

MINUTES OF THE APRIL 23, 2008 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley, Haynes

Also Present: Administrator Rick Kidd, Counselor Don Banner

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:12 am.

Minutes -- The Minutes of the March 19, 2008 Regular Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

The accountant's report for March 2008 was reviewed. Farley moved to receive and file the accountant's report and pay the bills. Motion passed.

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

\$ 250.00	MBD&G, Accountant fees
\$ 117.27	Aquila, Electricity
\$ 400.00	Don Banner, Attorney fees
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 4,086.00	Kidd Engineering, Appraisal Listing and Parcel No. Coord.
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 6,000.00	HARP Authority, 2008 Added Maint Reimb per 1-16-08 Board Action

Investments -- Sandstrom said that he had received a request for Ken White to come to one of our meetings and give us his proposals for money management. It was agreed that Ken would be welcome to come give us his ideas.

Haynes Resignation -- Sandstrom is meeting with Judge Maes at 10:00 am today.

ACE/Levee Meeting -- Kidd reported that he and Sandstrom met with the Corps of Engineers and Scott Hobson, City of Pueblo. ACE was much more interested in working with us than they were at our last meeting. The phenomena we are experiencing with water flow and loss of soil behind the concrete facing is not "piping" per the civil engineer definition of the term. It is erosion caused by water flow. ACE and the City have some funding left from the allocation for the Legacy Project. This money could be available for work to stabilize the concrete facing and the rock dams to protect the structural improvements that have been constructed. One of the big costs will be diversion of the River. The possibility of diverting it through the HARP channel was raised by Kidd. Sandstrom is to meet with HARP to find out what the maximum flow is that could be diverted through the HARP system.

Levee Certification -- Sandstrom and Kidd learned that congress has set up a process by which entities, such as the Pueblo Conservancy District, may receive levee certification assistance through the Corps of Engineers. This process was set up because private engineering firms are not willing to assume the risk of certifying existing levees without adequate design and construction documentation. Funding for this assistance must be provided by congress, on a case by case basis.

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Levee Sealing -- The sealing of the construction and other cracks of the levee concrete facing was also discussed at the meeting with the ACE. It has been found that asphaltic sealants have not been providing the desired protection. ACE is currently recommending certain epoxy systems. They are to provide us with more information concerning this.

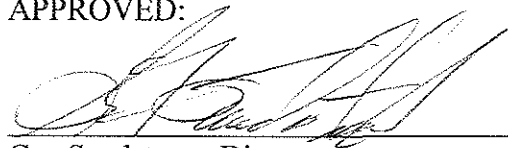
Heritage Center -- Sandstrom has met the new president. He will get us the information for new contact people, etc. The District has a new code for the alarm system. Sandstrom will get a key made for Kidd. They have asked us to prepare an inventory of the items we have stored at the Center.

Accounting Agreement -- MDB&G provided us with an agreement for the next year. Haynes moved to accept their proposal and execute the agreement. Motion passed. Kidd is to solicit proposals for accounting services, this fall.

Meeting Agenda -- Steve Arveschough has requested to attend and discuss the IGA with us. We will provide an opportunity for Ken White to present his ideas on our money management.

There being no further business to come before the Board, the business meeting was adjourned at 9:15 a.m. The next meeting date is May 16, 2008.

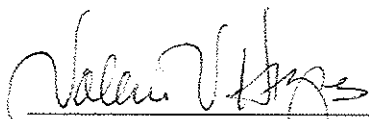
APPROVED:



Gus Sandstrom, Director



Kathleen Farley, Director



Valerie V. Haynes, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: APRIL 23, 2008 (Wednesday) AT 8:00 A.M.

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

AGENDA

1. ROLL CALL
2. APPROVAL OF MARCH 19, 2008 MINUTES
3. TREASURER'S REPORT
 - a. ACCOUNTANT REPORT
 - b. PAYMENT OF BILLS
4. DIRECTOR HAYNES' RESIGNATION
5. ACE/CITY LEVEE MEETING REPORT
6. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
7. ADJOURNMENT

Future meetings scheduled for:

May 16

September 17

June 18

October 15

July 16

November 19

August 20

December 17



McPherson,
Breyfogle,
Daveline &
Goodrich, PC
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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 March 31, 2008 and December 31, 2007, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the three months ended March 31, 2008, and the twelve months ended December 31, 2007, 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

April 17, 2008

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
MARCH 31, 2008 AND DECEMBER 31, 2007

	<u>3/31/2008</u>	<u>12/31/2007</u>
ASSETS		
VECTRA BANK CHECKING	\$ 34,485	\$ 44,778
VECTRA BANK MONEY MARKET	11,770	11,738
BROKERAGE MONEY MARKET ACCOUNTS	151,689	17,205
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	579,276	587,679
PIPER JAFFRAY INVESTMENT	254,432	352,817
ACCRUED INTEREST	<u>-</u>	<u>6,424</u>
 TOTAL ASSETS	 <u>\$ 1,056,652</u>	 <u>\$ 1,045,641</u>
 LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 4,766
PAYROLL TAXES PAYABLE	41	330
DEFERRED INCOME	<u>416</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>457</u>	 <u>6,138</u>
 RESERVE FOR EMERGENCIES	 6,000	 6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	156,376	264,890
UNDESIGNATED	<u>893,819</u>	<u>768,613</u>
 TOTAL FUND EQUITY	 <u>1,056,195</u>	 <u>1,039,503</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,056,652</u>	 <u>\$ 1,045,641</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE THREE MONTHS ENDED MARCH 31, 2008
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2007

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2008 BUDGET	UNUSED BUDGET	2007 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 70	\$ 162	\$ -	\$ -	\$ 1,283
MONEY MARKET ACCOUNTS	24	126	-	-	1,167
WACHOVIA SECURITIES	2,747	3,291	-	-	31,970
PIPER JAFFRAY	918	1,654	-	-	13,237
UNREALIZED GAINS (LOSSES)	1,840	23,104	-	-	6,288
TOTAL INTEREST INCOME	5,599	28,337	47,117	18,780	53,945
LEASE PAYMENTS	208	625	2,500	1,875	2,500
OTHER INCOME	-	4,500	3,000	(1,500)	17,368
COST OF SALES	-	-	-	-	-
TOTAL REVENUES	\$ 5,807	\$ 33,462	\$ 52,617	\$ 19,155	\$ 73,813
EXPENDITURES					
80 LEGAL FEES	\$ 400	\$ 1,100	\$ 4,800	\$ 3,700	\$ 3,600
81 DIRECTORS FEES	180	540	3,000	2,460	2,160
82 FICA TAXES	-	-	166	166	165
83 ENGINEER/ADMINISTRATIVE	500	1,000	6,000	5,000	4,800
90 AUDIT & BOOKKEEPING	250	500	3,000	2,500	3,000
92 INSURANCE/BONDS	2,506	2,506	3,000	494	2,908
96 OFFICE EXPENSE	-	109	500	391	2,276
97 OFFICE RENT	680	680	500	(180)	500
100 PROFESSIONAL FEES	10,102	10,102	18,000	7,898	-
APPRAISAL	-	-	-	-	-
103 TRAVEL	-	-	3,500	3,500	-
105 REPAIRS & MAINTENANCE	116	233	90,000	89,767	12,930
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	-	-	60,000	60,000	20,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	14,734	16,770	317,966	301,196	52,339
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (8,927)	\$ 16,692	\$ (265,349)	\$ (282,041)	\$ 21,474

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
3/31/2008

4/17/2008 10:42 AM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2007</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 1/31/2008</u>	<u>INTEREST RECEIVED 1/31/2008</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,738.31	31.61	-	-	11,769.92	31.61
PIPER JAFFRAY	Money Market Account				11,435.55	450.13	100,000.00	-	111,885.68	59.04
WACHOVIA SEC.	Evergreen Money Mkt Fund				5,769.64	34,033.77	-	-	39,803.41	34.86
TOTAL CASH ACCOUNTS WITH BROKERS					28,943.50	34,515.51	100,000.00	-	163,459.01	125.51
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	263.36
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	263.36
WACHOVIA SEC.	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	40,713.77	-	1,062.88	7,072.20	34,704.45	571.77
	FHLMC 3040 CA REMIC MULTICLASS CMO	9/15/2019	5.000%	108,000.00	-	-	-	-	-	-
	FHLMC 3334 WW RETAIL LOTTERY	9/15/2036	6.250%	30,000.00	30,237.30	-	759.95	5,000.00	25,997.25	312.50
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	32,122.08	-	1,806.12	-	33,928.20	450.00
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	33,993.36	-	203.76	-	34,197.12	495.00
	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	45,682.21	-	2,291.73	-	47,973.94	612.51
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	144,406.50	-	7,759.50	-	152,166.00	2,250.00
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	13,774.69	-	516.97	385.99	13,905.67	188.96
	GNMA 06-27 WE REMIC MULTICLASS CMO	6/20/2036	6.000%	50,000.00	49,928.50	-	691.50	-	50,620.00	750.00
	FHLMC 3230 BB REMIC MULTICLASS CMO	4/15/2036	5.750%	50,000.00	47,407.50	-	2,639.50	-	50,047.00	718.74
	FHLMC 3264 UU REMIC MULTICLASS CMO	6/15/2036	5.750%	50,000.00	46,130.40	-	2,096.64	-	48,227.04	690.00
	FHLMC 3290 WA REMIC MULTICLASS CMO	4/15/2007	5.000%	58,000.00	46,519.90	-	787.59	8,040.72	39,266.77	636.83
	FHLMC 3357 AA REMIC MULTICLASS CMO	12/15/1936	6.000%	32,000.00	31,728.96	-	473.67	9,000.00	23,202.63	480.00
	NATIONAL CITY CD	6/15/2007	5.150%	30,000.00	-	-	-	-	-	-
	WORLD SAVINGS BK FSB CD	5/2/2008	5.200%	25,000.00	25,033.25	-	7.25	-	25,040.50	-
TOTAL WACHOVIA SEC.					587,678.42	-	21,097.06	29,498.91	579,276.57	8,156.31
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		291.78	-	(6.48)	123.55	161.75	5.58
	FEDL HOME LN MTG CORP FREDDIE NOTES B/E	12/15/2009	3.000%	120,000.00	118,602.00	-	1,401.60	-	120,003.60	900.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	99,813.00	-	187.00	100,000.00	-	822.22
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	129,756.90	-	283.40	-	130,040.30	1,299.99
	FHLMC #170217	3/1/2017	8.000%		4,353.19	-	141.04	267.54	4,226.69	83.68
TOTAL PIPER JAFFRAY					352,816.87	-	2,006.56	100,391.09	254,432.34	3,111.47
TOTAL INVESTMENTS					965,495.29	-	23,103.62	129,890.00	858,708.91	11,531.14
TOTAL ALL ACCOUNTS					994,438.79	34,515.51	123,103.62	129,890.00	1,022,167.92	11,656.65

PUEBLO CONSERVANCY DISTRICT

MARCH 2008 - APRIL 2008

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 2,224.27
First Clearing, LLC	Interest Payment	\$ 250.00
First Clearing, LLC	Interest Payment	\$ 226.56
UBS	Interest	\$ 917.62
Wells Fargo - Colotrust	Dividend	\$ 70.09
UBS	Interest	\$ 760.63
Wells Fargo - Colotrust	Dividend	\$ 65.07
		\$ 4,514.24

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	CODE
Aquila	Electrical Billing	\$ 117.27	3510	105
MBDG, PC	Bookkeeping	\$ 250.00	3511	90
Don Banner - B&B, PC	Attorney Fees	\$ 400.00	3512	80
		\$ 108.40	"	96
Kidd Engineering	Engineer/Admin Fees	\$ 500.00	3513	83
		\$ 4,086.00	"	100
Director Sandstrom	Fees	\$ 55.41	3514	81
Director Farley	Fees	\$ 55.41	3515	81
Director Haynes	Fees	\$ 55.41	3516	81
HARP Authority	2008 Added Maint Reimb	\$ 6,000.00	3517	112
	per 1-16-08 Board Action			
		\$ 11,627.90		