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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 February 28, 2019 and December 31, 2018, and the related statements of revenues and expenditures - general fund for the two months ended February 28, 2019 and the year ended December 31, 2018, 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 and the loan activity analysis for the month ending February 28, 2019) 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, Goodwin, Paulini & Mitchell PC*

March 20, 2019

PUEBLO CONSERVANCY DISTRICT  
BALANCE SHEET - GENERAL FUND ONLY  
FEBRUARY 28, 2019 AND DECEMBER 31, 2018

	<u>2/28/2019</u>	<u>12/31/2018</u>
<b>ASSETS</b>		
VECTRA BANK CHECKING	\$ 13,939	\$ 12,942
VECTRA BANK MONEY MARKET	11,928	11,932
BROKERAGE MONEY MARKET ACCOUNTS	5	5
BANK OF THE SAN JUANS DRAW	1,389,334	30,114
BANK OF THE SAN JUANS RESERVE ACCT	3,564,679	3,309,326
BANK OF THE SAN JUANS RESERVE OPER	2,633	-
COLOTRUST INVESTMENT	26,202	26,145
STIFEL NICOLAUS MONEY MARKET	-	-
STIFEL NICOLAUS INVESTMENT	1,244,580	259,137
MORGAN STANLEY MUTUAL FUNDS	-	983,508
MORGAN STANLEY INVESTMENT	-	-
ACCRUED INTEREST & OTHER RECEIVABLES	499	-
MAINTENANCE ASSESSMENTS RECEIVABLE	-	-
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 6,253,799</u>	<u>\$ 4,633,109</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
ACCOUNTS PAYABLE	\$ 1,338	\$ 697,111
BANK OVERDRAFT	-	500
	<hr/>	<hr/>
TOTAL LIABILITIES	<u>1,338</u>	<u>697,611</u>
 DEFERRED INFLOWS OF RESOURCES		
MAINTENANCE ASSESSMENTS	-	-
	<hr/>	<hr/>
ASSIGNED FUND BALANCE	-	-
UNASSIGNED FUND BALANCE	6,252,461	3,935,498
	<hr/>	<hr/>
TOTAL FUND BALANCE	<u>6,252,461</u>	<u>3,935,498</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
	<u>\$ 6,253,799</u>	<u>\$ 4,633,109</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT  
 COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -  
 ACTUAL AND BUDGET - GENERAL FUND  
 FOR THE TWO MONTHS ENDED FEBRUARY 28, 2019  
 AND THE YEAR ENDED DECEMBER 31, 2018

	ACTUAL		2019 BUDGET	UNUSED BUDGET	2018 ACTUAL
	CURRENT MONTH	YEAR TO DATE			
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ -	\$ 57	\$ -	\$ -	\$ 538
MONEY MARKET ACCOUNTS	-	-	-	-	-
VECTRA BANK	1	2	-	-	7
BANK OF THE SAN JUANS	-	28	-	-	153
STIFEL NICOLAUS	2,007	4,068	-	-	5,540
MORGAN STANLEY	622	2,562	-	-	16,797
UNREALIZED GAINS (LOSSES)	(2,999)	(3,169)	-	-	(1,881)
TOTAL INTEREST INCOME	(369)	3,548	6,500	2,952	21,154
MAINTENANCE FUND ASSESSMENT	96,922	97,178	1,700,000	1,602,822	1,762,392
18th STREET BRIDGE MURAL SPONSORSHIPS	-	-	-	-	1,200
CITY OF PUEBLO MAINT. FUND IGA	-	-	-	-	-
MAINTENANCE FUND REFUND	-	-	-	-	-
LOAN PROCEEDS	1,164,142	2,257,953	4,000,000	1,742,047	19,212,996
OTHER INCOME	-	-	-	-	1,001
TOTAL REVENUES	\$ 1,260,695	\$ 2,358,679	\$ 5,706,500	\$ 3,347,821	\$ 20,998,743
EXPENDITURES					
80 LEGAL FEES	\$ 500	\$ 500	\$ 10,000	\$ 9,500	\$ 40,921
81 DIRECTORS FEES	1,800	3,600	21,600	18,000	21,675
83 ENGINEER/ADMINISTRATIVE	-	-	20,400	20,400	28,454
90A BOOKKEEPING & AUDIT PREP	625	925	12,000	11,075	10,095
90B AUDIT	-	-	7,000	7,000	12,074
92 INSURANCE/BONDS	-	-	3,500	3,500	2,386
96 OFFICE EXPENSE	18	35	1,000	965	1,935
97 OFFICE RENT/STORAGE	-	-	1,050	1,050	-
100 PROFESSIONAL FEES	-	-	5,000	5,000	17,676
DOCUMENT PRESERVATION	-	-	2,000	2,000	-
103 TRAVEL	-	-	3,000	3,000	316
105 REPAIRS & MAINTENANCE	-	448	8,500	8,052	9,641
105A MAINTENANCE FUND ASSESSMENT	-	465	7,000	6,535	25,151
108 CONTINGENCIES	-	-	20,000	20,000	-
109 EMERGENCY REPAIR	-	-	15,000	15,000	-
110 CAPITAL IMPROVEMENTS	-	-	5,000	5,000	-
PLANNING & DEVELOPMENT	-	-	10,000	10,000	-
110A CONTRACT ADMIN & OVERSIGHT	-	2,325	20,000	17,675	11,657
10A.1 CONSTRUCTION PROG PROFESSIONAL FEE	-	-	15,000	15,000	-
110D ARKANSAS RIVER PHASE 2	-	-	-	-	2,000
110E ARKANSAS RIVER PHASE 3	-	-	-	-	-
110F ARKANSAS RIVER LEVEE CERTIFICATION	-	-	-	-	10,955
110K ARKANSAS RIVER PHASE 4	-	-	-	-	2,693,396
110M LEVEE PHASE 5&6 DESIGN AND CONSTRUCTION	-	33,418	4,000,000	3,966,582	1,096,150
112A HARP - O & M	-	-	10,000	10,000	10,000
112B HARP IGA CONTRIBUTION	-	-	50,000	50,000	50,000
113 CONSTRUCTION LOAN PAYMENT	-	-	1,400,000	1,400,000	13,828,818
TOTAL EXPENDITURES	2,943	41,716	5,647,050	5,605,334	17,873,300
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 1,257,752	\$ 2,316,963	\$ 59,450	\$ (2,257,513)	\$ 3,125,443

**PUEBLO CONSERVANCY DISTRICT  
LOAN ACTIVITY ANALYSIS  
MONTH ENDING FEBRUARY 2019**

	<u>Balance Beginning of Month</u>	<u>Monthly Draws</u>	<u>Monthly Payments or Credits</u>	<u>Balance End of Month</u>
<b>Bank of the San Juans</b>				
2015 Series	-	-	-	-
2017 Series	3,852,732.79	-	(3,852,732.79)	-
2018 Series	<u>8,854,193.91</u>	<u>-</u>	<u>(8,854,193.91)</u>	<u>-</u>
Accrued interest	<u>46,891.09</u>	<u>-</u>	<u>(46,891.09)</u>	<u>-</u>
	<u>12,753,817.79</u>	<u>-</u>	<u>(12,753,817.79)</u>	<u>-</u>
<b>Colorado Water Conservation Board</b>				
2018 Series	16,804,922.33	1,164,141.65	-	17,969,063.98
Accrued interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>29,558,740.12</u>	<u>1,164,141.65</u>	<u>(12,753,817.79)</u>	<u>17,969,063.98</u>

PUEBLO CONSERVANCY DISTRICT

FEBRUARY 2019 - MARCH 2019

DEPOSITS - VECTRA BANK		
VENDOR	ITEM	AMOUNT
Stifel Nicolaus	Interest Payment	\$ -
		\$ -

DEPOSITS - BANK OF THE SAN JUANS RESERVE ACCOUNT		
Pueblo County	Maintenance Fund Assessment	\$ 482,525.78
		\$ 482,525.78

DEBITS - VECTRA CASH CHECKING ACCOUNT				
VENDOR	ITEM	AMOUNT	CHECK	CODE

DEBITS - BANK OF THE SAN JUANS - OPERATIONS & MAINTENACE ACCOUNT				
VENDOR	ITEM	AMOUNT	CHECK	CODE
BHE	Electrical Billing	Pre-Paid		105
MBDG, PC	Bookkeeping	\$ 475.00	2143	90A
	2018 Form 1099 Preparation	\$ 150.00	"	
Don Banner - B&B, PC	Attorney Fees	\$ 500.00	2134	80
Kidd Engineering	Engineer/Admin Fees	\$ 1,700.00	2140	83
	Postage and Stamps	\$ 23.15	"	96
	11th Street - A Better Tree	\$ 542.50	"	83
	Planning Meetings w/ City and NorthStar, GOCO Tour	\$ 620.00	"	110
Director Bernard	Director Fees	\$ 200.00	2135	81
Director Cordova	Director Fees	\$ 200.00	2142	81
Director Koehler	Director Fees	\$ 200.00	2136	81
Director Maroney	Director Fees	\$ 200.00	2137	81
	Mileage - Fountain Creek Committees, XXX mi @\$0.58	\$ -	"	103
Director Martin	Director Fees	\$ 200.00	2139	81
Director O'Hara	Director Fees	\$ 200.00	2146	81
Director Phillips	Director Fees	\$ 200.00	2138	81

Director Serna	Director Fees	\$ 200.00	2147	81
Director Willumstad	Director Fees	\$ 200.00	2144	81
Pueblo Heritage Museum	2019 Membership Dues for Meetings and Storage	\$ 1,050.00	2145	97
Let's Get Graphic	Logo, Letterhead and Card Design	\$ 300.00	2141	96
HARP Authority	Annual IGA Contribution	\$ 50,000.00	2148	112B
HARP Authority	Annual O&M Charge	\$ 10,000.00	"	112A
	<b>TOTAL OPERATING EXPENSES -- FUNDS TO BE TRANSFERRED FROM THE RESERVE ACCOUNT TO THE OPERATING ACCOUNT</b>	<b>\$ 67,160.65</b>		

**DEBITS - BANK OF THE SAN JUANS - CONSTRUCTION DRAW ACCOUNT**

Kidd Engineering	ARKANSAS RIVER LEVEE: FEBRUARY 22 THROUGH MARCH 22, 2019			
	Phases 3 & 4 Warranty and site clean-up	\$ 620.00		110A
	Phase 5 CA/CO, Construction Meetings, Document Reviews, etc.	\$ 930.00		110A
	Phase 6 Planning and Design Review	\$ 310.00		110A
	<b>Kidd Engineering Subtotal</b>	<b>\$ 1,860.00</b>	1241	
NorthStar Engineering				
	ARKANSAS RIVER LEVEE: FEBRUARY 22 THROUGH MARCH 22, 2019			
	<b>PHASE 5</b>			
	Task I.2 - Prepare Price Quotation and Construction Documents	\$ -		110N
	Tasks I.3.a, I.3.b, I.4.b, and I.5. - Bid and Construction Administration, Construction Staking, Construction Observation, and Construction Testing	\$ 45,378.50		110N
	Reimbursable copies, mileage, etc.	\$ 168.50		110N
	<b>PHASE 6</b>			
	Task J.2 - Prepare Price Quotation and Construction Documents	\$ 4,612.50		110N
	Reimbursable copies, mileage, etc.	\$ -		110N
	Tasks J.3a, J.3b, J.4a, and J.5 - Bid and Construction Administration, Construction Staking, Construction Observation, and Construction Testing	\$ -		110N

	Reimburseable copies, mileage, etc.	\$ -		110N
	Maintenance Assessment Support, Consultations, Artwork and Recreational Opportunities, CWCB Loan documents, FEMA Requirments, etc.	\$ 1,415.00		105A
	Reimburseable copies, etc.	\$ 18.00		105A
	<b>NorthStar Subtotal</b>	<b>\$ 51,592.50</b>	1242	
K.R. Swerdfeger Construction, Inc.	PHASE 5 - Pay Request #4 - THROUGH FEBRUARY 28, 2019	\$ 948,031.98	1240	110M
	<b>TOTAL CONSTRUCTION EXPENSES -- FUNDS TO BE TRANSFERRED FROM THE DRAW ACCOUNT</b>	<b>\$ 1,001,484.48</b>		

<b>DEBITS - BANK OF THE SAN JUANS LOAN ACCOUNT</b>				
Pueblo Conservancy District	Transfer to Draw Account	\$ 1,001,484.48		
		<b>\$ 1,001,484.48</b>		
	Previous Draw Amounts	\$ 1,164,141.65		
	<b>Total Loan Disbursements</b>	<b>\$ 2,165,626.13</b>		

<b>DEBITS - BANK OF THE SAN JUANS RESERVE ACCOUNT</b>				
Pueblo Conservancy District	Transfer to Operating Account	\$ 67,160.65		
Pueblo Conservancy District	Transfer to Draw Account	\$ -		
		<b>\$ 67,160.65</b>		



# CONSTRUCTION FUNDS STATUS

26-Mar-19

## CWCB LOAN

LOAN AMOUNT	\$ 17,000,000.00
LOAN DISBURSEMENTS TO DATE	<u>\$ 17,000,000.00</u>
AVAILABLE BALANCE	\$ -

## BSJ LOAN

LOAN AMOUNT	\$ 5,000,000.00
LOAN DISBURSEMENTS TO DATE	<u>\$ 2,165,626.13</u>
AVAILABLE BALANCE	\$ 2,834,373.87

## RESERVE ACCOUNT

3-1-19 BALANCE	\$ 3,759,784.58
3-27 TRANSFER TO OPERATING	<u>\$ 67,160.65</u>
	\$ 3,692,623.93

ADDITIONAL ANTICIPATED MFA RECEIPTS	\$ 1,170,000.00
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## TOTAL ESTIMATED FUNDS

AVAILABLE	\$ 7,696,997.80
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REMAINING BUDGETED OPERATIONS COSTS	\$ 100,000.00
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BUDGETED LOAN PAYMENT	\$ 1,400,000.00
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ESTIMATE OF BSJ LOAN RESERVE REQUIREMENT	\$ 400,000.00
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MAXIMUM ESTIMATED FUNDS AVAILABLE FOR DESIGN, CONSTRUCTION, CA/CO, INSPECTION, STAKING, TESTING AND CONTINGENCIES	\$ 5,796,997.80
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