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## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Pueblo Conservancy District  
Pueblo, Colorado

Management is responsible for the accompanying balance sheets - general fund only of Pueblo Conservancy District (the District) as of September 30, 2018 and December 31, 2017, and the related statements of revenues and expenditures – general fund for the nine months ended September 30, 2018 and the year ended December 31, 2017, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

On an on-going basis, management records accounts payable and related expenditures using the cash basis of accounting. Accounting principles generally accepted in the United States of America requires that accounts payable and related expenditures be recorded using the modified accrual basis of accounting. Management has not determined the amounts by which this departure would affect the balance sheet of the general fund and the related statement of revenues and expenditures of the general fund.

### **Required Supplementary Information**

Management has omitted the management's discussion and analysis and the budgetary comparison schedule for the general fund that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

## Supplementary Information

The supplementary information (current year budget amounts reported in the statement of revenues and expenditures of the general fund) is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. This information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

*McPherson, Poytogh, Dunelinc & Goodrich, PC*

October 22, 2018

PUEBLO CONSERVANCY DISTRICT  
BALANCE SHEET - GENERAL FUND ONLY  
SEPTEMBER 30, 2018 AND DECEMBER 31, 2017

	<u>9/31/2018</u>	<u>12/31/2017</u>
<b>ASSETS</b>		
VECTRA BANK CHECKING	\$ 13,075	\$ 8,090
VECTRA BANK MONEY MARKET	11,935	11,931
BROKERAGE MONEY MARKET ACCOUNTS	6	9
BANK OF THE SAN JUANS DRAW	22,351	-
BANK OF THE SAN JUANS RESERVE ACCT	1,267,759	204,346
BANK OF THE SAN JUANS RESERVE OPER		-
COLOTRUST INVESTMENT	25,987	25,607
STIFEL NICOLAUS MONEY MARKET	-	-
STIFEL NICOLAUS INVESTMENT	257,740	261,013
MORGAN STANLEY MUTUAL FUNDS	978,317	966,885
MORGAN STANLEY INVESTMENT		-
ACCRUED INTEREST & OTHER RECEIVABLES	-	-
MAINTENANCE ASSESSMENTS RECEIVABLE	-	1,700,000
	<u>                  </u>	<u>                  </u>
TOTAL ASSETS	<u>\$ 2,577,170</u>	<u>\$ 3,177,881</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
ACCOUNTS PAYABLE	\$ -	\$ 324,618
BANK OVERDRAFT AT 9/30/2018	2,200	343,833
	<u>                  </u>	<u>                  </u>
TOTAL LIABILITIES	<u>2,200</u>	<u>668,451</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
MAINTENANCE ASSESSMENTS	-	1,700,000
	<u>                  </u>	<u>                  </u>
ASSIGNED FUND BALANCE	-	-
UNASSIGNED FUND BALANCE	2,574,970	809,430
	<u>                  </u>	<u>                  </u>
TOTAL FUND BALANCE	<u>2,574,970</u>	<u>809,430</u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
	<u>\$ 2,577,170</u>	<u>\$ 3,177,881</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT  
 COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -  
 ACTUAL AND BUDGET - GENERAL FUND  
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018  
 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2017

	ACTUAL		2018 BUDGET	UNUSED BUDGET	2017 ACTUAL
	CURRENT MONTH	YEAR TO DATE			
<b>REVENUES</b>					
<b>INTEREST INCOME</b>					
COLOTRUST	\$ 146	\$ 380	\$ -	\$ -	\$ 285
MONEY MARKET ACCOUNTS	-	1	-	-	66
VECTRA BANK	1	5	-	-	-
BANK OF THE SAN JUANS	9	77	-	-	73
STIFEL NICOLAUS	1,084	3,927	-	-	6,185
MORGAN STANLEY	1,514	11,606	-	-	11,237
UNREALIZED GAINS (LOSSES)	(833)	(3,277)	-	-	(13,954)
<b>TOTAL INTEREST INCOME</b>	<b>1,921</b>	<b>12,719</b>	<b>21,000</b>	<b>8,281</b>	<b>3,892</b>
MAINTENANCE FUND ASSESSMENT	18,588	1,730,145	1,700,000	(30,145)	1,185,441
18th STREET BRIDGE MURAL SPONSORSHIPS	-	1,200	-	(1,200)	-
CITY OF PUEBLO MAINT. FUND IGA	-	-	-	-	-
MAINTENANCE FUND REFUND	-	-	-	-	-
LOAN PROCEEDS	27,121	3,477,940	3,775,345	297,405	3,392,261
OTHER INCOME	-	1,001	-	(1,001)	7,859
<b>TOTAL REVENUES</b>	<b>\$ 47,630</b>	<b>\$ 5,223,005</b>	<b>\$ 5,496,345</b>	<b>\$ 273,340</b>	<b>\$ 4,589,453</b>
<b>EXPENDITURES</b>					
80 LEGAL FEES	\$ 9,000	\$ 21,139	\$ 30,000	\$ 8,861	\$ 44,374
81 DIRECTORS FEES	1,800	16,200	21,600	5,400	20,800
83 ENGINEER/ADMINISTRATIVE	7,149	21,421	20,400	(1,021)	25,350
90A BOOKKEEPING & AUDIT PREP	-	8,295	10,100	1,805	13,295
90B AUDIT	-	12,074	6,000	(6,074)	5,590
92 INSURANCE/BONDS	-	441	3,500	3,059	4,256
96 OFFICE EXPENSE	478	1,480	1,000	(480)	885
97 OFFICE RENT/STORAGE	-	-	1,050	1,050	1,075
100 PROFESSIONAL FEES	-	4,383	20,000	15,617	30,822
APPRAISAL	-	-	-	-	-
DOCUMENT PRESERVATION	-	-	10,000	10,000	-
103 TRAVEL	-	237	3,000	2,763	1,639
105 REPAIRS & MAINTENANCE	900	5,270	8,500	3,230	7,300
105A MAINTENANCE FUND ASSESSMENT PROGRAMMING & MAINTENANCE	2,040	17,959	5,000	(12,959)	29,612
108 CONTINGENCIES	-	-	20,000	20,000	-
109 EMERGENCY REPAIR	-	-	15,000	15,000	-
110 CAPITAL IMPROVEMENTS PLANNING & DEVELOPMENT	-	-	5,000	5,000	15,000
110A CONTRACT ADMIN & OVERSIGHT	-	2,015	20,000	17,985	7,610
110D ARKANSAS RIVER PHASE 2	-	2,000	-	(2,000)	52,208
110E ARKANSAS RIVER PHASE 3	-	-	-	-	3,174,036
110F ARKANSAS RIVER LEVEE CERTIFICATION DESIGN &/OR CONSTRUCTION	10,955	10,955	-	(10,955)	-
110K ARKANSAS RIVER PHASE 4	-	2,693,396	3,711,845	1,018,449	1,061,465
110M ARKANSAS RIVER PHASE 5	2,871	43,325	-	(43,325)	-
112A HARP - O & M	-	10,000	10,000	-	10,000
112B HARP IGA CONTRIBUTION	-	50,000	50,000	-	50,000
113 CONSTRUCTION LOAN PAYMENT	-	537,500	1,400,000	862,500	700,000
<b>TOTAL EXPENDITURES</b>	<b>35,193</b>	<b>3,458,090</b>	<b>5,381,995</b>	<b>1,923,905</b>	<b>5,255,317</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 12,437</b>	<b>\$ 1,764,915</b>	<b>\$ 114,350</b>	<b>\$ (1,650,565)</b>	<b>\$ (665,864)</b>

SEE ACCOUNTANTS' COMPILATION REPORT

# PUEBLO CONSERVANCY DISTRICT

SEPTEMBER 2018 - OCTOBER 2018

DEPOSITS - VECTRA BANK		
VENDOR	ITEM	AMOUNT
Stifel Nicolaus	Interest Payment	\$ 551.43
Stifel Nicolaus	Interest Payment	\$ 527.05
		\$ 1,078.48

DEPOSITS - BANK OF THE SAN JUANS RESERVE ACCOUNT		
Pueblo County	Maintenance Fund Assessment	\$ 8,652.58
		\$ 8,652.58

DEBITS - VECTRA CASH CHECKING ACCOUNT				
VENDOR	ITEM	AMOUNT	CHECK	CODE
Anthony LeFebre	18th Street Bridge Mural	\$ 1,200.00	1171	105

DEBITS - BANK OF THE SAN JUANS - OPERATIONS & MAINTENACE ACCOUNT				
VENDOR	ITEM	AMOUNT	CHECK	CODE
BHE	Electrical Billing	Pre-Paid		105
MBDG, PC	Bookkeeping	\$ 450.00	2076	90A
Don Banner - B&B, PC	Attorney Fees	\$ 500.00	2068	80
	3rd Quarter Legal Fees	\$ 9,875.00	"	
Kidd Engineering	Engineer/Admin Fees	\$ 1,700.00	2074	83
	County-Runyon Meetings	\$ 232.50	"	96
	1912 W 16th Street Boarding	\$ 178.62	"	96
				96
Director Bernard	Director Fees	\$ 200.00	2069	81
Director Cordova	Director Fees	\$ 200.00	2075	81
Director Koehler	Director Fees	\$ 200.00	2070	81
Director Maroney	Director Fees	\$ 200.00	2071	81
	Mileage - Fountain Creek Committees, XXX mi @ \$0.545	\$ -		103
Director Martin	Director Fees	\$ 200.00	2077	81
Director O'Hara	Director Fees	\$ 200.00	2078	81
	Reimbursement for paying Don Watson Painting for graffiti cover	\$ -		105

Director Phillips	Director Fees	\$ 200.00	2072	81
Director Serna	Director Fees	\$ 200.00	2079	81
Director Willumstad	Director Fees	\$ 200.00	2077	81
	<b>TOTAL OPERATING EXPENSES -- FUNDS TO BE TRANSFERRED FROM THE OPERATING ACCOUNT</b>	<b>\$ 14,736.12</b>		
<b>DEBITS - BANK OF THE SAN JUANS - CONSTRUCTION DRAW ACCOUNT</b>				
Kidd Engineering	ARKANSAS RIVER LEVEE:			
	SEPTEMBER 22 THROUGH OCTOBER 19, 2018			
	Phase 5 Construction and Planning Meetings, etc.	\$ 697.58		110A
	CWCB Loan	\$ 155.00		110A
				110A
	<b>Kidd Engineering Subtotal</b>	<b>\$ 852.58</b>	1219	
NorthStar Engineering				
	ARKANSAS RIVER LEVEE:			
	SEPTEMBER 22 THROUGH OCTOBER 19, 2018			
	PHASE 4			
	Tasks G.3, G.4 and G.5 Construction Staking, Construction Observations, and Construction Testing			110K
	Reimbursable copies, mileage, etc.	\$ -		110K
	PHASE 5			
	Task I.2 - Prepare Price Quotation and Construction Documents	\$ -		110M
	Tasks I.3.a, I.3.b, I.4.b, and I.5. - Bid and Construction Administration, Construction Staking, Construction Observation, and Construction Testing	\$ 5,567.50		110M
	Reimbursable copies, mileage, etc.	\$ 134.50		110M
	Maintenance Assessment Support, Consultations, Artwork and Recreational Opportunities, CWCB Loan documents, FEMA Requirements, etc.	\$ 6,637.50		105A
	Reimbursable copies, etc.	\$ 59.50		105A
	<b>NorthStar Subtotal</b>	<b>\$ 12,399.00</b>	1220	
David Lytle	BSJ Bonds and CWCB Loan Consultation	\$ 2,907.50	1217	80
Garren Ross & DeNardo	BSJ Bonds and CWCB Loan Consultation	\$ 7,762.84	1218	100

Pueblo Chieftain	Phase 4 - ASI Advertisement for Final Payment	\$ 23.66	1221	96
	<b>TOTAL CONSTRUCTION EXPENSES -- FUNDS TO BE TRANSFERRED FROM THE DRAW ACCOUNT</b>	<b>\$ 23,945.58</b>		

<b>DEBITS - BANK OF THE SAN JUANS RESERVE ACCOUNT</b>				
Pueblo Conservancy District				
		\$ -		