

TRANSMITTAL OF 2017 BUDGET

To: Division of Local Government
1313 Sherman Street, Room 520
Denver, CO 80203

Attached is the 2017 Budget for **THE PUEBLO CONSERVANCY DISTRICT**

The budget was adopted at the regularly scheduled meeting of the District on November 16, 2016.

If there are any questions regarding the budget, please contact **Rick Kidd, P.E.**, Engineer of the District, at (719) 544-5239.

The total mill levy certified to the County Commissioners is 0 mills.

Based on an assessed valuation of n/a , the total property tax revenue is \$ n/a .

AN INCREASE LEVY BEYOND THE PROPERTY TAX REVENUE LIMIT WILL NOT BE REQUESTED. NO CERTIFICATION OF A MILL LEVEY IS MADE TO THE COUNTY COMMISSIONERS.

DATED: November 16, 2016

Name of person completing this form:

BANNER & BOWER, P.C.



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2017 BUDGET MESSAGE

The Pueblo Conservancy District (the District) is organized under the laws of the State of Colorado to maintain the Arkansas River and the Wildhorse Creek levees. The District operates under the jurisdiction of a nine member board of directors who are appointed by the City of Pueblo, Colorado and the County of Pueblo, Colorado. The Board of Directors of the Pueblo Conservancy District supervises the repairs, maintenance and capital improvements necessary to maintain the levee. This includes but is not limited to contracting for capital repairs, weed control along the levee, inspection for faults in the levee and working with the Army Corps of Engineers when appropriate.

The financial statements of the District are prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District maintains a public web site

The budgetary basis of accounting used by the Pueblo Conservancy District is the modified accrual basis method of accounting.

The budget includes the anticipated source of revenues, being revenues from interest on certificates of deposit and other investments, leasehold revenues, tax exempt bond proceeds and monies from a Maintenance Fund Assessment. The Pueblo County Treasurer is responsible for assessing, collecting and distributing maintenance fund assessments in accordance with enabling District Court legislation. The maintenance fund fee is assessed to properties within the District's boundary. The maintenance fund assessment is included with the Pueblo County property tax billings on the first day of the assessment year and may be paid in two equal installments before the last day of February and the 15th day of June or in full before the last day of April. Fees are assessed based on property values, with a range of fees based on whether the property is located within (1) the flood plain; (2) the City of Pueblo limits, but outside the flood plain; or (3) the County of Pueblo but outside the flood plain and outside the City of Pueblo limits. The maintenance fund assessment has been determined by the Colorado Supreme Court to be an assessment and not a tax. Maintenance fund assessments are recognized as revenue as collected by the Pueblo County Treasurer. They are considered both measurable and available if collected within 60 days after December 31.

The budget includes the anticipated expenditures by the Pueblo Conservancy District for capital improvements, emergency flood repairs, routine repairs and maintenance, engineering, legal and administrative fees, as well as other anticipated expenses. For a number of years the District has been engaged in repairing the levee system through Pueblo in an effort to comply with FEMA certification requirements. Funding the costs of these repairs has been accomplished through the issuance of short term (less than ten years) bonds with interest paid from the maintenance fund assessments. It is anticipated that long term funding will be required to complete financing the necessary repairs.

On or before the first board meeting in October, the District Administrator submits to the board of directors a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the board of directors to obtain taxpayer comments. The District adopts a budget for the general fund and the general fund uses the current financial resources measurement focus and the modified accrual basis of accounting in preparing the budget.


The legal level of budgetary control exists at the total fund level, which is to say total expenditures in the general fund cannot legally exceed appropriations.

Expenditure estimates in the annual budgets are enacted into law by the passage of an appropriation resolution or motion of the Board.

In November, 1992, Colorado voters adopted Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR imposes tax raising, revenue, spending and debt limitations on local government entities within the State of Colorado. The amendment is complex and subject to judicial interpretation; however, the District believes it is in compliance with the requirements of the amendment. The District has made certain interpretations of the amendment's language in order to determine its compliance. For Amendment 1 and all other purposes, expenditures by the District for capital improvements, emergency flood repairs, expenditures for the operation and maintenance of the HARP portion of the river channel for repairs and maintenance, may be expended from reserve fund balances, income and the Maintenance Fund Assessment revenues.

The District is subject to the provisions of Colorado Revised Statutes 24-75-601, which is entitled "Concerning Investment in Securities by Public Entities". This law, among other things, outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government and agency securities, certain bonds of political subdivisions, bankers acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, guaranteed insurance contracts and U.S. dollar-denominated corporate or bank debt. The statute also includes a provision limiting any investment to a five-year maturity unless the governing body authorizes a longer period. The District's governing body has authorized maturities on U.S. Agency securities up to thirty years.

This Budget Message is attached to the 2017 Budget, which the undersigned certifies to be the Year 2017 Budget adopted by the Pueblo Conservancy District by resolution at its regularly scheduled meeting on November 16, 2016.



Paul Willumstad, President

RESOLUTION TO ADOPT BUDGET
(pursuant to CRS 29-1-108)

A resolution summarizing the expenditures and revenues for each fund and adopting a budget for the Pueblo Conservancy District for the calendar year beginning on the first day of January 2017 and ending on the last day of December 2017.

Whereas, the Pueblo Conservancy District has appointed Rick Kidd, District Administrator to prepare and submit a proposed budget to said governing body at the proper time; and

Whereas, Rick Kidd has submitted a proposed budget to this governing body on October 26, 2016 and again on November 16, 2016 for its consideration; and

Whereas, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 16, 2016 and interested taxpayers were given the opportunity to file or register any objections to said proposed budget; and

Whereas, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains balanced, as required by law.

Now therefore, be it resolved by the Board of Directors of the Pueblo Conservancy District as follows:

1. That the budget as submitted, amended and summarized by fund, a copy of which is attached hereto, hereby is approved and adopted as the budget of the Pueblo Conservancy District for the year stated above.
2. That the budget hereby approved and adopted shall be signed by the Secretary and made a part of the public records of the Pueblo Conservancy District.
3. That any of the officers of the Pueblo Conservancy District be and are hereby authorized to sign and certify to the above matters.

Adopted this 16th day of November, 2016.



Matt Cordova, Secretary and Board Member

**PUEBLO CONSERVANCY DISTRICT
WORKSHEET FOR 2017 BUDGET
FOR SECOND READING AND ADOPTION ON NOVEMBER 16, 2016**

	2016 BUDGET	ACTUAL THRU 9/30/2016	2016 PROJECTED	2017 BUDGET
REVENUES				
Interest	\$ 21,000	\$ 37,699	\$ 40,000	\$ 21,000
Unrealized Gains				
Maintenance Fund Assessment	\$ 1,015,000	\$ 1,090,990	\$ 1,096,000	\$ 1,158,000
City of Pueblo Maintenance Fund IGA	\$ -	\$ -	\$ -	\$ -
Construction Loan	\$ -	\$ 2,947,679	\$ 4,243,500	\$ 3,202,135
Other Income	\$ -	\$ 60,000	\$ 60,000	\$ -
Total Revenues	\$ 1,036,000	\$ 4,136,368	\$ 5,439,500	\$ 4,381,135
EXPENDITURES				
Legal Fees	\$ 36,000	\$ 9,406	\$ 48,000	\$ 24,000
Directors Fees	\$ 21,600	\$ 16,200	\$ 21,600	\$ 21,600
Engineer/Administrative	\$ 20,400	\$ 15,350	\$ 20,400	\$ 20,400
Bookkeeping & Audit Preparation	\$ 10,500	\$ 3,200	\$ 15,000	\$ 10,100
Audit	\$ 6,000	\$ 418	\$ 6,000	\$ 6,000
Insurance/Bonds	\$ 3,500	\$ 768	\$ 768	\$ 3,500
Office Expense	\$ 1,000	\$ 350	\$ 400	\$ 1,000
Office Rent/Storage	\$ 1,050	\$ 1,050	\$ 1,050	\$ 1,050
Professional Fees	\$ 12,500	\$ 10,016	\$ 12,500	\$ 12,500
Travel	\$ 2,400	\$ 1,178	\$ 2,000	\$ 3,000
Repairs & Maintenance	\$ 8,500	\$ 2,810	\$ 6,000	\$ 8,500
Maintenance Fund Assessment Programming & Maintenance	\$ 1,000	\$ 9,912	\$ 12,500	\$ 3,000
Contract Administration and Oversight	\$ 35,000	\$ 4,917	\$ 7,000	\$ 20,000
Arkansas River Phase 3 Levee Design	\$ 50,000	\$ 27,838	\$ 32,000	xxx
Arkansas River Phase 4 Levee Design				\$ 50,000
Arkansas River Phase 2 & 3 Staking, As-Builts, CO	\$ 45,000	\$ 4,818	\$ 45,000	xxx
Arkansas River Phase 3 Staking, As-Builts, CO				\$ 80,000
Arkansas River Phase 2 Construction	\$ 1,200,000	\$ 1,546,520	\$ 1,200,000	xxx
Arkansas River Phase 3 Construction	\$ 500,000		\$ 1,690,000	\$ 2,800,000
Arkansas River Phase 4 Construction				\$ 250,000
Arkansas River Levee Certification Design and/or Construction	xxx			xxx
Wildhorse/Dry Creek Levee Construction	\$ 1,500,000	\$ 872,652	\$ 1,150,000	xxx
Wildhorse/Dry Creek Staking, As-Builts, CO	\$ 45,000	\$ 119,390	\$ 125,000	xxx
Wildhorse/Dry Creek Levee Design Preliminary Design	xxx			xxx
Wildhorse/Dry Creek Levee Design and/or Construction	xxx			xxx
Contingencies	\$ 20,000		\$ -	\$ 20,000
Emergency Repairs	\$ 15,000		\$ -	\$ 15,000
Capital Improvements	\$ 5,000	\$ 340,934	\$ 340,934	\$ 5,000
Planning & Development	\$ 10,000		\$ 15,000	\$ 10,000
HARP – IGA Contribution	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
HARP – O&M	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Construction Loan Payment	\$ 700,000	\$ -	\$ 700,000	\$ 700,000
Total Expenditures	\$ 4,309,450	\$ 3,047,727	\$ 5,511,152	\$ 4,124,650
Excess of Revenues Over (Under) Expenditures	\$ (3,273,450)	\$ 1,088,641	\$ (71,652)	\$ 256,485
Beginning Reserve Fund Balance	\$ 7,553,553		\$ 1,429,865	\$ 1,358,213
Ending Reserve Fund Balance	\$ 4,280,103		\$ 1,358,213	\$ 1,614,698

**PUEBLO CONSERVANCY DISTRICT
AMENDED 2015 BUDGET**

22-Jun-16

	2015 BUDGET
REVENUES	
Interest	\$ 21,000
Unrealized Gains	
Maintenance Fund Assessment	\$ 850,000
City of Pueblo Maintenance Fund IGA	\$ 77,500
Leases, Books, Loan Proceeds, Other	\$ 2,600,000
Other Income	\$ -
Total Revenues	\$ 3,448,500
EXPENDITURES	
Legal Fees	\$ 6,000
Directors Fees	\$ 21,600
Engineer/Administrative	\$ 15,000
Bookkeeping & Audit Preparation	\$ 10,200
Audit	\$ 6,000
Insurance/Bonds	\$ 3,500
Office Expense	\$ 1,000
Office Rent/Storage	\$ 1,050
Professional Fees	\$ 12,500
Travel	\$ 2,400
Repairs & Maintenance	\$ 8,500
Maintenance Fund Assessment Programming & Maintenance	\$ 1,000
Contract Administration and Oversight	\$ 35,000
Arkansas River Levee Certification Design and/or Construction	\$ 2,971,740
Wildhorse/Dry Creek Levee Design & Construction Prep	\$ 100,000
Contingencies	\$ 20,000
Emergency Repairs	\$ 15,000
Capital Improvements	\$ 5,000
Planning & Development	\$ 5,000
HARP -- IGA Contribution	\$ 50,000
HARP -- O&M	\$ 10,000
Construction Loan Payment	\$ 2,600,000
Total Expenditures	\$ 5,900,490
Excess of Revenues Over (Under) Expenditures	\$ (2,451,990)
Beginning Reserve Fund Balance	\$ 3,879,573
Ending Reserve Fund Balance	\$ 1,427,583