

**MINUTES OF THE REGULAR MEETING OF THE
PUEBLO CONSERVANCY DISTRICT ON OCTOBER 11, 1994**

DIRECTORS PRESENT: K. Farley, P. Kelly and G. Sandstrom

OTHERS PRESENT : R. Koester, D. Banner, Rick Kidd and
Don Brandes

The meeting was called to order at 1:00 P.M. on the above date and the minutes of September 9, 1994, meeting were approved as mailed.

The Treasurer's report was approved as prepared (copy attached) and the following bills were approved for payment:

Ck No.	Vendor	Amount
1109	WestPlains Energy (power)	\$ 45.28
1110	KLH Partnership (rent)	100.00
1111	Engineer Koester (fee)	400.00
1112	Donald J. Banner (attorney fee)	200.00
1113	Pueblo Chieftain (advertisement)	20.16
1114	Spaccamonti Excavating	4336.00
1115	Design Studios West	2683.23
1116	Internal Revenue Service (taxes)	73.44
1117	K. Farley (fee)	55.41
1118	P. Kelly (fee)	55.41
1119	G. Sandstrom (fee)	55.41

The Board then considered the 1995 Budget and then resolved that the Budget Message include the following sentence(s):

For Amendment 1 and all other purposes, expenditures by the district for capital improvements, emergency flood repairs and the first \$40,000 each year for repairs and maintenance, shall be expended from reserve fund balances. All other expenditures of the district shall be expended from income.

The Board then moved that the 1995 budget be approved as advertised and (copy attached) amended.

The district's attorney, Don Banner, then reviewed with the directors issues relating to Amendment 1 and its affect on the district. Mr. Banner reported that due to the unique nature of the Pueblo Conservancy District in not levying a mill levy and generating taxes and due to the absence of case law concerning Amendment 1, the applicability of Amendment 1 to both the revenues of the district and expenditures of the district was a little difficult to determine. The directors engaged in considerable discussion concerning this issue. Mr. Banner pointed out that if the directors exercised their fiduciary duties wisely and generated to much interest income for the district, it could technically, violate Amendment 1. After additional discussion, the following resolutions were unanimously adopted:

RESOLVED, that the directors will use their best efforts to maximize the income to the district notwithstanding the revenue limits of Amendment 1.

RESOLVED, that the district accept from the City of Pueblo, lottery funds in the amount of \$150,000, which are exempt from Amendment 1, to be used to be pay planning costs for the HARP Project, and that these funds be maintained and held separately by the district.

RECORD OF PROCEEDINGS

RESOLVED, that the district may enter into a contract with Design Studios West for the purpose of planning the HARP Project, provided the contract contains a cap on the total liability of the district and further provided the contract be subject to receipt from the City of Pueblo funds in an amount not less than \$150,000. Additionally, the contract will be conditioned upon the City of Pueblo providing administration of the contract, and the District making appropriations annually to pay contract cost.

RESOLVED, that the budget of the district should clearly show that expenditures for capital improvements, emergency expenditures and up to \$40,000 for repairs and maintenance shall be expended from reserve fund balances of the district, and all other operating expenses shall be identified as being spent from income.

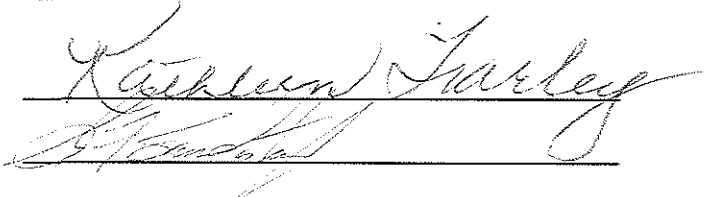
Moved, seconded and approved the plan for the crossing roads at Runyon, for about \$40,000 but to wait for Fishing is Fun to determine when construction is to take place as part of Grant No. 9, and to get some funds from Division of Wildlife upon the improvement of their fishing access.

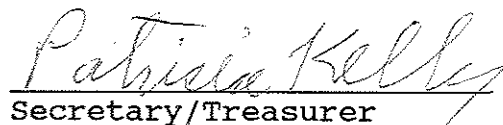
Don Brandes then reviewed the DSW study/report and answered questions about the conclusion of the study at this point in time, and look toward turning this Concept Plan into a final Master Plan at a later time, when more work and detail will be needed, along with some revision of "vision" as is appropriate at that time. The Board then approved and accepted the preliminary report on the plan. Sandstrom will make presentation to HARP on December 13, 1994 and then to Pueblo Area Council of Governments at some time to be determined.

The Board then reviewed the potential contract form, for the construction plans and specifications for Phase One of HARP. Don Banner will organize the editing of the contract and have a form for execution by this District and DSW. The Board agreed in the philosophy to be included in the contract provisions, and as Banner completes this form, execution can take place as soon as possible.

There being no further business, the meeting adjourned at 2:15 P.M. The next regular meeting was set for November 15, 1994 at 7:00 A.M. at the District's office, 111 East 5th Street.

APPROVED:




Secretary/Treasurer

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

Date: OCTOBER 31, 1994

TOTAL EXPENDED THROUGH CURRENT MONTH \$ 74,108.

VOUCHERS NO. 1109 THROUGH 1119
VOUCHERS NO. _____ THROUGH _____

AMOUNT TO BE TRANSFERRED \$ _____ CNB TO CHECKING _____
AMOUNT TO BE TRANSFERRED \$ _____ MINN TO SAVINGS _____

DEPOSITS \$ 4,104.

MINNEQUA MONEY MARKET \$ 58,063.
CNB SAVINGS \$ 737.
MINNEQUA CHECKING \$ 3,811.
CNB CHECKING \$ 123.
NORWEST MONEY MARKET \$ 1,875.

TOTAL CD'S \$ 189,000. TREASURY BILLS \$ 1,290,000.

CHECKING ACCT BALANCE	<u>09/31/94</u>	\$ 340.
TELEPHONE TRSF BALANCE	<u>09/31/94</u>	66,333.
MATURED T BILL'S		00.
MATURED CD'S		00.
INTEREST EARNED - CD'S		406.
INTEREST EARNED - SAVINGS		(8).
OTHER EARNINGS - MONEY MARKET		126.
- DAIN BOSWORTH		3,563.
- SMITH BARNEY		00.
REFUND - CITY		00.
LEASE -		00.

	\$ 70,760.
CD'S PURCHASED	00.
T BILLS'S PURCHASED	00.
CURRENT MONTHS VOUCHERS	8,037.

CASH BALANCE @ 10/31/94 \$ 62,723.

INTEREST EARNED:

Jan.	\$ 6,673.	July	\$11,068.	TOTAL \$ 66,587.
Feb.	\$ 8,081.	Aug.	\$ 3,661.	
Mar.	\$ 7,336.	Sept.	\$ 3,428.	
Apr.	\$ 4,053.	Oct.	\$ 4,104.	
May	\$ 6,505.	Nov.		
Jun.	\$11,678.	Dec.		

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THE PUEBLO CONSERVANCY DISTRICT

BOARD OF DIRECTORS
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111 EAST FIFTH STREET
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TREASURER'S REPORT

DATE: OCTOBER 31, 1994

ACCT #	ACCOUNT	SPENT 1993	1994 BUDGET	TOTAL USED 09/31/94	CURRENT MONTH EXPENSES	TOTAL USED 10/31/94	UNUSED PORTION BUDGET
80	LEGAL FEES	\$2,400	\$2,400	\$1,800	\$200	\$2,000	\$400
81	DIRECTOR'S FEES	\$3,000	\$4,000	\$2,400	\$180	\$2,580	\$1,420
82	FICA TAXES	\$377	\$500	\$459	\$73	\$532	(\$32)
83	ENGINEER/ADMIN	\$4,560	\$4,560	\$3,500	\$400	\$3,900	\$660
90	AUDIT FEES	\$1,400	\$1,400	\$1,200	\$0	\$1,200	\$200
92	INSURANCE & BONDS	\$1,404	\$1,400	\$1,086	\$0	\$1,086	\$314
96	OFFICE EXPENSE	\$528	\$650	\$107	\$20	\$127	\$523
97	OFFICE RENT	\$900	\$1,200	\$900	\$100	\$1,000	\$200
100	PROFESSIONAL FEES	\$1,618	\$12,000	\$450	\$0	\$450	\$11,550
103	TRAVEL	\$426	\$2,500	\$476	\$0	\$476	\$2,024
105	REPAIRS/MAINTEN	\$28,654	\$71,388	\$23,904	\$4,381	\$28,285	\$43,103
105B	TOPO FOR SPECIAL STUDY	\$9,154	\$3,612	\$3,612	\$0	\$3,612	\$0
108	CONTINGENCIES	\$0	\$500	\$0	\$0	\$0	\$500
109	EMERGENCY FLOOD REPAIR	\$0	\$20,000	\$0	\$0	\$0	\$20,000
110	CAPITAL IMPROVEMENTS	\$0	\$44,000	\$0	\$0	\$0	\$44,000
110A	SPECIAL STUDY	\$39,067	\$31,000	\$26,177	\$2,683	\$28,860	\$2,140
		\$93,488	\$201,110	\$66,071	\$8,037	\$74,108	\$127,002

**PUEBLO CONSERVANCY DISTRICT
1995 BUDGET**

	1993 Actual	1994 Budget	(Estimated) 1994 Revenues & Expenditures	1995 Budget
REVENUES				
Interest	\$ 93,727.	\$ 100,000.	\$ 105,000.	\$ 100,000.
Leases	425.	525.	1,050.	1,050.
TOTAL REVENUES	\$ 94,152.	\$ 100,525.	\$ 106,050.	\$ 101,050.
EXPENDITURES				
Director's Fees	\$ 3,000.	\$ 4,000.	\$ 3,000.	\$ 4,000.
FICA Taxes	230.	500.	234.	500.
Legal Fees	2,400.	2,400.	2,400.	2,400.
Eng. & Admin.	4,560.	4,560.	4,560.	4,560.
Audit Fees	1,400.	1,400.	1,400.	1,400.
Insurance & Bonds	1,404.	1,400.	1,200.	2,000.
Office Expenses	528.	650.	500.	650.
Office Rent	900.	1,200.	1,200.	1,200.
Professional Fees	10,772.	12,000.	12,000.	12,000.
Travel	425.	2,500.	600.	2,500.
Repairs & Maintenance	25,559.	75,000.	30,000.	75,000.
Contingencies	00.	500.	00.	500.
Emergency Flood Repairs	00.	20,000.	00.	20,000.
Capital Improvements	43,243.	75,000.	75,000.	75,000.
Planning & Development	00.	00.	00.	25,000.
TOTAL EXPENDITURES	\$ 94,421.	\$ 201,110.	\$ 132,094.	\$ 226,710.
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (269.)	\$ (100,585.)	\$ (26,044.)	\$ (125,660.)
BEGINNING RESERVE FUND BALANCE	\$1,572,892.		\$1,572,623.	
ENDING RESERVE FUND BALANCE	\$1,572,623.		\$1,598,667.	

BUDGET MESSAGE

The budgetary basis of accounting used by the Pueblo Conservancy District is based upon the cash basis method of accounting.

The budget includes the anticipated source of revenues, being revenues from interest on certificates of deposit and other investments as well as leasehold revenues. The budget includes the anticipated expenses by the Pueblo Conservancy District for capital improvements, emergency flood repairs, routine repairs and maintenance, engineering and administrative fees, as well as other expenses anticipated. The Pueblo Conservancy District was created by special statutory legislation for the purpose of constructing and maintaining a river levy system to protect the city and county of Pueblo from flooding on the Arkansas River. The District is no longer a taxing entity and derives its operational funds from reserve fund investments. The board of directors of the Pueblo Conservancy District supervises those repairs, maintenance and capital improvements necessary to maintain the levy. For Amendment 1 and all other purposes, expenditures by the district for capital improvements, emergency flood repairs and the first \$40,000 each year for repairs and maintenance, shall be expended from reserve fund balances. All other expenditures of the district shall be expended from income.

Certified to be the Budget adopted by the Pueblo
Conservancy District on October 11, 1994

