

**YELLOW-JACKET WATER CONSERVANCY DISTRICT
PROPOSED BUDGET FOR 2015
SUBMITTED FOR BOARD REVIEW AND APPROVAL**

The attached proposed budget is prepared for consideration by the Board of Directors of the Yellow Jacket Water Conservancy District ("District"). The primary funding source for the District comes from property tax revenues from Rio Blanco, Moffat, and Garfield Counties. The assessed value of property within the District remains relatively steady for 2017. This budget considers maintaining the District's present mill levy of 0.209 mills. This budget considers a slight decrease in revenues for 2017.

Expenditures of the District, however, have increased considerably over the past several years due primarily to litigation over its portfolio of conditional water rights. That litigation has now ended and the District will now begin the next stages toward development of these water rights. The legal agreements that settled past concerns also established a very specific schedule for the use, movement or abandonment of the remaining YJWCD water rights. The District is also at the point it must start preparation of its next due diligence package.

The District's budget format follows the previous year's format that separates "Operating Expenses," which includes: Postage, Office Supplies, Checks, CPA Fees, Publication Fees, Meetings, Supplies, Treasurer's Fees, Meals and miscellaneous reimbursement for unanticipated expenses and "Legal Fees" are limited to such fees and do not include other costs.

The District anticipates incurring additional engineering fees in 2017 as it works to develop its long term master plan for its water rights portfolio and expand upon previous studies for the feasibility of its water rights.

The budgetary basis of accounting the District uses is cash basis.

INCOME/ASSETS	2015 Actual	2016 Estimated	2017 Proposed
Fund Balance January 1 st	\$4,908.44	\$2,315.87 *	\$42,634.10
YJ Reserve Checking	\$5,008.35	\$5,010.00	\$7,065.00
Property Tax			
Rio Blanco	\$20,068.07	\$23,650.00	\$22,595
Moffat	\$6,569.30	\$5,950.00	\$5,430
Garfield	\$290.80	\$273.00	\$276
Highland Ditch	\$1,500.00	\$1,500.00	\$1,500
Misc.	\$0.00	\$0.00	\$0.00
Total Available Funds	\$38,344.36	\$38,698.87	\$39,500.10

*Adjusted after final payment of 2015 obligations in 2016.

For Scott to revise.

Expenditures	2015 Actual	2016 Estimated	2017 Proposed
General Operating			
Legal Fees	\$18,000.00	\$9,000.00	\$11,000.00
Operating Expenses	\$2,974.05	\$5,000.00	\$5,000.00
Engineering	\$9,991.30	\$15,000.00	\$13,000.00
Total General Operating	\$30,965.35	\$29,000.00	\$29,000.00
Reserve	\$5,063.14	\$7,064.77	\$9,065.00
Ending Fund Balance	\$2,315.87	\$2,634.10	\$1,435.10