

**RIO GRANDE WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS BUDGET HEARING
January 4, 2024 at 1:00 P.M.
Rio Grande Water Conservation District Conference Room
And By Zoom Teleconference**

Present: Greg Higel, President; Armando Valdez, Vice-President; Zeke Ward, Secretary/ Treasurer; Peggy Godfrey, Director; Elliott Salazar, Director; Cory Off, Director; Mark Deacon, Director; Doug Gunnels, Director; and, Mike Kruse, Director.

Staff and Consultants: David Robbins, Hill & Robbins, P.C.; Cleave Simpson, General Manager; Amber Pacheco, Deputy General Manager; Chris Ivers, Program Manager; Clinton Phillips, Davis Engineering; Angelo Bellah, Program Manager; Wylie Keller, Water Resource Specialist; Rose Vanderpool, Program Assistant; Kylie Gregg, Office Manager; Michael Carson, Database Administrator; Crystal Benavidez, HCP Coordinator/Program Assistant; and, April Mondragon, Administrative Assistant.

Guests: Susan Pierce-Platais.

CALL TO ORDER

President Greg Higel called the meeting to order at 1:07 p.m. There was a quorum present for the meeting.

INTRODUCTION OF STAFF AND GUESTS

President Higel welcomed all those present and asked for introductions.

APPROVE AGENDA

President Higel asked for changes or additions to the agenda. A motion was made by Armando Valdez to approve the agenda as presented. The motion was seconded by Doug Gunnels and unanimously approved.

PUBLIC COMMENT

President Higel asked for public comment. There was none.

2024 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 FY 2024 Budget**

Cleave Simpson provided an overview of the budget and the changes made since it was last reviewed. He highlighted the increase in property valuations and the drop in the Mill Levy. Mr. Simpson described the staff evaluation process and highlighted the General Manager salary increase. He explained his salary while attending senate business and how staffs time is allocated to the Subdistricts and District. Discussion was held on the budgeted amount for special projects, HCP and how storage costs are paid.

A motion was made by Cory Off to approve the Resolution to approve the FY 2024 Budget. The motion was seconded by Mark Deacon and unanimously approved.

- **Resolution to Appropriate Monies for FY 2024**

A motion was made by Cory Off to approve the Resolution to Appropriate Monies for FY 2024. The motion was seconded by Mark Deacon and unanimously approved.

- **Resolution to set Mill Levy for FY 2024**

A motion was made by Mark Deacon to approve the Resolution to Set the Mill Levy for FY 2024. The motion was seconded by Cory Off and unanimously approved.

The budget hearing was adjourned at 1:49 p.m.


OTHER DIRECTOR REPORTS

President Higel asked for other Director reports. Cleave Simpson thanked the Board, the Management Committee and the staff for their time and efforts.

ADJOURN

The meeting was adjourned at 1:50 p.m.

The next quarterly meeting is scheduled for January 16, 2024, at 10:00 a.m.



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 2024 AND ENDING ON THE LAST DAY OF DECEMBER 2024

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 16, 2023, 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 January 4, 2024, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

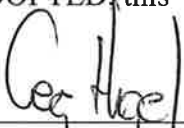
WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

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 4th day of January A.D. 2024



President

Attest: 

Secretary/Treasurer

FINAL 2024

RIO GRANDE WATER CONSERVATION DISTRICT

	PRIOR YEAR 2022	CURRENT YEAR 2023	ADOPTED YEAR 2024
GENERAL FUND			
Beginning Fund Balance	\$4,720,104	\$4,741,660	\$4,456,812
Revenues			
Taxes	\$1,238,819	\$1,317,259	\$1,261,631
Intergovernmental Revenue	\$76,539	\$4,644	\$0
Miscellaneous Revenue	\$548,598	\$3,825,235	\$27,044,212
Total Revenues	\$1,863,956	\$5,147,138	\$28,305,843
Expenditures			
Salaries and Fringe	\$470,661	\$615,575	\$624,634.95
Travel	\$17,768	\$18,427	\$20,500.00
Office Expense	\$84,719	\$136,906	\$139,748.93
Professional Services	\$303,952	\$1,138,692	\$1,320,000.00
Other General Government	\$272,290	\$131,872	\$106,000.00
Conservation of Natural Resources	\$569,041	\$118,030	\$212,095.00
Bureau of Reclamation Contract	\$79,744	\$4,645	\$0.00
Capital Outlay	\$2,844,225	\$9,955,052	\$26,869,914.26
Total Expenditures	\$4,642,400	\$12,119,197	\$29,292,893.14
Other Financing Sources			
Transfer in from Subdistrict #1,2,3,5,6 Special Revenue Fund	\$2,800,000	\$6,687,210	\$0
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	\$0	\$0	\$0
Transfer money out to Subdistrict #5 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #6 Special Revenue Fund	\$0	\$0	\$0
TABOR RESERVE	\$32,807	\$55,000	\$55,000
Excess (Deficiency) of Revenues Over Expenditures	\$21,556	-\$284,848	-\$987,050
ENDING FUND BALANCE	\$4,741,660	\$4,456,812	\$3,469,761

SUBDISTRICT #1 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$5,021,222	\$6,847,440	\$7,819,977
Operating Revenue			
Fees: Variable	\$7,039,900	\$8,325,480	\$7,326,612
Fees: Administrative	\$476,192	\$463,699	\$419,051
Fees: CREP	\$1,961,103	\$31,239	\$0
Fees: Contract Inclusion	\$0	\$0	\$0
Total Operating Revenue	\$9,477,195	\$8,820,418	\$7,745,663
Operating Expenses			
Water Management-Variable	\$6,548,575	\$6,983,744	\$10,302,955
Administrative	\$435,932	\$432,651	\$673,700
CREP	\$856,465	\$941,486	\$1,955,000

Total Operating Expenses	\$7,840,973	\$8,357,880	\$12,931,655
Nonoperating Revenue			
Interest Revenue	\$11,075	\$10,000	\$15,000
Miscellaneous Revenue	\$178,920	\$500,000	\$130,000
Other Financial Use			
Transfer out to Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$6,847,440	\$7,819,977	\$2,778,985

SUBDISTRICT #2 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$475,627	\$576,522	\$494,263
Operating Revenue			
Fees: Pumping	\$552,829	\$607,477	\$745,000
Fees: Administrative	\$76,566	\$79,697	\$87,000
Fees: Contract Inclusion	\$2,000	\$1,000	\$500
Total Operating Revenue	\$631,395	\$688,175	\$832,500
Operating Expenses			
Water Management			
Water Lease and Storage	\$439,876	\$652,088	\$1,125,000
Administration	\$57,408	\$68,629	\$71,838
Professional Fees	\$21,336	\$37,670	\$57,500
Reimbursement to the General Fund	\$12,500	\$12,500	\$12,500
Total Operating Expenses	\$531,120	\$770,887	\$1,266,838
Nonoperating Revenue			
Interest Revenue	\$619	\$453	\$1,000
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$576,522	\$494,263	\$60,925

SUBDISTRICT #3 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$1,240,354	\$1,515,357	\$1,601,017
Operating Revenue			
Fees: Groundwater Withdrawal	\$605,584	\$625,936	\$628,750
Fees: Administrative	\$70,414	\$49,230	\$63,630
Fees: Contract Inclusion	\$300	\$0	\$300
Total Operating Revenue	\$676,298	\$675,166	\$692,680
Operating Expenses			
Water Management			
Water Lease and Storage	\$367,413	\$385,119	\$2,688,386
Administration	\$47,207	\$64,235	\$67,380
Professional Fees	\$45,689	\$61,892	\$120,000
Reimbursement to the General Fund	\$5,000	\$5,000	\$5,000
Water right acquisition	\$0	\$2,187,210	\$0
Total Operating Expenses	\$465,309	\$2,703,456	\$2,880,766
Nonoperating Revenue			

Interest Revenue	\$3,374	\$2,478	\$2,500
CWCB loan	\$0	\$1,991,130	\$589,000
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
Miscellaneous Revenue	\$60,640	\$120,342	\$0
ENDING FUND BALANCE	\$1,515,357	\$1,601,017	\$4,431

SUBDISTRICT #4 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$149,912	\$33,128	\$221,942
Operating Revenue			
Fees: Groundwater Withdrawal	\$153,896	\$250,730	\$225,328
Fees: Administrative	\$51,369	\$87,187	\$84,198
Fees: Lease Payment	\$0	\$135,000	\$90,000
Fees: Contract Inclusion	\$1,000	\$395	\$500
Total Operating Revenue	\$206,265	\$473,313	\$400,026
Operating Expenses			
Water Management			
Water Lease and Storage	\$352,895	\$332,402	\$356,710
Administration	\$63,718	\$67,114	\$68,000
Professional Fees	\$33,480	\$27,000	\$42,000
Reimbursement to the General Fund	\$13,000	\$13,000	\$13,000
Water Delivery Project	\$0	\$0	\$1,022,698
Total Operating Expenses	\$463,092	\$439,516	\$1,502,408
Nonoperating Revenue			
Interest Revenue	\$760	\$695	\$850
Miscellaneous and CWCB loan	\$0	\$12,138	\$880,514
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$139,282	\$0	\$0
ENDING FUND BALANCE	\$33,128	\$79,758	\$924

SUBDISTRICT #5 SPECIAL REVENUE FUND

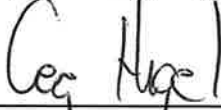
Beginning Fund Balance (cash basis)	\$100,229	\$69,681	\$222,196
Operating Revenue			
Fees: Groundwater Withdrawal	\$528,743	\$597,588	\$533,706
Fees: Administrative	\$160,666	\$148,471	\$133,395
Fees: Contract Inclusion	\$1,000	\$500	\$0
Total Operating Revenue	\$690,409	\$746,560	\$667,101
Operating Expenses			
Water Management			
Water Lease and Storage	\$502,010	\$406,899	\$652,297
Administration	\$109,897	\$98,426	\$107,000
Professional Fees	\$74,054	\$65,010	\$105,000
Reimbursement to the General Fund	\$39,116	\$25,000	\$25,000
Other expenses	\$2,550,000	\$3,576,816	\$2,503,384

Total Operating Expenses	\$3,275,077	\$4,172,151	\$3,392,681
Nonoperating Revenue			
Interest Revenue	\$4,117	\$1,290	\$0
Miscellaneous and CWCB loan	\$2,550,002	\$3,576,816	\$2,503,384
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$69,681	\$222,196	\$0


SUBDISTRICT #6 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$1,850,729	\$2,352,080	\$1,126,088
Operating Revenue			
Fees: Groundwater Withdrawal	\$1,230,482	\$1,782,667	\$1,975,000
Fees: Administrative	\$106,593	\$96,525	\$130,000
Fees: Contract Inclusion	\$2,100	\$1,200	\$1,000
Total Operating Revenue	\$1,339,174	\$1,880,392	\$2,106,000
Operating Expenses			
Water Management			
Water Lease and Storage	\$650,193	\$2,145,030	\$2,415,000
Administration	\$74,040	\$121,638	\$111,780
Professional Fees	\$111,999	\$94,912	\$165,000
Reimbursement to the General Fund	\$10,000	\$10,000	\$10,000
Other expenses - loan	\$0	\$742,269	\$0
Total Operating Expenses	\$846,233	\$3,113,849	\$2,701,780
Nonoperating Revenue			
Interest Revenue	\$8,409	\$7,464	\$8,000
Miscellaneous loan repayment	\$0	\$0	\$74,230
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$2,352,080	\$1,126,088	\$612,538

ADOPTED, this 4th day of January 2024



 President



 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 2024 BUDGET YEAR.

WHEREAS, the Rio Grande Water Conservation District has adopted the annual budget in accordance with the Local Government Budget Law, on January 4, 2024, 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;

Section 1. That the following sums are hereby appropriated from the revenues of the District to each fund, for the purposes stated:

ESTIMATED EXPENDITURES FOR 2024:

ADMINISTRATION: (Salaries and services, travel, and expenses, Federal and State affairs, capital outlay, and Equipment replacement)	<u>\$ 890,883.88</u>
PROFESSIONAL SERVICES	<u>\$ 1,320,000.00</u>
CONSERVATION OF NATURAL RESOURCES	<u>\$ 212,095.00</u>
BUREAU OF RECLAMATION CONTRACT	<u>\$ 0.00</u>
CAPITAL OUTLAY	<u>\$ 26,869,914.26</u>
EMERGENCY RESERVE	<u>\$ 55,000.00</u>
ESTIMATED RESERVE FUND	<u>\$ 3,469,761.00</u>
ESTIMATED TOTAL GENERAL FUND EXPENDITURES FOR 2024	<u>\$ 29,292,893.14</u>

SPECIAL REVENUE FUND #1

ESTIMATED EXPENDITURES FOR 2024:

WATER MANAGEMENT-VARIABLE	<u>\$10,302,955.00</u>
ADMINISTRATION	<u>\$ 673,700.00</u>
CREP	<u>\$ 1,955,000.00</u>
REIMBURSEMENT TO GENERAL FUND	<u>\$ 0.00</u>
ESTIMATED RESERVE FUND	<u>\$ 2,778,985.00</u>

SPECIAL REVENUE FUND #2

ESTIMATED EXPENDITURES FOR 2024:

WATER MANAGEMENT EXPENDITURES	<u>\$ 1,125,000.00</u>
ADMINISTRATION	<u>\$ 71,838.00</u>
PROFESSIONAL SERVICES	<u>\$ 57,500.00</u>
REIMBURSEMENT TO GENERAL FUND	<u>\$ 12,500.00</u>
ESTIMATED RESERVE FUND	<u>\$ 60,925.00</u>

SPECIAL REVENUE FUND #3

ESTIMATED EXPENDITURES FOR 2024:

WATER MANAGEMENT EXPENDITURES	<u>\$ 2,688,386.00</u>
ADMINISTRATION	<u>\$ 67,380.00</u>
PROFESSIONAL SERVICES	<u>\$ 120,000.00</u>
REIMBURSEMENT TO GENERAL FUND	<u>\$ 5,000.00</u>
ESTIMATED RESERVE FUND	<u>\$ 4,431.00</u>

SPECIAL REVENUE FUND #4

ESTIMATED EXPENDITURES FOR 2024:

WATER MANAGEMENT EXPENDITURES	\$ <u>356,710.00</u>
ADMINISTRATION	\$ <u>68,000.00</u>
PROFESSIONAL SERVICES	\$ <u>42,000.00</u>
REIMBURSEMENT TO THE GENERAL FUND	\$ <u>13,000.00</u>
ESTIMATED RESERVE FUND	\$ <u>924.00</u>

SPECIAL REVENUE FUND #5

ESTIMATED EXPENDITURES FOR 2024:

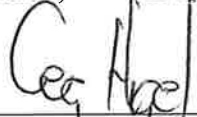
WATER MANAGEMENT EXPENDITURES	\$ <u>652,297.00</u>
ADMINISTRATION	\$ <u>107,000.00</u>
PROFESSIONAL SERVICES	\$ <u>105,000.00</u>
REIMBURSEMENT TO THE GENERAL FUND	\$ <u>25,000.00</u>
ESTIMATED RESERVE FUND	\$ <u>0.00</u>

SPECIAL REVENUE FUND #6


ESTIMATED EXPENDITURES FOR 2024:

WATER MANAGEMENT EXPENDITURES	\$ <u>2,415,000.00</u>
ADMINISTRATION	\$ <u>111,780.00</u>
PROFESSIONAL SERVICES	\$ <u>165,000.00</u>
REIMBURSEMENT TO GENERAL FUND	\$ <u>10,000.00</u>
ESTIMATED RESERVE FUND	\$ <u>612,538.00</u>

ADOPTED, this 4th day of January A.D. 2024



 President

Attest: 

 Secretary/Treasurer

RESOLUTION TO SET MILL LEVY

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO, FOR THE 2024 BUDGET YEAR.

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$ 29,292,893.14 and:

WHEREAS, the 2023 valuation for assessment for the Rio Grande Water Conservation District as certified by the County Assessors is \$ 687,671,288.00.

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 2024 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 2023.

- Section 2 That for the purpose of rendering a refund to its constituents during the budget year 2023, there is hereby levied a temporary mill levy reduction of 0.75 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 4th day of January A.D. 2024



President

Attest: 

Secretary/Treasurer