

RECORD OF PROCEEDINGS

O'Brien Prg. & Stat. 85836

MINUTES OF BOARD OF DIRECTORS MEETING OF THE PUEBLO CONSERVANCY DISTRICT JUNE 27, 1977

The Directors met at 4:00 P.M. on the above date at the office of the District.
1104 N. Main Street, Pueblo, Colorado

DIRECTORS PRESENT - Ralph W. Adkins, Kathleen M. Farley and Patricia D. Kelley

ENGINEER PRESENT - S. F. Elliot

ATTORNEY PRESENT - Lester Ward

Mr. Adkins opened the meeting as acting president.

It was noted that Mr. Snapp's term of office had expired on June 5, 1977, at which time Judge Phelps did not reappoint him, but in his stead, appointed Kathleen M. Farley. Attached to, and made a part of these minutes is a copy of the order of appointment of Mrs. Farley.

Mrs. Farley also presented an invoice showing proof of securing the required Director's Bond.

Mr. Adkins welcomed Mrs. Farley as a member.

A letter from James M. Martin, resigning as President and Director, and attached hereto as a part of these minutes, was then read.

Appointed in his stead by Judge Phelps was Patricia D. Kelley. Attached to, and made a part of these minutes is a copy of the order of appointment of Mrs. Kelley.

Mrs. Kelley stated that she had not had an opportunity to secure a Director's Bond. Thereupon Mr. Ward contacted Judge Phelps, who in turn stated it would be in order to seat Mrs. Kelley as a Director.

Mrs. Kelley stated that there was a possibility of the District saving some costs if both her bond and Mrs. Farley's bond could be consolidated into a single billing.

(see 7/19 minutes for addition)

Mr. Adkins welcomed Mrs. Kelley as a member.

The Directors then acted to name a President and Secretary-Treasurer.

By unanimous consent, Mrs. Kelley was named President and Mr. Adkins named Secretary-Treasurer.

Mrs. Kelley then presided over the remainder of the meeting.

The minutes of the meeting of May 25, 1977 were read and approved.

The cash balance is now \$68,051.46 after ^{payment} ~~approval~~ /see 7/19 minutes for correction of the following vouchers:

16255	S. F. Elliot	\$220.00
16256	Midtown National Bank	300,000.00
16257	S. F. Elliot	2.00
16258	State Compensation Ins. Fund	1.00
16259	Ray's Rubber Stamps	2.65
16260	Anthony E. Gradishar Const. Co.	4,727.93
16261	KLH Engineering Consultants, Inc.	75.00
16262	Ralph W. Adkins	75.00
16263	Kathleen M. Farley	75.00
16264	S. F. Elliot	75.00
16265	Predovich & Ward Atty's	150.00
16266	Rose M. Hutchison	70.56

It was ordered to send Mr. Martin a letter, accepting his resignation with regret, and to make note of his long time service to the District, and his dedication to the responsibilities of the position.

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Mrs. Farley declined to accept the usual \$75.00 Director's Fee. (see 7/19 minutes for Mr. Ward correction) stated that in his conversations with Judge Phelps, the Judge was not adverse to the Director's fee. However, Mr. Ward stated that he would again meet with the Judge concerning the matter of the Director's fees.

The Directors authorized new signature cards be signed by the President and Secretary-Treasurer for the First National Bank checking account and safe deposit box, and at Railway Division of Midland Federal Savings & Loan Assoc. for the Certificate of Deposit now invested there. Past practice of signing of checks and vouchers, etc. with a single signature would be continued.

Mr. Ward gave a detailed history of the District, legal aspects appertaining thereto, and the most recent events leading up to the present appointments of Directors.

The Directors approved the tabulation of bids as submitted for the investment of District funds in the amount of \$300,000, taken on June 13, 1977, and the award of bid to Midtown National Bank, for a term of 180 days, simple interest at 6.01%, CD No. 392. The tabulation was ordered attached to and made a part of these minutes. The CD which matured on the above date, Midtown National Bank, with a face value of \$355,000. had accrued interest of \$11,900.38.

The Directors authorized the President to execute the contract with Chem-Way, Inc. for the control of the deciduous phreatophytes in the River Channel.

Mrs. Farley requested that Chem-Way discuss with the proper authorities the protection of wild life during the control program.

Mr. Elliot reported that the filling of the expansion joints on the face of the levee had proceeded from down-stream to a point on the levee about opposite with the west end of Union Depot, leaving about 7,500 feet of levee's vertical joints to be completed.

Mr. Elliot reported that the cancellation of the District's outstanding tax certificates was proceeding at the Treasurer's Office, but that the work was slow and tedious.

The Directors approved the amended budget for the year ending December 31, 1977, as prepared by Mr. Peter Dell, CPA, order the same forwarded to the proper State Agency, and a copy of same attached to and made a part of these minutes. Mr. Elliot was instructed to notify Mr. Banner of this action.

The Directors instructed that prior to a meeting, that they be furnished with a copy of the previous minutes, and further, that a printed agenda accompany the minutes.

Mr. Elliot requested that the Directors advise him no later than the next meeting of the Directors, of their intention of either retaining his services and continuing the provisions of lease for office space, or of their decision to dispense with his services and terminating the lease. It was his opinion, based on the entire change in the Directorship that Judge Phelps was dissatisfied with the operation of the District and certainly that must apply to his status as a consultant.

There being no further business to come before the Board, the meeting adjourned at 6:00 P.M. The next meeting was set for 4:00 P.M., July 19, 1977.

READ AND APPROVED

Ralph W. Adkins, Secretary

THE PUEBLO CONSERVANCY DISTRICT

BOARD OF DIRECTORS
ROBERT W. TAYLOR
PRESIDENT
JAMES M. MARTIN
SEC'Y & TREAS.
OTTO W. SNAPP, JR

1104 N. MAIN STREET
544-1083
PUEBLO, COLORADO

MAILING ADDRESS:
P. O. BOX 369
PUEBLO, COLO. 81002

13 June 1977

The following is a tabulation of bids submitted on this date, for the investment of District's funds, in the amount of \$300,000., for a term of 180 days:

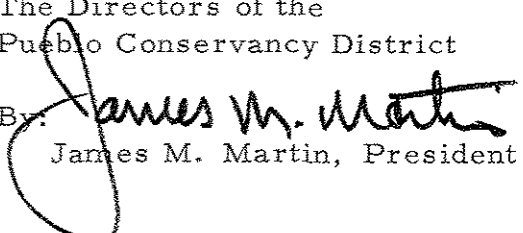
Bidder	Am't.	Int., %	Compounded
* Midtown National Bank	\$300,000.	6.01	No
Railway Div., Midland Fed.	\$300,000.	6.00	Simple
Otero Savings & Loan Assoc.	\$300,000.	5.75	Daily (5.92%)
Majestic Savings & Loan Asso.	\$100,000.	5.75	Daily (5.92%)
Western Federal Savings & L.	\$100,000.	5.75	Daily
American Federal S & L.	\$100,000.	5.76	Simple
Columbia Savings & Loan Asso.	\$300,000.	5.50	Quarterly (5.61%)
Pueblo Bank & Trust Co.	\$300,000.	5.16	Quarterly
Centennial Bank	\$300,000.	4.76	Quarterly
First National Bank	\$300,000.	4.75	No
Minnequa Bank of Pueblo	\$300,000.	5.00	--

*Successful Bidder

The Directors wish to thank each of the above bidders for their interest in the submission of a bid, and hope you will again favor the District in the future.

The Directors of the
Pueblo Conservancy District

By:


James M. Martin, President

JMM:sfe;s

THE PUEBLO CONSERVANCY DISTRICT
FORECAST OF CASH RECEIPTS AND DISBURSEMENTS
(OPERATING BUDGET)

	YEAR ENDED 12-31-76		YEAR ENDED 12-31-77
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<u>CASH OPERATING INCOME:</u>			
Interest earned	\$ 72,713	\$ 70,000	\$ 73,000
General rental and leases	200	200	200
Redemption certificates	25	30	-0-
Total Income	<u>72,938</u>	<u>70,230</u>	<u>73,200</u>
 <u>EXPENSES:</u>			
Directors fees	2,700	2,700	2,700
Attorneys fees	1,800	1,800	1,800
Engineer fees	900	900	900
Salaries:			
President	1,800	1,800	1,800
Secretary-treasurer	1,500	1,500	1,500
Bookkeeper-stenographer	1,320	1,320	1,320
Social security taxes	270	500	500
Professional fees	855	1,000	2,000
Audit fees	200	500	750
Office rent	2,640	2,640	2,640
Office supplies, storage and miscellaneous	233	700	700
Insurance and bond premiums	557	500	500
Repairs, maintenance of flood protection works	4,767	15,000	20,000
Contingencies, unforeseen	-0-	-0-	1,500
Reserves for emergency flood repairs	-0-	-0-	34,590
Total Expense	<u>19,542</u>	<u>30,860</u>	<u>73,200</u>
 EXCESS INCOME OVER EXPENSE*	<u>\$ 53,396</u>	<u>\$ 39,370</u>	<u>\$ -0-</u>

*Statement of changes in financial position attached.

PETER DELL, INC.

THE PUEBLO CONSERVANCY DISTRICT
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 1976

INCREASE IN CASH RESULTED FROM:

Excess of income over expenses	\$ 53,396
Decrease in prepaid expense	172
Decrease in accrued interest	<u>4,434</u>

INCREASE IN CASH \$ 58,002

	<u>December 31</u> <u>1976</u>	<u>December 31</u> <u>1975</u>	<u>Increase</u> <u>(Decrease)</u>
CASH FUNDS:			
First National Bank-operating	\$ 21,178	\$ 3,139	\$ 18,039
Certificates of deposit:			
First National Bank	-0-	857,831	(857,831)
Pueblo Bank and Trust	-0-	154,731	(154,731)
Minnequa Bank	-0-	202,475	(202,475)
Railway Division, Midland			
Federal Savings	900,000	-0-	900,000
Midtown National Bank	<u>355,000</u>	<u>-0-</u>	<u>355,000</u>
TOTALS	<u>\$ 1,276,178</u>	<u>\$ 1,218,176</u>	<u>\$ 58,002</u>

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The Social Security Administration has raised the question of the District being required to deduct withholding payments from the salary of the District directors. Attorney Banner has delivered to the Social Security Administration his opinion that the Directors are not subject to such requirement.

The District is the owner of Lots 29-32, incl. of Block 23 of A.D. Chamberlain and Wiley Subdivision, 2nd Filing. Taxes on these lots have not been paid for a number of years. Taxes, penalties and interest now amount to \$769.10.

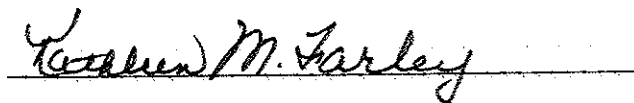
The Directors determined the lots were of no value to the District, were not worth redeeming and unanimously agreed to let them go tax title.

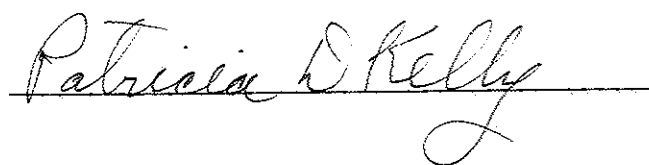
Engineer S. F. Elliot reported that filling of the concrete expansion joints had progressed 3,000 feet from the Main Street Bridge. After May 30, this same work will be carried on, working upstream from the Main Street bridge.

There being no further business to come before the Board, the meeting adjourned at 5:10 P.M.


Ralph W. Adkins, Secretary

READ AND APPROVED





Filed in the office of the Clerk
of the District Court of
Pueblo County, Colo.

IN THE DISTRICT COURT IN AND FOR
THE COUNTY OF PUEBLO AND
STATE OF COLORADO
NO. 17664 DIV. B

JUN 27 1977

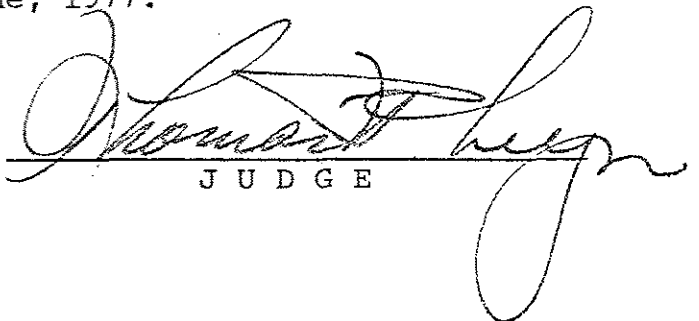
ISABEL MARTINEZ
CLERK

IN THE MATTER OF THE)
) ORDER OF APPOINTMENT
PUEBLO CONSERVANCY DISTRICT)

On this day it appearing to the Court that James M. Martin, Director of the Pueblo Conservancy District, under appointment expiring March 19, 1978, has resigned, and that it is necessary to appoint a replacement, and the Court being fully advised in the premises, it is hereby

ORDERED THAT PATRICIA D. KELLY, a resident of Pueblo County and owner of real estate in the captioned District, be and she is hereby appointed as Director of the Pueblo Conservancy District to complete the statutory term of James M. Martin expiring March 19, 1978.

Done this 27th day of June, 1977.


J U D G E

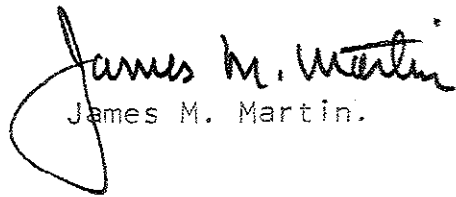
June 20, 1977

Pueblo Conservancy District
1104 N. Main Street
Pueblo, Colo. 81003

Gentlemen:

Please accept my resignation as President
and Director of the District.

Very Truly Yours,

A handwritten signature in cursive script that reads "James M. Martin". The signature is written in dark ink and is positioned above the printed name.

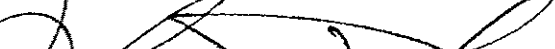
James M. Martin.

IN THE MATTER OF THE)
)
PUEBLO CONSERVANCY DISTRICT)

This matter coming on before the Court for the appointment of a director, the term of Otto W. Snapp, Jr., expiring on June 5, 1977, the Court does hereby appoint Kathleen M. Farley, a resident of Pueblo County and an owner of real property in the captioned district, as director of the Pueblo Conservancy District for a statutory term of five years beginning June 5, 1977.

Dated this 3RD day of June, 1977.

BY THE COURT:


 JUDGE

cc: Donald J. Banner (2)
Kathleen M. Farley.