

**RIO GRANDE WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS BUDGET HEARING
December 13, 2024, at 10:00 A.M.
8805 Independence Way
Alamosa, CO 81101
And By Zoom Teleconference**

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

Absent: Mark Deacon, Director.

Staff and Consultants: Pete Ampe, Hill & Robbins, P.C.; Cleave Simpson, General Manager; Amber Pacheco, Deputy General Manager; Chris Ivers, Program Manager; Angelo Bellah, Program Manager; Clinton Phillips, Davis Engineering; Linda Ramirez, Program Assistant; Crystal Benavidez, HCP Coordinator/Program Assistant; Kylie Gregg, Office Manager; April Mondragon, Administrative Assistant; and, Michael Carson, Database Administrator.

Guests: Paul Formisano, Monica McCafferty, Ray Newmyer, Marianna King.

CALL TO ORDER

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

INTRODUCTION OF STAFF AND GUESTS

President 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 Peggy Godfrey to approve the agenda as presented. The motion was seconded by Zeke Ward and unanimously approved.

PUBLIC COMMENT

President Higel asked for public comment. Marianna King reported submitting an addendum to her proposal/funding request and asked to be on the January meeting agenda to discuss. Ray Newmyer explained why he believes the study will happen regardless and asked the Board to reconsider the funding request.

A motion was made by Peggy Godfrey to adjourn the meeting and enter into the Budget Hearing. The motion was seconded by Doug Gunnels and unanimously approved.

2024 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 2025 Budget**

Cleave Simpson presented the working budget and reported on the changes that had been made since October. He explained what would be submitted to the State and highlighted the reimbursements to the District from the Subdistricts for office building expenses. Mr. Simpson also explained the reduction to the mill levy.

A motion was made by Armando Valdez to approve the Resolution to approve the FY 2025 Budget. The motion was seconded by Peggy Godfrey and unanimously approved.

- **Resolution to Appropriate Monies for FY 2025**

A motion was made by Mike Kruse to approve the Resolution to Appropriate Monies for FY 2025. The motion was seconded by Peggy Godfrey and unanimously approved.

- **Resolution to Set the Mill Levy for FY 2025**

A motion was made by Peggy Godfrey to approve the Resolution to Set the Mill Levy for FY 2025. The motion was seconded by Mike Kruse and unanimously approved.

A motion was made by Doug Gunnels to adjourn the Budget Hearing. The motion was seconded by Peggy Godfrey and unanimously approved.

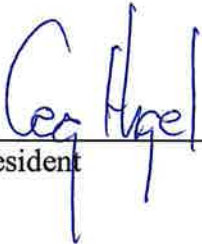
OTHER DIRECTOR REPORTS

President Higel asked for other Director reports. There were none.

ADJOURN

The meeting was adjourned at 10:20 a.m.

The next quarterly meeting is scheduled for January 21, 2025.



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 2025 AND ENDING ON THE LAST DAY OF DECEMBER 2025

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, 2024, 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 13, 2024, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

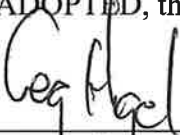
WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

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

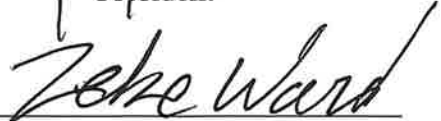
- Section 1 That the budget, as submitted, amended, and herein above summarized by fund hereby is approved and adopted as the budget of the Rio Grande Water Conservation District for the year stated above.

- 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 13th day of December A.D. 2024



President

Attest: 

Secretary/Treasurer

FINAL 2025

RIO GRANDE WATER CONSERVATION DISTRICT

	PRIOR YEAR 2023	CURRENT YEAR 2024	ADOPTED YEAR 2025
GENERAL FUND			
Beginning Fund Balance	\$4,741,660	\$4,319,207	\$4,195,342
Revenues			
Taxes	\$1,322,514	\$1,362,212	\$1,239,204
Intergovernmental Revenue	\$3,710,142	\$27,956	\$0
Miscellaneous Revenue	\$573,142	\$24,217,989	\$3,105,002
Total Revenues	\$5,605,798	\$25,608,157	\$4,344,206
Expenditures			
Salaries and Fringe	\$542,229	\$593,658	\$587,619.47
Travel	\$36,849	\$16,514	\$20,500.00
Office Expense	\$95,184	\$148,028	\$159,009.93
Professional Services	\$476,113	\$1,264,398	\$1,364,000.00
Other General Government	\$4,163,136	\$58,212	\$106,000.00
Conservation of Natural Resources	\$71,531	\$114,431	\$222,595.00
Bureau of Reclamation Contract	\$6,795	\$0	\$0.00
Capital Outlay	\$6,908,162	\$26,506,588	\$2,480,000.00
Total Expenditures	\$12,299,999	\$28,701,829	\$4,939,724.40
Other Financing Sources			
Transfer in from Subdistrict #1,2,3,5,6 Special Revenue Fund	\$6,271,748	\$2,969,807	\$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	-\$422,453	-\$123,865	-\$595,519
ENDING FUND BALANCE	\$4,319,207	\$4,195,342	\$3,599,823

SUBDISTRICT #1 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$6,847,362	\$7,810,899	\$4,959,418
Operating Revenue			
Fees: Variable	\$8,132,823	\$7,298,594	\$7,078,650
Fees: Administrative	\$457,760	\$439,454	\$514,291
Fees: CREP	\$25,795	\$195,840	\$536,250
Fees: Contract Inclusion	\$0	\$0	\$0
Total Operating Revenue	\$8,616,378	\$7,933,888	\$8,129,191
Operating Expenses			
Water Management-Variable	\$6,864,339	\$9,469,392	\$7,228,870
Administrative	\$421,357	\$547,597	\$661,600
CREP	\$940,633	\$856,150	\$1,475,000
Total Operating Expenses	\$8,226,329	\$10,873,138	\$9,365,470

Nonoperating Revenue			
Interest Revenue	\$36,336	\$76,389	\$36,000
Miscellaneous Revenue	\$537,152	\$11,380	\$0
Other Financial Use			
Transfer out to Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$7,810,899	\$4,959,418	\$3,759,139

SUBDISTRICT #2 SPECIAL REVENUE FUND			
Beginning Fund Balance (cash basis)	\$576,773	\$492,857	\$360,579
Operating Revenue			
Fees: Pumping	\$611,351	\$739,098	\$786,000
Fees: Administrative	\$80,984	\$86,571	\$99,000
Fees: Contract Inclusion	\$1,000	\$0	\$300
Total Operating Revenue	\$693,334	\$825,669	\$885,300
Operating Expenses			
Water Management	\$640,965	\$827,842	\$1,098,000
Water Lease and Storage	\$71,694	\$68,959	\$77,438
Administration	\$52,760	\$50,092	\$55,000
Professional Fees	\$12,500	\$12,500	\$12,500
Reimbursement to the General Fund	\$777,919	\$959,393	\$1,242,938
Total Operating Expenses			
Nonoperating Revenue			
Interest Revenue	\$670	\$1,446	\$1,000
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$492,857	\$360,579	\$3,941

SUBDISTRICT #3 SPECIAL REVENUE FUND			
Beginning Fund Balance (cash basis)	\$1,543,230	\$1,776,656	\$1,595,395
Operating Revenue			
Fees: Groundwater Withdrawal	\$627,733	\$622,547	\$632,000
Fees: Administrative	\$56,440	\$62,360	\$126,654
Fees: Contract Inclusion	\$0	\$0	\$300
Total Operating Revenue	\$684,173	\$684,907	\$758,954
Operating Expenses			
Water Management	\$337,534	\$867,012	\$2,443,386
Water Lease and Storage	\$69,051	\$88,648	\$94,937
Administration	\$79,299	\$72,543	\$115,000
Professional Fees	\$5,468	\$5,000	\$28,704
Reimbursement to the General Fund	\$2,067,210	\$0	\$0
Water right acquisition	\$2,558,562	\$1,033,203	\$2,682,026
Total Operating Expenses			
Nonoperating Revenue			
Interest Revenue	\$4,127	\$2,497	\$2,500
CWCB loan	\$1,991,130	\$0	\$0
Other Financing Source			

Transfer in from Rio Grande Water Conservation District	\$0	\$20,152	\$0
Miscellaneous Revenue	\$112,559	\$144,386	\$332,871
ENDING FUND BALANCE	\$1,776,656	\$1,595,395	\$7,694

SUBDISTRICT #4 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$42,085	\$285,537	\$266,004
Operating Revenue			
Fees: Groundwater Withdrawal	\$246,774	\$230,166	\$216,010
Fees: Administrative	\$83,818	\$76,871	\$92,132
Fees: Lease Payment	\$135,000	\$56,000	\$27,000
Fees: Contract Inclusion	\$395	\$500	\$0
Total Operating Revenue	\$465,988	\$363,537	\$335,142
Operating Expenses			
Water Management			
Water Lease and Storage	\$270,204	\$277,292	\$320,100
Administration	\$65,348	\$75,351	\$84,000
Professional Fees	\$17,036	\$18,578	\$42,000
Reimbursement to the General Fund	\$13,000	\$13,000	\$13,000
Water Delivery Project	\$2,468,000	\$0	\$0
Total Operating Expenses	\$2,833,587	\$384,220	\$459,100
Nonoperating Revenue			
Interest Revenue	\$864	\$1,151	\$0
Miscellaneous and CWCB loan	\$2,610,185	\$0	\$0
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$1	\$0	\$0
ENDING FUND BALANCE	\$285,536	\$266,004	\$142,046

SUBDISTRICT #5 SPECIAL REVENUE FUND

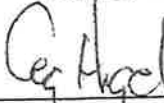
Beginning Fund Balance (cash basis)	\$69,014	\$189,354	\$28,151
Operating Revenue			
Fees: Groundwater Withdrawal	\$581,953	\$533,506	\$662,865
Fees: Administrative	\$146,701	\$132,411	\$160,649
Fees: Contract Inclusion	\$1,000	\$0	\$0
Total Operating Revenue	\$729,655	\$665,916	\$823,513
Operating Expenses			
Water Management			
Water Lease and Storage	\$431,131	\$637,469	\$622,865
Administration	\$101,506	\$103,811	\$108,800
Professional Fees	\$55,665	\$62,593	\$95,000
Reimbursement to the General Fund	\$25,002	\$25,000	\$25,000
Other expenses	\$2,876,816	\$3,142,582	\$0
Total Operating Expenses	\$3,490,120	\$3,971,456	\$851,665
Nonoperating Revenue			
Interest Revenue	\$3,986	\$1,754	\$0

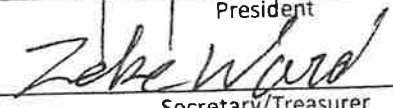
Miscellaneous and CWCB loan	\$2,876,820	\$3,142,583	\$0
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$189,354	\$28,151	\$0

SUBDISTRICT #6 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$2,347,005	\$1,424,996	\$1,915,343
Operating Revenue			
Fees: Groundwater Withdrawal	\$1,773,149	\$1,855,681	\$1,194,598
Fees: Administrative	\$103,185	\$127,572	\$144,655
Fees: Contract Inclusion	\$1,200	\$600	\$600
Total Operating Revenue	\$1,877,534	\$1,983,853	\$1,339,853
Operating Expenses			
Water Management	\$1,846,331	\$1,379,491	\$2,983,019
Water Lease and Storage	\$108,305	\$133,984	\$135,373
Administration	\$104,682	\$83,216	\$115,000
Professional Fees	\$10,000	\$10,000	\$10,000
Reimbursement to the General Fund	\$742,269	\$0	\$0
Other expenses - loan	\$2,811,586	\$1,606,691	\$3,243,392
Total Operating Expenses			
Nonoperating Revenue			
Interest Revenue	\$0	\$5,584	\$753,019
Miscellaneous loan repayment	\$12,000	\$107,601	\$74,230
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$44	\$0	\$0
ENDING FUND BALANCE	\$1,424,996	\$1,915,343	\$839,054

ADOPTED, this 13th day of December, 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 2025 BUDGET YEAR.

WHEREAS, the Rio Grande Water Conservation District has adopted the annual budget in accordance with the Local Government Budget Law, on December 13, 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 2025:

ADMINISTRATION: (Salaries and services, travel, and expenses, Federal and State affairs, capital outlay, and Equipment replacement)	<u>\$ 852,629.40</u>
PROFESSIONAL SERVICES	<u>\$ 1,364,000.00</u>
CONSERVATION OF NATURAL RESOURCES	<u>\$ 222,595.00</u>
BUREAU OF RECLAMATION CONTRACT	<u>\$ 0.00</u>
CAPITAL OUTLAY	<u>\$ 2,480,000.00</u>
EMERGENCY RESERVE	<u>\$ 55,000.00</u>
ESTIMATED RESERVE FUND	<u>\$ 3,576,120.00</u>
ESTIMATED TOTAL GENERAL FUND EXPENDITURES FOR 2025	<u>\$ 4,939,724.40</u>

SPECIAL REVENUE FUND #1

ESTIMATED EXPENDITURES FOR 2025:

WATER MANAGEMENT-VARIABLE	<u>\$ 7,228,870.00</u>
ADMINISTRATION	<u>\$ 661,600.00</u>
CREP	<u>\$ 1,475,000.00</u>
REIMBURSEMENT TO GENERAL FUND	<u>\$ 0.00</u>
ESTIMATED RESERVE FUND	<u>\$ 3,759,198.00</u>

SPECIAL REVENUE FUND #2

ESTIMATED EXPENDITURES FOR 2025:

WATER MANAGEMENT EXPENDITURES	<u>\$ 1,098,000.00</u>
ADMINISTRATION	<u>\$ 77,438.00</u>
PROFESSIONAL SERVICES	<u>\$ 55,000.00</u>
REIMBURSEMENT TO GENERAL FUND	<u>\$ 12,500.00</u>
ESTIMATED RESERVE FUND	<u>\$ 3,941.00</u>

SPECIAL REVENUE FUND #3

ESTIMATED EXPENDITURES FOR 2025:

WATER MANAGEMENT EXPENDITURES	<u>\$ 2,443,386.00</u>
ADMINISTRATION	<u>\$ 94,937.00</u>
PROFESSIONAL SERVICES	<u>\$ 115,000.00</u>
REIMBURSEMENT TO GENERAL FUND	<u>\$ 28,704.00</u>
ESTIMATED RESERVE FUND	<u>\$ 7,694.00</u>

SPECIAL REVENUE FUND #4

ESTIMATED EXPENDITURES FOR 2025:

WATER MANAGEMENT EXPENDITURES	\$ <u>320,100.00</u>
ADMINISTRATION	\$ <u>84,000.00</u>
PROFESSIONAL SERVICES	\$ <u>42,000.00</u>
REIMBURSEMENT TO THE GENERAL FUND	\$ <u>13,000.00</u>
ESTIMATED RESERVE FUND	\$ <u>142,046.00</u>

SPECIAL REVENUE FUND #5

ESTIMATED EXPENDITURES FOR 2025:

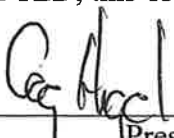
WATER MANAGEMENT EXPENDITURES	\$ <u>622,865.00</u>
ADMINISTRATION	\$ <u>108,800.00</u>
PROFESSIONAL SERVICES	\$ <u>95,000.00</u>
REIMBURSEMENT TO THE GENERAL FUND	\$ <u>25,000.00</u>
ESTIMATED RESERVE FUND	\$ <u>0.00</u>

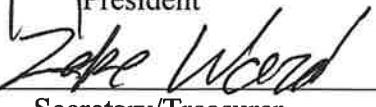
SPECIAL REVENUE FUND #6

ESTIMATED EXPENDITURES FOR 2025:

WATER MANAGEMENT EXPENDITURES	\$ <u>2,983,019.00</u>
ADMINISTRATION	\$ <u>135,373.00</u>
PROFESSIONAL SERVICES	\$ <u>115,000.00</u>
REIMBURSEMENT TO GENERAL FUND	\$ <u>10,000.00</u>
ESTIMATED RESERVE FUND	\$ <u>839,054.00</u>

ADOPTED, this 13th day of December A.D. 2025



 President
 Attest: 

 Secretary/Treasurer

RESOLUTION TO SET MILL LEVY

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO, FOR THE 2025 BUDGET YEAR.

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$4,939,724.40 and:

WHEREAS, the 2024 valuation for assessment for the Rio Grande Water Conservation District as certified by the County Assessors is \$698,994,785.00.


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 2025 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 2024.

- Section 2 That for the purpose of rendering a refund to its constituents during the budget year 2024, 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 13th day of December A.D. 2024



President

Attest: 

Secretary/Treasurer