

**YELLOW-JACKET WATER CONSERVANCY DISTRICT  
PROPOSED BUDGET FOR 2019  
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 is nearly the same for 2019. This budget considers maintaining the District's present mill levy of 0.209 mills. This 2019 budget is very close to 2018 Income.

Expenditures of the District, however, has increased over the past several years due to its ongoing reservoir feasibility study and research into other viable uses for the districts conditional water rights. The legal agreements that settled past concerns also established a very specific schedule for the use, movement or abandonment of the remaining District water rights and the District will continue with the next stages toward development of these water rights within these constraints.

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 legal and engineering fees in 2019 as it continues 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                        | 2017 Actual     | 2018 Estimated  | 2019 Proposed   |
|--------------------------------------|-----------------|-----------------|-----------------|
| Fund Balance January 1 <sup>st</sup> | \$3777          | \$9,029*        | \$9,107         |
| YJ Reserve Checking                  | \$7,066         | \$9,068         | \$10,068        |
| Property Tax                         |                 |                 |                 |
| Rio Blanco                           | \$21,184        | \$18,429        | \$18,707        |
| Moffat                               | \$5,195         | \$4,996         | \$4,931         |
| Garfield                             | \$583           | \$253           | \$252           |
| Highland Ditch                       | \$1,500         | \$1,500         | \$1,500         |
| Misc.                                | \$0.00          | \$0.00          | \$0.00          |
| <b>Total Available Funds</b>         | <b>\$39,305</b> | <b>\$43,275</b> | <b>\$44,564</b> |

\*Adjusted after final payment of 2017 obligations in 2018.

| Expenditures               | 2017 Actual | 2018 Estimated | 2019 Proposed |
|----------------------------|-------------|----------------|---------------|
| General Operating Expenses |             |                |               |
| Legal Fees                 | \$5,100     | \$5,500        | \$10,000      |
| Operating Expenses         | \$3,530     | \$3,600        | \$4,000       |
| Engineering                | \$12,580    | \$15,000       | \$15,000      |
| Total General Operating    | \$21,210    | \$24,100       | \$29,000      |
| Ending Fund Balances       |             |                |               |
| Operating Fund             | \$9,029     | \$9,107        | \$2,499       |
| Reserve Fund               | \$9,066     | \$10,068       | \$13,066      |