

MINUTES OF THE MARCH 18, 2009 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley, Barela

Also Present: Administrator Rick Kidd, Counselor Don Banner

Guests: None

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:03 am.

Minutes -- The Minutes of the February 18, 2009 Regular Meeting were reviewed. The Minutes were approved as posted.

Treasurer's Report:

The accountant's combined report for January and February was reviewed. Kidd reminded the Board that the January report was a draft because the 2008 end of year adjustments to the accrual accounting had not yet been made. 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

\$ 300.00	MBD&G, Accountant fees
\$ 400.00	Don Banner, Attorney fees
\$ 6.00	Don Banner, Filing Fee
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 16.80	Kidd Engineering, Postage
\$17,376.05	Kidd Engineering, Appraised Benefits balance thru certification to Treasure
\$ 55.41	Sandstrom, Director's Fee
\$ 8.40	Sandstrom, Postage
\$ 55.41	Farley, Director's Fee
\$ 55.41	Barela, Director's Fee
\$ 610.00	Special District Association, Membership Dues
\$10,500.00	Colorado Correctional Industries, River Clean Up

Kidd reported that his invoice included work for the benefits appraisal that was actually done in 2008. He held the invoice until 2009 for the benefit of the District and the amount budgeted in 2008.

Funding Assessments -- Kidd reported that the County Treasurer has forwarded \$10,878.19 from tax payments received in February.

Kidd reported that Dylan Beauvais had not yet had the opportunity to prepare an area wide tax appraisal table for the parcels within the boundary of the maintenance fund assessment area.

Lake Runyon -- Kidd reported that the counter-balance link on one of the flood control gates had broken. He met with Spaccamonti Excavating and they will be able to make the repairs.

March 18, 2009 Minutes, Page 2 of 2

April Meeting – Sandstrom requested that we bring our calendars so we can schedule a walk-through of the levee system.

There being no further business to come before the Board, the business meeting was adjourned at 8:38 am. The next regular meeting date is April 15, 2009.

APPROVED:



Gus Sandstrom, Director



Kathleen Farley, Director



Carla Barela, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF
REGULAR MEETING

DATE: MARCH 18, 2009 (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 18, 2009 MINUTES
3. TREASURER'S REPORT
 - a. PAYMENT OF BILLS
4. ASSESSMENT PAYMENTS
5. FEMA PRESENTATION – City Council Work Session
6. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
7. ADJOURNMENT

Future regular meetings scheduled at 8:00 am on:

April 15	May 20	June 17
July 15	August 19	September 16
October 21	November 18	December 16

MINUTES OF THE FEBRUARY 18, 2009 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley, Barela

Also Present: Administrator Rick Kidd, Counselor Don Banner

Guests: None

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:02 am.

Minutes -- The Minutes of the January 21, 2009 Regular Meeting were reviewed. Sandstrom requested a correction on page 2, paragraph 2. Change "get" to "have". Barela moved to approve the Minutes. The Minutes were approved as corrected.

Treasurer's Report:

The accountant's draft report for January was reviewed. Kidd pointed out that this was a draft report because the 2008 end of year must be adjustments to the accrual accounting had not yet been made. 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
\$ 400.00	Black Hills Energy, Electricity projection for 2 nd quarter
\$ 400.00	Don Banner, Attorney fees
\$ 6.00	Don Banner, Filing Fee
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 55.41	Barela, Director's Fee
\$ 312.12	United States Treasury, 2008 Form 944

Reimbursements -- Sandstrom requested approval for reimbursement of \$8.40 for stamps purchased. Approved.

Funding Assessments -- Sandstrom reviewed written complaints about assessments. Louie Carleo agreed to adjust seven of his properties to 20 percent of the combined total of regular taxes. Sandstrom said that David Gould and Barclay Clark agreed to a phase-in approach similar to the Koncilja's. Their assessment will be phased in to the full amount over a period of four years. Sandstrom discussed his approaches with Judge Maes. Sandstrom sent a letter to the County Treasurer with the adjusted assessment amounts. The other letters received were from State agencies or non-profits that believed they were exempt. Sandstrom has sent them letters explaining that this maintenance fund assessment is not a tax and that all entities receiving benefit of the Pueblo Conservancy District must pay their assessment.

Sandstrom said that the process we used to base assessments on the 1926 Appraisal of Benefits was a process allowed by the original Court order and we believed that it would be reasonably affordable by the affected parties. We have learned, however, that improvements on some of the parcels have actually decreased in value. As an example, there were buildings on some lots that are now parking lots. Conversely, however, there are now significant improvements on some lots that had a minimal benefit in 1926.

February 18, 2009 Minutes, Page 2 of 2

To try to make assessments more equitable across the board, Sandstrom proposed that we look at the current Assessor's appraisal of the various properties within the assessment area. Then we could see if we could pro-rate the \$300,000+ approved by Judge Maes to the various properties based upon their assessed valuation. This may provide a more uniform and equitable basis for the maintenance fund assessment. We will have to consider that some properties, e.g. utilities, City and County, do not have an assessor's tax valuation. It also appears that the 1926 appraisal may have had areas of decreasing benefit based upon distance from the River channel. Kidd and Sandstrom will work on this to see if this approach will provide a better means of applying PCI maintenance fund assessments. Banner suggested that the spreadsheet include columns indicating the current assessment, the revised assessment, and the change.

Kidd reported that the County Treasurer has forwarded \$9016.74 from tax payments to date. These receipts were from 58 parcels. The Treasurer takes a fee of 1.5 percent for the collection.

Kidd brought the tax statement for one of the Conservancy District parcels that had an assessment. Since this was not caught before the certification, the Treasurer needs a formal change to adjust the assessment amount to "\$0.00". Barela so moved. Motion passed.

Levee Repair -- Kidd has not heard anything more from the Corps of Engineers. March 15 is the end of the Winter Water Storage program so it is unlikely that anything will happen before fall. Gary Rutherford has been our contact with ACE and he has retired.

Levee Certification -- Sandstrom said that he had not yet received a response from John Salazar. Kidd said that he had not received any more information from FEMA or their engineers. Sandstrom said that Ralph Williams, HUB Insurance, is pursuing another avenue through the insurance administration. This is based upon Pueblo Dam having a flood pool and that impact on Pueblo being subject to flood insurance.

Sandstrom asked Kidd to check on the gates at Runyon. He said that some appear to be inoperable.

Latka Property -- Banner asked the status of this land sale. Joe Bower prepared the Quit Claim Deed and Latka's have paid us.

Chem-Way Contract -- Kidd presented Chem-Way's proposal for 2009 chemical weed control. The proposal is \$289 for sterilization of the concrete joints and \$214 per herbicide treatment through the summer. There will probably be two to three treatments over the summer. Barela moved to approve the agreement. Motion passed.

Banner said that the ribbon cutting for the new YMCA will be April 11th at 10:00 am. Everyone is invited to attend.

There being no further business to come before the Board, the business meeting was adjourned at 9:08 am. The next regular meeting date is March 18, 2009.

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Carla Barela, Director



503 N Main, Suite 740
Pueblo, CO 81003
Phone (719) 543-0516
Fax (719) 544-2849

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, 2009 and December 31, 2008, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the two months ended February 28, 2009, and the twelve months ended December 31, 2008, 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 16, 2009

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
FEBRUARY 28, 2009 AND DECEMBER 31, 2008

	<u>2/28/2009</u>	<u>12/31/2008</u>
ASSETS		
VECTRA BANK CHECKING	\$ 30,438	\$ 21,940
VECTRA BANK MONEY MARKET	11,824	11,814
BROKERAGE MONEY MARKET ACCOUNTS	101,707	316,951
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	446,429	467,805
UBS INVESTMENT	355,175	133,680
ACCRUED INTEREST	<u>-</u>	<u>1,794</u>
 TOTAL ASSETS	 <u>\$ 970,573</u>	 <u>\$ 978,984</u>
 LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 822
PAYROLL TAXES PAYABLE	28	312
DEFERRED INCOME	<u>625</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>652</u>	 <u>2,176</u>
 RESERVE FOR EMERGENCIES	 6,000	 6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	156,376	156,376
UNDESIGNATED	<u>807,544</u>	<u>814,432</u>
 TOTAL FUND EQUITY	 <u>969,920</u>	 <u>976,808</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 970,573</u>	 <u>\$ 978,984</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE TWO MONTHS ENDED FEBRUARY 28, 2009
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2008

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2009 BUDGET	UNUSED BUDGET	2008 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 15	\$ 15	\$ -	\$ -	\$ 645
MONEY MARKET ACCOUNTS	15	71	-	-	1,571
WACHOVIA SECURITIES	2,166	3,130	-	-	30,167
UBS INVESTMENT	91	(965)	-	-	9,026
UNREALIZED GAINS (LOSSES)	3,132	(16,038)	-	-	29,740
TOTAL INTEREST INCOME	5,418	(13,787)	47,117	60,904	71,149
LEASE PAYMENTS	208	417	2,500	2,083	2,700
OTHER INCOME	11,192	11,192	-	(11,192)	4,500
COST OF SALES	-	-	-	-	-
TOTAL REVENUES	\$ 16,818	\$ (2,179)	\$ 49,617	\$ 51,796	\$ 78,349
EXPENDITURES					
80 LEGAL FEES	\$ 400	\$ 800	\$ 4,800	\$ 4,000	\$ 4,700
81 DIRECTORS FEES	180	360	2,160	1,800	2,040
82 FICA TAXES	-	-	166	166	156
83 ENGINEER/ADMINISTRATIVE	500	500	6,000	5,500	6,000
90 AUDIT & BOOKKEEPING	250	250	3,000	2,750	3,000
92 INSURANCE/BONDS	-	2,036	2,506	471	2,506
96 OFFICE EXPENSE	6	18	375	357	543
97 OFFICE RENT	-	-	680	680	680
100 PROFESSIONAL FEES	-	-	30,000	30,000	31,401
APPRAISAL	-	-	-	-	-
103 TRAVEL	-	-	-	-	-
105 REPAIRS & MAINTENANCE	400	745	11,500	10,755	12,018
PIPING REPAIRS	-	-	-	-	-
108 CONTINGENCIES	-	-	-	-	-
109 EMERGENCY REPAIR	-	-	-	-	-
110 CAPITAL IMPROVEMENTS	-	-	-	-	-
111 PLANNING & DEVELOPMENT	-	-	-	-	-
112 HARP - O & M / HARP - IGA CNTRB	-	-	78,000	78,000	78,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	1,736	4,709	139,187	134,479	141,044
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 15,082	\$ (6,887)	\$ (89,570)	\$ (82,683)	\$ (62,695)

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
2/28/2009

3/16/2009 5:38 PM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2008</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 1/31/2009</u>	<u>INTEREST RECEIVED 1/31/2009</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,814.22	9.49	-	-	11,823.71	9.49
UBS INVESTMENT	Money Market Account				233,702.26	131,022.15	-	361,036.94	3,687.47	54.02
WACHOVIA SEC.	Evergreen Money Mkt Fund				83,248.06	14,771.16	-	-	98,019.22	7.91
TOTAL CASH ACCOUNTS WITH BROKERS					328,764.54	145,802.80	-	361,036.94	113,530.40	71.42
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	39.90
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	39.90
WACHOVIA SEC.	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	24,176.23	-	142.61	-	24,318.84	221.56
	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	19,803.70	-	(199.18)	2,000.00	17,604.52	197.92
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	33,864.48	-	(1,240.20)	-	32,624.28	300.00
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	35,585.28	-	222.48	-	35,807.76	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	47,414.36	-	(569.87)	-	46,844.49	411.34
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	155,440.50	-	(4,915.50)	-	150,525.00	1,500.00
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	12,565.63	-	(200.70)	-	12,364.93	107.90
	GNMA 06-27 WE REMIC MULTICLASS CMO	6/20/2036	6.000%	50,000.00	-	-	-	-	-	-
	FHLMC 3230 BB REMIC MULTICLASS CMO	4/15/2036	5.750%	50,000.00	51,796.50	-	(738.50)	-	51,058.00	479.16
	FHLMC 3264 UU REMIC MULTICLASS CMO	6/15/2036	5.750%	50,000.00	49,468.80	-	(969.60)	-	48,499.20	460.00
	FHLMC 3290 WA REMIC MULTICLASS CMO	4/15/2007	5.000%	58,000.00	25,356.87	-	(28.37)	4,588.25	20,740.25	223.79
	FHLMC 3357 AA REMIC MULTICLASS CMO	12/15/1936	6.000%	32,000.00	12,333.00	-	(291.54)	6,000.00	6,041.46	115.00
	NATIONAL CITY CD	6/15/2007	5.150%	30,000.00	-	-	-	-	-	-
	WORLD SAVINGS BK FSB CD	5/2/2008	5.200%	25,000.00	-	-	-	-	-	-
TOTAL WACHOVIA SEC.					467,805.35	-	(8,788.37)	12,588.25	446,428.73	4,346.67
UBS INVESTMENT	GNMA POOL #676875X	3/15/2023	6.500%	235,000.00	-	228,761.41	(5,484.36)	814.94	222,462.11	(958.31)
	GNMA POOL #003851M	5/20/1936	3.852%	165,000.00	-	130,951.71	(1,658.51)	-	129,293.20	(365.49)
	FEDL HOME LN MTG CORP FREDDIE NOTES B/E	12/15/2009	3.000%	120,000.00	-	-	-	-	-	-
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	-	-	-	-	-	-
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	130,081.90	-	(81.90)	130,000.00	-	866.66
	FHLMC #170217	3/1/2017	8.000%	-	3,598.05	-	(24.99)	153.19	3,419.87	46.94
TOTAL UBS INVESTMENT					133,679.95	359,713.12	(7,249.76)	130,968.13	355,175.18	(410.20)
TOTAL INVESTMENTS					626,485.30	359,713.12	(16,038.13)	143,556.38	826,603.91	3,976.37
TOTAL ALL ACCOUNTS					955,249.84	505,515.92	(16,038.13)	504,593.32	940,134.31	4,047.79

FEBRUARY 2009 - MARCH 2009

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 2,001.29
First Clearing, LLC	Interest Payment	\$ 164.73
First Clearing, LLC	Interest Payment	
UBS	Interest	\$ 1,331.60
Wells Fargo - Colotrust	Dividend	\$ 12.26
Pueblo County	Maintenance Assessments	\$ 10,878.19
		\$ 14,388.07

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	CODE
Aquila	Electrical Billing	Prepaid		105
MBDG, PC	Bookkeeping	\$ 300.00	3601	90
Don Banner - B&B, PC	Attorney Fees	\$ 400.00	3602	80
Kidd Engineering	Engineer/Admin Fees	\$ 500.00	3604	83
	Postage	\$ 16.80	"	96
	Appraised Benefits balance thru certification to Treasurer	\$ 17,376.05	"	100
Director Sandstrom	Fees	\$ 55.41	3605	81
" "	Postage	\$ 8.40	"	96
Director Farley	Fees	\$ 55.41	3606	81
Director Barela	Fees	\$ 55.41	3607	81
Special District Assoc.	Membership Dues	\$ 610.00	3608	92
Colorado Correctional Industries	River Clean Up	\$ 10,500.00	3609	105
		\$ 29,877.48		

KIDD ENGINEERING AND CONSTRUCTION
MANAGEMENT SERVICES, INC.
44811 EAST US HWY 50
AVONDALE, CO 81022
719-544-5239

Invoice

Date	Invoice #
3/17/2009	2460

Bill To

Pueblo Conservancy District
P.O. Box 234
Pueblo, CO 81003

P.O. No.	Terms	Project
	Due on receipt	

Description	Qty	Rate	Amount
FEBRUARY ENGINEER / ADMINISTRATOR FEES	1	500.00	500.00
Subtotal			500.00
PCD APPRAISED BENEFITS - Work thru certification to Treasurer (Last invoice was 9-17-08)			
Engineering Technician	132	57.00	7,524.00
Engineering Oversight, Meetings, Pro-rate Calcs, Spreadsheet groupings and sorts, etc.	92	105.00	9,660.00
Document Printing/Duplicating and Plats from Court House	1	97.05	97.05
950 Letters for Treasurer Inclusion	950	0.10	95.00
Subtotal			17,376.05
Stamps	2	8.40	16.80
Subtotal			16.80
Total			\$17,892.85
Payments/Credits			\$0.00
Balance Due			\$17,892.85