

MINUTES OF THE AUGUST 23, 2006 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom; Farley

Also Present: Administrator Rick Kidd; Counselor Don Banner

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:11 am.

The Minutes of the July 26, 2006 Regular Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

The accountant's reports for June were reviewed. Farley moved to receive and file the July reports. Motion passed.

Bills – The following bills were posted for review and approval

\$ 225.00	MBD&G, Accountant fees
\$ 116.77	Aquila, Electricity
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 4,933.00	Collins Cockrell & Cole

Farley moved to approve payment of the monthly. Motion passed.

Collins Cockrell & Cole Report – Sandstrom and Banner have no problem with the report being prepared by other than a principle. They felt that it was a well prepared report. The Board now needs to decide when we will start the steps. This will be discussed at the next meeting. Banner is to ask Jim Collins the following questions:

1. Who would he recommend for a litigation attorney?
2. Can money be allocated for information and education expenses in connection with the tax campaign?

HARP IGA – Sandstrom reported that HARP is working on revising the IGA. HARP has a desire for the District to have some monetary input, about 7 percent, if PCD successfully establishes a revenue source. As HARP receives common area maintenance (CAM) fees this amount will fluctuate. Sandstrom feels that there is some benefit to keep the District involved with monetary contributions. The HARP Board is also looking at what their make-up may be if the Urban Renewal Authority is brought in as a member. If the District develops a revenue source, we could contribute maybe \$10,000 per year for HARP maintenance. This would qualify us as a paying member of the HARP IGA.

Pueblo Board of Water Works is in final calculations of how much free water will be given to HARP.

HARP is coming to final negotiations on two more HARP lots.

Revenue Source – The District needs to develop some recommendations to the judge for criteria the appraisers should consider. We also need to determine how the appraisal will be paid for, options for paying for the campaign, and documents that we will need.

RECORD OF PROCEEDINGS

Budget – A budget work session is to be held at the next meeting. The budget should be prepared as a base with line items added for appraisal, piping repairs, and levee certification. Kidd is to provide a budget template disk to Farley. Kidd and Sandstrom are to look for the original appraisal of benefits documents.

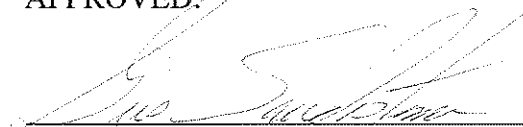
Colorado Special Districts Association – The Association currently lists Sandstrom as the Pueblo Conservancy District representative and Banner as the alternate. Farley moved to continue these designations. Motion passed.

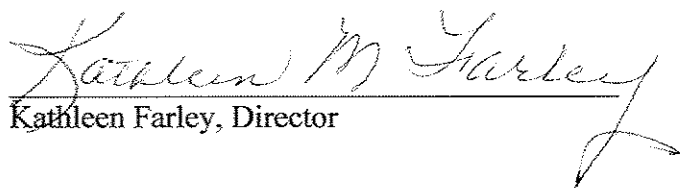
Trees and Brush – Kidd reported that he received and responded to a citizen request for tree and brush cleanup. The area is at the confluence, and upstream, of Wild Horse Creek and the Arkansas River. Sandstrom and Kidd are to go look at the area. The District cannot commit to work at this time. It will have to be done in another budget year, at least.

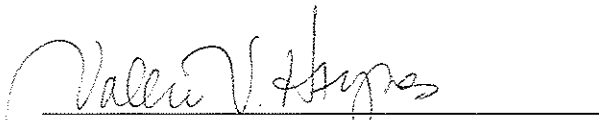
The next meeting is set for September 28 at 8:00 am. Board members should be prepared for this meeting to take longer.

There being no further business to come before the Board, the meeting was adjourned at 9:18 a.m.

APPROVED:


Gus Sandstrom, Director


Kathleen Farley, Director


Valerie V. Haynes, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: AUGUST 23, 2006 (Wednesday) AT 8:00 A.M.

PLACE: SOUTHEASTERN COLORADO HERITAGE CENTER,
201 WEST B STREET, PUEBLO, COLORADO

AGENDA

1. ROLL CALL
2. APPROVAL OF JULY 26, 2006 MINUTES
3. TREASURER'S REPORT
 - a. JULY 2006 ACCOUNTANT'S REPORTS
 - b. PAYMENT OF BILLS
4. COLLINS COCKREL & COLE SPECIAL DISTRICTS REPORT
5. FUTURE MEETINGS SCHEDULE – September through February
6. TREE & BRUSH REMOVAL ABOVE 4TH STREET BRIDGE
7. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
8. ADJOURNMENT

MINUTES OF THE JULY 26, 2006 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Haynes; Farley

Also Present: Administrator Rick Kidd

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:05 am.

Farley suggested that the discussion on the Collins Cockrell & Cole report be tabled until the full Board and Counselor Banner were present for discussion. It was so moved and the motion passed. This item is to be put on the August meeting agenda.

The Minutes of the June 21, 2006 Regular Meeting were reviewed. Haynes moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

The accountant's reports for June were reviewed. Farley moved to receive and file the June reports. Motion passed.

Bills — The following bills were posted for review and approval

\$ 225.00	MBD&G, Accountant fees
\$ 118.52	Aquila, Electricity
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 4,933.00	Collins Cockrell & Cole
\$ 128.00	Chem-Way Lawn Care

Farley moved to approve payment of the monthly bills with the exception of Collins Cockrell & Cole. Farley's concern was the importance of the District's funding and that the report was not prepared by a principal of the firm. Motion passed.

After discussion, it was decided that the future meeting dates should not be scheduled until the full Board was present.

There being no further business to come before the Board, the meeting was adjourned at 8:25 a.m.

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Valerie V. Haynes, Director



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

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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
The Pueblo Conservancy District
Pueblo, Colorado

We have compiled the accompanying balance sheets – general fund only – of the Pueblo Conservancy District as of July 31, 2006 and December 31, 2005, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the one month and seven months ended July 31, 2006, and the twelve months ended December 31, 2005, 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

August 16, 2006

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
JULY 31, 2006 AND DECEMBER 31, 2005

	<u>7/31/2006</u>	<u>12/31/2005</u>
ASSETS		
VECTRA BANK CHECKING	\$ 35,082	\$ 24,754
VECTRA BANK MONEY MARKET	11,534	11,475
BROKERAGE MONEY MARKET ACCOUNTS	24,478	93,353
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	556,269	571,301
PIPER JAFFRAY INVESTMENT	337,596	343,428
ACCRUED INTEREST	5,032	5,032
BOOK INVENTORY	<u>6,290</u>	<u>6,290</u>
 TOTAL ASSETS	 <u>\$ 1,001,281</u>	 <u>\$ 1,080,633</u>
LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 740
PAYROLL TAXES PAYABLE	96	82
DEFERRED INCOME	<u>2,083</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>2,179</u>	 <u>1,864</u>
RESERVE FOR EMERGENCIES	6,000	6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	156,376	111,176
UNDESIGNATED	<u>836,725</u>	<u>961,593</u>
 TOTAL FUND EQUITY	 <u>999,101</u>	 <u>1,078,769</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,001,280</u>	 <u>\$ 1,080,633</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 JULY 31, 2006
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2005

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2006 BUDGET	UNUSED BUDGET	2005 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 102	\$ 661	\$ -	\$ -	\$ 782
MONEY MARKET ACCOUNTS	50	866	-	-	2,346
WACHOVIA SECURITIES	1,058	17,351	-	-	25,159
PIPER JAFFRAY	4,015	10,785	-	-	13,529
UNREALIZED GAINS (LOSSES)	4,810	(22,880)	-	-	(22,500)
TOTAL INTEREST INCOME	10,035	6,783	40,000	33,217	19,316
LEASE PAYMENTS	208	1,658	2,500	842	2,499
OTHER INCOME	-	-	-	-	10,180
COST OF SALES	-	-	-	-	(138)
TOTAL REVENUES	\$ 10,243	\$ 8,441	\$ 42,500	\$ 34,059	\$ 31,857
EXPENDITURES					
80 LEGAL FEES	\$ 300	\$ 2,100	\$ 3,600	\$ 1,500	\$ 3,600
81 DIRECTORS FEES	180	1,260	2,160	900	2,160
82 FICA TAXES	-	-	166	166	165
83 ENGINEER/ADMINISTRATIVE	400	2,400	4,800	2,400	4,800
90 AUDIT & BOOKKEEPING	225	1,350	2,700	1,350	2,700
92 INSURANCE/BONDS	-	2,034	2,500	466	1,616
96 OFFICE EXPENSE	-	205	650	445	271
97 OFFICE RENT	-	1,420	1,800	380	1,984
100 PROFESSIONAL FEES	-	3,462	5,000	1,538	751
103 TRAVEL	-	-	-	-	-
105 REPAIRS & MAINTENANCE	247	23,878	80,000	56,122	22,991
108 CONTINGENCIES	-	-	500	500	-
109 EMERGENCY REPAIR	-	-	20,000	20,000	-
110 CAPITAL IMPROVEMENTS	-	-	25,000	25,000	845
111 PLANNING & DEVELOPMENT	-	-	-	-	-
112 HARP - O & M	-	50,000	50,000	-	50,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	1,352	88,109	198,876	110,767	91,883
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 8,891	\$ (79,668)	\$ (156,376)	\$ (76,708)	\$ (60,026)

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
7/31/2006

8/22/2006 5:05 PM

BROKER	DESCRIPTION	MATURITY DATE	RATE	PAR VALUE	BALANCE 12/31/2005	ADDITIONS	MKT VALUE CHANGE	REDEMPTION SALES	BALANCE 12/31/2006	INTEREST RECEIVED 12/31/2006
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,474.56	59.00	-	-	11,533.56	59.00
PIPER JAFFRAY	Money Market Account				5,678.95	1,871.12	-	-	7,550.07	160.47
WACHOVIA SEC.	Evergreen Money Mkt Fund				87,673.99	232,630.30	-	303,376.10	16,928.19	646.55
TOTAL CASH ACCOUNTS WITH BROKERS					104,827.50	234,560.42	-	303,376.10	36,011.82	866.02
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	661.10
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	661.10
WACHOVIA SEC.	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	271,260.34	-	(58.78)	102,480.14	168,721.42	8,124.78
	FHLMC 3040 CA REMIC MULTICLASS CMO	9/15/2019	5.000%	108,000.00	93,900.44	-	(2,699.80)	91,200.64	-	1,901.96
	FNMA 03-52 BD REMIC MULTICLASS CMO	3/25/2033	5.500%	28,000.00	27,732.04	-	(400.94)	27,331.10	-	633.10
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	32,888.88	-	(876.60)	-	32,012.28	1,054.17
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	35,844.84	-	(1,631.88)	-	34,212.96	1,155.00
	FHLMC 2804 UC REMIC MULTICLASS CMO	11/15/2033	6.000%	8,000.00	181.59	-	(0.57)	181.02	0.00	3.10
	FHLMC 3004 GG RETAIL LOTTERY	7/15/2034	5.000%	80,000.00	75,336.00	-	(188.00)	-	75,148.00	2,333.31
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	-	152,368.50	(6,037.50)	-	146,331.00	1,525.00
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	34,157.34	-	(1,934.30)	10,328.95	21,894.09	916.74
	GNMA 06-27 WE REMIC MULTICLASS CMO	6/20/1936	6.000%	50,000.00	-	50,006.00	(2,056.50)	-	47,949.50	(241.67)
	NATIONAL CITY CD	6/15/2007	5.150%	30,000.00	-	29,979.90	20.10	-	30,000.00	(55.03)
TOTAL WACHOVIA SEC.					571,301.47	232,334.40	(15,864.77)	231,521.85	556,269.25	17,350.46
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		3,032.38	-	(63.13)	822.82	2,146.43	114.82
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	112,555.20	-	(828.00)	-	111,727.20	1,800.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	96,480.00	-	(1,230.00)	-	95,250.00	1,999.98
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	124,436.00	-	(1,833.00)	-	122,603.00	2,599.98
	FHLMC #170217	3/1/2017	8.000%		6,924.88	-	(167.86)	887.83	5,869.19	255.01
TOTAL PIPER JAFFRAY					343,428.46	-	(4,121.99)	1,710.65	337,595.82	6,769.79
TOTAL INVESTMENTS					939,729.93	232,334.40	(19,986.76)	233,232.50	918,865.07	24,781.35
TOTAL ALL ACCOUNTS					1,044,557.43	466,914.82	(19,986.76)	536,608.60	954,876.89	25,647.37

JULY 2006 - AUGUST 2006**RECEIPTS**

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 250.00
First Clearing, LLC	Interest Payment	\$ 988.22
Piper Jaffray	Interest	\$ 1,120.93
Wells Fargo - Colotrust	Dividend	\$ 109.08
		\$ 2,468.23

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	Code
MBDG, PC	Bookkeeping	\$ 225.00	3345	90
Aquila	Electrical Billing	\$ 116.77	3344	105
Don Banner -- BB&C, PC	Attorney Fees	\$ 300.00	3346	80
Kidd Engineering	Engineer/Admin Fees	\$ 400.00	3347	83
Director Sandstrom	Fees	\$ 55.41	3348	81
Director Farley	Fees	\$ 55.41	3349	81
Director Haynes	Fees	\$ 55.41	3350	81
Collins Cockrell & Cole	Financing Strategy Report	\$ 4,933.00	3342	80
		\$ 6,141.00		

COLLINS COCKREL & COLE

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JAMES P. COLLINS
ROBERT G. COLE
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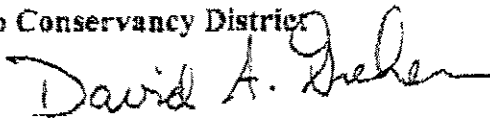
LINDA G. ALEXANDER
DAVID A. GREHER
JAMES M. MOCK

MEMORANDUM

June 26, 2006

CONFIDENTIAL
ATTORNEY/CLIENT PRIVILEGED

TO: Board of Directors
The Pueblo Conservancy District

FROM: David A. Greher 

RE: Financing Options

As requested, we have examined methods of re-establishing annual revenues for The Pueblo Conservancy District (the "District") under Colorado law which the District will use to pay its administrative and maintenance expenses. As part of our analysis, we have reviewed the Conservancy Law of Colorado (Articles 1 through 8 of Title 37, Colorado Revised Statutes) (the "Act"), relevant provisions of the Colorado Constitution, in particular, Article X, Section 20 (the "Taxpayer's Bill of Rights" or "TABOR"), as well as materials provided to us by the District, including:

- Report to The Pueblo Conservancy District Regarding the Feasibility of and Procedures for the District Attaining the Authority to Act for Purposes in Addition to Flood Control, dated August 18, 1989, by Philip B. Sharp.
- Correspondence from Gus Sandstrom, Board President, to James Collins dated April 13, 2006, and attached three page report listing improvements made by the District between 1922 and 1995.

Based on our review, we advise the District to levy a maintenance fund assessment on each tract or parcel of land and upon public corporations pursuant to § 37-5-107, Colorado Revised Statutes.

Board of Directors
The Pueblo Conservancy District
June 26, 2006
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CONSERVANCY DISTRICT FUNDS

Under the Act, each Conservancy District has three different funds: a preliminary fund, a construction fund, and a maintenance fund, § 37-5-101, Colorado Revised Statutes ("C.R.S."), and the structure of part 5 of the Act leads us to conclude that the legislature intended that these funds be used by districts generally in that order. The preliminary fund provides financing for the period between organization and the determination and levy of assessments; the construction fund is used to construct the improvements; and the maintenance fund is used to maintain the improvements. Because the District's concern is generating revenue for administration and maintenance costs, the construction fund is not relevant to this discussion.

Preliminary Fund

Of the three funds, only the preliminary fund permits the District to impose a mill levy. §§ 37-5-101(1)(a), -102(1), C.R.S. Specifically, Conservancy Districts may impose a one mill levy on "every dollar of valuation for assessment thereof." However, as its name suggests, the preliminary fund is apparently intended to fund operations before revenues from special assessments are available (while the official plan is completed, § 37-3-108, C.R.S., and benefits are appraised, § 37-4-102, C.R.S.). The specific language of the Act reads:

As soon as any district has been organized under [the Act] and a board of directors has been appointed and qualified, such board has the authority to fix the amount of an assessment upon the property within the district not to exceed one mill for every dollar of valuation for assessment thereof as a level rate to be used for the purpose of paying the expenses of organization, for surveys and plans, for other incidental expenses which may have been incurred prior to the time when money is received from the sale of bonds or otherwise, and for the general administration of the district. . . .

§ 37-5-102(1), C.R.S. (emphasis added).

One of the purposes of the preliminary fund is to provide "for the general administration of the district." § 37-5-102(1), C.R.S. It would thus appear that the District could use the preliminary fund, and the imposition of a one mill levy, to fund administrative costs; however, the District could not use the property tax revenues to fund

Board of Directors
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maintenance costs, which rather must be paid through the maintenance fund (which will be discussed in the next section).

The Colorado Constitution's uniformity of taxation provision requires that any property tax be imposed uniformly within the "territorial boundaries" of the taxing entity. Article X, Section 3(1)(a), Colorado Constitution; § 39-1-102(12), C.R.S. If the District were to impose a mill levy, it would be limited to properties within the District and could not be assessed County-wide. The District is permitted to issue bonds from the preliminary fund, but only for "preliminary work." § 37-5-103, C.R.S.

Maintenance Fund

The Act provides that the maintenance fund may be used:

To maintain, operate, and preserve the improvements made pursuant to [the Act], and to strengthen, repair, and restore the same when needed, and for the purpose of defraying the current expenses of the district, the board of directors may, upon the substantial completion of said improvements, or any unit thereof, and on or before the first Monday in November in each year thereafter, levy an assessment on each tract or parcel of land and upon public corporations, subject to assessments under [the Act], to be known as the "maintenance fund assessment". Said maintenance fund assessment shall be apportioned upon the basis of the total appraisal of benefits accruing for original and subsequent construction and shall not exceed one percent thereof in any one year, unless the court shall by its order authorize an assessment of a larger percentage.

§ 37-5-107(1), C.R.S. (emphasis added). The maintenance fund assessment is levied and must be paid in full annually. §§ 37-5-101(1)(c), -107(2), C.R.S. Thus, whereas the preliminary fund may be used "for the general administration of the district," § 37-5-102(1), C.R.S., the maintenance fund may be used for both maintenance and administration costs. §§ 37-5-101(1)(c), -107(1), C.R.S.

Unlike the preliminary fund's property tax, the maintenance fund assessment may be levied on properties both inside and outside the District. § 37-4-103, C.R.S. The District may also issue debt in order to fund maintenance improvements. § 37-5-108, C.R.S. The assessment is limited to 1% of the appraised benefits annually, unless the

Find
Documents
used on
and off
Court House

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The Pueblo Conservancy District
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District Court authorizes a larger percentage. § 37-5-107(1), C.R.S. Unlike the preliminary fund debt, the maintenance fund debt is not limited to "preliminary work."

Analysis of Two Options

It is our understanding that maintenance expenses are the District's primary financial concern. The only source of new revenue for such expenses is the imposition of the maintenance fund assessment under the Act. We do not recommend that the District impose a property tax through the preliminary fund unless:

- (a) the District expects to have sufficient investment earnings from its current deposits to pay for its maintenance expenses, and
- (b) the one mill levy will pay for all, or at least a sufficient part, of the District's administrative expenses, and
- (c) the District does not intend to finance any maintenance expenses by issuing debt, and
- (d) the District believes that the eligible electors living within its boundaries will vote a mill levy increase (which will be discussed in the next section).

As we believe that some, if not all, of the foregoing conditions cannot be met in this instance, we recommend that the District fund its maintenance and administrative expenses through the imposition of the maintenance fund assessment.

TABOR AND VOTER APPROVAL

The Taxpayer's Bill of Rights became effective as an amendment to the Colorado Constitution as of December 31, 1992. TABOR is intended to "restrain the growth of government." Article X, Section 20(1), Colorado Constitution. It applies to the State and "or any local government, except enterprises." Enterprises are essentially governmental functions run like a business (a good example is a water and sewer district).

TABOR does not define a "local government," and no Colorado case has considered whether TABOR applies to Conservancy Districts. Case law, however, has established certain criteria to determine whether an entity is a "local government," and these cases place the District squarely within that definition. Generally, if a

Board of Directors
The Pueblo Conservancy District
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governmental entity can impose property taxes and its electorate enjoys traditional voting rights, it is a "local government. Olson v. City of Golden, 53 P.3d 747 (Colo. 2002) (holding urban renewal authority is not a "local government" because it has no power to impose mill levy and its enabling act does not provide for elections); Campbell v. Orchard Mesa Irrigation Dist., 972 P.2d 1037 (Colo. 1998) (holding that irrigation district is not a "local government" because it does not impose mill levy and it departs from the traditional "one person one vote" requirement); Nicholl v. E-470 Public Hwy Auth., 896 P.2d 859 (Colo. 1995) (holding that public highway authority - which the parties agreed was a local government - cannot claim "enterprise" exemption from TABOR because it has the power to unilaterally impose taxes).

As discussed above, Conservancy Districts have the authority to impose a mill levy. § 37-5-102(1), C.R.S. They also provide their voters with normal "one person one vote" voting rights. § 37-3.5-106, C.R.S. (providing that the majority vote of electors qualified to vote is required to dissolve a Conservancy District). The District is therefore a "local government" and subject to the restrictions of TABOR.

In general, TABOR restricts the ability of the State and local governments to increase revenues and spending, to impose taxes, and to issue debt without voter approval. Two of TABOR's restrictions are relevant to the District's consideration of new revenue sources. Without prior voter approval, the District may not:

1. increase its annual spending in a percentage greater than:
 - (a) the rate of inflation plus
 - (b) the actual value of new construction in the District since the prior year; or
2. incur a multiple-fiscal year obligation, including bonds and other forms of debt; or
3. increase the operating mill levy rate above the rate for the prior year.

Article X, Section 20(4), (7)(b), Colorado Constitution. The first restriction above will apply to either revenue source that the District chooses. The second restriction is applicable to only the maintenance fund assessment (because the Act does not permit debt to be issued through the preliminary fund for maintenance purposes). The third

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restriction would apply only to the imposition of the mill levy through the preliminary fund.

Spending Limits – Mill Levy or Assessment

TABOR requires that the District obtain voter authorization before it can increase its "fiscal year spending" over that of the prior fiscal year. Article X, Section 20(7)(b), Colorado Constitution. TABOR defines "fiscal year spending" as:

all [governmental] expenditures and reserve increases except, as to both, those for refunds made in the current or next fiscal year or those from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales.

Article X, Section 20(2)(e), Colorado Constitution. Revenues from either a tax levy or maintenance fund assessments would thus constitute increases in "fiscal year spending" requiring the District to obtain voter authorization before it could spend those funds on maintenance and operations expenses. Without such authorization, TABOR would require the District to refund all of the new revenues (except for the inflation and growth allowance) to property owners. Article X, Section 20(7)(d), Colorado Constitution.

As case law has developed interpreting TABOR, certain forms of ballot issues have become common. A sample ballot issue (based on an issue used by one of our clients in May 2006) that might be used by the District to authorize the use of new revenues from the maintenance fund assessment may be found in Exhibit A attached hereto. This type of ballot issue is commonly described as "de-Brucing."

Debt Authorization

The Act would permit the District to issue debt for maintenance expenses by pledging the maintenance fund assessments. § 37-5-108, C.R.S. Under TABOR, except for certain refundings (which is not applicable here), voters must authorize any new multiple-fiscal year obligation:

Except for refinancing district bonded debt at a lower interest rate or adding new employees to existing district pension plans, creation of any multiple-fiscal year direct or indirect district debt or other financial obligation

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whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years.

Article X, Section 20(4)(b), Colorado Constitution. Thus, voter authorization would be required to allow the District to issue debt to finance maintenance expenses.

If the District decides to issue debt, we recommend that it present two separate ballot issues, one to de-Bruce and one to create debt. Although the District could theoretically present a single combined ballot issue, this would not generate an income stream for the District, but rather, would only create an income stream to pay the debt.

TABOR requires that very specific be used in a debt ballot issue:

Ballot titles for . . . bonded debt increases shall begin, "SHALL (DISTRICT) DEBT BE INCREASED (principal amount), WITH A REPAYMENT COST OF (maximum total district cost), ...?"

Article X, Section 20(3)(c), Colorado Constitution. A sample ballot issue that the District might use (based on a ballot issue one of our clients used in the May 2006 election) is attached hereto as Exhibit B.

Mill Levy Voter Authorization

We do not recommend the District impose a mill levy, but provide the following information in response to questions raised in the correspondence from Gus Sandstrom to James Collins dated April 13, 2006.

Although the District had previously imposed a mill levy under the Act, because it has not been imposed for 50 years, TABOR would require voter authorization to allow the District to impose a "mill levy above that for the prior year." Article X, Section 20(4)(a), Colorado Constitution. TABOR requires that very specific language be used in such a ballot issue:

Ballot titles for tax . . . increases shall begin, "SHALL (DISTRICT) TAXES BE INCREASED (first, or if phased in, final, full fiscal year dollar increase) ANNUALLY...?"

Article X, Section 20(3)(c), Colorado Constitution (all caps in original).

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In addition to TABOR, Section 29-1-301, C.R.S., limits the property tax revenues which may be levied to no more than the amount of such revenue levied in the prior year plus 5.5% (subject to certain adjustments). Commonly referred to as the "5.5% Spending Limitation", this restriction may also be eliminated with voter approval.

If the District decides to raise property taxes, it could ask two separate questions, one to de-Bruce and one to impose the new mill levy. Although a single question for a debt and tax increase has specifically been authorized under TABOR by the Colorado Supreme Court in Bickel v. City of Boulder, 885 P.2d 215, 231 (Colo. 1994), we do not recommend this approach. As stated above, combining the ballot issues would limit the use of the new revenues to the payment of debt service. A sample ballot issue (again, based on an issue used by one of our clients in May 2006) to authorize a tax levy increase is attached hereto as Exhibit C for informational purposes.

Eligible Electors

Only "eligible electors" would be permitted to vote on any of the District's ballot issues. An eligible elector is defined as "a person who is legally qualified to vote in this state" who has registered to vote under State law and "who resides within or is eligible to vote in the jurisdiction of the political subdivision calling the election." § 1-1-104(4) and (35), C.R.S. Thus, members of the community outside of the District would not be qualified to vote.

Election Process

Attached as Exhibit D is a timeline setting forth a brief description of the procedures that would need to be followed in order to place a ballot issue (de-Bruicing or a property tax increase) on the November 2006 ballot.

IMPOSING THE MAINTENANCE FUND ASSESSMENT

The following discussion briefly outlines the procedures that the District must follow in order to impose the maintenance fund assessment, as more fully set forth in the Act.

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Plan for Improvements

The District's plan was not submitted to us and is not part of our review. We note, however, that the District is now considering the imposition of a maintenance fund assessment that it has apparently never previously imposed. The District should thus first confirm that its official plan for improvements does not restrict the District from imposing this assessment, which is specifically authorized by the Act. Any change to the official plan would be accomplished by formal approval by the District's Board of Directors ("District Board") and the District Court, followed by filing with the District's secretary. § 37-4-113(1), C.R.S.

New Appraisal

Because we understand that the District has been operating from investment income for over 50 years, we assume that the District has not conducted an appraisal for at least that long, if not longer, leaving the former appraisal outdated. We therefore believe that a new appraisal is necessary to determine the special benefits and damages of the District's improvements for the maintenance fund assessment.

The District requests the District Court to appoint a board of appraisers, which is composed of three commissioners, each of whom must be a freeholder residing in Colorado, but not necessarily within the District. § 37-4-101, C.R.S.

As mentioned previously, the appraisal is not limited to property within the District:

If the appraisers find that land not embraced within the boundaries of the district will be affected by the proposed improvement or should be included in the district, they shall appraise the benefits and damages to such land, and shall file notice in the court of the appraisal which they have made upon the lands beyond the boundaries of the district, and to the land which, in their opinion, should be included in the district. The appraisers shall also report to the court any lands which, in their opinion, should be eliminated from the district . . .

§ 37-4-103, C.R.S.

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The appraisal would allow the District an opportunity to re-align its boundaries, and re-apportion benefits and damages based on the current situation. This would enable the District to spread maintenance and administrative costs on what it deems to be a fair apportionment of costs.

The board of appraisers must conduct the appraisal impartially, § 37-4-101. Neither the District nor the District Court has explicit authority under the Act to give the board of appraisers directions in the appraisal. The Court both appoints the board of appraisers and receives its appraisal report, without the District's prior review. §§ 37-4-101, -105, C.R.S. The District Board may ask the Court to provide the board of appraisers with certain directions, but the Court may choose to ignore such request.

Court Proceedings – Possible Challenges

The board of appraisers is required to prepare a tabulated report of its findings, in the form prescribed by the Act. § 37-5-105, C.R.S. (Form VI). The report is filed with the District Court.

The District Court then provides notice, by publication in at least one newspaper of general circulation (Pueblo County uses *The Colorado Tribune*) at least once a week for three consecutive weeks, of a hearing to be held before the court to consider the appraisal report (discussed in the next section) and the inclusion of properties into the District. §§ 37-1-102(5), 37-4-105(2), 37-4-104, 37-4-106(1), C.R.S. The forms of notices are prescribed by the Act. § 37-5-105, C.R.S. (Form V and Form VII).

Within 10 days after the last publication of notice, property owners must file exception to the report or its appraisals, or will be deemed to have acquiesced to the report's findings. § 37-4-107, C.R.S. The District Court is required to conduct a hearing to consider any exceptions not less than 20 nor more than 30 days after the date of last publication. *Id.* This hearing is also where any property owner may object to being included in the District. § 37-4-104, C.R.S. The District Court has broad discretion in its review:

The court may, if it deems necessary, return the report to the board of appraisers for their further consideration and amendment and may enter its order to that effect. If, however, the appraisal roll as a whole is referred back to the appraisers, the court shall not resume the hearing thereon without new notice, as for an original hearing thereon. But the court may,

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without new notice, order the appraisers to revise and amend the roll when the order of the court specifies the changes to be made.

§ 37-4-107, C.R.S.

The Act thus requires the District Court to hold its hearing promptly, but the actual amount of time required to finalize the appraisal record is impossible to forecast, and depends upon a number of factors beyond the District's control. These factors include the number of parties filing exceptions, the number and nature of the exceptions filed, and the Court's case load. Once satisfied with the appraisal record, the Court approves and confirms the appraisal record. § 37-4-108, C.R.S.

The Court's order is "final and incontestable, except as provided" in Article 4 of the Act. § 37-4-108, C.R.S. Objecting parties have 10 days from the Court order to appeal and request a jury trial. § 37-4-109(1), C.R.S. The Court then must conduct a jury trial, which may also be filed by an appeal to the Colorado Court of Appeals within 30 days after the jury verdict. § 37-4-112(2), C.R.S. A subsequent appeal may also be made to the Colorado Supreme Court. § 37-4-112(3), C.R.S. Again, there is no way to determine how long such a process would take.

Assessments pending Appeal

Although the challenges permitted by the Act (and described in the preceding section) would delay the assessments in dispute, the undisputed appraisals would be certified by decree of the District Court immediately. § 37-4-111(1), C.R.S. In addition, the remaining assessments would be certified following a jury verdict, § 37-4-111(2), C.R.S., although they would remain subject to modification on appeal. § 37-4-112, C.R.S. If the City of Pueblo sought legal action against the District under the Act, that action should not delay the assessment of other properties.

The City, however, may seek relief under other provisions of Colorado law, including Rule 106 of the Colorado Rules of Civil Procedure, by which it could seek to enjoin the District's imposition of assessments. By its terms, the rule applies only if "there is no plain, speedy and adequate remedy otherwise provided by law," C.R.C.P. 106(a)(4). Presumably, the Act, with all of the procedures described in the preceding section, provides an adequate and speedy remedy. Ultimately, we cannot assess the likelihood that the Court might consider claims for injunctive relief against the District,

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but the impact would be severe. Thus, although we believe that the risk of an injunction is unlikely, it is a possibility of which the District Board should be aware.

CONCLUSION AND RECOMMENDATIONS

We recommend the District implement a maintenance fund assessment to generate revenues necessary to offset the District's administrative and maintenance expenses. The District has two broad goals it needs to accomplish in order to impose this assessment and spend the revenues: (1) complete a new appraisal and (2) obtain voter authorization to spend the new revenues. Each of these goals is independent of the other, but both are required for the District to achieve the desired results.

The appraisal has a set procedure, but the amount of time to complete that procedure is uncertain. We recommend that the District proceed with the appraisal process as soon as practical.

In contrast, the District may only propose TABOR issues to the voters in general elections, which are held November each year. There is currently sufficient time for the District to get a de-Brucing ballot issue (and if it so desires, a separate ballot issue to incur debt) onto this November's ballot. The question which the District Board must decide is whether it is prepared to put this issue on the ballot so soon, or whether it would be preferable to wait until November 2007, giving the District time to build support within its electorate. This is a political question, not a legal one.

We hope that the foregoing is useful to you. Please contact me if you have any questions, or if we could be of any service to the District in these efforts.

cc: Donald J. Banner, Esq.
James P. Collins, Esq.

EXHIBIT A

SAMPLE DE-BRUCING BALLOT ISSUE

SHALL THE PUEBLO CONSERVANCY DISTRICT BE AUTHORIZED TO COLLECT, RETAIN, AND SPEND THE AMOUNT OF ALL ASSESSMENTS AUTHORIZED BY LAW TO BE IMPOSED OR COLLECTED BY THE DISTRICT AND ANY OTHER REVENUES, INCOME, OR PAYMENTS RECEIVED BY THE DISTRICT (INCLUDING, WITHOUT LIMITATION, REVENUES RECEIVED BY THE DISTRICT FROM THE STATE, ANY POLITICAL SUBDIVISION OF THE STATE, OR ANY OTHER GOVERNMENTAL ENTITY), DURING FISCAL YEAR 2007 AND EACH YEAR THEREAFTER FOR AS LONG AS THE DISTRICT CONTINUES IN EXISTENCE WITHOUT LIMITATION BY THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AS THEY CURRENTLY EXIST OR AS THEY MAY BE AMENDED IN THE FUTURE?

EXHIBIT B

SAMPLE DEBT BALLOT ISSUE

SHALL THE PUEBLO CONSERVANCY DISTRICT DEBT BE INCREASED \$_____ [principal only] WITH A REPAYMENT COST OF \$_____ [total principal and interest]; SUCH DEBT TO BE PAYABLE FROM ANY LEGALLY AVAILABLE DISTRICT REVENUES; SUCH DEBT TO CONSIST OF MULTIPLE FISCAL YEAR FINANCIAL OBLIGATIONS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING OR FINANCING ALL OR ANY PART OF THE COSTS OF DESIGNING, PERMITTING, ACQUIRING, CONSTRUCTING, ENHANCING, REPAIRING, REPLACING, REMODELING, [DEMOLISHING], INSTALLING AND EQUIPPING THE DISTRICT'S PUBLIC IMPROVEMENTS, [provide a description if desired:] [WHICH INCLUDE BUT ARE NOT LIMITED TO _____]; SUCH DEBT TO BEAR INTEREST AT AN ANNUAL NET EFFECTIVE INTEREST RATE NOT TO EXCEED _____%, AND TO BE DATED AND SOLD AT SUCH TIMES, AT SUCH PRICES, IN SUCH MANNER AND CONTAINING SUCH TERMS NOT INCONSISTENT HERewith AS DETERMINED BY THE BOARD OF DIRECTORS; AND SHALL THE PROCEEDS OF ANY SUCH DEBT, AND INVESTMENT INCOME THEREON, BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE, OFFSET AND EXCEPTION TO ANY SPENDING, REVENUE-RAISING OR OTHER LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, SECTION 29-1-301, COLORADO REVISED STATUTES, OR ANY OTHER LAW?

EXHIBIT C

SAMPLE TAX INCREASE BALLOT QUESTION

SHALL THE PUEBLO CONSERVANCY DISTRICT'S TAXES BE INCREASED UP TO \$ _____ ANNUALLY IN THE FIRST FISCAL YEAR (OR SUCH HIGHER AMOUNT AS IS NECESSARY SO AS TO RESULT IN NET PROPERTY TAX REVENUE OF UP TO \$ _____ [same amount as prior figure] IN THE FIRST FISCAL YEAR TAKING INTO ACCOUNT ANY PROPERTY TAX CUT, COLLECTION COST, ADJUSTMENT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AS IT CURRENTLY EXISTS OR AS AMENDED) OR BY SUCH ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S ADMINISTRATIVE, OPERATIONS, MAINTENANCE, AND OTHER EXPENSES WITHOUT LIMITATION; BY THE IMPOSITION OF A MILL LEVY ON ALL TAXABLE PROPERTY AT THE RATE OF NOT TO EXCEED ONE (1) MILL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF SUCH TAXES COMMENCING IN FISCAL YEAR 2007 AND IN EACH YEAR THEREAFTER AND INVESTMENT INCOME THEREON CONSTITUTE PERMANENT VOTER-APPROVED REVENUE CHANGES TO BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, SECTION 29-1-301, COLORADO REVISED STATUTES, OR ANY OTHER LAW?

EXHIBIT D**NOVEMBER 2006 BALLOT ISSUE TIMELINE**

1-1-06 Applications for absent voter ballots may be submitted. Applications can be made in writing or by fax, using the application form or in the form of a letter which includes the applicant's signature, residence address and date of birth.

Watchers may be maintained at the Designated Election Official's office during the period in which absentee ballots may be applied for or received.

7-28-06 If, by 100 days before the election, a political subdivision has taken formal action to participate in an election that will be coordinated by the County Clerk and Recorder, the political subdivision shall notify the County Clerk and Recorder. § 1-7-116(5), C.R.S.

8-9-06 County Clerk shall designate polling places (no later than 90 days prior to election). § 1-5-102.5, C.R.S.

8-29-06 Enter into an agreement with the County Clerk and Recorder concerning the mailing of the Notice required by Article X, Section 20 of the Colorado Constitution and, if not conducting an independent mail ballot election, the conduct of the coordinated election on behalf of the District (no later than 70 days prior to the election). § 1-7-116(2), C.R.S.

9-8-06 Certify ballot content to the County Clerk and Recorder of each county that has territory within the special district, if such election is coordinated with the County Clerk and Recorder (no later than 60 days before the election). § 1-5-203(3)(a), C.R.S.

9-13-06 MAIL BALLOT. Designated Election Official must notify Secretary of State that a mail ballot election will be conducted (no later than 55 days prior to election). The notice must include a proposed plan for conducting the mail ballot election. § 1-7.5-105(1), C.R.S. The Secretary of State will approve or disapprove the proposed plan within 15 days after filing. § 1-7.5-105(2), C.R.S.

9-22-06 Designated Election Official shall appoint election judges (no later than 45 days prior to election). § 1-6-105(1.5), C.R.S. Designated Election Official shall mail certificates of appointment and acceptance forms to each person appointed. § 1-6-106(1), C.R.S. Each election judge shall file an acceptance of appointment with the Designated Election Official within seven days after certificate of appointment and acceptance forms were mailed. § 1-6-106(3), C.R.S.

Written comments for and against the ballot issues or ballot questions must be received by the Designated Election Official (45 days before the election). Article X, Section 20, Colorado Constitution. (Comments must be filed by the end of the business day on the Friday before the 45th day before the election). § 1-7-901(4), C.R.S.

- 9-26-06 Designated Election Official shall deliver TABOR notice information and summaries to be distributed on behalf of the District to the County Clerk and Recorder no later than 42 days before the election. § 1-7-904, C.R.S.
- 9-28-06 Designated Election Official shall order the voter registration list and property owners list (no later than 40 days prior to election). §§ 1-5-303(1) and 1-5-304(1), C.R.S. Designated Election Official may order an initial voter registration list and property owners list to be received 30 days prior to the election, with supplementary lists provided 20 days prior, or complete lists provided 20 days prior to the election.
- Plan for conducting mail ballot election must be approved by Secretary of State (within 15 days from receiving Plan). § 1-7.5-105(2), C.R.S.
- 10-6-06 Mail election notice required pursuant to Article X, Section 20(3)(b), Colorado Constitution (at least 30 days before the election).
- County Clerk and Recorder shall certify initial list of registered voters (no later than 30 days prior to election) §§ 1-5-303(1) and 1-7.5-107(2)(a), C.R.S.
- County Assessor shall certify initial list of property owners (no later than 30 days prior to election) §§ 1-5-304(1) and 1-7.5-107(2)(a), C.R.S.
- Election official shall have available printed ballots (at least 30 days prior to election). § 1-5-406, C.R.S.
- Hold a class of instruction concerning the tasks of an election judge and special school of instruction concerning the task of a supply judge (not more than 32 days prior to the election). § 1-6-101(5), C.R.S.
- 10-10-06 Last day to register to vote (no later than 29 days before the election). § 1-2-201(3), C.R.S. **October 9, 2006 is a legal holiday.**
- 10-13-06 MAIL BALLOT. Election Official can begin mailing to each eligible elector a mail ballot package (not sooner than 25 days prior to election). § 1-7.5-107(3)(a), C.R.S. Mail ballots shall be made available at the office of the Election Official for eligible electors (not sooner than 25 days prior to election). § 1-7.5-107(3)(c), C.R.S.
- Board of Directors may, by resolution, cancel the election (no later than 25 days before an election conducted as a coordinated election in November) § 1-5-208(2), C.R.S. Notice of cancellation of the election must be published. The Notice must be posted at each polling place of the District, in the office of the Designated Election Official, and in the office of the County Clerk and Recorder. A copy of the Notice shall also be filed with the Division of Local Government. § 1-5-208(6), C.R.S.

10-18-06 MAIL BALLOT. Publish Notice of the mail ballot election once (no later than 20 days before the election). This publication shall be in lieu of the notice requirements of § 1-5-205(1), C.R.S. § 1-7.5-107(2.5)(a) and (b), C.R.S.

DEBT OBLIGATION election, post notice of additional financial information on District's website, or if no website, in the chief administrative office of the District. § 1-7-908(1)(a), C.R.S.

County Clerk and Recorder shall supply supplemental list of registered voters (no later than 20 days prior to election). §§ 1-5-303(1) and 1-7.5-107(2)(b), C.R.S.

County Assessor shall supply supplemental list of property owners (no later than 20 days prior to election). §§ 1-5-304(1) and 1-7.5-107(2)(b), C.R.S.

10-23-06 Designated Election Official shall appoint at least one member of the special district Board and at least one eligible elector of the special district who is not a member of such Board to serve with the Designated Election Official as the Canvass Board for the election (at least 15 days prior to election) §§ 1-10-201(1.5), C.R.S. The County's Canvass Board may survey returns for a coordinated election. § 1-10-202, C.R.S.

MAIL BALLOT. Last day to mail the mail ballot packages (no later than 15 days prior to the election). § 1-7.5-107(3)(a), C.R.S.

Designated Election Official may mail to each household where one or more eligible electors reside a voter notification card (no later than 15 days before election). § 1-5-206(2)(a), C.R.S.

10-26-06 Coordinated Election Official shall post Notice of Polling Place at each polling place (at least 12 days prior to election). § 1-5-106, C.R.S.

10-27-06 For polling place elections, publish Notice of Election once (no later than ten days before the election), and post Notice in the office of the designated election official until two days following the election. § 1-5-205(1) and (1.3), C.R.S. At the time that publication is made, mail a copy of the Notice to the County Clerk and Recorder. § 1-5-205(2), C.R.S.

10-28-06 MAIL BALLOT. Election officials at the mail ballot counting place may receive and prepare mail ballots for tabulation. Counting of the mail ballots may begin 10 days prior to the election and continue until counting is completed. § 1-7.5-107.5, C.R.S.

Election officials at the absent voters counting place may receive and prepare absentee voter ballots for tabulation. Counting of the absentee voter ballots may begin 10 days prior to the election and continue until counting is completed. § 1-8-303, C.R.S.

- 10-31-06** Last day request absent voter ballot if applicant wishes to receive the absentee ballot by mail (close of business on the 7th day before the election). § 1-8-104(3), C.R.S.
- 11-3-06** Last day to request absent voter ballot if absentee ballot will not be mailed to applicant (close of business on Friday preceding election). § 1-8-104(3), C.R.S.
- 11-6-06** Deliver to supply judge the registration records and all necessary election supplies, including ballots. §§ 1-5-301(2) and 1-5-410, C.R.S.
- 11-7-06** **ELECTION DAY.** 7:00 A.M. to 7:00 P.M.
- 11-8-06** Designated Election Official or designee may begin verification of provisional ballots, if any. Upon completion of verification, Provisional Ballot Board may proceed to count the provisional ballots.
- 11-14-06** For elections not coordinated with the County Clerk, the Canvass Board shall certify to the Designated Election Official the official abstract of votes cast at the election (no later than 7 days after the election). § 1-10-203(1), C.R.S.
- 11-24-06** For elections coordinated with the County Clerk, the County's Canvass Board shall complete its duties (finalize the election results) (no later than the 17th day after the election). § 1-10-102, C.R.S.
- 12-7-06** Certify the election results to the Division of Local Government (within 30 days after the election). § 1-11-103(3), C.R.S.
- 12-22-06** Election official shall retain election materials until time has expired for any contest proceedings or 25 months after the election, whichever is later. § 1-7-803, C.R.S.

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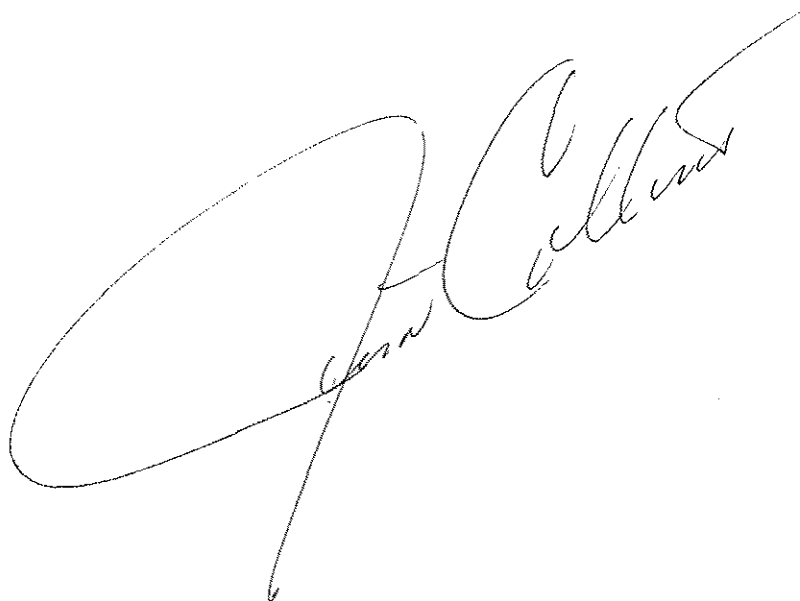
LINDA G. ALEXANDER
DAVID A. GREHER
JAMES M. MOCK

PUEBLO CONSERVANCY DISTRICT
P.O. BOX 234
PUEBLO CO 81002

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June 30, 2006
ACCOUNT NO. 903M

PREVIOUS BALANCE	JUNE FEES	JUNE EXP.	ADVANCES	PAYMENTS	BALANCE DUE
GENERAL					
0.00	4,933.00	0.00	0.00	0.00	<u>\$4,933.00</u>

#3342
7-26-06



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P.O. BOX 234
PUEBLO CO 81002

GENERAL

Page: 1
June 30, 2006
ACCOUNT NO. 903-001M

PROFESSIONAL SERVICES RENDERED

	Hours
04/25/2006	
JPC Review materials; meet with David Greher; send email and letter to D. Banner [WORKED ON 4/25, 4/26 & 4/28]	0.80
DAG Conference with JPC Review correspondence	0.90
04/28/2006	
DAG Draft engagement letter	0.70
06/15/2006	
DAG Research Conservancy Law of Colorado Review materials and draft memo to client	1.40
06/16/2006	
DAG Draft financing memo	0.50
06/21/2006	
JPC Email from and to D. Banner [NO CHARGE]	
06/22/2006	
DAG Draft memo regarding financing options	3.00
06/23/2006	
DAG Research Conservancy Act, TABOR and other laws Draft financing memo Conference with JPC	3.90
06/26/2006	
DAG Research and draft financing memo Conference with JPC Send memo to client	9.50
06/27/2006	
JPC Meet with DAG Revise draft memo and comment Review final memo	1.80

PUEBLO CONSERVANCY DISTRICT

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June 30, 2006
ACCOUNT NO. 903-001M

GENERAL

	Hours	
FOR CURRENT SERVICES RENDERED	22.50	4,933.00

SUMMARY OF HOURS

<u>Timekeeper</u>	<u>Hours</u>
James P. Collins	2.60
David A. Greher	19.90

TOTAL SERVICES FOR MONTH	4,933.00
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BALANCE DUE	<u>\$4,933.00</u>
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