



San Juan Water Conservancy District

46 Eaton Drive, Suite #5; P.O. Box 4632

Pagosa Springs, CO 81147

November 30, 2015

To Whom It May Concern:

From: Rodney B. Proffitt
San Juan Water Conservancy District

Re: 2016 Budget

The San Juan Water Conservancy District (“the District”) budget for 2016 was considered by the board of directors December 7, 2015, and passed without objection. The budget complies with all terms of Amendment One – there was no increase in the mill levy requested.

Colorado is about to adopt its first State Water Plan. It is clear from provisions in the Plan that water storage is a high priority. More particularly, increased water storage in the Pagosa Springs area is specifically mentioned in the Plan (page 3-11). The District expects to fund programs that will ultimately protect and enhance opportunities for the Dry Gulch Water Storage Facility Project (“Dry Gulch”) to succeed in keeping with the goals and objectives of the Plan.

The District has been taking steps to move the Dry Gulch forward. A concept for an agreement was passed by the District, Colorado Water Conservation Board (“CWCB”), and Pagosa Area Water & Sanitation District (“PAWSD”). The final agreements were drafted and everyone signed off on them, but there seems to be a problem holding up finalization of the new contracts. The District anticipates all issues pending will be worked out in 2016. This will allow the District to look more toward the future, and less at the past.

The District will fund due diligence efforts in support of conditional water rights for that Project. Last year, the District finalized settlement on one set of conditional water rights, which had objections. This year, another set of conditional water rights is up for review, but we do not anticipate objections this time.

The District’s board has decided to again fund the cloud seeding program, and also contribute to the Water Information Program. Efforts to become more involved with wildfire mitigation through programs to enhance local watersheds will be funded during the coming year.

The District uses the modified accrual basis of accounting to prepare the budget, and for the second year the board of directors has resolved the audit will go forward under an exemption provided by law as a means to mitigate the costs, while still being in compliance with all State and federal requirements.

RESOLUTION OF THE SAN JUAN WATER CONSERVANCY DISTRICT
TO ADOPT BUDGET

WHEREAS, the Board of Directors of the San Juan Water Conservancy District has appointed a budget committee to prepare and submit a proposed 2016 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to this Board on or before October 15, 2015, for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place and a public hearing was held on November 9, 2015, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and expenditure exemptions, including, but not limited to, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District: 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 San Juan Water Conservancy District:

1. That estimated expenditures for each funds are as follows:

General Fund:	\$ 161,550
Debt Service Fund:	\$ 0

2. That estimated revenues are as follows:

General Fund:

From unappropriated surpluses	\$ 283,291
From sources other than general property tax	\$ 34,351
From the general property tax levy	\$ 66,702
TOTAL	\$ 384,344

3. That reserves have been or are hereby established for each appropriate fund or combined as a single reserve fund as set forth in the budget in order to preserve the

spending exemption for reserves under TABOR, and all such reserves shall be transferred or expended within any fund as set forth in the budget.

4. That the budget, as submitted, amended and herein summarized by fund, including, but not limited to, any temporary property tax credit and mill levy rate reduction, be, and the same hereby is, approved and adopted as the budget of the San Juan Water Conservancy District for the 2016 fiscal year.

5. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$66,702; and

WHEREAS, the amount of money necessary to balance the budget for abatements is \$211; and

WHEREAS, the amount of money necessary to balance the budget for debt services expenses is \$0; and

WHEREAS, the 2015 valuation for assessment for the District, as certified by the Archuleta County Assessor, is \$211,083,389.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Juan Water Conservancy District:

1. That for the purposes of meeting all general operating expenses of the District during the 2016 budget year, there is hereby levied a property tax of 0.316 mills upon each dollar of the total valuation for assessment of all taxable property within the District, to raise \$66,702 in revenue.

2. That for the purpose of meeting all debt service expenses of the District during the 2016 budget year, there is hereby levied a property tax of -0- mills upon each dollar of the total valuation for assessment of all taxable property within the District, to raise \$-0-.

3. That for abatement purposes, there is hereby levied a tax of 0.001 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$211 in revenue.

4. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Archuleta County, Colorado, the mill levies for the District as hereinabove determined and set.

TO APPROPRIATE SUMS OF MONEY

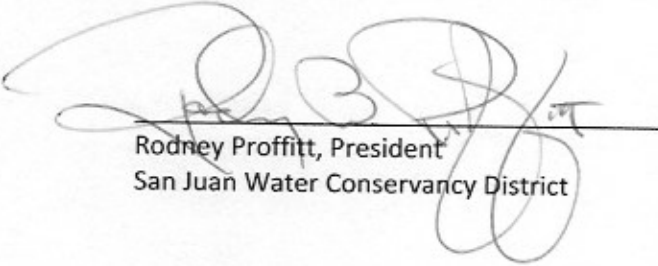
WHEREAS, the Board of Directors of the District has made provision in the budget for revenue in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Juan Water Conservancy District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund: \$161,550

ADOPTED THIS 7TH DAY OF DECEMBER, 2015.



Rodney Proffitt, President
San Juan Water Conservancy District

San Juan Water Conservancy District 2016 Budget

	ACTUAL 2014	BUDGET 2015	ANTICIPATED 2015	BUDGET 2016
BEGINNING BALANCE	298,291	266,532	278,687	283,291
1003370 Impact Fee Revenue	2,229	1,950	1,700	1,800
1003380 Grants	0	25,000	0	25,000
1003381 General Property Taxes	63,999	64,600	64,600	66,702
1003382 Specific Ownership	5,958	6,200	6,000	6,200
1003383 Current Tax Interest	218	300	225	300
1003384 Delinquent Tax Interest	20	42	50	60
1003385 Delinquent Tax	60	280	250	280
1003386 Abatements	0	204	204	211
1003387 Other Interest Income	298	290	390	500
TOTAL REVENUES	371,073	365,398	352,106	384,344
1031003 Dry Gulch - Studies/Eng.	5,210	40,000	1,000	50,000
1031004 Dry Gulch - Water Rights	0	5,000	9,000	10,000
1031005 Dry Gulch - Land	0	0	0	20,000
1031006 Dry Gulch - Legal	10,609	10,000	1,000	10,000
1031007 Dry Gulch - Settlement	24,334	13,000	13,000	5,000
1031008 Dry Gulch - General	3,500	5,000	500	5,000
1041221 Ditches & Streams	866	1,300	1,114	1,300
1041223 Cloud Seeding	0	1,000	1,000	1,000
1090020 Audit Expense	2,125	2,350	2,350	2,350
1900080 Board Expense	1,563	1,500	1,200	2,000
1090110 Insurance/Bonds	2,104	2,315	2,100	2,500
1090130 Legal	6,326	5,000	1,000	3,000
1090160 Office Supplies	75	400	200	400
1090161 Office Lease	4,200	4,200	4,200	4,200
1090162 Legal - Water Rights	11,696	25,000	10,000	10,000
1090190 Publications/Website	930	12,000	1,180	12,000
1090231 Administrative Services	5,207	7,000	6,500	7,000
1090232 Telephone/Internet	1,787	1,200	1,120	1,200
1090410 Dues	757	850	851	1,400
1090439 Training	2,374	2,500	1,000	2,500
1090440 Travel	5,321	7,200	6,000	7,000
1090442 Water Information Program	1,500	2,500	2,500	1,500
1090460 Treasurer's Fees	1,902	2,200	2,000	2,200
TOTAL EXPENDITURES	92,386	151,515	68,815	161,550
ENDING BALANCE	278,687	213,883	283,291	222,794