

**RIO GRANDE WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS BUDGET HEARING
December 10, 2021 at 10:00 A.M.
Rio Grande Water Conservation District Conference Room
And By Zoom Teleconference**

Present: Greg Higel, President; Armando Valdez, Vice-President; Dwight Martin, Secretary/
Treasurer; Peggy Godfrey, Director; Steve Keller, Director; Zeke Ward, Director; Mike Kruse,
Director; and Cory Off, Director.

Absent: Bill McClure, Director.

Staff and Consultants: David Robbins, Hill & Robbins, P.C.; Amber Pacheco, Program Manager;
Chris Ivers, Program Manager; Marisa Fricke, Program Manager; Wylie Keller, Water Resource
Specialist; Kylie Gregg, Office Manager; April Mondragon, Administrative Assistant; and Michael
Carson, Database Administrator.

Guests: David Hofmann, Chris Lopez, Mike Dill, Sean Tonner, and Pricilla Waggoner.

CALL TO ORDER

President Greg Higel called the meeting to order at 10:02 a.m. There was a quorum present for the meeting.

INTRODUCTION OF STAFF AND GUESTS

President Greg Higel welcomed all those present and asked for introductions.

APPROVE AGENDA

President Higel asked for amendments or a motion to approve the agenda. A motion was made by Dwight Martin to approve the agenda as presented. The motion was seconded by Peggy Godfrey and unanimously approved.

PUBLIC COMMENT

President Higel asked for public comment. Peggy Godfrey asked what changes had been made to the budget since it was last presented. Amber Pacheco highlighted the minimal changes made to the budget.

2022 BUDGET HEARING

President Higel called the budget hearing to order and announced the publication notice of hearing information.

Subdistrict No. 1 Budget Public Comment

President Higel asked for any public comments regarding Subdistrict No. 1 Budget. There was none.

Subdistrict No. 2 Budget Public Comment

President Higel asked for any public comments regarding Subdistrict No. 2 Budget. There was none.

Subdistrict No. 3 Budget Public Comment

President Higel asked for any public comments regarding Subdistrict No. 3 Budget. There was none.

Subdistrict No. 4 Budget Public Comment

President Higel asked for any public comments regarding Subdistrict No. 4 Budget. There was none.

Subdistrict No. 5 Budget Public Comment

President Higel asked for any public comments regarding Subdistrict No. 5 Budget. There was none.

Subdistrict No. 6 Budget Public Comment

President Higel asked for any public comments regarding Subdistrict No. 6 Budget. There was none.

Rio Grande Water Conservation District Budget Public Comment

President Higel asked for any public comments regarding the Rio Grande Water Conservation District Budget. There was none.

- **Resolution to approve the FY2022 Budget**

A motion was made by Dwight Martin to approve the Resolution to adopt the FY2022 Budget. The motion was seconded by Steve Keller and unanimously approved.

- **Resolution to appropriate monies for FY2022**

A motion was made by Steve Keller to adopt the Resolution to Appropriate Monies for FY 2022. The motion was seconded by Dwight Martin and unanimously approved.

- **Resolution to set Mill Levy for FY 2022**

Amber Pacheco provided the max mill Levy the District is allowed to assess. Ms. Pacheco reminded the Board of the discussion held at the Budget work session of the potential to lower the mill levy below the Tabor restriction. David Robbins explained the consequences of taking the mill levy too low and when it would require a vote of the people to increase it.

A motion was made by Dwight Martin to adopt the Resolution to Set the Mill Levy for FY 2022. The motion was seconded by Cory Off and unanimously approved.

The budget hearing was adjourned at 10:23 a.m.

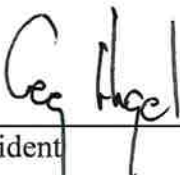
OTHER ACTIONS AS REQUIRED

President Higel asked for other actions or questions. Dwight Martin asked how Lisa Sigler planned to respond, to the RWR proposal made at the Douglas County Town Hall, to defend the District and the interests of the Valley. Amber Pacheco reported Ms. Sigler's office and staff are following the situation and attending the meetings and when appropriate will respond.

ADJOURN

The meeting was adjourned at 10:28 a.m.

The next scheduled quarterly meeting will be held on January 18, 2022.



President



Secretary/Treasurer

RESOLUTION TO ADOPT BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022

WHEREAS, the Board of Directors of the Rio Grande Water Conservation District has appointed Cleave Simpson, General Manager, to prepare and submit a proposed budget to said governing body at the proper time, and;

WHEREAS, Cleave Simpson, General Manager, has submitted a proposed budget to this governing body on October 15, 2021, for its consideration, and;

WHEREAS, Upon due and proper notice, published and 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 December 10, 2021, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

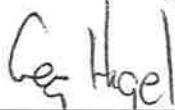
WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO:


- Section 1 That the budget, as submitted, amended and herein above summarized by fund hereby is approved and adopted as the budget of the Rio Grande Water Conservation District for the year stated above.

- Section 2 That the budget hereby approved and adopted shall be signed by the President and Secretary/Treasurer and made a part of the public records of the Rio Grande Water Conservation District.

ADOPTED, this 10th day of December A.D. 2021



President

Attest: 

Secretary/Treasurer

RESOLUTION FOR APPROPRIATING MONIES

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS, IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH BELOW FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO, FOR THE 2022 BUDGET YEAR.

WHEREAS, the Rio Grande Water Conservation District has adopted the annual budget in accordance with the Local Government Budget Law, on December 10, 2021, and;

WHEREAS, the Rio Grande Water Conservation District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but is also necessary to appropriate the revenues provided in the budget, to and for the purposes described below, so as not to impair the operation of the District.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO;

Section1. That the following sums are hereby appropriated from the revenues of the District, to each fund, for the purposes stated:

ESTIMATED EXPENDITURES FOR 2022:

ADMINISTRATION: (Salaries and services, travel and expenses, Federal and State affairs, capital outlay and Equipment replacement)	<u>\$ 670,156.00</u>
PROFESSIONAL SERVICES	<u>\$ 899,000.00</u>
CONSERVATION OF NATURAL RESOURCES	<u>\$ 165,041.00</u>
BUREAU OF RECLAMATION CONTRACT	<u>\$ 97,175.00</u>
CAPITAL OUT LAY	<u>\$ 215,000.00</u>
EMERGENCY RESERVE	<u>\$ 32,807.00</u>
ESTIMATED RESERVE FUND	<u>\$ 4,114,238.00</u>

ESTIMATED TOTAL GENERAL FUND EXPENDITURES FOR 2022 \$ 2,046,372.00

SPECIAL REVENUE FUND #1

ESTIMATED EXPENDITURES FOR 2022:

WATER MANAGEMENT-VARIABLE \$ 7,416,500.00

ADMINISTRATION \$ 524,700.00

CREP \$ 2,185,000.00

REIMBURSEMENT TO GENERAL FUND \$ 0.00

ESTIMATED RESERVE FUND \$ 4,046,421.00

SPECIAL REVENUE FUND #2

ESTIMATED EXPENDITURES FOR 2022:

WATER MANGEMENT EXPENDITURES \$ 802,000.00

ADMINISTRATION \$ 66,600.00

PROFESSIONAL SERVICES \$ 70,000.00

REIMBURSEMENT TO GENERAL FUND \$ 12,500.00

ESTIMATED RESERVE FUND \$ 5,574.00

SPECIAL REVENUE FUND #3

ESTIMATED EXPENDITURES FOR 2022:

WATER MANAGEMENT EXPENDITURES \$ 1,589,500.00

ADMINISTRATION \$ 65,850.00

PROFESSIONAL SERVICES \$ 75,000.00

REIMBURSEMENT TO GENERAL FUND \$ 5,000.00

ESTIMATED RESERVE FUND \$ 15,592.00

SPECIAL REVENUE FUND #4

ESTIMATED EXPENDITURES FOR 2022:

WATER MANAGEMENT EXPENDITURES	\$ 223,000.00
ADMINISTRATION	\$ 63,012.00
PROFESSIONAL SERVICES	\$ 42,000.00
REIMBURSEMENT TO THE GENERAL FUND	\$ 13,000.00
ESTIMATED RESERVE FUND	\$ 12,991.00

SPECIAL REVENUE FUND #5

ESTIMATED EXPENDITURES FOR 2022:

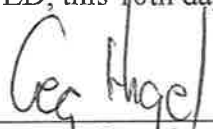
WATER MANAGEMENT EXPENDITURES	\$ 515,000.00
ADMINISTRATION	\$ 66,897.00
PROFESSIONAL SERVICES	\$ 70,000.00
REIMBURSEMENT TO THE GENERAL FUND	\$ 19,552.00
ESTIMATED RESERVE FUND	\$ 18,284.00

SPECIAL REVENUE FUND #6

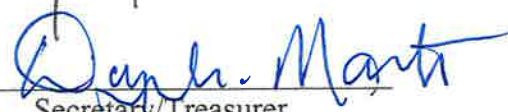
ESTIMATED EXPENDITURES FOR 2022:

WATER MANAGEMENT EXPENDITURES	\$ 2,160,000.00
ADMINISTRATION	\$ 84,250.00
PROFESSIONAL SERVICES	\$ 165,000.00
REIMBURSEMENT TO GENERAL FUND	\$ 10,000.00
ESTIMATED RESERVE FUND	\$ 48,140.00

ADOPTED, this 10th day of December A.D. 2021



President

Attest: 

Secretary/Treasurer

RESOLUTION TO SET MILL LEVY

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2021 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO, FOR THE 2022 BUDGET YEAR.

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$ 2,046,372.00 and:

WHEREAS, the 2021 valuation for assessment for the Rio Grande Water Conservation District as certified by the County Assessors is \$ 631,415,886.00

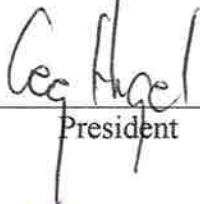
NOW THEREFORE, BE IT RESOLVED BY THE Board of Directors of the Rio Grande Water Conservation District, Colorado:

- Section 1 That for the purpose of meeting all general operating expenses of the Rio Grande Water Conservation District during the 2022 budget year there is hereby levied a tax of 2.35 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2021.

- Section 2 That for the purpose of rendering a refund to its constituents during the budget year 2022, there is hereby levied a temporary mill levy reduction of 0.6 mills.

- Section 3 That the General Manager is hereby authorized and directed to immediately certify to the County Commissioners of Alamosa, Conejos, Mineral, Rio Grande and Saguache Counties, Colorado, the mill levy above determined and set.

ADOPTED, this 10th day of December A.D. 2021



President

Attest:



Secretary/Treasurer

RIO GRANDE WATER CONSERVATION DISTRICT

	PRIOR YEAR 2020	CURRENT YEAR 2021	PROPOSED YEAR 2022
GENERAL FUND			
Beginning Fund Balance	\$3,701,022	\$4,303,515	\$4,120,172
Revenues			
Taxes	\$1,373,445	\$1,436,888	\$1,266,193
Intergovernmental Revenue	\$123,130	\$37,740	\$97,195
Miscellaneous Revenue	\$447,414	\$170,729	\$177,050
Total Revenues	\$1,943,989	\$1,645,358	\$1,540,438
Expenditures			
Salaries and Fringe	\$471,726	\$340,762	\$464,213.66
Travel	\$14,955	\$6,240	\$11,500.00
Office Expense	\$88,334	\$109,438	\$118,442.65
Professional Services	\$260,320	\$846,286	\$899,000.00
Other General Government	\$289,293	\$66,243	\$76,000.00
Conservation of Natural Resources	\$75,670	\$115,356	\$165,041.00
Bureau of Reclamation Contract	\$126,074	\$75,192	\$97,175.00
Capital Outlay	\$15,124	\$4,135	\$215,000.00
Total Expenditures	\$1,341,496	\$1,563,653	\$2,046,372.31
Other Financing Sources			
Transfer in from Subdistrict #1,2,3,5,6 Special Revenue Fund	\$0	\$337,445	\$500,000
Other Financial Use			
Property acquisition for Subdistrict #1 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #2 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #3 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #4 Special Revenue Fund	\$127,500	\$0	\$0
Transfer money out to Subdistrict #5 Special Revenue Fund	\$103,500	\$40,795	\$0
Transfer money out to Subdistrict #6 Special Revenue Fund	\$37	\$0	\$0
TABOR RESERVE	\$32,807	\$32,807	\$32,807
Excess (Deficiency) of Revenues Over Expenditures	\$371,456	\$378,355	-\$5,934
ENDING FUND BALANCE	\$4,072,478	\$4,681,870	\$4,114,238

SUBDISTRICT #1 SPECIAL REVENUE FUND			
Beginning Fund Balance (cash basis)	\$6,224,170	\$5,184,263	\$4,508,003
Operating Revenue			
Fees: Variable	\$3,183,709	\$7,432,200	\$6,816,586
Fees: Administrative	\$513,499	\$541,546	\$476,406
Fees: CREP	\$166,892	\$2,022,673	\$2,023,626
Fees: Contract Inclusion	\$23,500	\$2,000	\$5,000
Total Operating Revenue	\$3,887,600	\$9,998,420	\$9,321,618
Operating Expenses			
Water Management-Variable	\$4,231,733	\$7,882,341	\$7,416,500
Administrative	\$522,200	\$412,767	\$524,700
CREP	\$805,806	\$2,285,000	\$2,185,000
Total Operating Expenses	\$5,559,739	\$10,580,108	\$10,126,200

Nonoperating Revenue

Interest Revenue	\$44,322	\$41,000	\$43,000
Miscellaneous Revenue	\$72,000	\$0	\$300,000
Other Financial Use			
Transfer out to Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$4,668,353	\$4,643,575	\$4,046,421

SUBDISTRICT #2 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$195,893	\$392,397	\$337,974
Operating Revenue			
Fees: Pumping	\$377,500	\$381,637	\$543,000
Fees: Administrative	\$74,993	\$82,682	\$74,200
Fees: Contract Inclusion	\$500	\$1,000	\$500
Total Operating Revenue	\$452,993	\$465,319	\$617,700
Operating Expenses			
Water Management			
Water Lease and Storage	\$180,087	\$398,411	\$802,000
Administration	\$54,937	\$61,782	\$66,600
Professional Fees	\$22,309	\$47,481	\$70,000
Reimbursement to the General Fund	\$12,500	\$12,500	\$12,500
Total Operating Expenses	\$269,833	\$520,174	\$951,100
Nonoperating Revenue			
Interest Revenue	\$1,332	\$432	\$1,000
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$12,013	\$0	\$0
ENDING FUND BALANCE	\$392,397	\$337,974	\$5,574

SUBDISTRICT #3 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$610,342	\$964,646	\$1,044,842
Operating Revenue			
Fees: Groundwater Withdrawal	\$628,912	\$577,310	\$628,500
Fees: Administrative	\$72,443	\$79,987	\$74,800
Fees: Contract Inclusion	\$1,500	\$600	\$300
Total Operating Revenue	\$702,855	\$657,897	\$703,600
Operating Expenses			
Water Management			
Water Lease and Storage	\$134,925	\$454,140	\$1,589,500
Administration	\$54,348	\$59,613	\$65,850
Professional Fees	\$37,487	\$61,065	\$75,000
Reimbursement to the General Fund	\$125,813	\$5,000	\$5,000
Total Operating Expenses	\$352,572	\$579,818	\$1,735,350
Nonoperating Revenue			
Interest Revenue	\$3,987	\$2,117	\$2,500

Other Financing Source

Transfer in from Rio Grande Water Conservation District	\$35	\$0	\$0
ENDING FUND BALANCE	\$964,646	\$1,044,842	\$15,592

SUBDISTRICT #4 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$0	\$0	\$152,756
Operating Revenue			
Fees: Groundwater Withdrawal	\$0	\$159,785	\$144,212
Fees: Administrative	\$0	\$94,775	\$56,535
Fees: Contract Inclusion	\$2,000	\$6,000	\$500
Total Operating Revenue	\$2,000	\$260,560	\$201,248
Operating Expenses			
Water Management			
Water Lease and Storage	\$66,000	\$25,766	\$223,000
Administration	\$28,500	\$45,500	\$63,012
Professional Fees	\$35,000	\$25,000	\$42,000
Reimbursement to the General Fund	\$0	\$11,538	\$13,000
Total Operating Expenses	\$129,500	\$107,804	\$341,012
Nonoperating Revenue			
Interest Revenue	\$0	\$0	\$0
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$127,500	\$0	\$0
ENDING FUND BALANCE	\$0	\$152,756	\$12,991

SUBDISTRICT #5 SPECIAL REVENUE FUND

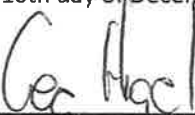
Beginning Fund Balance (cash basis)	\$0	\$0	\$0
Operating Revenue			
Fees: Groundwater Withdrawal	\$0	\$357,260	\$578,402
Fees: Administrative	\$0	\$111,147	\$111,331
Fees: Contract Inclusion	\$1,500	\$5,500	\$0
Total Operating Revenue	\$1,500	\$473,907	\$689,733
Operating Expenses			
Water Management			
Water Lease and Storage	\$25,000	\$293,061	\$515,000
Administration	\$38,500	\$77,095	\$66,897
Professional Fees	\$40,000	\$124,994	\$70,000
Reimbursement to the General Fund	\$0	\$19,552	\$19,552
Total Operating Expenses	\$103,500	\$514,702	\$671,450
Nonoperating Revenue			
Interest Revenue	\$0	\$0	\$0
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$103,500	\$40,795	\$0

ENDING FUND BALANCE	\$1,500	\$0	\$18,284
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SUBDISTRICT #6 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$0	\$969,738	\$1,063,390
Operating Revenue			
Fees: Groundwater Withdrawal	\$1,366,502	\$1,307,912	\$1,300,000
Fees: Administrative	\$91,677	\$100,029	\$100,500
Fees: Contract Inclusion	\$3,900	\$1,200	\$0
Total Operating Revenue	\$1,462,079	\$1,409,141	\$1,400,500
Operating Expenses			
Water Management			
Water Lease and Storage	\$374,228	\$1,140,020	\$2,160,000
Administration	\$77,408	\$78,251	\$84,250
Professional Fees	\$38,260	\$90,284	\$165,000
Reimbursement to the General Fund	\$10,000	\$10,000	\$10,000
Total Operating Expenses	\$499,895	\$1,318,554	\$2,419,250
Nonoperating Revenue			
Interest Revenue	\$7,517	\$3,066	\$3,500
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$37	\$0	\$0
ENDING FUND BALANCE	\$969,738	\$1,063,390	\$48,140

ADOPTED, this 10th day of December, 2021



President



Secretary/Treasurer