

**RIO GRANDE WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS BUDGET HEARING
DECEMBER 9, 2022 at 10:00 A.M.
Rio Grande Water Conservation District Conference Room
And By Zoom Teleconference**

Present: Greg Higel, President; Armando Valdez, Vice-President; Peggy Godfrey, Director; Steve Keller, Director; Zeke Ward, Director; and, Mike Kruse, Director.

Absent: Dwight Martin, Secretary/Treasurer; Cory Off, Director; and, Doug Gunnels, Director.

Staff and Consultants: David Robbins and Pete Ampe, Hill & Robbins, P.C.; Cleave Simpson, General Manager; Amber Pacheco, Acting Deputy General Manager; Wylie Keller, Water Resource Specialist; Rose Vanderpool, Program Assistant; Rob Phillips, Program Manager; Linda Ramirez, Program Assistant; Cassandra McCuen, HCP Coordinator/Program Assistant; Kylie Gregg, Office Manager; Michael Carson, Database Administrator; and April Mondragon, Administrative Assistant.

Guests: Deb Sarason, Michelle Lanzoni, John Gerstle.

CALL TO ORDER

President Greg Higel called the meeting to order at 10:01 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 Mike Kruse to approve the agenda as amended. The motion was seconded by Steve Keller and unanimously approved.

PUBLIC COMMENT

President Higel asked for public comment. Willie Hofner thanked the Board for the work they have done and continue to do. He reported following the progress of the Subdistricts and recited the Districts mission statement. Mr. Hofner suggested more programs for surface water only members be developed.

2023 BUDGET HEARING

President Higel called the Budget Hearing to order and announced the publication date for the 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 2023 Budget**

Cleave Simpson reported the budget being considered was the same as the one the Board had previously reviewed. He also stated there was still some work to do on funding requests. Amber Pacheco reported on a change to the Subdistrict No.1 budget.

A motion was made by Mike Kruse to approve the Resolution to Approve the FY 2023 Budget. The motion was seconded by Zeke Ward and unanimously approved.

- **Resolution to Appropriate Monies for FY 2023**

A motion was made by Steve Keller to approve the Resolution to Appropriate Monies for FY 2023. The motion was seconded by Mike Kruse and unanimously approved.

- **Resolution to Set the Mill Levy for FY 2023**

A motion was made by Mike Kruse to approve the Resolution to Set the Mill Levy for FY 2023. The motion was seconded by Steve Keller and unanimously approved.

Cleave Simpson thanked the Board of Directors and staff for their efforts.

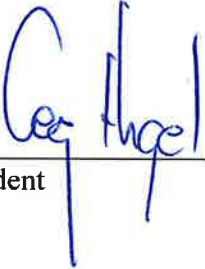
OTHER ACTIONS AS REQUIRED

President Higel asked for other actions as required. There was none.

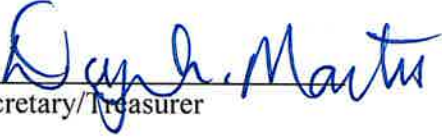
ADJOURN

The budget hearing was adjourned at 10:33 a.m.

The next quarterly meeting was scheduled for January 17, 2023.



President



Secretary/Treasurer

RIO GRANDE WATER CONSERVATION DISTRICT

	PRIOR YEAR 2021	CURRENT YEAR 2022	PROPOSED YEAR 2023
GENERAL FUND			
Beginning Fund Balance	\$4,303,515	\$4,720,104	\$4,719,448
Revenues			
Taxes	\$1,433,247	\$1,266,193	\$1,279,686
Intergovernmental Revenue	\$75,793	\$54,992	\$0
Miscellaneous Revenue	\$113,352	\$181,881	\$182,500
Total Revenues	\$1,622,392	\$1,503,066	\$1,462,186
Expenditures			
Salaries and Fringe	\$407,144	\$462,653	\$483,385.46
Travel	\$18,084	\$4,791	\$12,500.00
Office Expense	\$93,337	\$139,604	\$122,083.93
Professional Services	\$235,786	\$922,890	\$1,021,000.00
Other General Government	\$301,326	\$89,791	\$86,000.00
Conservation of Natural Resources	\$69,496	\$112,451	\$212,252.84
Bureau of Reclamation Contract	\$80,630	\$0	\$0.00
Capital Outlay	\$392,500	\$2,844,225	\$257,662.00
Total Expenditures	\$1,598,303	\$4,576,405	\$2,194,884.23
Other Financing Sources			
Transfer in from Subdistrict #1,2,3,5,6 Special Revenue Fund	\$392,500	\$3,204,460	\$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	\$0	\$131,777	\$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	\$416,589	-\$656	-\$232,698
ENDING FUND BALANCE	\$4,720,104	\$4,719,448	\$4,486,750

SUBDISTRICT #1 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$4,975,364	\$5,163,150	\$6,228,367
Operating Revenue			
Fees: Variable	\$7,404,753	\$6,813,141	\$8,325,479
Fees: Administrative	\$524,069	\$417,901	\$413,500
Fees: CREP	\$2,013,476	\$2,023,626	\$0
Fees: Contract Inclusion	\$22,500	\$5,000	\$0
Total Operating Revenue	\$9,964,799	\$9,259,668	\$8,738,979
Operating Expenses			
Water Management-Variable	\$7,582,927	\$7,099,750	\$8,499,265
Administrative	\$416,590	\$539,700	\$535,700
CREP	\$1,807,707	\$898,000	\$1,897,767
Total Operating Expenses	\$9,807,223	\$8,537,450	\$10,932,732

Nonoperating Revenue

Interest Revenue	\$30,210	\$43,000	\$43,000
Miscellaneous Revenue	\$0	\$300,000	\$130,000

Other Financial Use

Transfer out to Rio Grande Water Conservation District	\$0	\$0	\$0
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ENDING FUND BALANCE	\$5,163,150	\$6,228,367	\$4,207,614
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SUBDISTRICT #2 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$392,397	\$472,539	\$399,140
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Operating Revenue

Fees: Pumping	\$382,439	\$547,487	\$605,000
Fees: Administrative	\$82,094	\$74,360	\$76,500
Fees: Contract Inclusion	\$1,000	\$1,000	\$500

Total Operating Revenue	\$465,532	\$622,847	\$682,000
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Operating Expenses

Water Management			
Water Lease and Storage	\$281,201	\$591,912	\$935,000
Administration	\$52,527	\$61,492	\$66,470
Professional Fees	\$39,632	\$30,764	\$62,500
Reimbursement to the General Fund	\$12,500	\$12,500	\$12,500

Total Operating Expenses	\$385,861	\$696,667	\$1,076,470
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Nonoperating Revenue

Interest Revenue	\$470	\$421	\$1,000
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Other Financing Source

Transfer in from Rio Grande Water Conservation District	\$6,913	\$0	\$0
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ENDING FUND BALANCE	\$479,452	\$399,140	\$5,670
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SUBDISTRICT #3 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$969,871	\$1,395,355	\$1,608,213
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Operating Revenue

Fees: Groundwater Withdrawal	\$578,548	\$628,899	\$608,750
Fees: Administrative	\$83,734	\$76,331	\$50,000
Fees: Contract Inclusion	\$900	\$300	\$300

Total Operating Revenue	\$663,181	\$705,530	\$659,050
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Operating Expenses

Water Management			
Water Lease and Storage	\$135,260	\$387,467	\$2,012,000
Administration	\$50,595	\$52,584	\$64,450
Professional Fees	\$53,553	\$49,996	\$125,000
Reimbursement to the General Fund	\$5,000	\$5,000	\$5,000

Total Operating Expenses	\$244,409	\$495,047	\$2,206,450
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Nonoperating Revenue

Interest Revenue	\$3,281	\$2,375	\$2,500
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Other Financing Source

Transfer in from Rio Grande Water Conservation District	\$3,430	\$0	\$0
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ENDING FUND BALANCE	\$1,395,355	\$1,608,213	\$63,313
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SUBDISTRICT #4 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$0	\$146,833	\$16,986
Operating Revenue			
Fees: Groundwater Withdrawal	\$159,785	\$144,212	\$283,000
Fees: Administrative	\$95,901	\$56,511	\$89,800
Fees: Lease Payment	\$0	\$0	\$135,000
Fees: Contract Inclusion	\$7,000	\$0	\$500
Total Operating Revenue	\$262,686	\$200,724	\$508,300
Operating Expenses			
Water Management			
Water Lease and Storage	\$32,079	\$349,245	\$388,000
Administration	\$59,323	\$58,103	\$64,800
Professional Fees	\$24,451	\$42,000	\$42,000
Reimbursement to the General Fund	\$0	\$13,000	\$13,000
Total Operating Expenses	\$115,853	\$462,348	\$507,800
Nonoperating Revenue			
Interest Revenue	\$0	\$0	\$0
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$131,777	\$0
ENDING FUND BALANCE	\$146,833	\$16,986	\$17,486

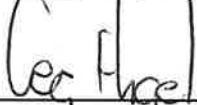
SUBDISTRICT #5 SPECIAL REVENUE FUND

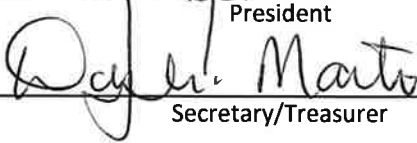
Beginning Fund Balance (cash basis)	\$0	\$118,616	\$0
Operating Revenue			
Fees: Groundwater Withdrawal	\$348,547	\$578,402	\$550,000
Fees: Administrative	\$109,591	\$111,331	\$136,000
Fees: Contract Inclusion	\$5,500	\$0	\$0
Total Operating Revenue	\$463,638	\$689,733	\$686,000
Operating Expenses			
Water Management			
Water Lease and Storage	\$202,877	\$721,114	\$500,000
Administration	\$72,146	\$100,841	\$91,000
Professional Fees	\$70,000	\$70,000	\$70,000
Reimbursement to the General Fund	\$0	\$19,552	\$25,000
Total Operating Expenses	\$345,022	\$911,507	\$686,000
Nonoperating Revenue			
Interest Revenue	\$0	\$0	\$0
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$103,158	\$0
ENDING FUND BALANCE	\$118,616	\$0	\$0

SUBDISTRICT #6 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$969,749	\$1,850,729	\$2,235,346
Operating Revenue			
Fees: Groundwater Withdrawal	\$1,313,116	\$1,221,764	\$1,775,000
Fees: Administrative	\$106,575	\$104,545	\$101,150
Fees: Contract Inclusion	\$1,200	\$1,800	\$0
Total Operating Revenue	\$1,420,891	\$1,328,109	\$1,876,150
Operating Expenses			
Water Management			
Water Lease and Storage	\$376,707	\$741,597	\$3,800,000
Administration	\$69,958	\$79,701	\$107,512
Professional Fees	\$104,543	\$116,332	\$165,000
Reimbursement to the General Fund	\$10,000	\$10,000	\$10,000
Total Operating Expenses	\$561,208	\$947,630	\$4,082,512
Nonoperating Revenue			
Interest Revenue	\$8,740	\$4,139	\$4,000
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$12,557	\$0	\$0
ENDING FUND BALANCE	\$1,850,729	\$2,235,346	\$32,984

ADOPTED, this ___th day of December, 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 2023 AND ENDING ON THE LAST DAY OF DECEMBER 2023

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 14, 2022, 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 9, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

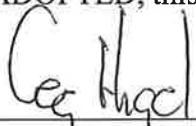
WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

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

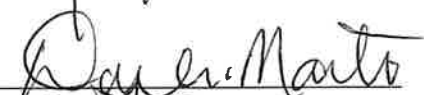
Section 1 That the budget, as submitted, amended, and herein above summarized by fund hereby is approved and adopted as the budget of the Rio Grande Water Conservation District for the year stated above.

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 9th day of December A.D. 2022



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 2023 BUDGET YEAR.

WHEREAS, the Rio Grande Water Conservation District has adopted the annual budget in accordance with the Local Government Budget Law, on December 9, 2022, 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 2023:

ADMINISTRATION: (Salaries and services, travel, and expenses, Federal and State affairs, capital outlay and Equipment replacement)	<u>\$ 703,969.39</u>
PROFESSIONAL SERVICES	<u>\$ 1,021,000.00</u>
CONSERVATION OF NATURAL RESOURCES	<u>\$ 212,252.84</u>
BUREAU OF RECLAMATION CONTRACT	<u>\$ 0.00</u>
CAPITAL OUT LAY	<u>\$ 2,194,884.23</u>
EMERGENCY RESERVE	<u>\$ 55,000.00</u>
ESTIMATED RESERVE FUND	<u>\$ 4,486,750.00</u>

ESTIMATED TOTAL GENERAL FUND EXPENDITURES FOR 2023 \$ 2,194,884.00

SPECIAL REVENUE FUND #1

ESTIMATED EXPENDITURES FOR 2023:

WATER MANAGEMENT-VARIABLE \$ 8,499,265.00

ADMINISTRATION \$ 535,700.00

CREP \$ 1,897,767.00

REIMBURSEMENT TO GENERAL FUND \$ 0.00

ESTIMATED RESERVE FUND \$ 4,207,614.00

SPECIAL REVENUE FUND #2

ESTIMATED EXPENDITURES FOR 2023:

WATER MANGEMENT EXPENDITURES \$ 935,000.00

ADMINISTRATION \$ 66,470.00

PROFESSIONAL SERVICES \$ 62,500.00

REIMBURSEMENT TO GENERAL FUND \$ 12,500.00

ESTIMATED RESERVE FUND \$ 5,670.00

SPECIAL REVENUE FUND #3

ESTIMATED EXPENDITURES FOR 2023:

WATER MANAGEMENT EXPENDITURES \$ 2,012,000.00

ADMINISTRATION \$ 64,450.00

PROFESSIONAL SERVICES \$ 125,000.00

REIMBURSEMENT TO GENERAL FUND \$ 5,000.00

ESTIMATED RESERVE FUND \$ 63,313.00

SPECIAL REVENUE FUND #4

ESTIMATED EXPENDITURES FOR 2023:

WATER MANAGEMENT EXPENDITURES	\$ <u>388,000.00</u>
ADMINISTRATION	\$ <u>64,800.00</u>
PROFESSIONAL SERVICES	\$ <u>42,000.00</u>
REIMBURSEMENT TO THE GENERAL FUND	\$ <u>13,000.00</u>
ESTIMATED RESERVE FUND	\$ <u>17,486.00</u>

SPECIAL REVENUE FUND #5

ESTIMATED EXPENDITURES FOR 2023:

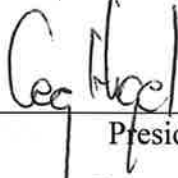
WATER MANAGEMENT EXPENDITURES	\$ <u>500,000.00</u>
ADMINISTRATION	\$ <u>91,000.00</u>
PROFESSIONAL SERVICES	\$ <u>70,000.00</u>
REIMBURSEMENT TO THE GENERAL FUND	\$ <u>25,000.00</u>
ESTIMATED RESERVE FUND	\$ <u>0.00</u>

SPECIAL REVENUE FUND #6

ESTIMATED EXPENDITURES FOR 2023:

WATER MANAGEMENT EXPENDITURES	\$ <u>3,800,000.00</u>
ADMINISTRATION	\$ <u>107,512.00</u>
PROFESSIONAL SERVICES	\$ <u>165,000.00</u>
REIMBURSEMENT TO GENERAL FUND	\$ <u>10,000.00</u>
ESTIMATED RESERVE FUND	\$ <u>32,984.00</u>

ADOPTED, this 9th day of December A.D. 2022



President

Attest:


Secretary/Treasurer

RESOLUTION TO SET MILL LEVY

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2022 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO, FOR THE 2023 BUDGET YEAR.

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$ 2,194,884 and:

WHEREAS, the 2022 valuation for assessment for the Rio Grande Water Conservation District as certified by the County Assessors is \$ 639,364,546.00

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 2023 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 2022.
- 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 0.60 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 9th day of December A.D. 2022



President

Attest:


Secretary/Treasurer

