

MINUTES OF THE MARCH 14, 2007 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom; Haynes

Also Present: Counselor Don Banner; Administrator Rick Kidd

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:08 am.

The Minutes of the February 14, 2007 Regular Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

The final accountant's reports for December 2006, January 2007 and February 2007 were reviewed. Haynes moved to receive and file the reports. Motion passed.

Bills – The following bills were posted for review and approval

\$ 250.00	MBD&G, Accountant fees
\$ 118.91	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

Haynes moved to approve payment of the monthly bills. Motion passed.

Funding – Sandstrom and Banner reviewed the State statute with regards to taxes that can be imposed by the District. Since we are not buying new land and the funding is for maintenance only then we do not need an appraisal. We need to pull the files to get the original formula for assessment of taxes to the lots within the District. WE may not need to do an election either because a Supreme Court decision says that this is not a "tax". Sandstrom wants to hire some student to help pull curt orders, put in order, and glean information that we need.

Haynes moved to allow Sanstrom to hire a clerk / researcher at a budget of \$1000. Motion passed.

Southeastern Colorado Heritage Center Membership – Haynes moved continuing our membership and payment of \$500 for 2007 dues. Motion passed

Official Plan – Approval of an official plan for the District should be on the agenda for the next meeting.

Terrance Valdez – Kidd reported that Spaccamonti gave a quote of \$1350 to clean the sediment that has washed down the Wildhorse Creek levee bank and to the yard to Mr. Valdez. Haynes moved to approve this expenditure. Motion passed.

Starr Land Purchase – Banner wanted the records to show that the sale to John Starr has been consummated

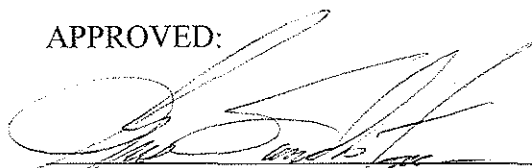
RECORD OF PROCEEDINGS

March 14, 2007 Minutes, Page 2 of 2

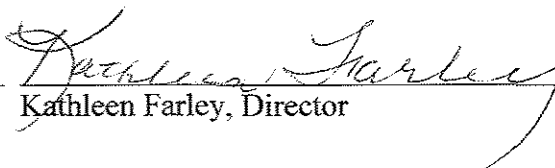
The next meeting is set for April 18 at 8:00 am.

There being no further business to come before the Board, the meeting was adjourned at 9:00 a.m.

APPROVED:



Gus Sandstrom, Director



Kathleen Farley, Director



Valerie V. Haynes, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: MARCH 14, 2007 (Wednesday) AT 8:00 A.M.

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

AGENDA

1. ROLL CALL
2. APPROVAL OF FEBRUARY 14, 2007 MINUTES
3. TREASURER'S REPORT
 - a. FEBRUARY 2007 ACCOUNTANT'S REPORTS
 - b. PAYMENT OF BILLS
4. FUNDING PROCESS
5. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
6. ADJOURNMENT

at 1350 Terrence Va Bee

Future meetings scheduled for:

April 18

June 20

May 23

MINUTES OF THE FEBRUARY 14, 2007 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom; Farley; Haynes

Also Present: Counselor Don Banner; Administrator Rick Kidd

Guests: Annalee Beck (Colorado Outdoor Performing Arts Association), Scott
Whited (Pueblo Performing Arts Guild)

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:06 am.

The Minutes of the January 17, 2007 Regular Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

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

Bills -- The following bills were posted for review and approval

\$ 250.00	MBD&G, Accountant fees
\$ 118.94	Aquila, Electricity
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 120.57	Kidd Engineering, Stamps and Minutes Binders
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 534.38	Special District Association, SDA Membership Dues
\$ 1165.00	Colo Special Dist P&L Pool, Liability Insurance Premium

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

COPAA -- Annalee Beck and Scott Whited presented a background on their two associations and their importance to the development of Pueblo. They proposed that the District allow an additional member on the Board for a representative from the arts. Sandstrom informed them that the Pueblo Conservancy District was created under a special State statute and that the board was limited to three members. The Colorado State Legislature would have to make the change to increase the size of the board. Sandstrom said that the PCD Board meetings are open to the public and that COPAA and PPAG are welcome to attend at any time. The main focus for the District is flood control, with arts and recreation allowed on our property. The District supports the arts, but that is a small part of our charge. Whatever is done on PCD property cannot adversely impact flood flows through town.

CDOT ROW Acquisition -- Banner reported that the Starr offer is approximately \$0.1252 /sqft and Kidd said that the Dawson purchase was \$0.903 /sqft. Kidd is to assemble the Starr and Dawson sales documents and provide them to CDOT.

Starr Purchase -- Banner presented a contract agreement signed by John Starr. The offer is \$3000 for 0.55 acres of property between Starr and the Arkansas River. Starr has done the survey and provided a plat. He is to pay for all title work and has agreed to allow the Pueblo Conservancy District access for maintenance of the River corridor. Conveyance is to be made via a Quit Claim Deed. Haynes moved to accept the offer. Motion passed. The contract was signed by Sandstrom.

RECORD OF PROCEEDINGS

February 14, 2007 Minutes, Page 2 of 2

Terrance Valdez -- Kidd reported on a call that Farley had received. The Valdez property lies along the east bank of the Wildhorse Creek levee, between 12th and 13th streets. The levee bank is eroding and the sediment and runoff water is coming into the Valdez yard. Kidd is to get Spaccamonti Excavating to provide an estimate to remove trees and cut a ditch through this area.

The next meeting is set for March 14 at 8:00 am.

There being no further business to come before the Board, the meeting was adjourned at 9:30 a.m.

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Valerie V. Haynes, Director

PUEBLO CONSERVANCY DISTRICT

FEBRUARY 2007 - MARCH 2007

RECEIPTS

VENDOR	ITEM	AMOUNT
ACE Enterprises	Land Sale	\$ 3,000.00
First Clearing, LLC	Interest Payment	\$ 250.00
First Clearing, LLC	Interest Payment	\$ 537.79
UBS	Interest Payment	\$ 1,110.39
First Clearing, LLC	Interest Payment	\$ 1,814.99
Wells Fargo	Colotrust Plus	\$ 100.07
		\$ 6,813.24

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	Code
Aquila	Electrical Billing	\$ 118.91	3392	105
MBDG, PC	January Bookkeeping	\$ 250.00	3400	90
Don Banner -- B&B, PC	Attorney Fees	\$ 300.00	3401	80
Kidd Engineering	Engineer/Admin Fees	\$ 400.00	3402	83
Director Sandstrom	Fees	\$ 55.41	3403	81
Director Farley	Fees	\$ 55.41	3404	81
Director Haynes	Fees	\$ 55.41	3405	81
SE Heritage Center	Assoc. Membership	1,500.00	3406	97
		\$ 1,116.23		



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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 December 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 twelve months ended December 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

March 11, 2007

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

	<u>12/31/2006</u>	<u>12/31/2005</u>
ASSETS		
VECTRA BANK CHECKING	\$ 42,348	\$ 24,754
VECTRA BANK MONEY MARKET	11,593	11,475
BROKERAGE MONEY MARKET ACCOUNTS	65,804	93,353
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	528,952	571,301
PIPER JAFFRAY INVESTMENT	341,889	343,428
ACCRUED INTEREST	5,809	5,032
BOOK INVENTORY	<u>-</u>	<u>6,290</u>
 TOTAL ASSETS	 <u>\$ 1,021,395</u>	 <u>\$ 1,080,633</u>
LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ 1,994	\$ 740
PAYROLL TAXES PAYABLE	330	82
DEFERRED INCOME	<u>1,042</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>3,366</u>	 <u>1,864</u>
RESERVE FOR EMERGENCIES	6,000	6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	156,376	111,176
UNDESIGNATED	<u>855,653</u>	<u>961,593</u>
 TOTAL FUND EQUITY	 <u>1,018,029</u>	 <u>1,078,769</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,021,395</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 TWELVE MONTHS ENDED DECEMBER 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	\$ 130	\$ 1,224	\$ -	\$ -	\$ 782
MONEY MARKET ACCOUNTS	246	1,550	-	-	2,346
WACHOVIA SECURITIES	3,342	30,743	-	-	25,159
PIPER JAFFRAY	1,085	13,413	-	-	13,529
UNREALIZED GAINS (LOSSES)	(2,906)	(2,309)	-	-	(22,500)
TOTAL INTEREST INCOME	1,897	44,621	40,000	(4,621)	19,316
LEASE PAYMENTS	208	2,700	2,500	(200)	2,499
OTHER INCOME	-	-	-	-	10,180
COST OF SALES	-	(6,290)	-	6,290	(138)
TOTAL REVENUES	\$ 2,105	\$ 41,031	\$ 42,500	\$ 1,469	\$ 31,857
EXPENDITURES					
80 LEGAL FEES	\$ 300	\$ 8,533	\$ 3,600	\$ (4,933)	\$ 3,600
81 DIRECTORS FEES	180	2,160	2,160	-	2,160
82 FICA TAXES	165	165	166	1	165
83 ENGINEER/ADMINISTRATIVE	2,050	6,050	4,800	(1,250)	4,800
90 AUDIT & BOOKKEEPING	450	2,700	2,700	-	2,700
92 INSURANCE/BONDS	-	2,034	2,500	466	1,616
96 OFFICE EXPENSE	-	264	650	386	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	236	24,982	80,000	55,018	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	3,381	101,770	198,876	97,106	91,883
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (1,276)	\$ (60,739)	\$ (156,376)	\$ (95,637)	\$ (60,026)

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
12/31/2006

3/12/2007 9:01 AM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2005</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 12/31/2006</u>	<u>INTEREST RECEIVED 12/31/2006</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,474.56	118.32	-	-	11,592.88	118.32
PIPER JAFFRAY	Money Market Account				5,678.95	3,024.10	-	-	8,703.05	336.80
WACHOVIA SEC.	Evergreen Money Mkt Fund				87,673.99	322,808.93	-	353,382.10	57,100.82	1,095.10
TOTAL CASH ACCOUNTS WITH BROKERS					104,827.50	325,951.35	-	353,382.10	77,396.75	1,550.22
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	1,200.76
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	1,200.76
WACHOVIA SEC.	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	271,260.34	-	7,334.21	176,487.12	102,107.43	11,790.16
	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	-	(694.80)	-	32,194.08	1,804.17
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	35,844.84	-	(1,671.48)	-	34,173.36	1,980.00
	FHLMC 2804 UC REMIC MULTICLASS CMO	11/15/2033	6.000%	8,000.00	181.59	-	(0.57)	181.02	-	3.10
	FHLMC 3004 GG RETAIL LOTTERY	7/15/2034	5.000%	80,000.00	75,336.00	-	236.27	11,000.00	64,572.27	3,966.63
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	-	152,368.50	(4,101.00)	-	148,267.50	5,275.00
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	34,157.34	-	(131.68)	15,052.05	18,973.61	1,401.86
	GNMA 06-27 WE REMIC MULTICLASS CMO	6/20/1936	6.000%	50,000.00	-	50,006.00	(512.00)	-	49,494.00	1,258.33
	FHLMC 3230 BB REMIC MULTICLASS CMO	4/15/1936	5.750%	50,000.00	-	50,006.00	(836.00)	-	49,170.00	-
	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	282,360.40	(3,457.69)	321,251.93	528,952.25	29,959.28
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		3,032.38	-	1.18	1,303.62	1,729.94	201.70
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	112,555.20	-	1,012.80	-	113,568.00	3,600.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	96,480.00	-	208.00	-	96,688.00	3,999.96
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	124,436.00	-	241.80	-	124,677.80	5,199.96
	FHLMC #170217	3/1/2017	8.000%		6,924.88	-	(315.48)	1,383.68	5,225.72	441.22
TOTAL PIPER JAFFRAY					343,428.46	-	1,148.30	2,687.30	341,889.46	13,442.84
TOTAL INVESTMENTS					939,729.93	282,360.40	(2,309.39)	323,939.23	895,841.71	44,602.88
TOTAL ALL ACCOUNTS					1,044,557.43	608,311.75	(2,309.39)	677,321.33	973,238.46	46,153.10



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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 January 31, 2007 and December 31, 2006, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the one month ended January 31, 2007, and the twelve months ended December 31, 2006, 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 11, 2007

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
JANUARY 31, 2007 AND DECEMBER 31, 2006

	<u>1/31/2007</u>	<u>12/31/2006</u>
ASSETS		
VECTRA BANK CHECKING	\$ 44,582	\$ 42,348
VECTRA BANK MONEY MARKET	11,606	11,593
BROKERAGE MONEY MARKET ACCOUNTS	23,710	65,804
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	571,981	528,952
PIPER JAFFRAY INVESTMENT	340,489	341,889
ACCRUED INTEREST	-	4,805
BOOK INVENTORY	-	-
TOTAL ASSETS	<u>\$ 1,017,368</u>	<u>\$ 1,020,391</u>
LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 625
PAYROLL TAXES PAYABLE	14	330
DEFERRED INCOME	<u>833</u>	<u>1,042</u>
TOTAL LIABILITIES	<u>847</u>	<u>1,997</u>
RESERVE FOR EMERGENCIES	6,000	6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	156,376	156,376
UNDESIGNATED	<u>854,145</u>	<u>856,018</u>
TOTAL FUND EQUITY	<u>1,016,521</u>	<u>1,018,394</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,017,368</u>	<u>\$ 1,020,391</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE ONE AND ONE MONTH ENDED JANUARY 31, 2007
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2006

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2007 BUDGET	UNUSED BUDGET	2006 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ -	\$ -	\$ -	\$ -	\$ 1,224
MONEY MARKET ACCOUNTS	180	180	-	-	1,550
WACHOVIA SECURITIES	(648)	(648)	-	-	29,739
PIPER JAFFRAY	(368)	(368)	-	-	13,413
UNREALIZED GAINS (LOSSES)	(401)	(401)	-	-	(2,309)
TOTAL INTEREST INCOME	(1,237)	(1,237)	30,000	31,237	43,617
LEASE PAYMENTS	208	208	2,500	2,292	2,700
OTHER INCOME	1	1	-	(1)	-
COST OF SALES	-	-	-	-	(6,290)
TOTAL REVENUES	\$ (1,028)	\$ (1,028)	\$ 32,500	\$ 33,528	\$ 40,027
EXPENDITURES					
80 LEGAL FEES	\$ 300	\$ 300	\$ 7,000	\$ 6,700	\$ 8,833
81 DIRECTORS FEES	180	180	3,000	2,820	2,160
82 FICA TAXES	-	-	240	240	165
83 ENGINEER/ADMINISTRATIVE	-	-	4,800	4,800	4,800
90 AUDIT & BOOKKEEPING	-	-	3,000	3,000	2,700
92 INSURANCE/BONDS	-	-	2,500	2,500	2,034
96 OFFICE EXPENSE	-	-	650	650	264
97 OFFICE RENT	-	-	500	500	1,420
100 PROFESSIONAL FEES	-	-	8,000	8,000	3,462
APPRAISAL	-	-	60,000	60,000	-
103 TRAVEL	-	-	250	250	-
105 REPAIRS & MAINTENANCE	-	-	100,000	100,000	24,982
PIPING REPAIRS	-	-	75,000	75,000	-
108 CONTINGENCIES	-	-	500	500	-
109 EMERGENCY REPAIR	-	-	20,000	20,000	-
110 CAPITAL IMPROVEMENTS	-	-	25,000	25,000	-
111 PLANNING & DEVELOPMENT	-	-	5,000	5,000	-
112 HARP - O & M	-	-	10,000	10,000	50,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	480	480	325,440	324,960	100,820
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (1,508)	\$ (1,508)	\$ (292,940)	\$ (291,432)	\$ (60,793)

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
1/31/2007

3/12/2007 9:02 AM

BROKER	DESCRIPTION	MATURITY DATE	RATE	PAR VALUE	BALANCE 12/31/2006	ADDITIONS	MKT VALUE CHANGE	REDEMPTION SALES	BALANCE 12/31/2007	INTEREST RECEIVED 12/31/2007
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,592.88	13.00	-	-	11,605.88	13.00
PIPER JAFFRAY	Money Market Account				8,703.05	324.47	-	-	9,027.52	37.27
WACHOVIA SEC.	Evergreen Money Mkt Fund				57,100.82	7,818.72	-	50,237.60	14,681.94	129.58
TOTAL CASH ACCOUNTS WITH BROKERS					77,396.75	8,156.19	-	50,237.60	35,315.34	179.85
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	110.31
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	110.31
WACHOVIA SEC.	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	102,107.43	-	(62.99)	3,152.59	98,891.85	670.11
	FHLMC 3040 CA REMIC MULTICLASS CMO	9/15/2019	5.000%	108,000.00	-	-	-	-	-	-
	FNMA 03-52 BD REMIC MULTICLASS CMO	3/25/2033	5.500%	28,000.00	-	-	-	-	-	-
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	32,194.08	-	276.12	-	32,470.20	150.00
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	34,173.36	-	359.64	-	34,533.00	330.00
	FHLMC 2804 UC REMIC MULTICLASS CMO	11/15/2033	6.000%	8,000.00	-	-	-	-	-	-
	FHLMC 3004 GG RETAIL LOTTERY	7/15/2034	5.000%	80,000.00	64,572.27	-	415.93	4,000.00	60,988.20	587.50
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	148,267.50	-	(100.50)	-	148,167.00	1,500.00
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	18,973.61	-	(28.44)	536.55	18,408.62	83.86
	GNMA 06-27 WE REMIC MULTICLASS CMO	6/20/2036	6.000%	50,000.00	49,494.00	-	(54.50)	-	49,439.50	-
	FHLMC 3230 BB REMIC MULTICLASS CMO	4/15/2036	5.750%	50,000.00	49,170.00	-	(41.50)	-	49,128.50	479.16
	FHLMC 3264 UU REMIC MULTICLASS CMO	6/15/2036	5.750%	50,000.00	-	50,006.00	(52.00)	-	49,954.00	(231.60)
	NATIONAL CITY CD	6/15/2007	5.150%	30,000.00	30,000.00	-	-	-	30,000.00	-
TOTAL WACHOVIA SEC.					528,952.25	50,006.00	711.76	7,689.14	571,980.87	3,569.03
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		1,729.94	-	(6.98)	98.27	1,624.69	11.84
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	113,568.00	-	(273.60)	-	113,294.40	300.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	96,688.00	-	(313.00)	-	96,375.00	533.33
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	124,677.80	-	(588.10)	-	124,109.70	433.33
	FHLMC #170217	3/1/2017	8.000%		5,225.72	-	48.83	188.93	5,085.62	35.01
TOTAL PIPER JAFFRAY					341,889.46	-	(1,112.85)	287.20	340,489.41	1,113.51
TOTAL INVESTMENTS					895,841.71	50,006.00	(401.09)	7,976.34	937,470.28	4,792.85
TOTAL ALL ACCOUNTS					973,238.46	58,162.19	(401.09)	58,213.94	972,785.62	4,972.70



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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 February 28, 2007 and December 31, 2006, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the one month and two months ended February 28, 2007, and the twelve months ended December 31, 2006, 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 12, 2007

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
FEBRUARY 28, 2007 AND DECEMBER 31, 2006

	<u>2/28/2007</u>	<u>12/31/2006</u>
ASSETS		
VECTRA BANK CHECKING	\$ 43,054	\$ 42,348
VECTRA BANK MONEY MARKET	11,617	11,593
BROKERAGE MONEY MARKET ACCOUNTS	31,157	65,804
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	570,845	528,952
PIPER JAFFRAY INVESTMENT	343,502	341,889
ACCRUED INTEREST	-	4,805
BOOK INVENTORY	<u>-</u>	<u>-</u>
 TOTAL ASSETS	 <u>\$ 1,025,175</u>	 <u>\$ 1,020,391</u>
 LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 625
PAYROLL TAXES PAYABLE	27	330
DEFERRED INCOME	<u>625</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>652</u>	 <u>1,997</u>
 RESERVE FOR EMERGENCIES	 6,000	 6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	156,376	156,376
UNDESIGNATED	<u>862,147</u>	<u>856,018</u>
 TOTAL FUND EQUITY	 <u>1,024,523</u>	 <u>1,018,394</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,025,175</u>	 <u>\$ 1,020,391</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURE
ACTUAL AND BUDGET - GENERAL FUND
FOR THE ONE AND TWO MONTHS ENDED FEBRUARY 28, 2007
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2006

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2007 BUDGET	UNUSED BUDGET	2006 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 110	\$ 110	\$ -	\$ -	\$ 1,224
MONEY MARKET ACCOUNTS	80	260	-	-	1,550
WACHOVIA SECURITIES	804	156	-	-	29,739
PIPER JAFFRAY	1,112	744	-	-	13,413
UNREALIZED GAINS (LOSSES)	9,256	8,854	-	-	(2,309)
TOTAL INTEREST INCOME	11,362	10,124	30,000	19,876	43,617
LEASE PAYMENTS	208	417	2,500	2,083	2,700
OTHER INCOME	1	1	-	(1)	-
COST OF SALES	-	-	-	-	(6,290)
TOTAL REVENUES	\$ 11,571	\$ 10,542	\$ 32,500	\$ 21,958	\$ 40,027
EXPENDITURES					
80 LEGAL FEES	\$ 300	\$ 600	\$ 7,000	\$ 6,400	\$ 8,833
81 DIRECTORS FEES	180	360	3,000	2,640	2,160
82 FICA TAXES	-	-	240	240	165
83 ENGINEER/ADMINISTRATIVE	400	400	4,800	4,400	4,800
90 AUDIT & BOOKKEEPING	250	250	3,000	2,750	2,700
92 INSURANCE/BONDS	2,199	2,199	2,500	301	2,034
96 OFFICE EXPENSE	121	121	650	529	264
97 OFFICE RENT	-	-	500	500	1,420
100 PROFESSIONAL FEES	-	-	8,000	8,000	3,462
APPRAISAL	-	-	60,000	60,000	-
103 TRAVEL	-	-	250	250	-
105 REPAIRS & MAINTENANCE	119	119	100,000	99,881	24,982
PIPING REPAIRS	-	-	75,000	75,000	-
108 CONTINGENCIES	-	-	500	500	-
109 EMERGENCY REPAIR	-	-	20,000	20,000	-
110 CAPITAL IMPROVEMENTS	-	-	25,000	25,000	-
111 PLANNING & DEVELOPMENT	-	-	5,000	5,000	-
112 HARP - O & M	-	-	10,000	10,000	50,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	3,569	4,049	325,440	321,391	100,820
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 8,002	\$ 6,493	\$ (292,940)	\$ (299,433)	\$ (60,793)

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
2/28/2007

3/12/2007 11:05 AM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2006</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 12/31/2007</u>	<u>INTEREST RECEIVED 12/31/2007</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,592.88	24.04	-	-	11,616.92 ✓	24.04
PIPER JAFFRAY	Money Market Account				8,703.05	715.67	-	-	9,418.72 ✓	73.67
WACHOVIA SEC.	Evergreen Money Mkt Fund				57,100.82	14,874.62	-	50,237.60	21,737.84 ✓	162.21
TOTAL CASH ACCOUNTS WITH BROKERS					77,396.75	15,614.33	-	50,237.60	42,773.48	259.92
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00 ✓	220.35
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	220.35
WACHOVIA SEC.	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	102,107.43	-	104.73	6,835.61	95,376.55	1,143.22
	FHLMC 3040 CA REMIC MULTICLASS CMO	9/15/2019	5.000%	108,000.00	-	-	-	-	-	-
	FNMA 03-32 BD REMIC MULTICLASS CMO	3/25/2033	5.500%	28,000.00	-	-	-	-	-	-
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	32,194.08	-	1,216.44	-	33,410.52	150.00
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	34,173.36	-	1,438.20	-	35,611.56	330.00
	FHLMC 2804 UC REMIC MULTICLASS CMO	11/15/2033	6.000%	8,000.00	-	-	-	-	-	-
	FHLMC 3004 GG RETAIL LOTTERY	7/15/2034	5.000%	80,000.00	64,572.27	-	1,540.44	6,000.00	60,112.71	587.50
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	148,267.50	-	2,181.00	-	150,448.50	1,500.00
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	18,973.61	-	55.86	876.80	18,152.67	165.23
	GNMA 06-27 WE REMIC MULTICLASS CMO	6/20/2036	6.000%	50,000.00	49,494.00	-	97.00	-	49,591.00	250.00
	FHLMC 3230 BB REMIC MULTICLASS CMO	4/15/2036	5.750%	50,000.00	49,170.00	-	371.50	-	49,541.50	479.16
	FHLMC 3264 UU REMIC MULTICLASS CMO	6/15/2036	5.750%	50,000.00	-	50,006.00	(405.84)	1,000.00	48,600.16	(231.60)
	NATIONAL CITY CD	6/15/2007	5.150%	30,000.00	30,000.00	-	-	-	30,000.00	-
TOTAL WACHOVIA SEC.					528,952.25	50,006.00	6,599.33	14,712.41	570,845.17 ✓	4,373.51
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		1,729.94	-	(21.51)	320.56	1,387.87	23.01
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	113,568.00	-	726.00	-	114,294.00	600.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	96,688.00	-	625.00	-	97,313.00	666.66
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	124,677.80	-	854.10	-	125,531.90	866.66
	FHLMC #170217	3/1/2017	8.000%		5,225.72	-	71.51	321.44	4,975.79	69.50
TOTAL PIPER JAFFRAY					341,889.46	-	2,255.10	642.00	343,502.56 ✓	2,225.83
TOTAL INVESTMENTS					895,841.71	50,006.00	8,854.43	15,354.41	939,347.73	6,819.69
TOTAL ALL ACCOUNTS					973,238.46	65,620.33	8,854.43 ✓	65,592.01	982,121.21	7,079.61