



503 N. Main St., Suite 740  
Pueblo, CO 81003-3131  
719.543.0516  
719.544.2849 Fax  
www.cpapueblo.com

---

**McPherson, Goodrich, Paolucci & Mihelich, PC**  
*Tax/Consulting/Audit      Certified Public Accountants*

---

## 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 March 31, 2019 and December 31, 2018, and the related statements of revenues and expenditures – general fund for the three months ended March 31, 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 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 year to date budget comparison 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.

We are not independent with respect to the Pueblo Conservancy District.

April 19, 2019

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

	<u>3/31/2019</u>	<u>12/31/2018</u>
<b>ASSETS</b>		
VECTRA BANK CHECKING	\$ 19,450	\$ 12,942
VECTRA BANK MONEY MARKET	11,926	11,932
BROKERAGE MONEY MARKET ACCOUNTS	5	5
BANK OF THE SAN JUANS DRAW	30,114	30,114
BANK OF THE SAN JUANS RESERVE ACCT	4,174,885	3,309,326
BANK OF THE SAN JUANS OPER	-	-
COLOTRUST INVESTMENT	26,312	26,145
STIFEL NICOLAUS INVESTMENT	-	259,137
MORGAN STANLEY MUTUAL FUNDS	-	983,508
STIFEL NICOLAUS MONEY MARKET 8700-0987	<u>1,249,319</u>	<u>-</u>
 TOTAL ASSETS	 <u>\$ 5,512,011</u>	 <u>\$ 4,633,109</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
ACCOUNTS PAYABLE	\$ 1,775	\$ 697,111
BANK OVERDRAFT	<u>500</u>	<u>500</u>
 TOTAL LIABILITIES	 <u>2,275</u>	 <u>697,611</u>
 UNASSIGNED FUND BALANCE	 <u>5,509,736</u>	 <u>3,935,498</u>
 TOTAL FUND BALANCE	 <u>5,509,736</u>	 <u>3,935,498</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 5,512,011</u>	 <u>\$ 4,633,109</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT  
 COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -  
 FOR THE ONE MONTH AND THREE MONTHS ENDED MARCH 31, 2019  
 AND THE YEAR ENDED DECEMBER 31, 2018

	<u>ACTUAL</u>		
	<u>CURRENT</u>	<u>YEAR</u>	<u>2018</u>
	<u>MONTH</u>	<u>TO DATE</u>	<u>ACTUAL</u>
REVENUES			
INTEREST INCOME			
COLOTRUST	\$ 110	\$ 167	\$ 538
VECTRA BANK	1	3	7
BANK OF THE SAN JUANS	63	91	153
STIFEL NICOLAUS	-	3,917	5,540
STIFEL NICOLAUS 8700-0987	1,026	1,177	-
MORGAN STANLEY	-	2,562	16,797
UNREALIZED GAINS (LOSSES)	<u>4,739</u>	<u>1,570</u>	<u>(1,881)</u>
TOTAL INTEREST INCOME	5,939	9,487	21,154
MAINTENANCE FUND ASSESSMENT	482,526	579,703	1,762,392
18th STREET BRIDGE MURAL SPONSORSHIPS	-	-	1,200
LOAN PROCEEDS	1,196,561	3,454,516	19,212,996
OTHER INCOME	<u>4,000</u>	<u>4,000</u>	<u>1,001</u>
TOTAL REVENUES	\$ 1,689,026	\$ 4,047,706	\$ 20,998,743
EXPENDITURES			
80 LEGAL FEES	\$ 500	\$ 1,000	\$ 40,921
81 DIRECTORS FEES	1,800	6,600	21,675
83 ENGINEER/ADMINISTRATIVE	2,243	71,800	28,454
90A BOOKKEEPING & AUDIT PREP	975	1,900	10,095
90B AUDIT	-	-	12,074
92 INSURANCE/BONDS	-	300	2,386
96 OFFICE EXPENSE	527	562	1,935
97 OFFICE RENT/STORAGE	-	-	-
100 PROFESSIONAL FEES	1,050	1,050	17,676
DOCUMENT PRESERVATION	-	-	-
103 TRAVEL	-	87	316
105 REPAIRS & MAINTENANCE	-	448	9,641
105A MAINTENANCE FUND ASSESSMENT	1,415	1,880	25,151
108 CONTINGENCIES	-	-	-
109 EMERGENCY REPAIR	-	-	-
110 CAPITAL IMPROVEMENTS	620	620	-
PLANNING & DEVELOPMENT	-	-	-
110A CONTRACT ADMIN & OVERSIGHT	1,860	4,185	11,657
10A.1 CONSTRUCTION PROG PROFESSIONAL FEE	-	-	-
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	998,022	2,323,035	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	<u>-</u>	<u>-</u>	<u>13,828,818</u>
TOTAL EXPENDITURES	<u>1,069,012</u>	<u>2,473,467</u>	<u>17,873,300</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 620,014</u>	<u>\$ 1,574,239</u>	<u>\$ 3,125,443</u>

SEE ACCOUNTANTS' COMPILATION REPORT

SUPPLEMENTARY INFORMATION

PUEBLO CONSERVANCY DISTRICT  
YEAR TO DATE BUDGET COMPARISON  
FOR THE THREE MONTHS ENDED MARCH 31, 2019

	3/31/2019 <u>ACTUAL</u>	2019 <u>BUDGET</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
INTEREST INCOME			
COLOTRUST	\$ 167	\$ -	\$ -
VECTRA BANK	3	-	-
BANK OF THE SAN JUANS	91	-	-
STIFEL NICOLAUS	3,917	-	-
STIFEL NICOLAUS 8700-0987	1,177	-	-
MORGAN STANLEY	2,562	-	-
UNREALIZED GAINS (LOSSES)	<u>1,570</u>	<u>-</u>	<u>-</u>
TOTAL INTEREST INCOME	9,487	6,500	(2,987)
MAINTENANCE FUND ASSESSMENT	579,703	1,700,000	1,120,297
LOAN PROCEEDS	3,454,516	4,000,000	545,484
OTHER INCOME	<u>4,000</u>	<u>-</u>	<u>(4,000)</u>
TOTAL REVENUES	\$ 4,047,706	\$ 5,706,500	\$ 1,658,794
EXPENDITURES			
80 LEGAL FEES	\$ 1,000	\$ 10,000	\$ 9,000
81 DIRECTORS FEES	6,600	21,600	15,000
83 ENGINEER/ADMINISTRATIVE	71,800	20,400	(51,400)
90A BOOKKEEPING & AUDIT PREP	1,900	12,000	10,100
90B AUDIT	-	7,000	7,000
92 INSURANCE/BONDS	300	3,500	3,200
96 OFFICE EXPENSE	562	1,000	438
97 OFFICE RENT/STORAGE	-	1,050	1,050
100 PROFESSIONAL FEES	1,050	5,000	3,950
DOCUMENT PRESERVATION	-	2,000	2,000
103 TRAVEL	87	3,000	2,913
105 REPAIRS & MAINTENANCE	448	8,500	8,052
105A MAINTENANCE FUND ASSESSMENT	1,880	7,000	5,120
108 CONTINGENCIES	-	20,000	20,000
109 EMERGENCY REPAIR	-	15,000	15,000
110 CAPITAL IMPROVEMENTS	620	5,000	4,380
PLANNING & DEVELOPMENT	-	10,000	10,000
110A CONTRACT ADMIN & OVERSIGHT	4,185	20,000	15,815
10A.1 CONSTRUCTION PROG PROFESSIONAL FEE	-	15,000	15,000
110M LEVEE PHASE 5&6 DESIGN AND CONSTRUCTION	2,323,035	4,000,000	1,676,965
112A HARP - O & M	10,000	10,000	-
112B HARP IGA CONTRIBUTION	50,000	50,000	-
113 CONSTRUCTION LOAN PAYMENT	<u>-</u>	<u>1,400,000</u>	<u>1,400,000</u>
TOTAL EXPENDITURES	<u>2,473,467</u>	<u>5,647,050</u>	<u>3,173,583</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 1,574,239</u>	<u>\$ 59,450</u>	<u>\$ (1,514,789)</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT

MARCH 2019 - APRIL 2019

DEPOSITS - VECTRA BANK		
VENDOR	ITEM	AMOUNT
Stifel Nicolaus	Interest Payment	\$ 434.18
		\$ 434.18

DEPOSITS - BANK OF THE SAN JUANS RESERVE ACCOUNT		
Pueblo County	Maintenance Fund Assessment	\$ 102,032.17
		\$ 102,032.17

DEBITS - VECTRA CASH CHECKING ACCOUNT				
VENDOR	ITEM	AMOUNT	CHECK	CODE
East High Alumni Foundation	Return of Logo Painting Payment	\$ 600.00	1173	105

DEBITS - BANK OF THE SAN JUANS - OPERATIONS & MAINTENACE ACCOUNT				
VENDOR	ITEM	AMOUNT	CHECK	CODE
BHE	Electrical Billing	\$ 500.00	2151	105
MBDG, PC	Bookkeeping	\$ 475.00	2158	90A
	Work on Investments	\$ 500.00	"	90A
Don Banner - B&B, PC	Attorney Fees	\$ 500.00	2149	80
Kidd Engineering	Engineer/Admin Fees	\$ 1,700.00	2156	83
Director Bernard	Director Fees	\$ 200.00	2150	81
Director Cordova	Director Fees	\$ 200.00	2157	81
Director Koehler	Director Fees	\$ 200.00	2152	81
Director Maroney	Director Fees	\$ 200.00	2153	81
	Mileage - Fountain Creek Committees, XXX mi @\$0.58	\$ -	"	103
Director Martin	Director Fees	\$ 200.00	2155	81
Director O'Hara	Director Fees	\$ 200.00	2160	81
Director Phillips	Director Fees	\$ 200.00	2154	81
Director Serna	Director Fees	\$ 200.00	2161	81
Director Willumstad	Director Fees	\$ 200.00	2159	81
Special District Association	2019 Membership	\$ 558.81	2162	92

	<b>TOTAL OPERATING EXPENSES -- FUNDS TO BE TRANSFERRED FROM THE RESERVE ACCOUNT TO THE OPERATING ACCOUNT</b>	\$	6,033.81	

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

Kidd Engineering	ARKANSAS RIVER LEVEE:			
	MARCH 23 THROUGH APRIL 19, 2019			
	Phase 5 CA/CO, Construction Meetings, Document Reviews, etc.	\$	775.00	110A
	Phase 6 Budget and Construction Costing Meetings	\$	387.50	110A
	CWCB Loan Meeting	\$	310.00	110A
	<b>Kidd Engineering Subtotal</b>	\$	<b>1,472.50</b>	1244 & 1246
NorthStar Engineering	ARKANSAS RIVER LEVEE:			
	MARCH 23 THROUGH APRIL 19, 2019			
	<b>PHASE 5</b>			
	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	\$	17,008.00	110M
	Reimbursable copies, mileage, etc.	\$	37.00	110M
	<b>PHASE 6</b>			
	Task J.2 - Prepare Price Quotation and Construction Documents	\$	4,412.50	110M
	Reimbursable copies, mileage, etc.	\$	-	110M
	Tasks J.3a, J.3b, J.4a, and J.5 - Bid and Construction Administration, Construction Staking, Construction Observation, and Construction Testing	\$	-	110M
	Reimbursable copies, mileage, etc.	\$	-	110M
	Maintenance Assessment Support, Consultations, Artwork and Recreational Opportunities, CWCB Loan documents, FEMA Requirments, etc.	\$	1,205.00	105A
	Reimbursable copies, etc.			105A



	Maintenance and Artist Location Indexing and Mapping	\$ 2,940.00		110
	<b>NorthStar Subtotal</b>	<b>\$ 25,602.50</b>	1245	
K.R. Swerdfeger Construction, Inc.		\$ -		110M
Don Banner - B&B, PC	1st Qtr Attorney Fees - Inv #20992 for Correspondance, Phone Calls, Meetings, etc.	\$ 1,100.00	1243	80
	<b>TOTAL CONSTRUCTION EXPENSES -- FUNDS TO BE TRANSFERRED FROM THE DRAW ACCOUNT</b>	<b>\$ 27,075.00</b>		

<b>DEBITS - BANK OF THE SAN JUANS LOAN ACCOUNT</b>				
Pueblo Conservancy District	Transfer to Draw Account	\$ 27,075.00		
		<b>\$ 27,075.00</b>		
	Previous Draw Amounts	\$ 2,165,626.13		
	<b>Total Loan Disbursements</b>	<b>\$ 2,192,701.13</b>		

<b>DEBITS - BANK OF THE SAN JUANS RESERVE ACCOUNT</b>				
Pueblo Conservancy District	Transfer to Operating Account	\$ 6,033.81		
Pueblo Conservancy District	Transfer to Draw Account	\$ -		
		<b>\$ 6,033.81</b>		