation, or any combination thereof may succeed to the rights, properties, and other assets and assume the obligations of any quasi-governmental corporation located partially or entirely within its boundaries. (Article XIV, Section 18(1)(c)) On the other hand, the constitution also provides that nothing in it shall be construed to prohibit the state or any of its political subdivisions from cooperating or contracting with one another to provide any function, service or facility lawfully authorized to each of the cooperating or contracting units. (Article XIV, Section 18(2)) It seems clear, therefore, that the former section would apply if an entity such as the District desired to give up all of its functions and responsibilities, as is proposed here, and the latter section would apply only if one or several of its functions or services is to be given up. Since C.R.S. 1973, 29-1-201 et seq. provides it was enacted only to implement Article XIV, Section 18(2) the implication is clear that the legislature has not yet addressed itself to a statutory procedure to implement Article XIV, Section 18(1)(c).

The solution, therefore, for the transfer of the District's total function to another body would seem to lie solely with the legislature. Until the legislature so acts, it is my opinion that the District cannot, in toto, transfer its duties and responsibilities to another entity in return for that entity's promise to perform them.

Respectfully submitted,

A handwritten signature in dark ink, appearing to be "Lester C. ...", written over a horizontal line.

LLW/lis