

RECORD OF PROCEEDINGS

100 LEAVES

MINUTES OF BOARD OF DIRECTORS MEETING OF THE PUEBLO CONSERVANCY DISTRICT SEPTEMBER 28, 1978

The meeting of the Board of Directors was called to order by the President, Pat Kelly at 10:10 A.M. on the above date, in the Conference Room at the District's Office, 111 E. 5th Street, Pueblo, CO.

DIRECTORS PRESENT: P. Kelly, K. Farley and G. Sandstrom
ENGINEER PRESENT : R. Koester
ATTORNEY PRESENT : L. Ward
GUEST PRESENT : R. Bryan

It was moved and carried that the minutes of the August 25, 1978, meeting be approved as written.

The Treasurer's report was made from the written report mailed to the Directors.

It was moved and unanimously approved to accept the following resolution:

RESOLVED, that the sum of 388.00 shall be transferred from the contingency fund to the insurance fund to cover the payments for the amounts of insurance deemed necessary by the Board for the proper operation of the District in excess of the sum of \$500.00 originally budgeted for insurance.

Sandstrom reported on the Dry Creek Studies. The Directors directed Koester to prepare, by the next regular meeting, a Capitol Improvement recommendation, to include any recommended improvement required in the area of Dry Creek and the railroad bridge. The Directors also asked Koester to make an inspection of the dumping in the Dry Creek area north of 11th Street, and determine who and to what extent the dumping will effect flow of Dry Creek.

The 1979 Budget was considered by the Directors, taking the recommendations of Accountant McDonald, to start the discussion. At the conclusion of the discussion the proposed budget was outlined, copy attached, and after approval of the Budget, to be done at the next regular meeting, Attorney Ward will prepare the publication and necessary notices, and file the Budget with the Department of Local Affairs.

The Easement revision requested by the Southern Colorado Power Company was reviewed for the Directors by Attorney Ward and Engineer Koester. The easement request was one to enlarge a 20 foot easement at Clark Street, to one of 50 feet in width for expanded service to be installed on that crossing of the river. The Directors asked that the Engineer contact the Power Company, and have them represented at the next regular meeting to speak to the condition and safety of all lines in the District's property along the river, now that pedestrian traffic is allowed due to the Trails Easement granted to the City of Pueblo. Further consideration of the request of easement was tabled to the next regular meeting of the Board.

Engineer Koester reported that the City was making progress on the replacement of the 2 large valves on the outfall sewer, and that the costs of making the purchase and installation would be borne by the City until completion, and the City would then bill the District for its portion of the cost. Koester also reported that Chemway has completed the spraying program for this year, and their invoice was proper and he recommended payment be approved.

Mr. Bryan was then asked to present his proposal for the furnishing of insurance coverage on the contents of the District's furniture at 111 East 5th Street. Mr. Bryan indicated he did not have a quotation ready, but that he would prepare one for coverage of the contents for fire, extended coverage, plus theft, and indicate the cost of coverage for valuable papers. The Directors told Mr. Bryan that his findings should be reported to Administrator Koester, and the insurance put into force effective September 19, 1978.

RECORD OF PROCEEDINGS

100 LEAVES

The Treasurer's report was then reconsidered, and with the deletion of the expense of \$50.00 for the insurance premium, the report was accepted and the following vouchers were approved for payment:

16389	Columbia Savings & Loan Assoc.	\$100,000.00
16390	Void	
16391	Chem-Way	3,220.00
16392	O'Brien Printing & Stationery Co.	55.44
16393	K L H Engineering Consultants, Inc.	430.00
16394	Kathleen Farley	40.00
16395	Patricia Kelly	40.00
16396	Gus Sandstrom, Jr.	40.00
16397	Predovich & Ward, Attorney	150.00

The Treasurer transferred \$1368.97 from the checking to the savings account and the Treasurer's statement as corrected is attached to these minutes.

Attorney Ward presented a review and opinion regarding Deposit of Pueblo Conservancy District Funds. The Directors reviewed the report (copy attached) and indicated that this would be the guideline for use in dealing with the investment of these public funds.

The Directors then considered the Bids for the October 2nd certificate of deposit, bids taken September 26, 1978. (copy of tabulation attached hereto). It was moved and unanimously adopted that Park National Bank be awarded the opportunity to purchase the October 2nd CD in the amount of \$100,000., for a one year period, and authorized the Directors to execute the signature card, and require the Bank to furnish the Board with a copy of their Designation and Certification from the State Commission of Banking as an Eligible Public Depository.

The Directors asked that K. Farley arrange with the Department of Wild Life and the City Fire Department to inaugurate a controlled burning program in the area of Runyon Field, for the protection of the Field and other properties in the area, against fire hazards that now exist because of old growth.

The next regular meeting will be at 10:00 A.M., October 26, 1978 at the office of the District.

There being no further business to come before the Board, the meeting adjourned at 11:50 A.M.


Kathleen Farley, Secretary

TREASURER'S REPORT

Date Sept. 25, 1978

Acct. #	Account	1977 Spent	1978 Budget	Current Mo. Voucher	Total @ 9/28	Unused Portion of Budget
#80.	Attorney's Fees	\$ 1,800.	\$ 1,800.	150.00	1350.00	450.00
#81	Director's Fees	1,685.	1,440.	120.00	1040.0	400.00
#83	Engineer's & Adminis. Fees	2,752.	4,560.	380.00	3420.00	1140.00
#90	Audit Fees	475.	750.	---	475.00	275.00
#92	Insurance & Bond Premiums	484.	500.	---	500.00	0.00
#96	Office Supplies, Storage etc.	523.	700.	55.44	265.40	434.60
#97	Office Rent	2,130.	600.	50.00	450.00	150.00
#100	Professional Fees	385.	2,000.	---	400.00	1600.00
#105	Repairs & Maintenance of Flood Protection	43,691.	45,000.	3220.00	14,591.15	30408.85
#108	Contingencies, Unforseen	1,104.	11,500.	---	388.00	11,112.00
#109	Capital Improvement on Flood Protection Works Payroll	---	40,000.	--	--	40,000.00
		1,815.				
		\$56,844.	\$108,850.	\$3,975.44	\$22,879.55	\$85,970.45

TOTAL EXPENDED THRU CURRENT MONTH \$ 3,975.44

Vouchers # 16390 thru # 16397

Amount to be transferred \$ 1,368.97 to savings account

Deposited 8/31/78 \$105,334.41 (Matured CD + \$5,334.41 Interest
 9/15/78 10.00 Premium (cash) from Columbia
 Voucher #16389 - to Columbia for new \$100,000.00 CD

8/31 Balance - First National Checking \$5,539.35
 First Nat'l Tel Tfr. 20,955.25 Total cash 8/31-\$20,955.25
 CD - Midtown National 200,000.00
 Columbia Savings 430,000.00
 Village Bank 100,000.00
 Western Federal 230,000.00
 Majestic Savings 330,000.00
 Total CD's \$1,290,000.00

THE PUEBLO CONSERVANCY DISTRICT

BOARD OF DIRECTORS
P. KELLY
K. FARLEY
G. SANDSTROM

111 EAST FIFTH STREET
544-6823
PUEBLO, COLORADO

MAILING ADDRESS:
P. O. BOX 234
PUEBLO, COLO. 81002

September 26, 1978

BID TABULATION - 4:00 P.M.

BIDDER	INTEREST RATE (%)	COMPOUNDED	ANNUAL YIELD±
American Federal Savings	9.10	Simple	\$9,100.
Centennial Bank of Pueblo	8.310	Quarterly	\$8,590.
Columbia Savings & Loan Assoc.	8.56	Quarterly	\$8,840.
First National Bank of Pueblo	8.23	Simple	\$8,230.
Majestic Savings & Loan Assoc.	8.674	Daily	\$9,060.
Midland Federal Savings & Loan	8.80	Simple	\$8,800.
Midtown National Bank	9.16	Simple	\$9,160. (3)
Otero Savings & Loan	8.625	Daily	\$8,996.
Park National Bank	9.000	Quarterly	\$9,308. (1)
Pueblo Bank and Trust Co.	8.51	Simple	\$8,510.
United Bank of Pueblo	8.61	Simple	\$8,610.
Western Federal Savings	8.875	Quarterly	\$9,175. (2)

APPARENT BEST BID: PARK NATIONAL BANK

Amount: \$100,000. Certificate of Deposit
Time : 365 Days - October 2, 1978 to
October 1, 1979

PROPOSED 1979 BUDGET
PUEBLO CONSERVANCY DISTRICT
SEPTEMBER 28, 1978

	1978 Income and Expenditures (Estimated)	Proposed 1979 Budget
INCOME		
Interest on Certificates of Deposit	\$ 76,800.	\$ 94,800.
Rentals	200.	200.
Miscellaneous	60.	--
TOTAL INCOME	\$ <u>77,060.</u>	\$ <u>95,000.</u>
EXPENDITURES		
Attorney fees	\$ 1,800.	\$ 1,800.
Director fees	1,400.	2,160.
Engineering and Administrative fees	4,560.	4,560.
Audit fees	575.	750.
Insurance and bonding	888.	1,100.
Office supplies, postage, etc.	410.	700.
Office rent	600.	600.
Professional fees	400.	12,000.
Repairs and maintenance	11,971.	30,000.
Reserve for emergency flood repairs	--	36,330.
Contingencies, unforeseen	--	5,000.
TOTAL EXPENDITURES	\$ <u>22,604.</u>	\$ <u>95,000.</u>
EXCESS OF INCOME OVER EXPENDITURES	\$ <u>54,456.</u>	\$ <u>--</u>

PREDOVICH, WARD & BANNER

ATTORNEYS AT LAW

THATCHER BUILDING

PUEBLO, COLORADO 81003

TELEPHONE 544-5081
AREA CODE 303

WALTER J. PREDOVICH
LESTER L. WARD
DONALD J. BANNER

September 28, 1978

Pueblo Conservancy District
Pueblo, Colorado

In re: Deposit of Pueblo Conservancy Funds

Dear Members:

The Pueblo Conservancy District, a special district organized under the laws of the state of Colorado for flood control and protection, has funds on hand which it deposits in either banks (state or national) or savings and loan associations (state or national). Funds from any one governmental unit on deposit in banks are insured by the Federal Deposit Insurance Corporation (FDIC), and funds on deposit in savings and loan associations are insured by the Federal Savings and Loan Insurance Corporation (FSLIC) up to \$100,000 if savings or time deposit and \$40,000 if demand deposit.

To protect public funds above the insured amounts, the Colorado legislature passed two acts in 1975: the Public Deposit Protection Act of 1975 (C.R.S. 1973 11-10.5-101 et seq) which covers public moneys on deposit in state and national banks, and is administered by the state bank commissioner (presently Harry Bloom), and the Savings and Loan Association Public Deposit Protection Act (C.R.S. 1973 11-47-101 et seq) which covers public moneys on deposit in state chartered and federally chartered savings and loan associations and is administered by the state commissioner of savings and loan associations (presently David Paul). The key provisions of both acts are virtually identical and provide in essence as follows:

1. Public funds above the amounts insured by FDIC or FSLIC can only be deposited in eligible public depositories.
2. Eligible public depositories are to be designated as such by the respective commissioners. Each depository desiring such designation must file a statement with the respective commissioner which, among other things, declares that it has

Pueblo Conservancy District
September 28, 1978
Page Two

elected to accept and become subject to all of the provisions of the applicable act. Upon the filing of the prescribed statement and its acceptance, the respective commissioner designates the institution as an eligible public depository and issues a certificate evidencing such designation.

3. The respective commissioners have the power to make, amend and rescind rules and regulations and to prescribe standard forms for required statements and reports and require uniform use of same. (11-10.5-104 and 11-47-104)

4. The statutes provide for alternative methods of securing public deposits by the designated depository by either maintaining an amount of eligible collateral specified in 11-10.5-106 and 107 for banks and 11-47-106 and 107 for savings and loan associations (eligible collateral being defined as, among other things: obligations of the United States or any agency thereof, or obligations of the State of Colorado) or by pledging eligible collateral having a market value, at all times, equal to at least 100% of the aggregate of uninsured deposits pursuant to 11-10.5-108 for banks and 11-47-108 for savings and loan associations. Strict rules are set down concerning where the collateral must be held. (See 11-10.5-109 and 11-47-109)

5. Periodic reports must be filed by each entity with its respective commissioner, (11-10.5-111 and 11-47-111) and in addition, the commissioner has the specific power and authority to require any eligible public depository to furnish him, at any time, such information as he may request on demand concerning the amount of public deposits held by it, the portion thereof which is insured, the amount of its capital funds, and the nature, amount, market value, and location of the eligible collateral maintained or pledged by it to secure said deposits. (11-10.5-112 and 11-47-112)

6. Procedures are established when the commissioner has determined an event of default has occurred, (11-10.5-113 and 11-47-113) which includes the power of the commissioner to make assessments (11-10.5-114 and 11-47-114).

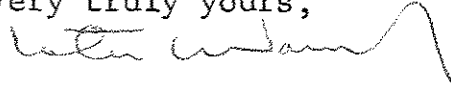
Pueblo Conservancy District
September 28, 1978
Page Three

7. The statutes make it a misdemeanor for any public official having custody of, or control over public moneys, to deposit said funds in any bank or savings and loan association other than one which has been designated by the appropriate commissioner as an eligible public depository, unless the entire amount of the deposit is insured by either the FDIC or FSLIC. Upon conviction, such an official shall be punished by a fine of not less than \$200.00 nor more than \$500.00, which fine shall be mandatory, and, upon any such conviction, the court may adjudge that the official be removed from office. (11-10.5-118 and 11-47-118) However, no such official who acted in good faith in selecting, designating or approving any eligible public depository for deposit of public moneys in his custody or under his control shall be liable for any loss of public moneys deposited therein by reason of the occurrence of an event of default with respect to such depository. (11-10.5-119 and 11-47-119)

Bid forms of the Pueblo Conservancy District for funds to be invested in excess of any insured amount should contain the following language:

"Submission of a bid is certification by the bidder that it has been designated as eligible to receive deposits of public funds, that it is subject to and in full compliance with either the Public Deposit Protection Act of 1975, as amended, (Colorado Revised Statutes 1973 11-10.5-101 et seq, as amended) or the Savings and Loan Association Public Deposit Protection Act, as amended (Colorado Revised Statutes 1973 11-47-101 et seq, as amended) as applicable, and that it will remain in compliance with the applicable Act during the entire period that any public funds are deposited with it. In addition, the bidder shall furnish a copy of its certification under the applicable Act before any deposit is made or any time during the deposit duration if requested by the Pueblo Conservancy District."

Very truly yours,



LLW:crt