

MINUTES OF THE JULY 12, 2005 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom; Farley; Haynes

Also Present: Councilor Don Banner; Administrator Rick Kidd
Steven Meir and Scott Hobson, City Planning; Al Trujillo and Matt
Martinez, State DOW; Mike Dowd and Brad Hanley, State Parks; Steve
Arveschoug, HARP Authority

President Sandstrom called the Pueblo Conservancy District board meeting to order at 8:00 am.

With a quorum present, the Minutes of the July 12, 2005 Regular Meeting were reviewed.
Haynes moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

The accountant's June 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
\$ 111.83	Aquila, Electricity
\$ 273.00	Chem-Way, 7-1-05 Invoice
\$ 73.44	IRS, 2 nd Qtr 941 W/H
\$ 100.00	HARP Authority, 7-20-05 Lease
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 55.41	Sandstrom, Director's fee for July 12, 2005 meeting
\$ 55.41	Haynes, Director's fee for July 12, 2005 meeting

Investments – Discussion centered around approximately \$80,000 return of principal and interest funds that Wachovia had setting in the money market account. Calvin Mason recommended that this be reinvested in 2-year coupons paying approximately 4.9 percent. Farley moved to reinvest the \$80,000 as recommended and the motion passed.

Runyon Lakes – Sandstrom reported that he had talked with Division of Wildlife and Police Chief Billings about night closures of Runyon Lakes. He was told that this could be done by simply posting signs, rather than installing gates. Therefore, there would not be the burden of having someone patrol and lock the gates, in the evening, and then unlock in the morning.

Al Trujillo gave a synopsis about the past funding and management of the Runyon Lake area. He then discussed the long term growth and management of Runyon. The DOW is moving away from urban facilities because of public expectations of a park type development. This is not the type of experience that the DOW normally provides. DOW does not want to go away from Runyon but wants to look at what the City and the Conservancy District wants Runyon to be. There may eventually be a desire or a need to shift from DOW to others for the management of this area. State Parks, COPA, etc. are other possibilities for this management. Sandstrom suggested that the County may be who we should look at for recreational planning and development of the Runyon area. Sandstrom requested City Planning to facilitate a meeting to look at prior plans and look to the future for the Runyon Lakes area. Meir said that this meeting could be held this fall. Trujillo mentioned the possibility of putting together a recreation complex and put it out for a concessionaire to manage. Meir said that a concessionaire could not charge people using the trails that were put in with "trails grant" money. Trujillo explained the new Habitat Stamp program and how they make the State areas basically a fee-for-use area. Fish stocking agreements could take the Habitat Stamp requirement away, but then the Conservancy District would have to forgo the DOW lease.

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Trujillo stated that the DOW public use regulations allow public access only from dawn to dusk, except for fishing. The DOW says that this sign is already posted at Runyon. Therefore, we only need enforcement to keep the non-fishing public out at night.

Sandstrom will talk to Sheriff Corsentino about getting clean-up crews on a regular schedule. Trujillo requested assistance to get the Mahatma Ghandi group to care for their area. Hanley suggested putting the Runyon Lake clean-up duties out to bid. He reported that this has been effective in other areas, for very reasonable costs.

We will do a group planning session this fall.

Piping – Hobson says that the Corp of Engineers wants to come talk about the piping problem, but he does not have dates yet. The COE is also going to address the need for some repairs on the boat ramp wings. The repairs will probably be part of the Legacy Project costs as long as it is classified as habitat work. The piping is a different situation. The COE will have suggestions or ways to determine the cause of the piping. This meeting will probably be late August or early September.

Kidd is to contact COE about this problem and start finding out where to go with resolution. Farley moved to have Kidd Engineering examine the piping issue as an added cost (Outside of the monthly stipend) to the PCD. The motion was approved.

HARP Program Plan – Meir and Arveschoug presented the drawing of the revised program plan. Arveschoug addressed what has been going on this year and events planned for the rest of the year. The marketing and sale of lots for development is progressing with good prospects. HARP is hoping to get started on Gateway Park late this fall with a ground breaking next spring.

The basic revisions to the Program Plan are:

- Lot #1 north of Lake Victoria
- Shifting and designating correct spots for art features, restrooms, etc.
- Modification of Phase III (Gateway Park) layout and amenities.
- Changes in lot sizing and park areas

Farley moved to approve acceptance of the revised program plan. The motion passed.

It was decided that now is the time to pay HARP the \$10,000 that was budgeted for maintenance. Kidd is to prepare a check for the next PCD Board meeting.

The \$30,000 Fishing Is Fun grant was approved. Kidd is to contact the City about PCD's role and administration of this grant.

There was a discussion about the monthly stipend paid to the members of the Board. It was decided that the Board members perform various functions and have responsibilities outside of attendance at Board meetings. The consensus of the Board was that the members should be paid the monthly stipend even if they were not able to attend the Board meeting for that month. Haynes moved to pay Farley for June 2005. The motion passed. Kidd is to include this payment in the August check.

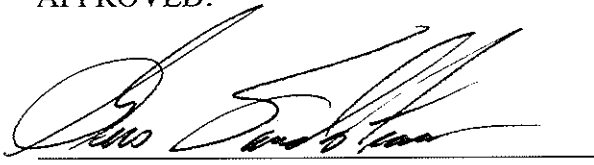
The next meeting is to be held on Tuesday August 16, 2005, at 8:00 am. The meeting will be held at the HARP Authority Conference Room.

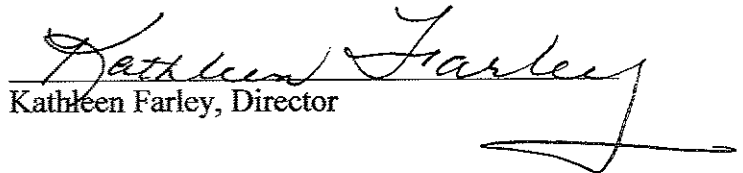
RECORD OF PROCEEDINGS

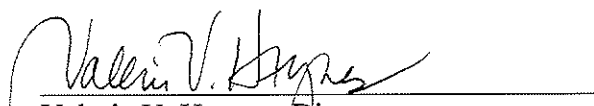
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There being no further business to come before the Board, the meeting was adjourned at 9:35 a.m..

APPROVED:


Gus Sandstrom, Director


Kathleen Farley, Director


Valerie V. Haynes, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: JULY 12, 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 JUNE 24, 2005 MINUTES
3. TREASURER'S REPORT
 - a. JUNE 2005 ACCOUNTANT'S REPORT
 - b. PAYMENT OF BILLS
4. RUNYON LAKE MAINTENANCE AND CONTROL
5. BLUFF TREE REMOVALS
6. HARP PROGRAM PLAN UPDATE APPROVAL
7. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
8. AUGUST MEETING DATE
9. ADJOURNMENT



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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 June 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 six months ended June 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

July 6, 2005

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

	<u>6/30/2005</u>	<u>12/31/2004</u>
ASSETS		
VECTRA BANK CHECKING	\$ 20,438	\$ 12,149
VECTRA BANK MONEY MARKET	11,432	11,420
BROKERAGE MONEY MARKET ACCOUNTS	129,706	109,077
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	597,132	615,298
PIPER JAFFRAY INVESTMENT	354,258	356,459
ACCRUED INTEREST	4,790	4,790
BOOK INVENTORY	<u>6,290</u>	<u>6,429</u>
 TOTAL ASSETS	 <u>\$ 1,149,046</u>	 <u>\$ 1,140,622</u>
LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 712
PAYROLL TAXES PAYABLE	37	73
DEFERRED INCOME	<u>-</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>37</u>	 <u>1,827</u>
RESERVE FOR EMERGENCIES	6,000	6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	111,176	52,090
UNDESIGNATED	<u>1,031,833</u>	<u>1,080,705</u>
 TOTAL FUND EQUITY	 <u>1,149,009</u>	 <u>1,138,795</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,149,046</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 SIX MONTHS ENDED JUNE 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	61	304	-	-	320
MONEY MARKET ACCOUNTS	181	976	-	-	336
WACHOVIA SECURITIES	435	9,393	-	-	31,045
PIPER JAFFRAY	1,148	6,922	-	-	14,208
UNREALIZED GAINS (LOSSES)	9,494	1,344	-	-	8,274
TOTAL INTEREST INCOME	11,319	18,939	50,000	31,061	55,870
LEASE PAYMENTS	-	1,041	2,500	1,459	5,308
OTHER INCOME	-	180	-	(180)	-
COST OF SALES	-	(138)	-	138	-
TOTAL REVENUES	\$ 11,319	\$ 20,022	\$ 52,500	\$ 32,478	\$ 61,178
EXPENDITURES					
80 LEGAL FEES	\$ 300	\$ 1,800	\$ 3,600	\$ 1,800	\$ 3,600
81 DIRECTORS FEES	120	1,020	2,160	1,140	2,220
82 FICA TAXES	-	41	166	125	170
83 ENGINEER/ADMINISTRATIVE	400	2,000	4,800	2,800	4,400
90 AUDIT & BOOKKEEPING	225	1,125	2,400	1,275	2,200
92 INSURANCE/BONDS	-	1,616	2,500	884	2,823
96 OFFICE EXPENSE	126	206	650	444	433
97 OFFICE RENT	100	1,090	1,800	710	1,189
100 PROFESSIONAL FEES	-	-	5,000	5,000	691
103 TRAVEL	-	-	-	-	40
105 REPAIRS & MAINTENANCE	112	910	45,000	44,090	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	-	-	100	100	50
TOTAL EXPENDITURES	1,383	9,808	163,676	153,868	39,936
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 9,936	\$ 10,214	\$ (111,176)	\$ (121,390)	\$ 21,242

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
5/31/2005

7/6/2005 11:16 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	11.83	-	-	11,432.27	11.83
PIPER JAFFRAY	Money Market Account				21,407.33	1,935.55	-	-	23,342.88	171.54
WACHOVIA SEC.	Evergreen Money Mkt Fund				87,669.81	514,368.43	-	495,675.40	106,362.84	793.00
TOTAL CASH ACCOUNTS WITH BROKERS					120,497.58	516,315.81	-	495,675.40	141,137.99	976.37
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	304.46
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	304.46
WACHOVIA SEC.	GNMA 03-54 MA REMIC MULTICLASS CMO	7/20/2033	5.000%	183,000.00	28,815.31	-	245.56	29,060.87	-	406.48
	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	-	439,521.01	(718.77)	17,758.13	421,044.11	134.29
	FHLMC 2831 JJ RETAIL LOTTERY	1/15/2033	5.500%	9,000.00	9,036.36	-	(36.36)	9,000.00	-	178.76
	FHLMC 2841 AA RETAIL LOTTERY BOND	9/15/2034	5.500%	10,000.00	10,045.60	-	(43.04)	6,000.00	4,002.56	242.91
	FNMA 03-52 BD REMIC MULTICLASS CMO	3/25/1933	5.500%	28,000.00	28,301.28	-	(125.44)	-	28,175.84	769.98
	FHLMC 2810 KC REMIC MULTICLASS CMO	5/15/2033	5.500%	13,000.00	6,892.26	-	53.83	5,479.70	1,466.39	158.01
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	60,811.52	-	1,618.78	9,000.00	53,430.30	1,754.17
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	35,817.84	-	(197.64)	-	35,620.20	1,155.00
	FHLMC 2804 UC REMIC MULTICLASS CMO	11/15/2033	6.000%	8,000.00	5,420.91	-	(19.72)	2,255.70	3,145.49	157.75
	FHLMC 2810 AA RETAIL LOTTERY	3/15/2034	6.000%	12,000.00	6,012.66	-	(12.66)	6,000.00	-	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	-	(64.32)	18,429.85	-	321.57
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	-	54,107.26	(302.51)	3,558.23	50,246.52	280.48
	HARTFORD MUT FDS INC, INFLATION PLUS FD			389,693.00	383,355.96	-	1,396.96	384,752.92	-	3,381.10
TOTAL WACHOVIA SEC.					615,298.20	493,628.27	1,780.37	513,575.43	597,131.41	9,392.45
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		4,536.97	-	(113.42)	688.11	3,735.44	170.21
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	115,047.60	-	(163.20)	-	114,884.40	1,800.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	98,840.00	-	(120.00)	-	98,720.00	1,999.98
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	128,323.00	-	143.00	-	128,466.00	2,599.98
	FHLMC #170217	3/1/2017	8.000%		9,711.10	-	(183.02)	1,075.90	8,452.18	351.60
TOTAL PIPER JAFFRAY					356,458.67	-	(436.64)	1,764.01	354,258.02	6,921.77
TOTAL INVESTMENTS					996,756.87	493,628.27	1,343.73	515,339.44	976,389.43	16,618.68
TOTAL ALL ACCOUNTS					1,117,254.45	1,009,944.08	1,343.73	1,011,014.84	1,117,527.42	17,595.05

PUEBLO CONSERVANCY DISTRICT

JUNE - JULY 2005

RECEIPTS

VENDOR	ITEM	AMOUNT
Wells Fargo	Colo Trust	\$ 61.98
First Clearing, LLC	Interest Payment	\$ 2,274.25
PiperJaffray	Interest Payment	\$ 1,144.44
Colorado DOW	Runyon Lakes	\$ 2,500.00
		\$ 5,980.67

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	Code
MBDG, PC	May Bookkeeping	\$ 225.00	3213	90
Belmont Self Storage	Storage Rental	Paid through October		97
Aquila	Electrical Billing	\$ 111.83	3214	105
Chem-Way	7-1-05 Invoice	\$ 273.00	3215	105
Internal Revenue Service	2nd Qtr 941 W/H	\$ 73.44	3216	82
HARP Authority	7-20-05 Office Lease	\$ 100.00	3217	97
Don Banner	Attorney Fees	\$ 300.00	3218	80
Kidd Engineering	Engineer/Admin Fees	\$ 400.00	3219	83
Director Sandstrom	Fees	\$ 55.41	3220	81
Director Farley	Fees	\$ 55.41	3221	81
Director Haynes	Fees	\$ 55.41	3222	81
		\$ 1,649.50		