

MINUTES OF THE JUNE 16, 2010 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley, Barela

Also Present: Administrator Rick Kidd, Councilor 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 May 19, 2010 Regular Meeting were reviewed. Farley moved to approve the minutes as posted. Motion passed.

Treasurer's Report:

The May 2010 accountant's reports were reviewed. Farley moved to receive and file the accountant's reports and to 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
\$ 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
\$ 1099.00	Chem-Way Lawn Care, Weed Spraying and Levee Sterilant

HARP -- Sandstrom reported that the Veteran's Bridge project is moving along. The Boats, Bands and Barbeque event came off really well. They are looking at changing weeks due to conflicts with a barbeque contest in Iowa and the Blue Grass Festival, at the Nature Center. Canon City has had the week after HARP and is willing to trade weeks. The Pueblo City Manager's budget submittal maintains flat funding for HARP.

Chairman Compensation -- Gus Sandstrom is currently going to four meetings per month that are directly related to the District, plus others for HARP with District relationships. Farley moved that Sandstrom's monthly Director fee be increased to \$100 per month plus expenses. Barela seconded the motion. Motion passed.

Runyon Lake -- Sandstrom has talked to the Division of Wildlife and the City regarding maintenance noted on our May 19 walk. The City will look into replacing the bridge over the outfall. Sandstrom has also met with the City and County regarding repaving of the roadway in to Lake Runyon.

11th Street Bridge -- The City is moving forward with the design. They chose URS Corporation for the design engineer. Sandstrom and Kidd attended a project kick-off meeting. URS is to work with the District on intersections and tie-ins with the Wildhorse Levee.

June 16, 2010 Minutes, Page 2 of 2

Assessment Fund – Kidd reported that he is still working to resolve about 60 properties. Kidd reported that the private property assessed values in the appraisal area are in the range of \$94 to \$100 million. The District's Maintenance Fund Assessment would be less than 1/10 percent of private property assessed value if the City contributes \$150,000 and the County \$32,000, in addition to the \$57,000 being received from the railroads and \$16,000 from utilities.

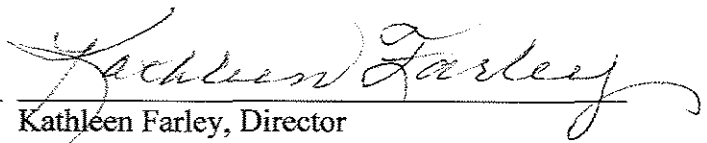
Arkansas Levee Repairs – Kidd has not heard anything more from the Corps of Engineers.

There being no further business to come before the Board, the business meeting was adjourned at 8:43 am. The next regular meeting date is July 21, 2010.

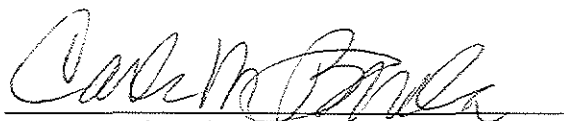
APPROVED:



Gus Sandstrom, Director



Kathleen Farley, Director



Carla Barela, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF
REGULAR MEETING

DATE: JUNE 16, 2010 (WEDNESDAY) AT 8:00 A.M.

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

AGENDA

1. ROLL CALL
2. APPROVAL OF THE MAY 19, 2010 MINUTES
3. TREASURER'S REPORT
 - a. PAYMENT OF BILLS
4. HARP UPDATE
5. ASSESSMENT FUND UPDATE
6. 11TH STREET BRIDGE
7. ADDITIONAL MEETINGS COMPENSATION
8. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD

Future regular meetings are scheduled at 8:00 am on:

July 21
August 18

September 15
October 20
November 17
December 15

MINUTES OF THE MAY 19, 2010
REGULAR MEETING OF THE PUEBLO CONSERVANCY
DISTRICT

Directors Present: Sandstrom, Barela

Also Present: Administrator Rick Kidd, Councilor Don Banner

Guests: None

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:36 am.

Minutes -- The Minutes of the April 21, 2010 Regular Meeting were reviewed. Barela moved to approve the minutes as posted. Motion passed.

Treasurer's Report:

The April 2010 accountant's reports were reviewed. Barela moved to receive and file the accountant's reports and to 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
\$ 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

Re-Investments -- Sandstrom reported that Wells Fargo Advisors has \$40,000 of returned investment on account and is recommending buying a new \$50,000 bond with an anticipated return of approximately 5% interest. Barela moved to authorize adding \$10,000 from the checking account to the \$40,000 that Wells Fargo has on account and purchase the recommended bond. Motion passed.

HARP -- Sandstrom reported that HARP would like to install electric power along the area from Grand to Gateway Plaza. The purpose is to provide power supply points for special events, channel cleaning, and to a potential circulation pump system. The total estimated project cost is \$50,000. Sandstrom asked if the District would be support this project with a \$20,000 capital construction contribution. He said that he believes that the City and HARP could contribute the other \$30,000. Barela so moved. Motion passed.

The meeting was adjourned, at 8:55, to meet at Lake Runyon for an annual maintenance inspection walk.

The meeting re-convened at the Lake Runyon Parking Lot. The Board walked the area from the parking lot west, around the lakes, and back to the parking lot. Sandstrom made notes of some recommended work to have done. The more significant were to request the City to replace the planks on the pedestrian bridge over the outlet and to remove outdated signage. Site cleanliness was above what was anticipated on the grounds. It was noted that some areas had considerable trash collection at the water's edge.

RECORD OF PROCEEDINGS

May 19, 2010 Minutes, Page 2 of 2

The Board decided to wait until the trail under the 4th Street Bridge was reopened and then they will conduct a walk of the reach from Lake Runyon upstream.

There being no further business to come before the Board, the business meeting was adjourned at approximately 11:00 am. The next regular meeting date is June 16, 2010.

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Carla Barela, Director



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

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 May 31, 2010 and December 31, 2009, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the five months ended May 31, 2010, and the twelve months ended December 31, 2009, 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

June 9, 2010

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
MAY 31, 2010 AND DECEMBER 31, 2009

	<u>5/31/2010</u>	<u>12/31/2009</u>
ASSETS		
VECTRA BANK CHECKING	\$ 126,394	\$ 107,526
VECTRA BANK MONEY MARKET	11,883	11,870
BROKERAGE MONEY MARKET ACCOUNTS	35,825	29,775
COLOTRUST INVESTMENT	25,000	25,000
WELLS FARGO INVESTMENT	553,274	521,407
STIFEL NICOLAUS INVESTMENT	331,794	351,076
ACCRUED INTEREST	<u>-</u>	<u>5,890</u>
 TOTAL ASSETS	 <u>\$ 1,084,170</u>	 <u>\$ 1,052,544</u>
 LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 800
PAYROLL TAXES PAYABLE	83	330
DEFERRED INCOME	<u>-</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>83</u>	 <u>2,172</u>
 RESERVE FOR EMERGENCIES	 6,000	 6,000
DESIGNATED FOR SUBSEQUENT		
YEAR'S EXPENDITURES	-	156,376
UNDESIGNATED	<u>1,078,087</u>	<u>887,996</u>
 TOTAL FUND EQUITY	 <u>1,084,087</u>	 <u>1,050,372</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,084,170</u>	 <u>\$ 1,052,544</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE ONE MONTH ENDED MAY 31, 2010
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2009

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2010 BUDGET	UNUSED BUDGET	2009 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 1	\$ 13	\$ -	\$ -	\$ 106
MONEY MARKET ACCOUNTS	4	23	-	-	141
WELLS FARGO	1,826	8,989	-	-	26,570
STIFEL NICOLAUS	1,601	5,767	-	-	5,660
UNREALIZED GAINS (LOSSES)	5,467	9,425	-	-	(17,630)
TOTAL INTEREST INCOME	8,899	24,217	49,800	25,583	14,847
MAINTENANCE FUND ASSESSMENT	80,328	103,620	330,000	226,380	179,620
LEASE PAYMENTS	208	1,042	2,500	1,458	2,600
OTHER INCOME	-	-	-	-	2,175
TOTAL REVENUES	\$ 89,435	\$ 128,879	\$ 382,300	\$ 253,421	\$ 199,242
EXPENDITURES					
80 LEGAL FEES	\$ 400	\$ 2,000	\$ 4,800	\$ 2,800	\$ 4,800
81 DIRECTORS FEES	180	1,080	3,000	1,920	2,160
82 FICA TAXES	-	-	166	166	165
83 ENGINEER/ADMINISTRATIVE	500	2,000	6,000	4,000	6,000
90 AUDIT & BOOKKEEPING	300	1,200	3,600	2,400	3,600
92 INSURANCE/BONDS	-	817	3,000	2,183	4,541
96 OFFICE EXPENSE	1	16	500	484	330
97 OFFICE RENT	-	940	750	(190)	720
100 PROFESSIONAL FEES	-	6,241	30,000	23,759	18,270
APPRAISAL	-	-	-	-	-
103 TRAVEL	-	-	3,500	3,500	-
105 REPAIRS & MAINTENANCE	-	870	140,000	139,130	31,525
PIPING REPAIRS	-	-	-	-	-
108 CONTINGENCIES	-	-	500	500	-
109 EMERGENCY REPAIR	-	-	20,000	20,000	-
110 CAPITAL IMPROVEMENTS	20,000	20,000	25,000	5,000	-
111 PLANNING & DEVELOPMENT	-	-	5,000	5,000	-
112 HARP - O & M / HARP - IGA CNTRB	-	60,000	60,000	-	65,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	21,381	95,164	305,816	210,652	137,111
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 68,054	\$ 33,715	\$ 76,484	\$ 42,769	\$ 62,131

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
5/31/2010

6/9/2010 1:17 PM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2009</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 12/31/2010</u>	<u>INTEREST RECEIVED 12/31/2010</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,870.02	13.09	-	-	11,883.11	13.09
STIFEL NICOLAUS	Money Market Account				13,014.16	19,963.45	-	-	32,977.61	3.86
WELLS FARGO	Cash Sweep Account				16,760.81	273,461.97	-	287,375.56	2,847.22	1.08
TOTAL CASH ACCOUNTS WITH BROKERS					41,644.99	293,438.51	-	287,375.56	47,707.94	18.03
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	23.54
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	23.54
WELLS FARGO	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	24,161.73	-	7.73	-	24,169.46	553.90
	GNMA 09-73 CD REMIC MULTICLASS CMO	9/16/1938	5.000%	45,000.00	41,807.68	-	(86.40)	9,925.62	31,795.66	986.04
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	35,321.76	-	450.00	-	35,771.76	900.00
	FHLMC 2640 LL RETAIL LOTTERY	7/15/1933	5.000%	70,000.00	-	70,530.00	179.10	-	70,709.10	670.84
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	35,943.12	-	56.88	33,000.00	3,000.00	756.25
	FHLMC 3004 GG RETAIL LOTTERY	7/15/2034	5.000%	80,000.00	28,003.92	-	(11.17)	23,000.00	4,992.75	512.50
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	150,355.50	-	(355.49)	150,000.01	-	2,374.97
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	7,419.01	-	(3.07)	1,317.15	6,098.79	150.66
	FNMA 06-107 PD REMIC MULTICLASS CMO	6/25/1935	5.000%	78,000.00	78,207.48	-	3,272.88	-	81,480.36	1,625.00
	FHLMC 3264 UU REMIC MULTICLASS CMO	6/15/2036	5.750%	50,000.00	27,178.74	-	(170.10)	19,000.00	8,008.64	603.74
	GNMA 08-7 PN REMIC MULTICLASS CMO	1/20/2037	4.250%	60,000.00	-	45,782.56	809.28	2,133.93	44,457.91	63.12
	FHLMC 3393 BY REMIC MULTICLASS CPN	5/20/2009	5.500%	94,000.00	93,008.30	-	4,903.98	-	97,912.28	2,584.98
	FHLMC 3626 UA REMIC MULTICLASS CMO	9/15/2039	5.000%	50,000.00	-	49,870.01	(206.30)	1,084.18	48,579.53	284.20
	FHLMC 3622 CC RETAIL LOTTERY	12/15/1939	5.000%	70,000.00	-	70,267.50	342.92	24,000.00	46,610.42	508.34
	GNMA 10-62 LA RMIC MULTICLASS CMO	1/20/1940	4.500%	50,000.00	-	50,130.00	(442.50)	-	49,687.50	(168.75)
TOTAL WELLS FARGO					521,407.24	286,580.07	8,747.74	263,460.89	553,274.16	12,574.54
STIFEL NICOLAUS	FEDL HOME LN MTG CORP #170217	3/1/2017	8.000%	1,120,000.00	2,953.04	-	(15.31)	217.10	2,720.63	88.61
	GNMA POOL #676875	3/15/2023	6.500%	235,000.00	195,138.73	-	528.68	3,118.30	192,549.11	4,892.09
	GNMA POOL #003851	5/20/2036	5.500%	165,000.00	97,429.91	-	640.75	10,963.70	87,106.96	2,041.64
	GNMA REMIC SER 2009-79	2/20/2039	5.500%	56,000.00	55,554.34	-	(476.39)	5,660.49	49,417.46	1,212.56
TOTAL STIFEL NICOLAUS INVESTMENT					351,076.02	-	677.73	19,959.59	331,794.16	8,234.90
TOTAL INVESTMENTS					897,483.26	286,580.07	9,425.47	283,420.48	910,068.32	20,832.98
TOTAL ALL ACCOUNTS					939,128.25	580,018.58	9,425.47	570,796.04	957,776.26	20,851.01

PUEBLO CONSERVANCY DISTRICT

MAY 2010 - JUNE 2010

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 1,530.20
First Clearing, LLC	Interest Payment	\$ 462.14
First Clearing, LLC	Interest Payment	\$ 154.21
Stifel Nicolaus	Interest	\$ 1,580.92
State of Colorado	Runyon Lease	\$ 2,500.00
		\$ 6,227.47

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	CODE
Aquila	Electrical Billing	Pre-paid		105
MBDG, PC	Bookkeeping	\$ 300.00	3722	90
Don Banner - B&B, PC	Attorney Fees	\$ 400.00	3723	80
Kidd Engineering	Engineer/Admin Fees	\$ 500.00	3724	83
Director Sandstrom	Fees	\$ 55.41	3725	81
Director Farley	Fees	\$ 55.41	3726	81
Director Barela	Fees	\$ 55.41	3727	81
Chem-Way Lawn Care	Weed Spraying and Levee Sterilant	\$ 1,099.00	3728	105
		\$ 2,465.23		