



# Town of Paonia 2023 Budget



**Final Version - 12/13/2022**

Last updated 12/13/22



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# **INTRODUCTION**

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# 2023 BUDGET MESSAGE

## Transmittal Letter

Original Provided October 7, 2022  
Updated Final December 12, 2022

Dear Honorable Mayor and Members of the Board of Trustees:

In accordance with the Town of Paonia’s policies, we, Corinne Ferguson, Cindy Jones, Matt Laiminger, and Cory Heiniger, present to you the proposed 2023 Budget for the Town of Paonia.

This budget message provides readers with an overview of the regular municipal government services and the projects to be completed in the coming year and how this work is paid for. The narrative tells the story behind the numbers by describing goals, priorities, underlying assumptions, and other factors considered in determining how the Town’s available resources are budgeted to be spent. Information is provided to better understand the schedules and supplemental information that comprise the annual budget package.

The Board of Trustees formally adopts a budget and appropriates money to run the Town of Paonia each year. By state law, the governing body must adopt a budget each year and submit a mill levy to the Board of County Commissioners. The Trustee formal budget review began October 13, 2022, and a public hearing on the proposed budget was held during the regular Board meeting on November 8, 2022. The outcome of the hearing provided no additional changes or recommendations.

Budget work sessions included discussions of revenues, sales tax growth assumptions, fees for services, operating expenditures, staffing levels, compensation, capital expenditures, priorities of the community, changes in procedure for preparing the annual budget and capital projects. The Board exercises the most significant degree of flexibility and discretion in one-time spending on capital purchases and capital projects. However, it is important to note that many projects require years of advanced planning and may already have funds committed for design, engineering, and/or matching grant funds. A list of capital projects is included in the budget report. The list includes items that will be classified as fixed assets as well as allowable expenditures for maintenance of assets.

Should readers seek additional information not included in the budget package, it may be requested from the Town Administrator, Clerk or the Finance Director/Treasurer at Town Hall.

### BUDGET ASSUMPTIONS AND CHANGES FROM PREVIOUS YEARS

The budget is based on historical trends, current data, and assumptions about the upcoming year. With very few exceptions, we do not know which vendors will be utilized for products and services during 2023. We look back at recent experience and use that data, along with indicators for the future, to estimate costs for many different supplies, utilities, contracted services, repairs, and maintenance. Likewise, the revenue budget is based on limited known data and projections based on several sources for projecting trends.

### KNOWN ASSUMPTION PROVIDED BY QUOTE/NEWS NOTIFICATIONS:

Budget assumptions based on historical data are anticipated to remain flat – otherwise defined as stable with minimal change. This is the assumption that the current budget period is a reasonable basis for predicting the future budget period, regardless of any positive or negative factors (external or internal) that may have an effect on the current performance.

VENDOR	PRODUCT/SERVICE	FORMAT	2022	2023	% OF CHANGE
CIRSA	WORKERS COMPENSATION	QUOTE	25,628.00	27,684.00	8.02%
CIRSA	P&C COVERAGE	QUOTE	76,857.33	83,332.41	8.42%

DMEA, and Elevate – no known changes anticipated for 2023. Black Hills Energy has notified the town of their anticipated rate increase. The actual rate of the increase is unknown at this time.

### GENERAL FUND 2023 BUDGET HIGHLIGHTS

This budget for 2023 attempts to incorporate the Town's priorities considering needs, studies, and state requirements. The following are the highlights of the 2023 budget. The Town's top priorities are as follows:

1. PRV Vaults
2. IMG (Clock) Treatment Plant
3. Water Rights Attorney
4. Approved 2018 Building Codes
5. Town's Master Plan
6. Staffing and Wage Considerations
7. Sewer-line Rehabilitation (Dorris Avenue)
8. Automatic Trash Cleaning for sewer in-flow
9. Fifth Street Reconfiguration
10. Third Street Reconstruction
11. Public Safety Training
12. Park Bathroom Upgrades
13. Park Playground Upgrades

### **ORGANIZATION, STAFFING AND BENEFITS**

While we work toward 2023 staffing goals, it is important to keep expectations realistic relative to the resources available and services rendered. An updated salary study was conducted for 2023, as was done in 2020, 2021 and 2022, using Colorado Municipal League data. New ranges are being recommended for this 2023 budget. Public Safety increases are being requested to start in November 2022. In addition, the fact that the employment market is currently an employee market, we have budgeted for replacement wages for existing staff. Additionally, we have reviewed the current cost of living in Paonia to ensure the Town salary base will attract potential employees.

Throughout 2021, the Town faced an unusual amount of employee turnover. In 2022, the Board of Trustees voted to separate the position of Town Administrator and Town Clerk. The hiring process has begun for both positions.

At the direction of the Board of Trustees, a substantial percentage of trustee compensation and administrative employee salaries and benefits were adjusted from enterprise funds to the general fund for the 2022 budget. The above-mentioned practice continues in the 2023 budget.

The addition of the following new positions has been included in 2023:

- Public Utilities Assistant –Water and Wastewater department
- (2) Public Works Laborers – Trash department

A modification of duties was proposed for 2022 for the Public Works Director – Operates and supervises the Parks, Streets, and Trash Departments. This modification did not work as proposed, and has reverted to the previous supervision of the park, streets, water, sewer, and trash departments.

Hartford continues to provide life insurance and short-term disability benefits in 2023. Health insurance was provided through Rocky Mountain Health Plans until July of 2021, when the provider changed to United Health Plans. Health Insurance is paid at 90% for employees (except Town Administrator at 100% in 2023) and on a tier basis for dependents and family plans.

The Town also provides the opportunity for employees to purchase and have deducted from their paycheck each pay period the following benefits: Dental Insurance through Delta Dental, Vision Insurance through VSP, and Optional coverages through AFLAC.

### **ATTORNEY**

In 2021, the Town contracted with Attorney Bo James Nerlin for legal service at a fixed price of \$50,000.00 per year, divided into twelve (12) monthly payments. Attorney Nerlin's contract ended December 31, 2021, which he chose not to renew. In January of 2022, the Town contracted with Attorney Jeff Conklin from Karp Neu Hanlon, PC at an hourly rate. He withdrew his contract effective July 2022. Effective October 2022, the Town is now contracting with Attorney Nick Cotton-Baez from Kelly PC at an hourly rate.

### **MASTER PLAN**

The Town continues the process of updating the Master Plan. At twenty-five years old, the current plan no longer effectively leads governmental decisions nor is it acceptable to many organizations that provide grant funding. To-date, the process of updating the plan has required the compilation of data collected for other purposes as well as public input meetings. The Town has budgeted to contract the completion of the master plan process. Staff have secured grant funding to defer the cost with a 50/50 match. The matching funds will come from the Capital Improvement Fund.

### **SIGN PROJECT IN COLLABORATION WITH THE NORTH FORK CREATIVE COALITION**

The Town in conjunction with participating agencies, continued to support the Wayfinding Sign project. The 2023 budget includes \$1,000.00 to continue with the town's obligations to the signage project.

### **COMPUTERS/AUDIO/VISUAL EQUIPMENT**

In September 2022, the town was awarded a grant for \$6,500.00 to upgrade to the current AV (Audio/Visual) system.

### **HOUSING STRATEGIES PLANNING GRANT**

The Town applied and has been awarded the Innovative Housing Strategies Planning Grant Program through the Department of Local Affairs (DOLA). Working toward a stated goal of "Providing Affordable Housing Opportunities for Residents".

### **TOWN BUILDING CODE**

As of January 2021, the Town entered into a month-to-month contract with Colorado Code Consulting (CCC). Administration anticipates an inter-governmental agreement (IGA) with the City of Delta for shared building department services to begin in 2023 following the adoption of the 2018 building codes. The Town has budgeted \$54,668 for building services, whether via IGA, internal or contract.

### **PUBLIC SAFETY**

#### **BACK THE BADGE COUNTY INITIATIVE**

In November 2020, the county voted on a ballot question, known as Back the Badge, requesting a 0.8% county sales tax increase which directly funds the Law Enforcement Agencies in Delta County. This measure passed and the Town began receiving a 0.8% increase in sales tax revenue in 2021. Fiscal year 2022 will mark the first full year of sales tax collected from the successful Back the Badge Campaign.

The purpose of this tax increase of eight tenths of one percent (0.8% of \$0.008 per dollar) of taxable transactions is to fund the urgent and critical public safety needs of the town effective January 1, 2021. This will continue for ten (10) years through December 31, 2030. For additional information, see Resolution 2020-14 Supporting Delta County Law Enforcement and the Back the Badge Sales Tax Initiative.

#### **TRAINING GRANTS**

Police Officer's Standards and Training (POST) provides police departments with reimbursable funding for the training of their officers. They cover training costs, lodging, and travel and meals. This budget includes \$300.00 per officer for non-reimbursed training and \$1,667 per officer for reimbursed training.

#### **VICTIMS ADVOCATE**

The Victims Advocate (VA) agreement is between the municipalities of Cedaredge, Hotchkiss, and Paonia. The victim services subcontractors service the Cedaredge Police Department, Hotchkiss Police Department, and the Paonia Police Department.

The purpose is to offer municipalities a consistent approach to victim advocacy by providing two part-time advocates who respond to the needs of domestic violence/sexual assault/death notification and other victim-related crimes. A Victim's Assistance Law Enforcement (VALE) grant of \$18,512.00 was obtained in 2019, \$8,500.00 in 2020, \$20,200.00 in 2021, and \$25,000 in 2022 to cover the cost of this program. The Town continues to provide cell phones for each advocate in 2023. In addition, the Town has contributed additional funds out of the budget to cover any expenses not covered by the VALE grant. In 2020, the town contributed \$5,000.00, 2021 \$1,500.00, 2022 \$1,000.00 and for 2023 the town has budgeted \$500.00 due to the increase in costs coverage of the VALE grant. Town of Paonia does not administer the VALE Grant, administration is handled by Hotchkiss Police Department.

#### **TASER PLAN**

In 2017, the Town contracted with Taser International, now known as AXON Enterprise Inc., for a five (5) year Taser plan. The benefits include maintenance, batteries, and cartridges. Additional Tasers can be purchased and added to the plan. The Town updated this service in 2022 and has included the renewal costs at \$3,250.00 per year for another five (5) years.

#### **BODY CAMERA PLAN**

In 2019, the Town contracted with AXON Enterprise Inc. for a five (5) year Flex Two Replacement Plan. The plan is for five (5) body cameras and will include maintenance, upgraded cameras annually, docking stations, and 1000 GB of offsite data storage with set purge dates. This plan continues at \$3,670.00 per year.

## PUBLIC DEFENDER

A new program at the Office of the Alternate Defense Counsel, that ensures indigent defendants charged with municipal ordinance violations are represented by constitutionally effective counsel, was launched in January 2020. Municipal Courts in Colorado are responsible for providing court-appointed counsel to indigent defendants as the statewide public defender's office and the Office of the Alternate Defense Counsel are only able to provide counsel at the state court level. The Town budgeted \$2,500.00 toward this program in 2021, 2022 and it will continue in 2023.

## PARKS

### TREE BOARD - ARBOR DAY & TREE CITY USA

Per Article 7 of the Municipal Code, the Tree Board holds the responsibility of maintaining both the Arbor Day tradition, education of responsible and sustainable tree planting, and the annual renewal of the Tree City USA designation. Funds have been allocated to help support the costs associated with these requirements. The Tree Board submitted a budget request for 2022 of \$1,195.00 which includes the planting of a tree for Arbor Day. For 2023, \$1,000.00 has been budgeted for the tree board and Arbor Day.

Arbor Day participation is a requirement for Tree City USA Designation. The Tree City designation is a necessary function for multiple grant and funding opportunities for parks and town-owned property. Participation in Arbor Day includes the planting of a tree in a public space, and an additional requirement for Tree City USA designation is a \$2 contribution per capita. This equates to a minimum budget of \$3000.00 in tree-related expenditures. Tree trimming expenses also count toward the per capita amount and is budgeted out of the Conservation Trust Fund.

### COLORADO GRAND CHARTY GRANT FOR RESTROOM RENOVATION

This project will assist in the upgrades to the restrooms in Apple Valley Park and Town Park at a total cost of \$21,500.

OTHER FUNDED PROJECTS IN PARKS are as follows:

Hill stabilization in Apple Valley Park at \$2,000.

Complete walking path and/or removal of park tool shed at Apple Valley Park at \$6,000.

Curbing at Lee's Park (recommended by CIRSA) \$4,000.

Turf improvements at each of the Parks \$4,000.

Stage Improvements at Town Park \$24,750.

Town Park Playground Improvements \$5,000.

## STREET, BRIDGE, ALLEYS, STORM DRAINS & STREET CAPITAL IMPROVEMENTS

The Town of Paonia has limited resources in the General Fund, by which streets & alleys are funded. In an effort to increase revenue to improve the street conditions, the Marijuana initiative passed in November 2020. In 2021, an estimated revenue amount was added to the Street Capital Fund of \$25,000.00 from processing applications. In 2022, the operational tax revenue was budgeted under the Street Capital Fund for \$117,000.00. This was based on three (3) stores, twenty-five (25) transactions per day, twenty-six (26) days per month, at \$5.00 per transaction effective January 1, 2021 on the sale of retail and medical marijuana and marijuana products within the Town of Paonia with the resulting tax revenue used for infrastructure repair and improvements, including but not limited to town streets, sidewalks, curb, gutter, drainage, landscaping, lighting, and streetscape amenities, through 2025 and thereafter allocated annually by the Board of Trustees. This 2023 budget reflects \$192,000 in occupational tax and \$9,200 in renewal fees.

In 2023, proposed street projects include:

Resurfacing the Samuel Wade Bridge \$125,000.00.

The Town plans to continue to accumulate funds toward a complete reconstruction of Third Street a few blocks at a time. The engineering estimate for two blocks was \$500,000.00 in 2021. At the end of fiscal year 2022, the Town anticipates having accumulated the \$500,000.00 necessary to begin the reconstruction project. The 2023 budget is \$962,192.

## SPECIALTY FUND 2022 BUDGET HIGHLIGHTS

### SIDEWALK FUND

In 2022, the Town estimates a total of \$64,103.00 for sidewalk repairs. Due to mobilization costs, the 2022 project was postponed to 2023. The 2023 budget provides for \$94,339.00 for sidewalk repairs.

### PASS THROUGH GRANTS

Pass-through grant participation initiated in 2021 and 2022 will continue into 2023. The budget includes the Paonia Skate Park and Lone Cabin & Turner Ditch Wildlife Rehabilitation efforts.

**CONSERVATION TRUST FUND**

In 2019, conservation trust funds were used for tree trimming in the Town Park. In 2020, conservation trust funds were used to improve the Town Park Playground. In 2021, conservation trust funds were slated for Poulos Park upgrades and bike racks in Town Park. However, these items were paid for from the park budget. In 2022, the balance was expected to be \$25,582.00, which was slated to be used for tree trimming (included in the per capita calculation for Tree City USA requirements), Town Park playground shelter pad, and Town Park playground upgrade (from wood chips to pea gravel). In 2023, the balance is estimated to be \$30,846.00 to be used for tree trimming (included in the per capita calculation for Tree City USA requirements) and Town Park playground upgrade (from wood chips to pea gravel).

**CAPITAL IMPROVEMENTS**

The 2023 Budget recommends a capital improvement budget of \$307,350.00 in new projects, plus a Grant from DOLA for the Master Plan of \$25,000, in addition to the projects not completed in the 2022 Budget, which provides for \$628,369 to be included in the 2023 budget:

- Paonia Airport \$61,844.00 (This is supported by Cell Phone Tower Rent, which began in 2014.)
- Master Plan Update at \$50,000.00
- Town Hall Upgrades at \$75,000.00
- Public Safety at \$55,000.00
- Public Works Projects and Equipment \$372,875.00
- Transfer to Street Capital \$346,000.00
- Total Capital Improvements \$960,719.00

**ENTERPRISE FUNDS 2021 BUDGET HIGHLIGHTS**

A Cost-of-Service Analysis and recommendation was prepared by Rural Community Assistance Corporation (RCAC) in November 2021. During the Budget work sessions, the Board of Trustees elected to incorporate Scenario #6 as presented in the Paonia Drinking Water Cost-of-Service Analysis. The amount of revenue from water usage fees predicted by the RCAC analysis was not achieved in 2022. Therefore, the Town will increase rates in 2023 to obtain appropriate revenue to cover estimated expenditures.

A Cost-of-Service Analysis and recommendation was also prepared by Rural Community Assistance Corporation (RCAC) for Sewer and was presented to the Board of Trustees on November 29, 2022. The recommendations supported the rate increase included in this budget.

**WATER**

Water base rates were increased in:

- o 2022 (15.63%). In addition, the tier structure for usage was modified.
- o 2021 (6.67%),
- o 2020 (8.89%), and
- o 2017 (2%).

A water base rate increase of \$3.00 has been approved for 2023. This is an 8.11% increase and is as follows:

- o In-Town Residential + Stand-By base rate will increase \$3.00/mo (from \$37.00 to \$40.00/mo).
- o Out-of-Town Residential + Stand-By base rate will increase \$3.00/mo (from \$47.00 to \$50.00/mo).
- o In-Town Commercial + Stand-By base rate will increase \$3.00/mo (from \$57.00 to \$60.00/mo).
- o Out-of-Town Commercial + Stand-By base rate will increase \$3.00/mo (from \$62.00 to \$65.00/mo).

2023 Usage Rates Tiers will be increased per 1,000 Gallons for In-Town Residential – Out of Town Residential – Out of Town Commercial - In-Town Commercial as follows:

		USAGE 2022	Proposed 2023	
0-1,000	Gallons	\$0.00	\$2.50	Per 1,000 Gallons
0-3,000	Gallons	\$2.40	\$2.50	Per 1,000 Gallons
3,000-10,000	Gallons	\$3.30	\$3.50	Per 1,000 Gallons
10,000-25,000	Gallons	\$4.20	\$4.50	Per 1,000 Gallons
25,000-50,000	Gallons	\$5.50	\$7.50	Per 1,000 Gallons
50,000-75,000	Gallons	\$10.00	\$15.50	Per 1,000 Gallons



75,000-100,000	Gallons	\$11.00	\$20.50	Per 1,000 Gallons
100,001-99,999,999	Gallons	\$12.00	\$20.50	Per 1,000 Gallons

For additional information on the rate increase, refer to Resolution 2022-15 Water Rates and Charges.

Water funding priorities include:

Staffing – Three (3) Full-time plant operators

Debt Service - \$216,340.00

Legal Services – Total \$41,000.00 (Includes: Engineering \$21,000 + Water Attorney \$10,000.00)

Repair & Maintenance Priorities:

General Maintenance \$151,253.00

Spring Repair \$63,500

Pressure Reducer Vault & Valve Repair \$27,000.00

Total \$241,753.00

Bond (Debt Service) requirements for our Bond agreements are as follows:

Colorado Water Resources & Power Development Authority (WPA) Bond

WPA requires water and sewer debt service to be budgeted at 110% of the annual payment.

WPA requires between water and sewer a 110% debt ratio.

WPA requires 25% between water and sewer expenditures in Available Working Capital (calculated during audit).

### SEWER (WASTEWATER)

Sewer rates have increases as follows:

2020 by \$4.00

2017 by \$3.00.

In 2023, sewer rates increases have been approved as provided below:

- In-Town Residential base rate will increase \$17.00/mo (from \$38.00 to \$55.00/mo).
- Out-of-Town Residential base rate will increase \$3.00/mo (from \$57.00 to \$60.00/mo).
- In-Town Commercial base rate will increase \$22.00/mo (from \$38.00 to \$60.00/mo).
- Out-of-Town Commercial base rate will increase \$3.00/mo (from \$57.00 to \$60.00/mo).
- Stand-By base rate will increase \$25.00/mo (from \$30.00 to \$55.00/mo).

For additional information on the rate increase, refer to Ordinance 2022-08 Sewer Rates and Charges.

Sewer funding priorities include:

Debt Service – \$108,625.00

Repair & Maintenance Priorities:

General Maintenance \$56,330.00

Plant Maintenance \$46,042.00

Automatic Trash Cleaner \$18,411.00

Total \$120,783.00

Capital Outlay Priorities:

Sewer-line Replacement \$100,000.00

Total \$100,000.00

Future funding priorities include:

Sludge removal \$500,000.00

Nitrification Treatment \$500,000.00

Bond (Debt Service) requirements for our Bond agreements are as follows:

WPA requires water and sewer debt service to be budgeted at 110% of the annual payment.

WPA requires between water and sewer a 110% debt ratio.

WPA requires 25% between water and sewer expenditures in Available Working Capital (calculated during audit).

AMKO Bond (sewer only) requires the equivalent of one payment in a reserve account to cover the last payment.

The Town sold sewer property in 2017. At the time of the sale, it was stated that as a condition set by USDA, these funds must be used for future sewer capital projects. The total as of September 2022 is \$534,660.26.

### SOLID WASTE (TRASH)

The history of Solid Waste rate increases are as follows: 2021 - \$3.00-\$23.00 and 2018 - \$1.00.

In 2023, trash rates increases have been approved from \$7.00 to \$15.00 based on type of service.

The trash rate increases for 2023 are as follows:

Single Can – \$8.00 increased from \$17.00 to \$25.00

Standard User - \$7.00 increased from \$23.00 to \$30.00.

Heavy User - \$15.00 increased from \$30.00 to \$45.00.

2-Yard Dumpster - \$10.00 increased from \$50.00 to \$60.00.

3-Yard Dumpster - \$10.00 increased from \$60.00 to \$70.00.

For additional information on the rate increase, refer to Resolution 2022-14 Garbage Rates and Charges.

The replacement of Town Dumpsters totaling \$3,600.00 will be postponed to 2024.

**SUMMARY**

The following is an explanation of the revenues in the 2023 budget:

FUNDS	2022 BUDGET	2022 EST ACTUAL	2023 BUDGET	REASON FOR CHANGE
ADMINISTRATION	250,434. <small>2022 over 2021 Increase of \$88,220</small>	250,434.	388,868. <small>2023 over 2022 Increase of \$138,434</small>	PROPERTY TAX DECREASE OF 2.00% SALES TAX-TOWN INCREASED 548.40% TOTAL REVENUE INCREASE 55.28%
BUILDING	35,288.	63,656.	62,100.	TOTAL REVENUE INCREASE 75.98%
PUBLIC SAFETY	576,561.	576,561.	731,110.	SO AUTO TAX INCREASE 1.01% SALES TAX-TOWN INCREASED 41.51% SALES TAX-CNTY INCREASED 25.65% POLICE FINES DECREASE 24.05% TOTAL REVENUE INCREASE 26.81%
PARKS	184,592.	155,529.	194,270.	SALES TAX-TOWN INCREASE 6.05% SEVERANCE TAX INCREASE 209.62% RENT & ROYALTIES DECREASE 18.19% TOTAL REVENUE DECREASE 5.24%
STREETS <small>(INCLUDES BRIDGE STREET CAPITAL IMPROVEMENT, AND SIDEWALKS)</small>	999,327.	528,015.	2,516,658.	SALES TAX-TOWN DECREASE 29.00% FRANCHISE TAX DECREASED 18.68% RESERVES USED FOR CAPITAL
GRANT PASS THROUGH	460,000.	0.	460,000.	BOTH PASS THROUGH GRANTS ARE BEING CARRIED FORWARD FROM 2021
<b>GENERAL FUND</b>	<b>2,506,202.</b>	<b>1,574,194.</b>	<b>4,353,006.</b>	<b>TOTAL REVENUE INCREASE 73.69%</b>
CONSERVATION TRUST	25,582.	9,273.	30,846.	CONSERVATION TRUST INCREASE 8.62% RESERVES CARRIED FORWARD \$17,232. TOTAL REVENUE INCREASE 11.74%
CAPITAL IMPROVEMENT	733,908.	285,867.	960,719.	SALES TAX-TOWN INCREASE 28.08% ALL RESERVES CARRIED FORWARD TOTAL REVENUE INCREASE 30.90%
<b>SPECIALTY FUNDS</b>	<b>759,490.</b>	<b>295,140.</b>	<b>991,565.</b>	<b>TOTAL REVENUE INCREASE 30.56%</b>
WATER	2,558,533.	1,292,993.	2,844,602.	GRANTS CARRIED FORWARD \$369,232. RESERVES USED FOR MATCHING FUNDS TOTAL REVENUE DECREASE 11.18%
SEWER	542,256.	542,256.	790,420.	TOTAL REVENUE INCREASE 45.77%
SOLID WASTE	283,100.	249,150.	332,835.	TOTAL REVENUE INCREASE 17.57%
<b>ENTERPRISE FUNDS</b>	<b>3,383,889.</b>	<b>2,084,399.</b>	<b>4,007,857.</b>	<b>TOTAL REVENUE DECREASE 18.44%</b>
<b>TOTAL BUDGET</b>	<b>6,586,075.</b>	<b>3,876,319.</b>	<b>7,871,196.</b>	<b>TOTAL BUDGET INCREASE 19.51%</b>

**MOVING FORWARD**

It is challenging to know how the changing economic factors and fiscal outlook for Paonia will be in the coming years. Looking to the future, the Town needs to ensure that it can handle any unforeseen negative financial situations.

Moving forward into 2023 and beyond, the following security measures need to be maintained or worked into the budget document in the future:

- The continued allocation of 1% of the Town's 3% sales tax toward the Capital Improvement Plan.
- Increase dwindling reserves to cover at least three (3) months' worth of expenses (in future years six (6) months' worth of expenses would be reserved). Excess reserves are needed for any future grant opportunities as matching funds.
- Investigate the possibility of allocating funds for Capital Equipment Replacement Fund (CERF) funding from revenues; and
- Investigate other possible revenue opportunities.
- Investigate grant opportunities.

These are bold ambitions and, as such, it will take several years to achieve these financial goals. But, by committing to them, the Town will have measures in place to help responsibly address any negative fiscal situations that may arise in the future.

### **CONCLUSION**

The last several years have been very hectic and unpredictable. Fiscally, the Town of Paonia has sustained its services offered to its citizens. This 2023 budget puts forth an implementation plan that actively addresses the desires of this Board of Trustees. The budgetary 'wish' list exceeds the funds that are available. However, we have built a resilient local economy, developed prudent financial policies, and are working diligently to set aside adequate reserves, which will enable the Town to continue to thrive in uncertain economic times. We have many exciting opportunities and projects before us.

Respectfully,

Corinne Ferguson  
Former Town Administrator/Clerk

Cindy Jones  
Finance Director/Treasurer

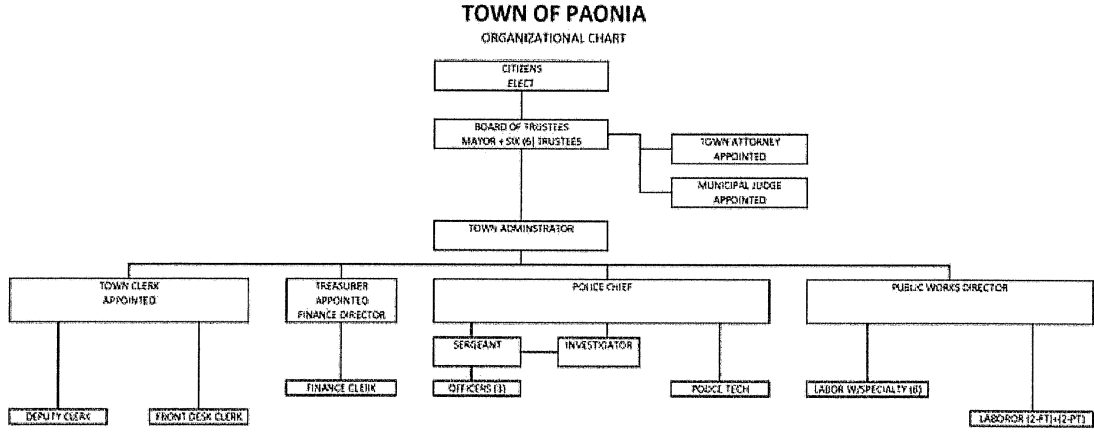
In cooperation with:

Cory Heiniger  
Public Works Director

Matt Laiminger  
Police Chief

# Organization Chart

Please find below the current organization chart for the entire entity (Town of Paonia).



## **ELECTED OFFICIALS**

Mary Bachran, Mayor  
Thomas Markle, Mayor Pro-Tem  
Dave Knutson, Trustee  
Paige Smith, Trustee  
John Valentine, Trustee  
Rick Stelter, Trustee  
Dave Weber, Trustee

## **APPOINTED OFFICIALS**

TBD, Clerk  
  
Cindy Jones, Treasurer  
  
Julie Huffman, Judge  
  
Nick Cotton-Baez, Town Attorney

## **EXEMPT OFFICIALS**

TBD, Town Administrator  
  
Cory Heiniger, Public Works Director  
  
Matt Laiminger, Chief of Police

## **Advisory Committees**

Finance Review: Dave Weber, Paige Smith or Mary Bachran

Planning Commission: Mary Bachran, Dave Knutson, Monica Foguth, Steve Clissett, Lyn Howe

Zoning Board of Adjustments & Appeals: Suzanne Watson, Gia Fanelli, Steve Clissett, Zuzana Tauvinkl, Ian Oeser

Tree Board: John Valentine, Paula Martin, Jeff Thompson, Greg Hottinger, Moriah Woohulerie

Advisory Water Committee: David Weber, Thomas Markle, Philip Ceriani, Kayla Rosen

## Town Administrators : 2014 to 2022



### Town Administrator History

In 2006, the Town Administrator position was a dual Administrator/Public Works Director position held by John Norris. Upon retirement, the Town Board of Trustees contracted an ORC (operator in responsible charge) for water and sewer treatment plant monitoring and sampling.

A dual position Public Works Director/Police Chief was instituted, and the Board attempted to fill the administrator position as a lone position.

After an unsuccessful attempt to fill the position, the Board made the determination to strike the position from the Town budget, with the department heads and Mayor attending to town administrator responsibilities.

The Board also approved and contributed to continuing education for then Town Clerk – who, upon completion, would become the Town Administrator.

In 2013, the Board began discussion of re-instituting the administrator position and hired an interim administrator to conduct the hiring process.

In November 2014, a town administrator from another community in Colorado was hired and worked for the town until August 2016.

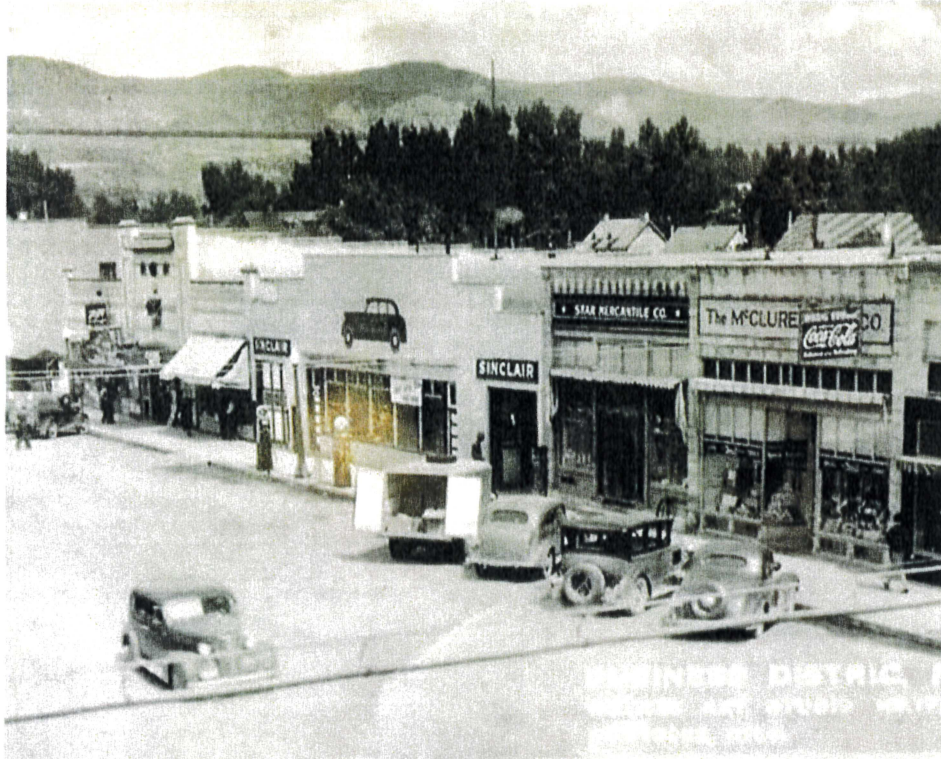
Another interim administrator was hired to complete the hiring process.

The town's next administrator – coming from another state, began working for the town from February 2017 to September 2019.

In October of 2019, the Board made the decision to add an interim administrator title and duties to the then Town Clerk. In May 2020, the Board of Trustees created and made final with annual contract renewal a Town Administrator/Clerk position.

In June of 2022, the Board made the decision to end the above-mentioned contract as of December 2022. The Board assigned the Personnel Committee to proceed with the hiring process for a new administrator. At this time, the pay range was increased for the Administrator position. It was agreed that the Administrator/Clerk would remain with the town, resuming the Town Clerk position.

## History of Paonia



### History

The area was first explored in 1853 by Captain John W. Gunnison of the United States Army. Gunnison was on an expedition to locate a suitable pass through the Rocky Mountains for the Topographical Engineers.

The Valley was inhabited by Ute Indians until 1880, when the Ute Indian Reservation was closed by the federal government.

Following the closure of the reservation, the site itself was settled in 1880 by Samuel Wade and William Clark, who had accompanied Enos Hotchkiss to the area from Ohio. The town was officially incorporated in 1902. The peony roots that Samuel Wade brought with him to Colorado in 1881 inspired him to submit the Latin name for peony, "Paeonia", as a town name. The post office wouldn't allow the extra vowel, so Paeonia became Paonia. Significant industries include ranching, mining and orchard farming.

Cattle came first, but in 1893, sheep were introduced to the valley. Cowboys organized a secret society called the Cattle Growers Protective Association. When sheep appeared on a cattle range, if legal persuasion failed,

sheep were stampeded over bluffs or massacred.

Vast reserves of coal lay buried in the area. The advent of the railroad made the shipping of coal economical and today, 2022, coal mining is still one of our major industries with only one mine remaining employing around 300 people.

Paonia is naturally air-conditioned by warm air flowing up the valley at night and cool air from the mountains during the day, resulting in optimal conditions for growing cherries, apricots, grapes, peaches, plums, pears, nectarines, and apples.



## Town Attractions



Paonia is a unique town, settled by farmers, ranchers and miners, now home to artists and outdoor lovers as well. It consistently ranks as one of the “coolest” Colorado mountain towns, and that’s saying something!

Named (although misspelled) for the vast array of peonie flowers in the area, Paonia is still a lush landscape that produces an abundance of fruit and vegetables. Fishing, hiking and river floating are all popular in this small town.

Paonia is a focal point of back roads and trails leading into the forest, attracting hunters, hikers bicyclists and cross-country skiers. Hunters outfit themselves in Paonia before setting out to get their elk, deer, and bear. Few places offer such a wonderful combination of climate, scenery, lifestyle and recreation.

The art scene is alive and well in Paonia. The North Fork Valley is a “Certified Colorado Creative District,” and home to many creatives, including painters, jewelers, dancers, actors, musicians and other artisans.

Finally, if you ask almost anyone who lives in Paonia what they like best about this town, you will hear that they love the community. You are sure to get a wave from local drivers the moment you pull into town. There is nothing quite like the feeling of camaraderie in Paonia.

### **Paonia Cherry Days Festival**

Paonia celebrates its "Cherry Days" festival annually during the week of July 4. 2022, marked the 76th annual Paonia Cherry Days festival Red, White & Blue. It features parades, family and class reunions, games, arts and crafts, and musical performances. Paonia Cherry Days is one of the longest running outdoor festivals in Colorado. Started by the Paonia Lions Club in 1946, the festival continues to be run by community volunteers.



## Top of the Rockies BMW Rally

Paonia hosts an annual rally for motorcycle enthusiasts, who descend upon the town in mid-summer and stay for several days. 2022 marked the 50th annual Top of the Rockies Rally.

The BMW Motorcycle Club of Colorado and the town of Paonia bring you the 50th annual Top O' The Rockies Rally! The Top O' The Rockies Rally is sponsored by the BMW Motorcycle Club of Colorado and is their premium annual event. The rally is headquartered at the town park in the small mountain town of Paonia, Colorado just a mile off of CO-133, part of the West Elk Scenic Byway. Paonia is a great central base from which to launch whatever type of motorcycle adventure one chooses, as there is tremendous riding for all persuasions in a concentrated area.



## Pickin' in the Park

Pickin' Productions presents Pickin' in the Park every August.

Pickin' Productions goal is to feature some of the very best National (and sometimes International) acts, both established and up and coming, along with strong regional & National openers.

The shows starts at 6pm, and goes well into the evening. Good times and lots of dancing is guaranteed.

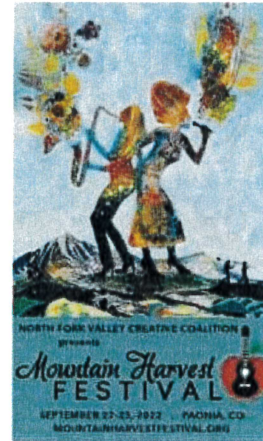


## Mountain Harvest Festival

Mountain Harvest Festival is an annual celebration of local music, art, farms, food and spirits. In 2022, organized by the nonprofit organization North Fork Valley Creative Coalition (<https://northforkcreative.org/>).

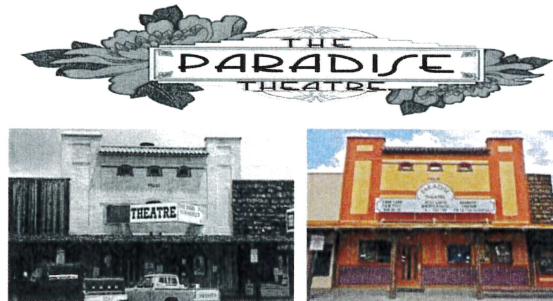
Our mission is to celebrate and serve our local communities by showcasing the bounty of the North Fork Valley. We do that by organizing the Mountain Harvest Festival and also supporting enhanced arts and agricultural educational opportunities in the Valley.

Held in the charming town of Paonia, visitors enjoy the music of the North Fork Valley, browse local arts and crafts and participate in the fun activities like the Great Chili Cookoff, Farm Tours and a Pub Crawl. Mountain Harvest Festival is small town Americana at its best.



## The Blue Sage Center for the Arts and The Paradise Theatre

Host: concerts, movies, meetings, art exhibits, recitals, community theatre, and classes.



## EV Charging Station



The Colorado Energy Office (CEO) and Regional Air Quality Council (RAQC) provide grants through the Charge Ahead Colorado program to support PEV and EVSE adoption by individual drivers and fleets. Both CEO and RAQC grants will fund 80% of the cost of EVSE, up to \$6,000 for a fleet-only Level 2 station, \$9,000 for a dual port Level 2 station, up to \$30,000 for a direct current (DC) fast charging EVSE, and up to \$50,000 for a charging station capable of 100kW or higher charging. Eligible DC fast EVSE must have both CHAdeMO and SAE CCS J1772 connectors and be capable of providing at least 50 kilowatts to one vehicle.

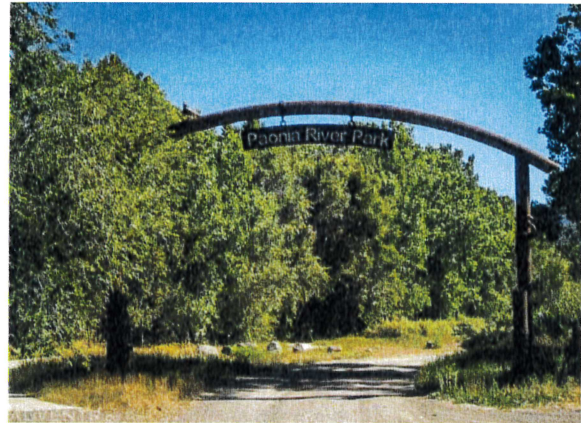
PEV owners must pay an annual fee of \$50, in addition to other registration fees, for a PEV decal. Fees contribute to the Highway Users Tax Fund and the Electric Vehicle Grant

Fund, which provides grants for EVSE.

On August 30, 2019 the Town of Paonia entered into a Parking Space Rental Agreement with Atlasta Solar Center (ASC) which took advantage of the above mentioned grant opportunity allowing them to install a charging station at 236 Main Avenue.

## Paonia River Park

The River Park, located near the entrance to the Town of Paonia off of Grand Ave, was once an in-stream gravel pit and is currently the one of two public river access point in 30 miles of the North Fork of the Gunnison River. The restoration project restored the river to a single meandering channel. Aquatic habitat was improved along the river banks, thousands of willows were planted, fish retention pools were installed, and the floodplain was rehabilitated with new vegetation to control flood erosion. The park is more welcoming than ever to wildlife and human visitors.



## North Fork Valley Museums



Location: 700 Shady Lane in Paonia, near entrance to Paonia River Park.

The Paonia Museum is really two museums -- the 1904 Parks home with vintage displays and photographs, and the historic Bowie Schoolhouse complete with the original desks. Those wishing to do research or thumb through books related to local history are welcome to spend time in the museum's reference library where they will find photo albums, yearbooks, oral history transcripts and tapes, and files of obituaries. Docents can assist with genealogical research. A nice selection of books focusing on local and Colorado history is available in the Museum bookstore.

# ARBOL Farmers Market

The Arbol Farmers Market was established in 2020 as an initiative to increase food security and to support our local farmers in the North Fork Valley.

Originally, the venue was set at a small farm on Lamborn Mesa. The 2020 market season was a success and the weekly event outgrew its space. In 2021, the Arbol Farmers Market was relocated to Paonia Town Park.

The Arbol Farmers Market at Paonia Town Park (located between 4th and 5th Sts. on North Fork Ave.) is a weekly farmers market every Tuesday evening from 5-8 pm, May 18th through October 12th. Offering local organically produced vegetables, fruits, herbs, meats, dairy products, eggs, preserved foods, baked goods, flowers, artisan crafts, and more. SNAP Benefits are available with additional Double Up Bucks.

Enjoy a community meal prepared by The Learning Council by donation. Markets will also showcase live music and wine tasting. Bring the whole family to this farmers market in the shade!



# ECONOMIC OUTLOOK SOURCES

United States Economic Forecast Q2 2022, The Colorado Economic and Fiscal Outlook as provided by the State of Colorado, Colorado Legislative Council Staff Economic & Revenue Forecast June 2022, Governor's Office of State Planning and Budgeting on March 2022, as well as the Delta County Economic Update for Second Quarter 2021:

## National

### NATIONAL ECONOMIC OUTLOOK

The U.S. economy continues to rebound in 2022, but faces greater headwinds than previously expected due to inflationary pressures and the impact of the monetary policy response on aggregate demand. Broad-based price growth includes energy and food prices, the cost of shelter, and growing services inflation as companies pass higher input prices onto consumers. Aggregate household finances remain strong as wage growth continues at a rapid pace in 2022, but the magnitude of labor market tightness, i.e. when job openings outnumber unemployed workers, shrinks in 2023 and 2024 largely due to reduced labor demand in the face of headwinds to the business environment.

While many do not believe the US economy is currently in recession - due to strength in a number of sectors and the extremely tight labor market - we expect that a broad downturn in the economy is on its way. Given the greater-than-expected weakness seen in Q2 2022 GDP data, we are downgrading our Q3 2022 forecast from 0.5 percent (QoQ, SAAR) to zero percent. This downgrade is associated with our expectation that consumption will continue to soften in the third quarter due to rapidly rising interest rates and elevated inflation. Furthermore, we expect both residential and nonresidential investment to contract, and private inventory expansion to continue to slow.

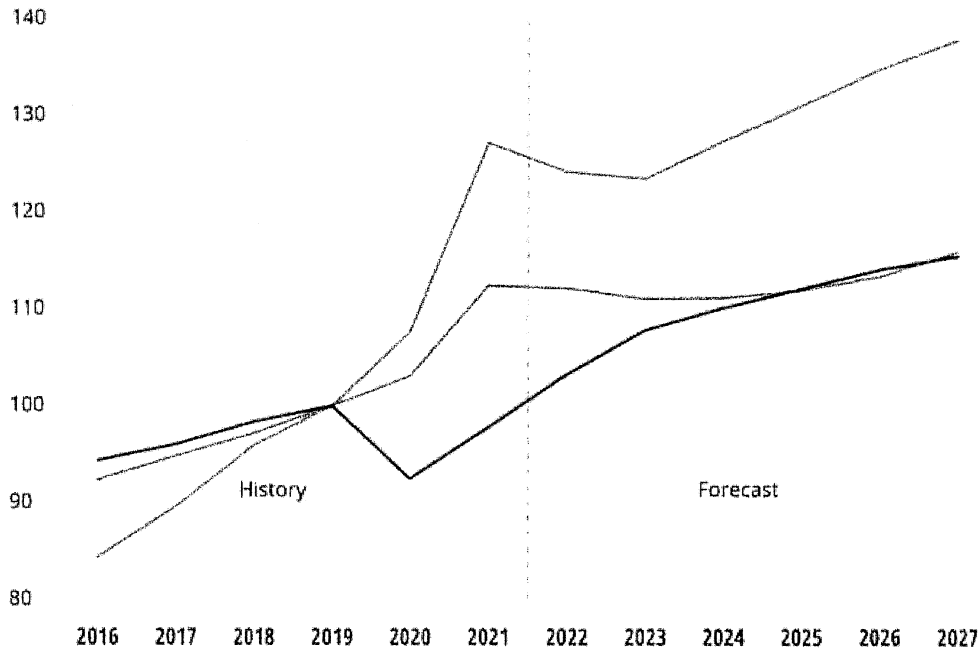
## UNITED STATE ECONOMIC FORECAST Q2 2022

CONSUMER SPENDING INDEX 2019 = 100

FIGURE 2

### Consumer spending, index, 2019 = 100

--- Durables    --- Nondurables    — Services



Source: Deloitte analysis.

Deloitte Insights | [deloitte.com/insights](https://deloitte.com/insights)

# CONSUMER SPENDING GROWTH

FIGURE 3

## Consumer spending growth

	History						Forecast					
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Real consumer spending	2.5	2.4	2.9	2.2	-3.8	7.9	2.9	1.7	1.5	1.5	1.6	1.7
Real consumer spending, durable goods	5.4	6.3	7.0	4.3	7.7	18.1	-2.4	-0.6	3.2	2.9	2.9	2.2
Real consumer spending, nondurable goods	2.5	2.7	2.5	2.9	3.1	9.1	-0.2	-1.0	0.1	0.7	1.3	2.3
Real consumer spending, services	2.0	1.8	2.4	1.7	-7.5	5.8	5.6	4.4	2.1	1.8	1.8	1.2
Net household wealth (US\$ trillion)	95	103	104	117	131.3	150	159	162	162	163	163	164
Unemployment rate (percent)	4.9	4.4	3.9	3.7	8.1	5.4	3.7	3.6	3.6	3.6	3.6	3.7
Consumer Price Index	1.3	2.1	2.4	1.8	1.2	4.7	7.4	2.6	1.9	2.2	2.3	2.3

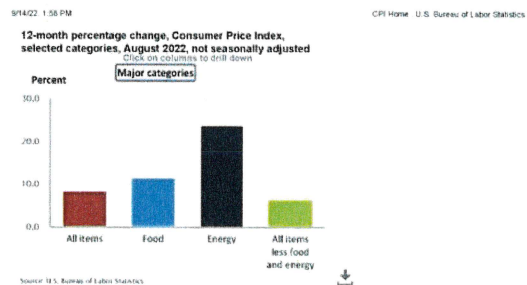
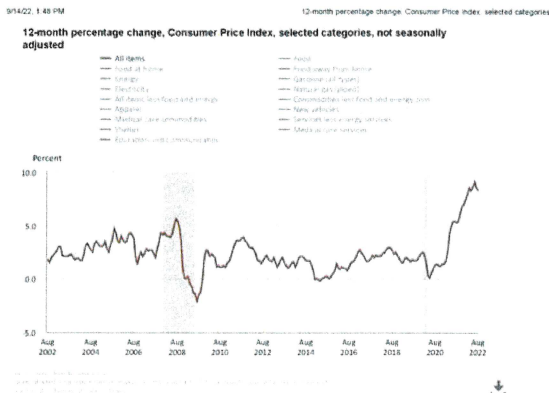
Source: Deloitte analysis.

Deloitte Insights | deloitte.com/insights

## 12-month percentage change, Consumer Price Index, selected categories

The Consumer Price Index for All Urban Consumers (CPI-U) rose 0.1 percent in August on a seasonally adjusted basis after being unchanged in July, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 8.3 percent before seasonal adjustment.

The all items index increased 8.3 percent for the 12 months ending August, a smaller figure than the 8.5- percent increase for the period ending July. The all items less food and energy index rose 6.3 percent over the last 12 months. The energy index increased 23.8 percent for the 12 months ending August, a smaller increase than the 32.9-percent increase for the period ending July. The food index increased 11.4 percent over the last year, the largest 12-month increase since the period ending May 1979.



# COLORADO

## COLORADO ECONOMIC OUTLOOK

Colorado's job growth is expected to remain strong in 2022, exceeding 2021 growth. Job growth slows in the outyears, but continues to outpace the nation, as Colorado's unemployment rate is expected to settle at 3.3 percent, while the rate is projected to increase to 3.7 percent nationally by 2024. The inflation rate is expected to face additional upward pressure from shelter and service prices relative to the nation as a whole. Real retail sales growth remains positive in 2022 at a pace slightly higher than the U.S., but then similar to the country as a whole, turns negative in 2023 in the face of rising inflation.

## COLORADO OUTLOOK - SALES AND USE TAX

### Sales Tax

Following sales tax revenue collections of \$3.4 billion and 6.9 percent growth in FY 2020-21, revenue is forecast to grow by 17.7 percent to \$4.0 billion in FY 2021-22, spurred by strong retail sales spending. Compared to the March forecast, this is an upward revision of \$111.4 million following above-expectation collections. FY 2022-23 and FY 2023-24 are also revised upward by \$103.7 million and \$144.2 million to \$4.2 billion and \$4.4 billion, respectively. The out-year upward revisions are largely due to the increased collections in FY 2021-22 elevating the base and inflation driving nominal growth over the forecast period, with real growth expected to be negative in FY 2022-23. Sales tax growth is largely predicated upon nominal state retail sales growth which grew by 16.5 percent in calendar year 2021 and is forecast to grow by 9.7 percent in 2022, 4.1 percent in 2023, and 3.8 percent in 2024.

This forecast also takes into account policy adjustments due to recent legislative action that are not fully incorporated into the broader sales tax base trend. These adjustments are forecast to result in a sales tax revenue reduction of \$27.6 million in FY 2021-22, a reduction of \$22.4 million in FY 2022-23, and an increase of \$21.3 million in FY 2023-24. The most significant change since the last forecast came with the passage of H.B. 22-1406, Qualified Retailer Retain Sales Tax, which allows certain businesses in the food services sector to deduct up to \$70,000 from net taxable sales for up to five locations each month. This deduction is allowed over the first quarter of FY 2022-23 and will result in an estimated sales tax revenue reduction of \$39.3 million.

While sales tax growth in FY 2021-22 of 17.7 percent is expected to come in well above forecast inflation levels, the forecast growth in FY 2022-23 is 5.1 percent, which is below inflation expectations (6.8 percent on a fiscal year basis). This means that while nominal sales tax growth in FY 2022-23 is forecast to be robust, it is a product of inflation, and real sales tax growth is forecast to be negative for the fiscal year. This is illustrated in Figure 39, depicting forecast sales tax growth falling below forecast inflation in FY 2022-23. Real sales tax revenue has been growing throughout FY 2019-20 and FY 2020-21, and growth is expected remain higher than the inflation rate in FY 2021-22. In FY 2023-24, sales tax revenue is forecast to rebound to slightly positive real growth above inflation expectations.

After historic sales tax revenue over the course of FY 2021-22, revenue growth is expected to weaken in the forecast out-years, slightly below the five-year average of 5.2 percent. With nominal consumer spending and retail sales expected to come down from current levels, nominal sales tax growth in the out-years will largely be a product of inflation with negative to flat real growth.

### Use Tax

Use tax revenue increased 1.8 percent to \$214.2 million in FY 2020-21 and is forecast to increase by an additional 9.9 percent in FY 2021-22 to \$235.3 million. This is a slight downward revision of \$3.8 million from the March forecast following below-expectation collections. It is expected that use taxes will increase to \$254.4 million in FY 2022-23 and grow to \$263.2 million in FY 2023-24. These projections are revised upward from the March forecast by \$8.4 million and \$11.1 million respectively, primarily because of an elevated oil price forecast creating an expectation for higher levels of capital investment in the oil and gas industry. An increase in capital investment within this industry has historically led to growth in use tax collections. Near-term, positive expectations for residential construction also marginally drove the upward revision. These projections continue to assume that sales and use tax revenue have largely leveled off to their new equilibrium relationship after the change created by H.B. 19-1240, which codified the state's sales tax rules in response to the South Dakota v. Wayfair ruling.



## SALES AND USE TAX REVENUE FORECAST

SALES AND USE TAX REVENUE FORECAST						
FISCAL YEAR	SALES (REVENUE)		USE REVENUE		TOTAL REVENUE	
	(MILLIONS)	GROWTH	(MILLIONS)	GROWTH	(MILLIONS)	GROWTH
<b>FY 2020-21 (ACTUAL)</b>	\$3,418.10	6.90%	\$214.20	1.80%	\$3,632.30	6.60%
<b>FY 2021-22</b>	\$4,023.90	17.70%	\$235.30	9.90%	\$4,259.20	17.30%
<b>FY 2022-23</b>	\$4,230.40	5.10%	\$254.40	8.10%	\$4,686.10	4.50%
<b>FY 2023-24</b>	\$4,422.90	4.60%	\$263.20	3.50%	\$4,686.10	4.50%

## MARIJUANA SALES

After a 27.4 percent increase to \$245.5 million in FY 2019-20, the 15 percent special sales tax on marijuana retail sales increased by another 17.4 percent to \$288.2 million in FY 2020-21. Revenue is expected to decline by 10.9 percent in FY 2021-22 and resume slower growth in FY 2022-23 and FY 2023-24.

Total marijuana tax revenue grew 22.2 percent in FY 2020-21 as a result of a spike in sales during the height of the pandemic. Revenue has continued at historically high levels, but has fallen from the levels seen over the course of FY 2020-21 due to significantly lower prices and slowing growth in the quantity of marijuana sold. As a result, total marijuana revenue is expected to fall by 13.3 percent in FY 21-22, followed by an additional 2.6 percent reduction in FY 2022-23, and slow growth at 2.3 percent in FY 2023-24. These drags on marijuana revenue in FY 2021-22 and FY 2022-23 are driven both by the retail marijuana special sales tax and the wholesale (excise) marijuana tax by means of lower prices throughout the rest of the calendar year.

## COLORADO OUTLOOK - MINERAL LEASE - SEPTEMBER 2021

Federal Mineral Lease (FML) revenue increased by 30.9 percent to \$82.0 million in FY 2020-21 and is expected to increase by an additional 59.9 percent in FY 2021-22 to \$131.2 million due to continued oil and gas price growth throughout the fiscal year. This is an upward revision of \$14.8 million from the March forecast following above-expectation payments during the interim as oil and gas prices have remained at elevated levels. While FML revenue is expected to tick downward over the forecast period, FY 2022-23 and FY 2023-24 are revised upward from March primarily as a product of above-average oil and gas price expectations over the course of 2022 and 2023.

## COLORADO OUTLOOK - SEVERANCE - SEPTEMBER 2021

SEVERANCE TAX REVENUE				
	ACTUAL	FORECAST	FORECAST	FORECAST
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
OIL & GAS	\$0.60	\$295.50	\$214.90	\$155.00
COAL	\$1.90	\$2.90	\$2.60	\$2.30
MOLY & METALS	\$2.20	\$2.50	\$2.30	\$2.10
INTEREST	\$10.00	\$9.40	\$9.70	\$9.70
<b>TOTAL</b>	<b>\$14.70</b>	<b>\$310.30</b>	<b>\$229.50</b>	<b>\$169.10</b>
<b>CHANGE</b>	<b>-88.80%</b>	<b>2021.20%</b>	<b>-26.10%</b>	<b>-26.30%</b>

Following the lowest severance tax revenue collections since 1990 in FY 2020-21 of \$14.7 million, collections have rebounded in FY 2021-22 and are expected to reach \$310.4 million. The upward shift in revenue is primarily due to increased oil and gas prices over the past 12 months, coupled with increased production. This substantial revision to the March forecast comes after \$184.3 million was collected in April – the highest monthly payment in recent history and likely the result of underestimated tax liability earlier in the fiscal year given lower oil and gas price expectations. This shift comes after demand fell sharply during the height of the pandemic in FY 2020-21, which led to lower prices and depressed production. Severance tax revenue for FY 2022-23 and FY 2023-24 is also revised upward on higher oil and gas prices to \$229.4 million and \$169.1 million, respectively, despite the slight drag from increased ad valorem credits discussed in more detail below.

Oil and gas severance tax revenue, which accounts for 97 to 98 percent of overall collections throughout the forecast period, is primarily dependent on production levels multiplied by price. West Texas Intermediate (WTI) oil prices are expected to remain above or near \$100 per barrel for the remainder of 2022 and stay above \$90 per barrel in 2023. These sustained high oil and gas prices through much of the forecast period will also spur increases in production, though these effects have been slow to materialize thus far. These joint effects are expected to drive severance tax revenue above average levels. More details on price and production can be found in the energy section of the economic outlook.

Finally, the increased price levels will lead to increased ad valorem credit claims by taxpayers, which are based on local property tax assessments on the value of oil and gas production. Oil and gas taxpayers can use the credit to reduce their severance tax liability by up to 87.5 percent of the real property taxes they most recently paid to their local governments, school districts, and special districts. That said, there is a one-to-two-year lag between when the production is valued by county assessors and when the credit is applied against state severance taxes. Thus, increased ad valorem credit claims are expected throughout the forecast out-years, but net revenue is still expected to remain above average in FY 2022-23 due to an elevated price forecast. In FY 2023-24, revenue returns closer to average levels as prices are expected to drop from current highs and ad valorem credit claims will have a greater, overall net negative effect on revenue.

## **DELTA COUNTY**

### DELTA COUNTY ECONOMIC OUTLOOK - Economic Summary

- The 2021 yearly average of employment is 13,599. This is better than 2020's 13,273, and close to 2019's 13,765. Overall, Delta County is now very close to the level of employment that existed in 2019.
- Two new standard of living measures were recently released for Delta County 2020 data. Median household income increased from \$51,525 to \$53,553. This is important because median household income for the United States fell from \$69,560 to \$67,521, which means Delta County did better than the nation.
- Poverty estimates were also released, showing that poverty numbers inched lower. The poverty estimate was 14.6% in 2018, down from 15.1% in 2019, and dropping to 12.1% in 2020.
- The U.S. inflation rate in February hit 7.9%. This is the highest inflation rate since 1982. Before Russia's invasion of Ukraine, a 3.5-4% inflation forecast by year end was a reasonable way to view inflation dynamics for the coming year. However, the RussiaUkraine crisis has changed the inflation forecast and has much larger implications for the world and U.S. economy, bringing with it significant macroeconomic and financial risks

# DELTA COUNTY - EMPLOYMENT

Figure 4  
Delta County and Colorado Unemployment Rates

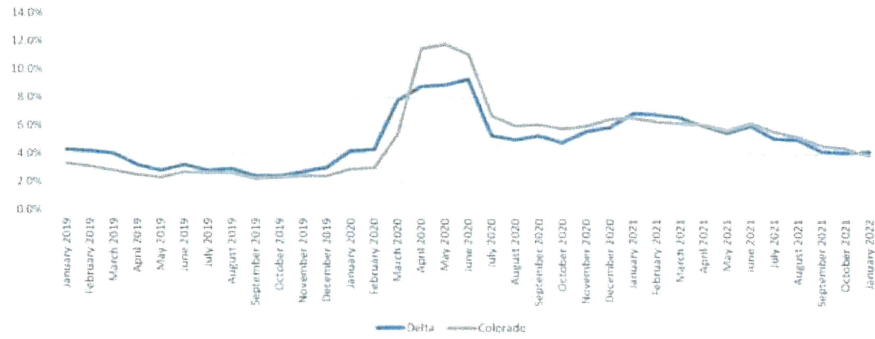
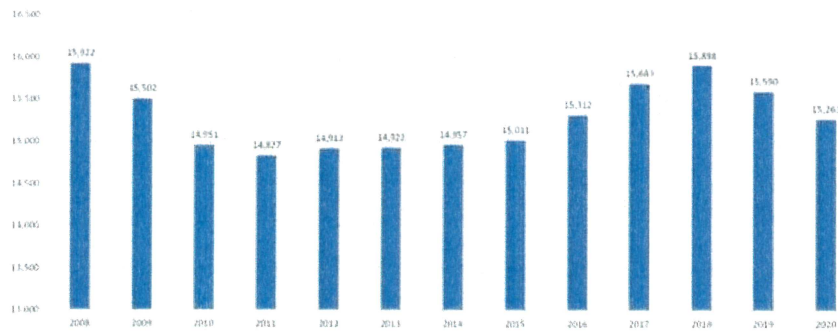


Figure 5  
Number of Unemployed Delta County



Figure 6  
Total Full and Part Time Jobs (BEA)



# DELTA COUNTY - LOCAL REAL ESTATE

## LOCAL REAL ESTATE

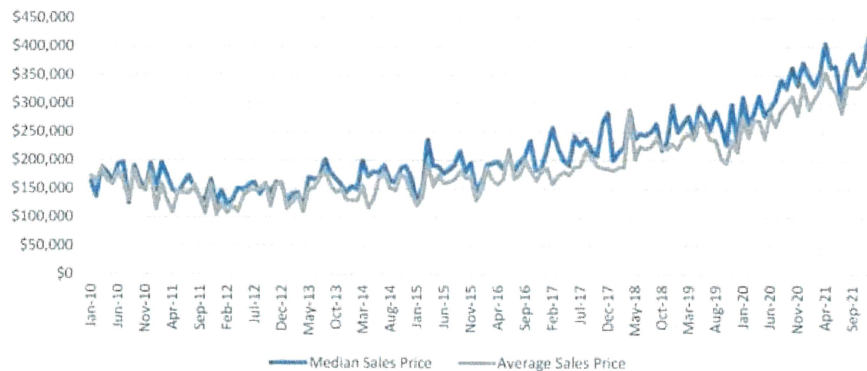
	Q4 2021	Q4 2020	% change since last year
<b>Real Estate</b>			
Inventory of Homes for Sale (3 month avg)	100	133	-25.25%
New Residential listings (3 month total)	108	123	-12.20%
Sold Residential Listings (3 month total)	136	176	-22.73%
Median Sales Price	\$343,933	\$309,425	11.15%
Average Sales Price	\$378,921	\$356,060	6.42%
Days on Market	87.00	109.67	-20.67%
Months Supply of Inventory	2.03	2.73	-25.61%
<b>Foreclosures</b>			
Foreclosure Filings	6	3	100.00%
Foreclosure Sales	3	2	50.00%
<b>Mortgage Rates</b>			
15 Year Mortgage Rate	2.34%	2.29%	0.05%
30 Year Mortgage Rate	3.08%	2.76%	0.32%

SOURCES IN ORDER OF LISTING: Real Estate Data: Colorado Association of Realtors, Building Permits and Valuation: City of Delta and Orchard City totals; Foreclosure Filings and Sales: Delta County; Mortgage rates: Freddie Mac.

### Local Real Estate Indicators

The Delta County real estate market continues to be tight, with inventory falling by 5% from last year, and median prices rising by 11.15%. Days on market have fallen by 20.67%, and months supply of inventory by 25.61%. All data points show a very tight housing market with limited inventory. The Federal Reserve is raising the Federal Funds rate and reducing their purchases of 10 year treasury bonds, with the goal of raising interest rates. The hope is to slow what has become one of the strongest housing markets in recent history.

Figure 12  
Median and Average Home Values



# OIL \* GAS \* COAL

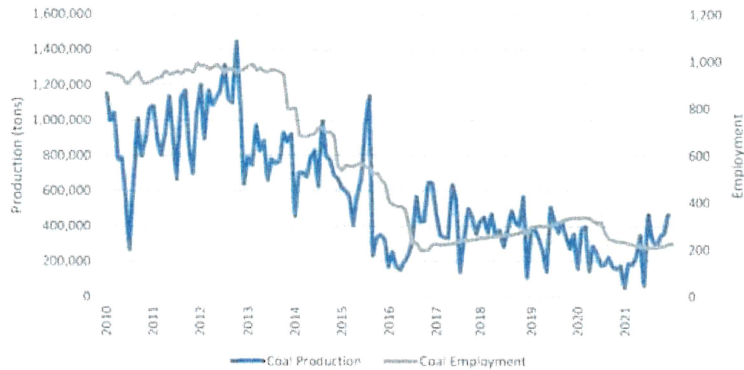
Figure 17.

Oil/Gas Drilling Permits and Oil/Gas Jobs



Figure 18.

Delta/Gunnison Coal Production and Employment



## Western Slope Oil, Gas, and Coal

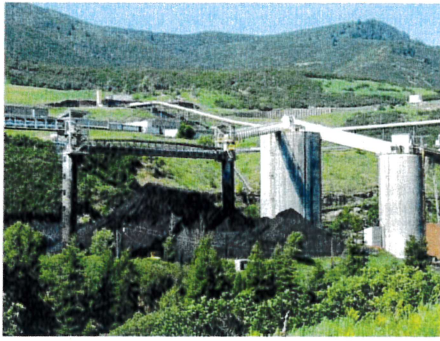
The Energy Information Agency (EIA) reports that in February, the natural gas spot price at Henry Hub averaged \$4.69/MMBtu, while Brent crude oil averaged \$97 per barrel. There is much uncertainty in energy markets currently due to Russia's invasion of Ukraine. EIA forecasts Brent crude oil to average \$117 per barrel in March, and \$102 per barrel for the second half of 2022. U.S. retail gasoline prices averaged \$3.52 in February, while Gasbuddy.com shows that the average gas price as of March 14th in Mesa County ranged between \$3.83 and \$4.05.

How rising oil and gas prices affects the Piceance Basin remains to be seen. In the past when oil, and specifically natural gas prices rise the region would see rig activity pick up, but there are still two rigs operating in the Piceance as of March 14th. There was an uptick in jobs and wages in this industry but for employment and wages to really pick up rig activity will have to increase.

Comparing 2020 to 2021, West Elk Mine production has increased by 22%, while mining jobs have fallen by 24%.

## COAL MINING

Coal mining in Colorado dates back to 1864. Colorado coal is mostly bituminous and sub-bituminous, and is characterized as a high heat content, low sulfur, low to medium ash, and low mercury coal. Coal provides the fuel to generate about 68 percent of Colorado's electricity. It currently provides the 'base-load' fuel source for most of today's



electrical needs. At current growth and consumption rates Colorado's mineable coal could supply its economy for over 259 years. However, growing world demand for energy over the next 25 years is predicted to increase fossil fuel consumption by 60 percent, so Colorado coal may be in higher demand to other states and foreign exports. Currently, Colorado mines ship coal to 24 other states and to Mexico and Europe.

West Elk is an underground mining complex located in Gunnison County, Colorado. Located in the West Elk Mountains just east of the town of Paonia, the West Elk mine is one of the largest coal mines in Colorado. It covers more than 20 square miles of the Gunnison National Forest next to the West Elk Wilderness Area.

West Elk employs some 254 people as of 2021 and is the last coal mine still operating in Colorado's North Fork Valley.

Raw coal from West Elk mine is shipping via the Union Pacific railroad. The loadout facility can load an 11,000-ton train in less than three hours.

Production:

COMMODITY	UNITS	2021	2020	2019	2018	2017	2016	2015
Thermal Coal	M tons	3.3	2.5	4.1	4.8	4.9	4.0	5.1

Reserves at December 31, 2021:

CATEGORY	TONAGE	COMMODITY
Proven Coal	46.9 M tons	Thermal
Probable Coal	5.0 M tons	Thermal
Proven & Probable	51.9 M tons	Thermal Coal

## SOLAR ENERGY

The solar energy sector in Colorado has created new opportunities in electricity generation, research and development and manufacturing.

SOLAR ENERGY INTERNATIONAL is located southwest of Paonia, Colorado.

### SEI's Purpose

Our purpose is to empower students, alumni, and partners to expand a diverse, inclusive, well-trained and educated solar workforce and spread the knowledge of how to safely deploy industry-leading technology. Our aim is to mitigate climate change, promote sustainable economic growth, and support energy independence.

SEI's Solar Professional Certificate Program (SPCP) is the industry's most comprehensive training program. With custom program tracks, SPCP prepares professionals with foundational solar skills and technical theory in the solar industry segment of their choice. The SPCP is designed for individuals who want to distinguish themselves among employers and clients who care about quality, skilled solar design, installation, operations, and maintenance. All SPCP tracks are a combination of hands-on, safety, and technical skills training.



## Broadband

Broadband has emerged as a critical component of economic development. Economic research shows the introduction of broadband services boosts employment growth, reduces unemployment rates, and helps attract and retain high value-added firms and workers. These positive impacts are particularly large in rural or isolated areas.

Broadband access allows many rural communities the potential to attract remote workers and location-neutral businesses that can help diversify the economic base, but there are many other benefits, including public safety and health care. Many rural areas of the state would benefit greatly from tele-medicine and remote health care monitoring that have the promise to reduce health care costs while improving outcomes. Broadband availability to schools and educators across the state, especially in rural areas, is also a critical need that has been addressed over the past decade by the state.

**An Overview of Internet Providers in Paonia By Connection**

Provider	Connection	Download Speed (Mbps)	Availability
Comcast	Cable	100 Mbps	100%
Frontier	Fiber	100 Mbps	100%
AT&T	Dial-up	56 Kbps	100%
Verizon	4G LTE	100 Mbps	100%
CenturyLink	Fiber	100 Mbps	100%
Earthlink	Cable	100 Mbps	100%
NetScout24	Fiber	100 Mbps	100%
Paonia	Fiber	100 Mbps	100%

**Exposing the Quickest Internet Plan in Paonia**

The number of years the company or company has been in operation is listed in the table for each of the fastest providers. The number of years the company has been in operation is listed in the table for each of the fastest providers. The number of years the company has been in operation is listed in the table for each of the fastest providers.

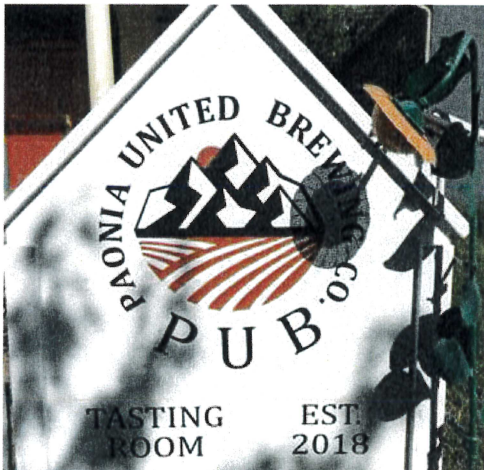
**Summary Of Fastest Internet Providers in Paonia, Colorado**

PROVIDER	SPEED	TYPE	TIME TO DOWNLOAD 1 GB	AVAILABILITY
Spectrum	1,000 Mbps	Cable	8s	55.5%
Elevate Internet	1,000 Mbps	Fiber	8s	82.7%
T-Mobile 5G Home Internet	182 Mbps	5G Internet	45s	97.4%
Rise Broadband	100 Mbps	Fixed Wireless	1m 21s	95.9%
TDS Telecom	100 Mbps	DSL	1m 21s	99.3%
Viasat Internet	50 Mbps	Satellite	2m 48s	100.0%
HughesNet	25 Mbps	Satellite	5m 27s	100.0%

## Brewing

Paonia is home to Paonia ([https://en.wikipedia.org/wiki/Revolution\\_Brewing\\_\(Colorado\)](https://en.wikipedia.org/wiki/Revolution_Brewing_(Colorado))) United Brewing Co. and Chrysalis Brewery. Paonia United Brewing Company is dedicated to making and serving high quality, small batch craft beer in the Town of Paonia to be enjoyed by local patrons and visitors of the North Fork Valley.

Chrysalis Brewery grows their own barley and rely heavily on surrounding orchards and farms to source the best ingredients available to create an "Origin Beer" which is unique and unlike any other beer in the state. Their beers and flavors started from the ground up right here in the North Fork Valley.





## Media

The publishing sector includes any firm that issues print or electronic copies of original works for which they own a copyright, excluding internet firms. Products include software, newspapers, periodicals, books, directories, databases, calendars, and greeting cards. The types of products produced by the publishing industry has diversified to include an increasing amount of electronic and internet-based products, such as audio, downloadable files, digital books, and mobile device applications.

*High Country News* is a nonprofit 501(c)3 independent media organization that covers the important issues and stories that define the American West. Our mission is to inform and inspire people – through in-depth journalism – to act on behalf of the West's diverse natural and human communities. Our print and online magazine has more than 36,000 subscribers, including policymakers, educators, public land managers, environmental professionals, outdoor enthusiasts and thousands of other “people who care about the West.” Our website attracts nearly 400,000 sessions each month, and our online archives (<https://www.hcn.org/issues>) are unusually deep, from the first issue in 1970 to today.

Paonia is served by a section in the *Delta County Independent*. Now owned by Wick Communications the same company that owns the Montrose Daily Press. The area is also served by the monthly *North Fork Merchant Herald* founded in 1996 by the Hotchkiss Community Chamber of Commerce, was taken private by Raven Rumours Press in 1999 published in nearby Hotchkiss and *The High Country Shopper*, is published in Paonia.

Community radio station KVNF (<https://en.wikipedia.org/wiki/KVNF>) was founded in Paonia and continues to have studios in downtown Paonia. KVNF Community Radio has been serving the western slope of Colorado since 1979 with news programs from National Public Radio, alternative news programming, local news and current affairs and an eclectic mix of musical genres with an emphasis on independent recording artists. It's a rural service network providing public radio programming for the Western Slope region of Colorado. Starting with 10 watts of power in a garage on a mesa overlooking the town of Paonia, KVNF has grown to serve parts of 6 rural counties with two transmitters and five translators and thousands of watts of power.



# HISTORY OF FUNDING

There are 2 types of grant programs available to municipalities:

- project-specific grants: one-time funding based on a particular project
- allocation-based grants: annual grants based on criteria such as population, road length and other municipal information

Municipalities may want to use more than one type of provincial grant program to fund a single project. This is known as grant stacking, and is subject to specific conditions.

Some project specific grant programs require their funding to be approved prior to applying for allocation-based funding. It is the responsibility of the municipality to understand the requirements of the grant, including additional approvals, reporting, applications, as well as cost-sharing requirements or limits.



## FUNDING HISTORY

TOWN OF PAONIA - GRANT / PRINIPAL FORGIVENESS / BOND HISTORY - 2014-2021

AGENCY	BEG	END	PURPOSE	AMOUNT	MATCH	RETURNED	NET AMOUNT RECEIVED	AWARDED AMOUNT PENDING	APPLIED AWAITING AWARD	DENIED
CWCB	2014	2014	ZMG	337,984.00			337,984.00			
DOLA	2014	2018	ZMG+IMG+DIST	1,000,000.00	500,000.00		1,000,000.00			
WPA	2014	2015	ZMG	847,920.00			847,920.00			
DOLA	2014	2016	TM	94,872.46			94,872.46			
WPA	2015	2019	ZMG+DIST	3,000,000.00			3,000,000.00			
DOLA	2015	2015	IMG	200,000.00			200,000.00			
BOETTCHER	2017	2020	SPACE TO CREATE	35,000.00			35,000.00			
DOLA REDI	2018	2018	FEASIBILITY STUDY	12,500.00			12,500.00			
DOLA	2018	2019	MARKET SURVEY	14,161.61			14,161.61			
CCI	2018	2019	MARKET SURVEY/PREDEVELOPMENT	50,000.00		45,000.00	5,000.00			
USDOT	2018	2018	Street Rehabilitation	19,800,000.00	10.0%					19,800,000.00
CML	2018	2018	Repair/Replace Samuel Wade Bridge	2,000,000.00	20.0%					2,000,000.00
GOCO	2018	NA	Parks, trails planning	57,000.00	10.0%					57,000.00
GOCO	2018	NA	Poulos Park Renovation	26,250.00	10.0%					26,250.00
CDOT	2018	NA	Safe Routes to Schools, Streets & Sidewalks	485,000.00	20.0%					485,000.00
NEA Our Town	2018	2019	Grand Avenue Creative Corridor Planning	95,000.00	95,000 Cash/Inkind					95,000.00
CDPHE	2019	2019	STORM DRAIN/SEWER	89,462.00			89,462.00			
DOLA	2019	2019	MARIJUANA ENFORCEMENT	6,117.00			6,117.00			
DOLA	2019	2020	MARIJUANA ENFORCEMENT	8,473.76			8,473.76			
AARP	2019	2019	POULOS PARK	10,000.00			10,000.00			
COLOGRANT	2019	2019	ELLEN HANSON SMITH CENTER	15,000.00			15,000.00			
Delta County	2019	2020	Town Park - Teen Center roof repair playground upgrades	50,000.00	None					
NEA	2019	2019	NEA Leadership Institute							
Region 10	2019	2019	Wayfinding	5,000.00	None					
CRC/AmeriCorp VISTA	2019	2020	VISTA Volunteer for Town Planning & Creative District	3,175.00						
NF Rotary/West Elk Community Fund	2019	2019	Poulos Park	2,000.00	None		\$2000.00			
DOLA	2020	2021	ADMINISTRATIVE-WATER SYSTEM ANALYSIS	14,000.00	14,000.00			14,000.00		
GOCO	2020		PARK MASTER PLANNING	66,830.00	10,000.00			66,830.00		
DOLA	2020		TIER 1-ASSET INVENTORY	48,629.00	48,629.00			48,629.00		
DOLA	2020	2021	COVID RELIEF FUND	125,232.27				125,232.27		
DOLA-REDI	2020		ECONOMIC SURVEY-DIVERSIFICATION PLAN	35,000.00					35,000.00	
CDOT	2020		REVITALIZING DOWNTOWN	46,342.00	10% IN-KIND				46,342.00	
CPW	2020		PASS THROUGH W/ RED FEATHER BOWMAN	5,000.00	1,250 IN-KIND					5,000.00
COURTOWN	2021		PASS THROUGH W/ PARADISE	50,000.00	50,000/PARADISE				50,000.00	
DOLA	2021		AMERICAN RESCUE PLAN FUNDS	369,232.00			184,616.00		184,616.00	
				29,005,181.10		45,000.00	5,678,490.83	254,691.27	131,342.00	22,468,250.00

# Population Overview



TOTAL POPULATION

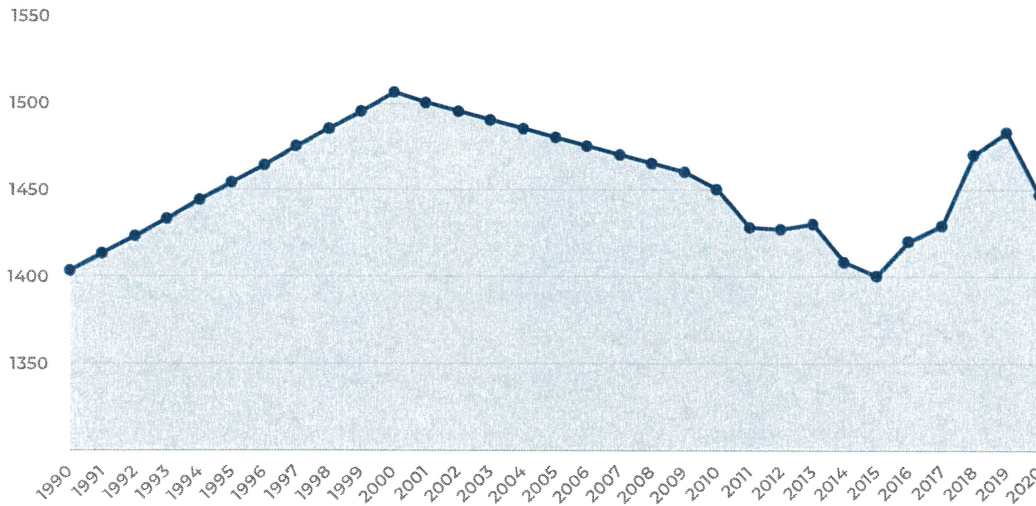
**1,447**

▼ **2.4%**  
vs. 2019

GROWTH RANK

**184** out of **360**

Municipalities in Colorado



\* Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses



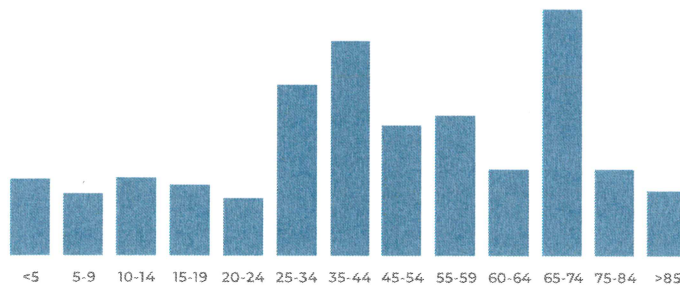
DAYTIME POPULATION

**1,530**

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

\* Data Source: American Community Survey 5-year estimates

## POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

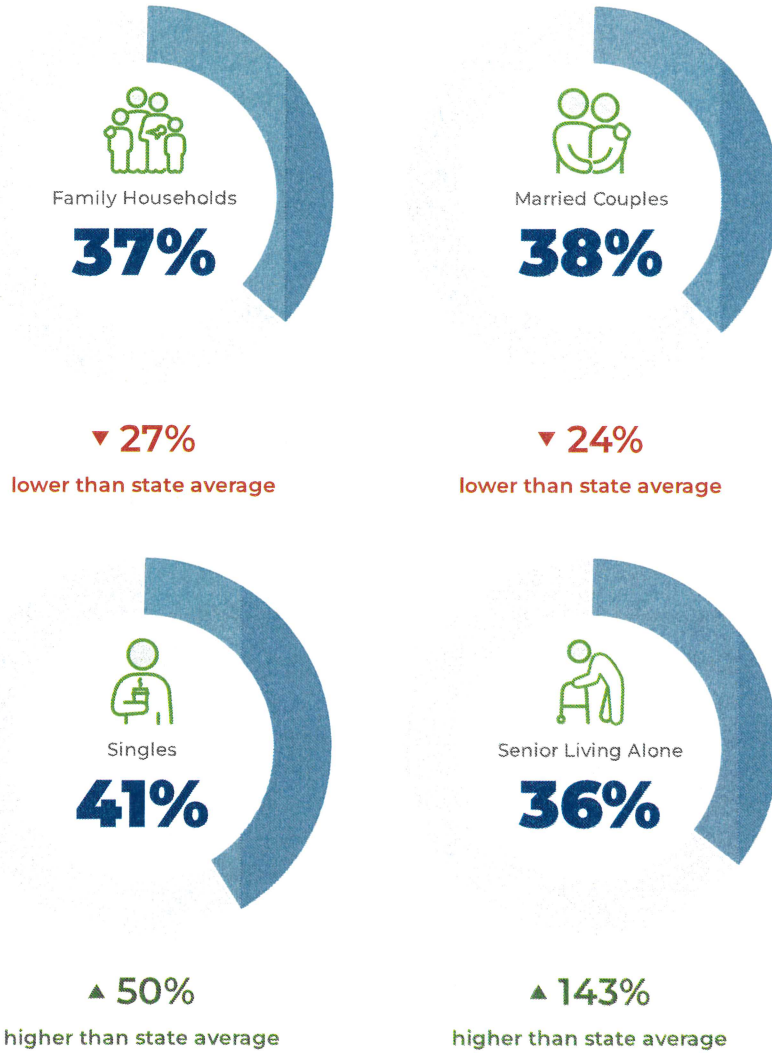
\* Data Source: American Community Survey 5-year estimates

# Household Analysis

TOTAL HOUSEHOLDS

**746**

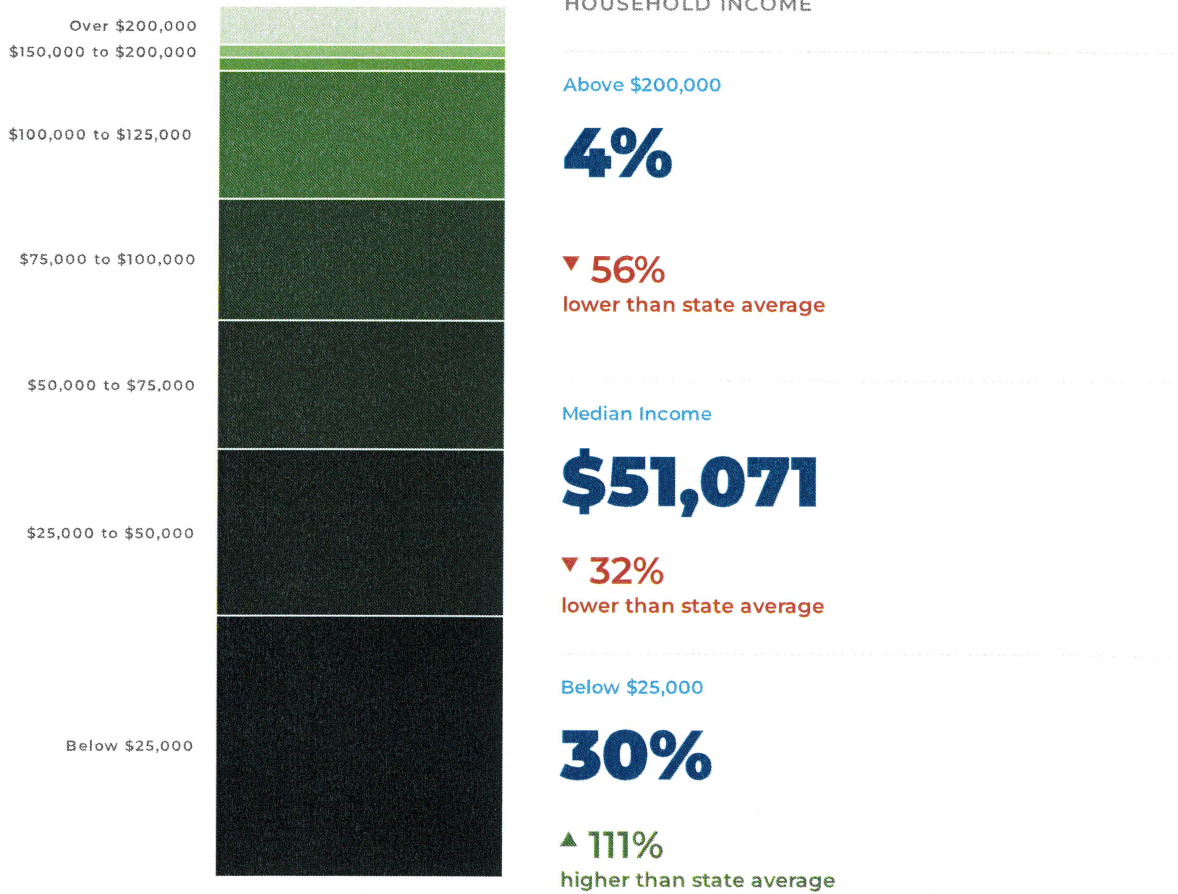
Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



*\*Data Source: American Community Survey 5-year estimates*

# Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



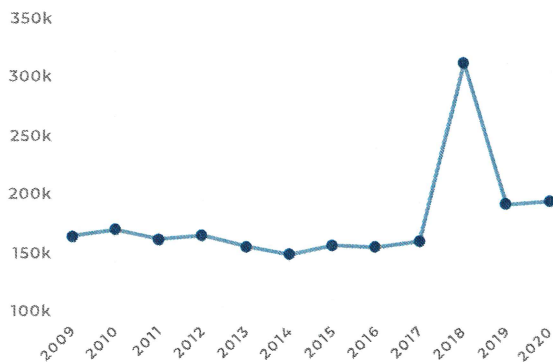
\* Data Source: American Community Survey 5-year estimates

## Housing Overview



2020 MEDIAN HOME VALUE

**\$193,800**

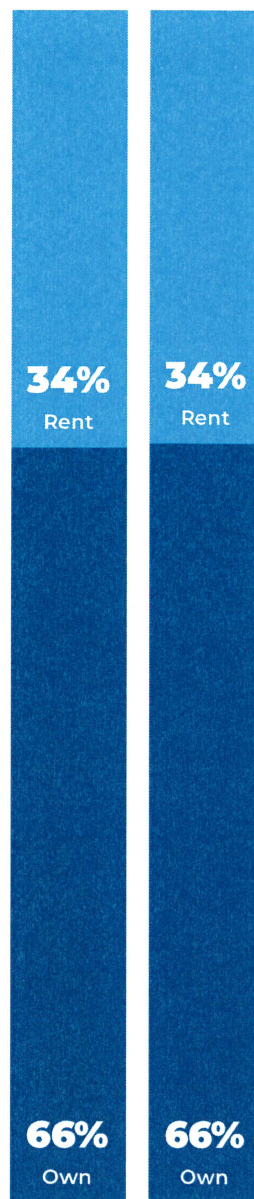


\* Data Source: 2020 US Census Bureau

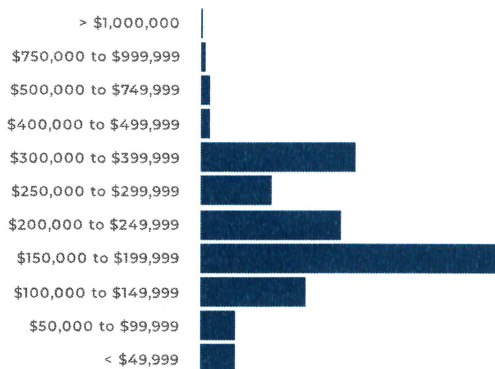
(<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

### HOME OWNERS VS RENTERS

Paonia State Avg.



### HOME VALUE DISTRIBUTION



\* Data Source: 2020 US Census Bureau

(<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

\* Data Source: 2020 US Census Bureau

(<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

# Budget Timeline

The annual budget process includes considerable staff participation from all departments and Board of Trustees direction concerning key policy areas. The public has the opportunity to participate with comments, concerns or budget requests during public work sessions and a public hearing prior to adoption of the budget. The budget process spans a great portion of the year. The following summarizes the 2021 budget schedule:



- Sep 15, 2022**

BUDGET WORKSHOP (5:00 - 7:30) STAFFING INCLUDING CONTRACTORS  
 CANCELLED (AUDIT PRESENTATION)  
 INVOLVE=ADMINISTRATION, DEPARTMENT HEADS, FINANCE DIRECTOR, BOARD OF TRUSTEES
- Sep 22, 2022**

BUDGET WORKSHOP (5:00 - 6:15) CONTRACTORS AND PROJECTS  
 CHANGE SPECIAL MEETING-TOPIC: WATER SEWER TRASH  
 INVOLVE=ADMINISTRATION, DEPARTMENT HEADS, FINANCE DIRECTOR, BOARD OF TRUSTEES
- Sep 29, 2022**

BUDGET WORKSESSION (5:00 - 7:30) IF NEEDED  
 CANCELLED  
 INVOLVE=ADMINISTRATION, DEPARTMENT HEADS, FINANCE DIRECTOR, BOARD OF TRUSTEES, PUBLIC
- Oct 7, 2022**

PROPOSED BUDGET DUE TO THE BOARD  
 INVOLVE=ADMINISTRATION, FINANCE DIRECTOR
- Oct 7, 2022**

PUBLISH NOTICE OF BUDGET HEARING  
 INVOLVE=ADMINISTRATION, FINANCE DIRECTOR
- Oct 13, 2022**

BUDGET WORKSHOP (5:00 - 6:15)  
 SPECIAL MEETING-REVIEW PROPOSED BUDGET  
 INVOLVE=ADMINISTRATION, DEPARTMENT HEADS, FINANCE DIRECTOR, BOARD OF TRUSTEES
- Oct 14, 2022**

BUDGET OFFICER MUST SUBMIT PROPOSED BUDGET TO THE GOVERNING BODY (CRS 29-1-105) GOVERNING BODY MUST PUBLISH "NOTICE OF BUDGET" UPON RECEIVING PROPOSED BUDGET (CRS 29-1-106(1))
- Oct 25, 2022**

BUDGET WORKSHOP (5:00-6:15)  
 CHANGE-SPECIAL MEETING  
 INVOLVE=ADMINISTRATION, DEPARTMENT HEADS, FINANCE DIRECTOR, BOARD OF TRUSTEES
- Nov 3, 2022**

FINAL ADJUSTMENTS  
 INVOLVE=ADMINISTRATION, FINANCE DIRECTOR





## **BUDGET PROCESS**

The mission of the budget process is to help the Board of Trustees make informed choices for the provision of services, acquisition and development of capital assets, and to promote citizen participation in the decision process.

The development of the budget is an on-going process that takes place throughout the entire year.

There are four principle elements to the budget process.

1. Development of broad long term goals that provide overall direction for the Town and serve as a basis for decision-making.
2. Development of specific policies and strategies to assist the Town in achieving its goals.
3. Development of a financial plan and budget that allocates resources necessary to implement the specific policies and strategies to achieve long term goals.
4. Ongoing assessment of performance and progress that has been made towards achievement of the Town's goals.

# MUNICIPAL CODE

The Board of Trustees and staff adheres to the following legal requirements pursuant to the Paonia Colorado - Municipal Code Chapter 4 - Revenue and Finance

## Chapter 4 - REVENUE AND FINANCE

### ARTICLE 1. - GENERAL PROVISIONS

- Sec. 4-1-10. - Fiscal year established.
  - (a) The fiscal year of the Town shall commence on the first day of the calendar year.
  - (b) The Board of Trustees shall, within the last quarter of each fiscal year, pass the ordinances required known as the annual appropriation bill for the next fiscal year.

(Ord. No. III, § 1, 1910; Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-1-20. - Property exempt from taxation.
  - (a) The same amount and kind of property, real and personal, shall be exempt from assessment and taxation for Town purposes as are now or may hereafter be exempt from assessment and taxation for County purposes under the general law; and all kinds of property within the Town limits that are subject to assessment and taxation for County purposes shall be subject to assessment for Town purposes.
  - (b) When the equalization of the value of property within the Town limits has been made in each year by the County Commissioners, as required by law, it shall be the duty of the Town Treasurer to correct the duplicate return therefrom made to the Board by the County Assessor of such property in accordance with changes in valuation of the same adopted by the County Commissioners. The Board of Trustees shall, by resolution, levy upon the real and personal property described in such annual return such sum as may be required for any purpose for which it may be authorized to levy, and it shall also specify therein the rate of taxation as fixed by it for Town purposes upon all property within the limits of the Town. The Town Clerk shall then certify a copy of the resolutions to the County Clerk, who shall proceed to extend the Town taxes upon the tax list of the current year as required by law.

(Ord. No. III, §§ 2, 3, 1910; Ord. No. 2014-04, § 1, 1-13-2015)

### ARTICLE 2. - GENERAL AND SPECIAL FUNDS

- Sec. 4-2-10. - Custody and management of funds.

Moneys in the funds created in this Chapter shall be in the custody of and managed by the Town Treasurer. The Town Treasurer shall maintain accounting records and account for all of said moneys as provided by law. Moneys in the funds of the Town shall be invested or deposited by the Town Treasurer in accordance with the provisions of law. All income from the assets of any fund shall become a part of the fund from which derived and shall be used for the purpose for which such fund was created; provided that, except as otherwise provided in this Code or by other ordinances or laws, the Board of Trustees may transfer out of any fund any amount at any time to be used for such purpose as the Board of Trustees may direct.

(Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-2-20. - General Fund created.

There is hereby created a fund, to be known as the General Fund, which shall consist of the following:

- (1) All cash balances of the Town not specifically belonging to any existing special fund of the Town.
- (2) All fixed assets of the Town (to be separately designated in an account known as the General Fund Fixed Assets) not specifically belonging to any existing special fund of the Town.

(Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-2-30. - Capital Improvement Fund created.

There is hereby created a special fund, to be known as the Capital Improvement Fund, and the funds therein shall be used only for the purposes allowed by law.

(Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-2-40. - Conservation Trust Fund created.

There is hereby created a special fund, to be known as the Conservation Trust Fund, and the funds therein shall be used only for the purposes allowed by law.

(Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-2-50. - Sales Tax Capital Improvement Fund created.

Pursuant to Section 29-2-111, C.R.S., there is hereby created a Sales Tax Capital Improvement Fund for the deposit of all revenues derived from the imposition of the additional one percent (1%) sales tax as provided in this Chapter. All monies deposited with said fund shall be used solely to provide for capital improvements to the Town.

(Ord. No. 92-02, § 7, 1992; Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-2-60. - Sewer Enterprise Fund created.

There is hereby created a special fund, to be known as the Sewer Enterprise Fund, and the funds therein shall be used only for the purposes allowed by law. For provisions regarding the Water and Sewer Activity Enterprise, see Chapter 13 ([https://library.municode.com/co/paonia/codes/municipal\\_code?nodeId=CHI3MUUT](https://library.municode.com/co/paonia/codes/municipal_code?nodeId=CHI3MUUT)), Article 4 of this Code.

(Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-2-70. - Water Enterprise Fund created.

There is hereby created a special fund, to be known as the Water Enterprise Fund, and the funds therein shall be used only for the purposes allowed by law. For provisions regarding the Water and Sewer Activity Enterprise, see Chapter 13 ([https://library.municode.com/co/paonia/codes/municipal\\_code?nodeId=CHI3MUUT](https://library.municode.com/co/paonia/codes/municipal_code?nodeId=CHI3MUUT)), Article 4 of this Code.

(Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-2-80. - Sidewalk replacement fund created.

There is hereby created a special fund, to be known as the Sidewalk Replacement Fund, and the funds therein shall be used only for the purposes allowed by law.

(Ord. No. 2014-09, § 2(F), 1-13-2015)

### ARTICLE 3. - SALES TAX

- Sec. 4-3-10. - Purpose.

The purpose of this Article is to impose an additional one percent (1%) sales tax on the sale of tangible personal property at retail, and the furnishing of services as provided in Section 29-2-105(1)(d), C.R.S., upon every retailer in the Town.

(Ord. No. 369, § 1, 1977; Ord. No. 2014-04, § 1, 1-13-2015; Ord. No. 2018-02  
([https://library.municode.com/co/paonia/ordinances/municipal\\_code?nodeId=911147](https://library.municode.com/co/paonia/ordinances/municipal_code?nodeId=911147)), 4-24-18)

- Sec. 4-3-20. - Definitions.

For the purposes of this Article, the definitions of words herein contained shall be as defined in Section 39-26-102, C.R.S., and said definitions are incorporated herein by this reference.

(Ord. No. 369, § 2, 1977; Ord. No. 92-02, § 2, 1992; Ord. No. 2014-04, § 1, 1-13-2015; Ord. No. 2018-02  
([https://library.municode.com/co/paonia/ordinances/municipal\\_code?nodeId=911147](https://library.municode.com/co/paonia/ordinances/municipal_code?nodeId=911147)), 4-24-18)

o Sec. 4-3-30. - Schedule of sales tax.

(a) There is hereby imposed on all sales of tangible personal property at retail and the furnishing of services as provided in Section 39-26-104, C.R.S., a sales tax of three percent (3%). The tangible personal property and services taxable pursuant to this Article shall be the same as the tangible personal property and services taxable pursuant to Section 39-26-104, C.R.S., and subject to the same exemptions as those specified in Section 39-26-701, et seq., C.R.S., except the exemption allowed by Section 39-26-709, C.R.S., for purchases of machinery or machine tools, the exemption of sales and purchases of machine tools, the exemption of sales and purchases of those items in Section 39-26-715, C.R.S., and the types of exemptions for sales of food specified in Sections 29-2-105(6) and (7), C.R.S. The imposition of the tax on individual sales shall be in accordance with schedules set forth in the rules and regulations promulgated by the Department of Revenue or by separate ordinance of the Town. If any vendor, during any reporting period, shall collect as a tax an amount in excess of two percent (3%) of his or her total taxable sales, he or she shall remit to the Director of Revenue the full amount of the tax herein imposed and also such excess.

(b) The collection, administration and enforcement of this sales tax shall be performed by the Director of Revenue of the State in the same manner as the collection, administration and enforcement of the state sales tax. The provisions of Article 26, Title 39, C.R.S., Article 21, Title 39, C.R.S., and Article 2, Title 29, C.R.S., and all rules and regulations promulgated by the Director of Revenue shall govern the collection, administration and enforcement of the sales tax imposed by this Article.

(Ord. No. 369, § 5, 1977; Ord. No. 92-02, § 5, 1992; Ord. No. 92-03, § 2, 1992; Ord. No. 2014-04, § 1, 1-13-2015; Ord. No. 2018-02 ([https://library.municode.com/co/paonia/ordinances/municipal\\_code?nodid=911147](https://library.municode.com/co/paonia/ordinances/municipal_code?nodid=911147)), 4-24-18)

o Sec. 4-3-40. - Distribution of sales tax.

(a) Two percent (2%) of the three percent (3%) sales tax shall be added to the General Fund.

(b) One percent (1%) of the three percent (3%) sales tax shall be added to the Capital Improvement Fund, to be used for any capital improvements within the Town.

(Ord. No. 371, §§ 1, 2, 1977; Ord. No. 92-02, § 1, 1992; Ord. No. 2014-04, § 1, 1-13-2015; Ord. No. 2018-02 ([https://library.municode.com/co/paonia/ordinances/municipal\\_code?nodid=911147](https://library.municode.com/co/paonia/ordinances/municipal_code?nodid=911147)), 4-24-18)

o Sec. 4-3-50. - General provisions.

(a) For the purpose of collection, administration and enforcement of this Article by the Executive Director of Revenue, the provisions of Title 39, Article 26, C.R.S., shall be deemed applicable and incorporated into this Article.

(b) The amount subject to tax under this Article shall not include the state sales and use tax imposed by Title 39, Article 26, C.R.S.

(c) For the purpose of this Article, all retail sales shall be considered consummated at the place of business of the retailer, unless the tangible personal property sold is delivered by the retailer or his or her agent to a destination outside the Town or to a common carrier for delivery to a destination outside the limits of the Town.

(d) The gross receipts from sales shall include delivery charges when such charges are subject to the state sales and use tax imposed by Article 26, Title 39, C.R.S., regardless of the places to which delivery is made.

(e) In the event a retailer has no permanent place of business in the Town or has more than one (1) place of business, the place at which the retail sales are consummated for the purpose of this sales tax shall be determined by the provisions of Title 39, Article 26, C.R.S., and by rules and regulations promulgated by the Department of Revenue.

(Ord. No. 369, § 4, 1977; Ord. No. 92-02, § 4, 1992; Ord. No. 2014-04, § 1, 1-13-2015; Ord. No. 2018-02 ([https://library.municode.com/co/paonia/ordinances/municipal\\_code?nodid=911147](https://library.municode.com/co/paonia/ordinances/municipal_code?nodid=911147)), 4-24-18)

o Sec. 4-3-60. - Exemptions.

(a) All sales of personal property on which a specific ownership tax has been paid or is payable shall be exempt from the Town sales tax when such sales meet both of the following conditions:

(1) The purchaser is a nonresident of, or has his or her principal place of business outside of the Town; and

(2) Such personal property is registered or required to be registered outside the limits of the Town under state laws.

(b) In the event the maximum limitation provided for by state statute, is to be exceeded in the Town by a proposed county sale or use tax, such limitation shall be exceeded by a stated rate in the Town.

(Ord. No. 369, § 4, 1977; Ord. No. 92-02, § 4, 1992; Ord. No. 2014-04, § 1, 1-13-2015; Ord. No. 2018-02 ([https://library.municode.com/co/paonia/ordinances/municipal\\_code?nodid=911147](https://library.municode.com/co/paonia/ordinances/municipal_code?nodid=911147)), 4-24-18)

- Sec. 4-3-70. - Non-applicability of sales tax.

This sales tax shall not apply to the sale of construction and building materials, as the term is used in Section 29-2-109, C.R.S., if such materials are picked up by the purchaser and if the purchaser of such materials presents to the retailer a building permit or other documentation acceptable to the Town evidencing that a local use tax has been paid or is required to be paid.

(Ord. No. 92-02, § 4, 1992; Ord. No. 2014-04, § 1, 1-13-2015; Ord. No. 2018-02  
([https://library.municode.com/co/paonia/ordinances/municipal\\_code?nodeId=911147](https://library.municode.com/co/paonia/ordinances/municipal_code?nodeId=911147)), 4-24-18)

- Sec. 4-3-80. - Credit.

This sales tax shall not apply to the sale of tangible personal property at retail or the furnishing of services if the transaction was previously subjected to a sale or use tax lawfully imposed on the purchaser or user by another statutory or home rule municipality equal to or in excess of three percent (3%). A credit shall be granted against the Town's sales tax with respect to such transaction equal in amount to the lawfully imposed local sales or use tax previously paid by the purchaser or user to the previous statutory or home rule municipality. The amount of the credit shall not exceed three percent (3%).

(Ord. No. 92-02, § 4, 1992; Ord. No. 92-03, § 1, 1992; Ord. No. 2014-04, § 1, 1-13-2015; Ord. No. 2018-02  
([https://library.municode.com/co/paonia/ordinances/municipal\\_code?nodeId=911147](https://library.municode.com/co/paonia/ordinances/municipal_code?nodeId=911147)), 4-24-18)

- Sec. 4-3-90. - Amendments.

The Board of Trustees may amend, alter or change this Article, except as to the rate of tax herein imposed, subsequent to adoption by a majority vote of the Board of Trustees. Such amendment, alteration or change need not be submitted to the electors of the Town for their approval.

(Ord. No. 369, § 6, 1977; Ord. No. 92-02, § 6, 1992; Ord. No. 2014-04, § 1, 1-13-2015; Ord. No. 2018-02  
([https://library.municode.com/co/paonia/ordinances/municipal\\_code?nodeId=911147](https://library.municode.com/co/paonia/ordinances/municipal_code?nodeId=911147)), 4-24-18)

#### ARTICLE 4. - UNCLAIMED PERSONAL PROPERTY

- Sec. 4-4-10. - Notice to owner.

Any personal property held by the Police Department in the course of its law enforcement duties and under circumstances supporting a reasonable belief that such property was abandoned, lost, stolen or otherwise illegally possessed, including property left in abandoned vehicles, unclaimed property obtained by a search and seizure and unclaimed property used as evidence in any criminal trial, shall be retained in custody by the Chief of Police, who shall make reasonable inquiry and effort to identify and notify the owner or person entitled to possession thereof and shall return the property after such owner or person provides reasonable and satisfactory proof of ownership or right to possession and reimburses the Police Department for all expenses of such recovery and custody.

(Ord. No. 83-119, 1983; Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-4-20. - Sale of unclaimed property.

If the identity or location of the owner or person entitled to possession of the property has not been ascertained within six (6) months after the Police Department obtains possession of the property described in Section 4-4-10 ([https://library.municode.com/co/paonia/codes/municipal\\_code?nodeId=CH4REFI\\_ART4UNPEPR\\_S4-4-10NOOW](https://library.municode.com/co/paonia/codes/municipal_code?nodeId=CH4REFI_ART4UNPEPR_S4-4-10NOOW)) above, the Chief of Police shall effectuate the sale of such property for cash to the highest bidder at public auction, prior notice of which, including time, place and brief description of such property, shall be published at least once in a newspaper designated as a newspaper of general circulation in the Town.

(Ord. No. 83-119, 1983; Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-4-30. - Distribution of proceeds.

Proceeds from the sale of property at public auction shall be deposited in the General Fund of the Town.

(Ord. No. 83-119, 1983; Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-4-40. - Disposition of illegal property.

Pursuant to Section 4-4-10 ([https://library.municode.com/co/paonia/codes/municipal\\_code?nodeId=CH4REFL\\_ART4UNPEPR\\_S4-4-10NOOW](https://library.municode.com/co/paonia/codes/municipal_code?nodeId=CH4REFL_ART4UNPEPR_S4-4-10NOOW)) above, any items of personal property, the possession of which is declared illegal under any federal or State statute or this Code, or which is property consisting of burglar tools of any description, explosives, armored or bulletproof clothing, dangerous weapons, gambling apparatus, beer, wine, spirituous liquors, fermented malt beverages, soiled, bloody or unsanitary clothing, solids or liquids of unknown or uncertain composition, drugs, hallucinogenic substances, hypodermic syringes, needles or any other property which reasonably might result in injury to the health or safety of the public, or which might be subject to unlawful use, and when said items are no longer needed as evidence, shall be destroyed in an appropriate and efficient manner. A record of the items so destroyed and a record of the time, place and manner of destruction shall be kept by the Chief of Police. An exception to this Section shall be the destruction of narcotic drugs, the disposal of which is provided for in Section 12-22-316, C.R.S.

(Ord. No. 83-119, 1983; Ord. No. 2014-04, § 1, 1-13-2015)

- Sec. 4-4-50. - Property held for prosecution purposes.

In the event that the Town Attorney, District Attorney or other person charged with the duty of prosecuting violations of the Town, state or federal laws requests that any of the lost, abandoned or recovered stolen property be held by the Chief of Police because it is required in a criminal prosecution, the Chief of Police shall retain custody and shall not sell the same until written notice is received that the property is no longer needed for prosecution purposes.

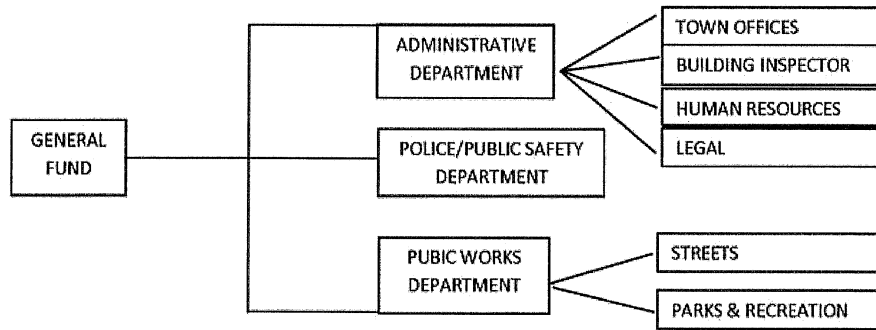
(Ord. No. 83-119, 1983; Ord. No. 2014-04, § 1, 1-13-2015)

## Budget Guide

The Annual Budget is an operational and financial plan designed to account for the provision of a number of services to the community and provide accountability for the appropriation of taxpayer funds. The focus of the budget is on programs and services provided by the Town.

The Annual Budget is broken down by fund and within each fund by functional area (department) and/or program. Departments include broad categories such as Administrative. Programs describe a specific area of the Department such as Building Inspector.

Each FUND contains a summary of all fund expenditures, each DEPARTMENT contains a summary of the program expenditures and each PROGRAM contains a summary of the program expenses, a narrative on the purpose of the program, goal and objectives, and line item budget information.





## FUND TYPES

### Governmental Funds

**General Fund:** The General Fund is the Town's major operating fund. All revenues, by law or administrative control, that are not in otherwise designated funds are deposited in the General Fund. The General Fund is used to provide for Administration, Community Development, General Government, Public Safety, and Parks and Recreation services. The primary source of revenue for the General Fund is taxes.

**Space to Create Fund:** The Space to Create Fund is used to account for monies received by the Town from Grants specifically designated for the Space to Create Campaign. As of 2022, this fund has been closed.

**Conservation Trust Fund:** The Conservation Trust Fund is used to account for monies received by the Town from lottery proceeds. These funds are restricted to use in the acquisition, development and maintenance of new park and conservation sites or for capital improvements and maintenance of any existing public site for recreational purposes.

**Capital Improvement Fund:** The Capital Improvement Fund is funded by 1% of the 2% town sales tax and used to account for capital projects or capital purchases.

**Sidewalk Fund:** The Sidewalk Fund is funded by a \$3.00 fee assessed monthly to in-town residents only, via utility billing, and will be used to repair and replace existing sidewalks.

### Enterprise Funds

Enterprise funds are defined as being government-owned businesses authorized to issue their own revenue bonds and receiving under ten percent of its annual revenue in grants from all Colorado state and local governments. These are self-sustaining funds. Revenues are generated from fees and expenses disbursed from the same fund. Funds are not intermingled with other enterprise funds.

**Water Fund:** The Town operates two water treatment facilities. The upper system, known as the 2-Million Gallon (2MG) water treatment plant, services mostly the out-of-town water companies and the northeast end of town. The lower system, known as the 1-Million Gallon (1MG) water treatment plant, services mostly Town proper. The primary sources of revenue are charges for service for operational expenses. This fund is used to account for the revenues and expenses associated with the water treatment and delivery system. Repayment of loans for the upper and lower (2MG/1MG) water treatment facilities are included in this fund.

**Sewer Fund:** The Town operates a wastewater treatment and collection system. This fund is used to account for the revenues and expenses associated with the wastewater system. The sewer system is funded by revenues received from charges for service. Repayment of loans for the Wastewater Treatment facility is included in this fund.

**Trash Fund:** The Trash fund is technically part of the Sewer Enterprise fund, however to keep appropriations and expenses from intermingling, the Town budgets these funds separately. The Trash Fund is used to account for revenues and expenses associated with the collection of trash. Charges for the service are the only revenue source.

## **BASIS OF BUDGET AND ACCOUNTING**

Formal budget accounting is used as a management control tool by the Town. An annual operating budget is adopted each year through passage of an annual budget resolution. The basis of accounting used to prepare the governmental and proprietary fund type budget is the same method as used for financial statement purposes (GAAP) except that non-cash transactions such as depreciation and amortization, are excluded from the budget when fund reserves are adequate to cover such expenditures. Expenditure appropriations are adopted by the Board of Trustees and may not be exceeded on a total fund basis, unless a supplementary appropriation resolution is approved by the Board of Trustees. The Board of Trustees must also approve transfers of appropriated funds from one department to another department by resolution. The Finance Committee is authorized to transfer budgeted amounts from one program to another within a department.

The modified accrual basis of accounting is used by all governmental fund types. Principal and interest on general long-term debt are recorded as fund liabilities when due. Revenues susceptible to accrual are property taxes, sales taxes, franchise fees, licenses, interest revenue and charges for services. Fines and permit revenues are not susceptible to accrual because generally they are not measurable until received in cash. The accrual basis of accounting is utilized by enterprise fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Principal and interest on enterprise long-term debt are recorded as fund liabilities when due.

## FINANCIAL POLICIES

The Town is accountable to its citizens for the use of public funds. Resources need to be used wisely to ensure adequate funding for current and long term needs of the community. Financial policies are developed in order to provide the resources necessary to accomplish the Town's goals while maintaining fiscal stability. These policies should be reviewed and updated annually to ensure their applicability toward achievement of the Town's goals.

### Balanced Operating Budget

The Town is required to adopt a balanced budget where operating revenues are equal to, or exceed, operating expenditures. Any increase in expenses, decrease in revenues, or combination of the two that would result in a budget imbalance will require budget revision, rather than spending un-appropriated surpluses or designated reserves to support ongoing operations. Any year end operating surpluses will revert to un-appropriated balances for use in maintaining reserve levels set by policy and the balance will be available for capital projects and/or "one-time only" expenditures.

### Reserve Policies

Operating Reserves - An operating reserve will be maintained in the General Fund and Enterprise Funds in an amount equal to 25% to 50% of the current year's expenditures, excluding transfers. This reserve may be used to provide a temporary source of funds to offset unanticipated reductions in revenues or short term increase in expenditures. Revenue shortfalls or ongoing increases in operational expenses need to be addressed quickly in order to avoid negative impacts on the Town's fiscal stability. Operating reserves also provide a source of funds to provide for adequate cash flow needs of the Town. Operating reserves should be replaced as soon as possible after use.

Other Reserves - Reserves in other funds will be established in amounts required by law, bond and loan documents, or as deemed appropriate by the Board of Trustees.

Emergency Reserves - An emergency reserve in the amount of 3% of the Fiscal Year Spending Limit, excluding debt service, as required by TABOR (Article X, Section 20 of the Colorado Constitution) will be maintained. Emergency reserves are limited in use and cannot be used to offset a downturn in economic conditions, revenue shortfalls, and increases in salaries and benefits.

### Capital Policies

A one-year Capital Improvement Plan is prepared and updated on an annual basis. Revenue sources for each project will be identified in the Plan as well as ongoing operating requirements for each capital investment. The town will be moving toward creating and maintaining a five-year Capital Improvement Plan in the coming year.

### Debt Policies

Although a portion of the Town's capital investments are funded from grants, general tax revenues, and user fees, the Town may borrow funds to finance capital improvements. The issuance of bonds or other securities generates financial resources to fund capital projects and also obligates future revenue for repayment of the bonds. Debt service is the annual payment of principal and interest on these borrowed funds.

Pursuant to the Colorado Revised Statute, the Town of Paonia may borrow money and issue securities for short-term notes, general obligation bonds, revenue bonds, industrial development revenue bonds, bonds for special or local improvement districts and any other like securities. There is no limitation on the amount of bonds or other securities the Town may issue except as may be stated in the documents related to issuance of debt and subject to voter approval in the case of general obligation debt.

The issuance of debt may limit the Town's flexibility to respond to changing service priorities and revenue flows and therefore should be managed prudently in order to maintain a sound fiscal position and protect credit quality.

The amount of debt that the Town has at any given time will be a function of its ability to service that debt through the operating budget or a dedicated revenue source without diminishing the resources necessary for other non-capital priorities and the desire to maintain a high-quality credit rating while sustaining overall financial health. Yet, at the same time, the Town recognizes that in order to meet its mission and strategic objectives, investment in the form of capital is often necessary and such investment may necessitate the incurrence of debt.

## **Revenue Policies**

Property Taxes - Statutory and Constitutional Limitations - Due to imposition of limitations on the mill levy and tax revenues through statutory and constitutional requirements, the mill levy has been reduced by a temporary tax credit over the last 10 years. In 2013 the town approved a ballot issue removing the Town from the statutory property tax revenue limitations of CRS 29-1-301, et seq. (the "5.5%" limit), allowing the town to earn the entire mill levy of 8.322%. Approval by the voters is required for an increase in the mill levy. Property tax revenues increase as a result of growth in the Town from new construction and annexations.

One-time Revenues - On-going revenues should equal or exceed on-going expenditures. To the extent feasible, one time revenues will be applied toward one time expenditures and not used to finance ongoing programs.

Charges for Services - Charges for services shall be reviewed on an annual basis and may be adjusted periodically in order to offset the cost of providing those services.

Diversification of Revenues - The Town shall continue to diversify its revenue sources in order to encourage financial stability and avoid becoming overly reliant on a specific segment of the Town's revenue base.

## **Expenditure Policies**

Personnel Costs - Salaries - Town of Paonia employee compensation will be comparable to other governmental entities with similar characteristics to Paonia including population, services provided, and economic conditions. In addition, positions with similar duties and responsibilities in the private sector in the relevant recruiting area will be taken into account. Salary and pay range adjustments are based on a ratio of increases in the market and individual employee performance.

Performance Measurements - The Board of Trustees and staff will identify areas where the measurement of performance will provide them and the public with useful information about the effectiveness and efficiency of the Town's use of resources. The purpose of performance measures is to provide data to improve quality of services and/or provide services in a more cost effective manner.

## **Contingency Policies**

Unanticipated Expenses, Revenue Shortfalls - Maintain a contingency fund equal to 50% of current year's General Fund expenditures, excluding transfers, for contingency to be used to offset unanticipated expenses or shortfalls in revenue.

Use of Contingency Funds - Use of contingency funds for unanticipated expenses are to be approved by the Board of Trustees.

## **Goals and Objectives**

The establishment of goals and objectives is the most critical component of preparing and adopting a budget. These goals and objectives help guide the development of the budget and allocation of resources. Goals and objectives take into account input from the public, elected officials and staff. A summary of the goals and critical issues identified as part of this process are included in the budget transmittal letter.

**Resolution 2022-TBD Resolution to Set Mill Levies**

**Resolution 2022-TBD Resoluton to Adopt Budget Page 1**

**Resolution 2022-TBD Resoluton to Adopt Budget Page 2**

**Resolution 2022-TBD Resoluton to Adopt Budget Page 3**

**TOWN OF PAONIA, COLORADO**

**RESOLUTION 2022-16**  
Resolution to Set Mill Levies

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2022 TO HELP DEFRAY THE COST OF GOVERNMENT FOR THE TOWN OF PAONIA, COLORADO FOR THE 2023 BUDGET YEAR.

**WHEREAS** the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$146,513; and

**WHEREAS** the 2023 valuation for assessment for the Town of Paonia, Colorado as certified by the County Assessor(s) is \$17,605,465; and

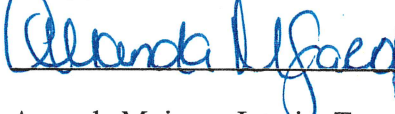
**NOW, THEREFORE**, be it resolved by the Board of Trustees of the Town of Paonia, Colorado;

That for the purpose of meeting all general operating expenses of the Town of Paonia, Colorado during the 2023 budget year, there is hereby levied a tax of 8.322 mills upon each dollar of the total valuation for assessment of all taxable property within the Town for the year 2022; and

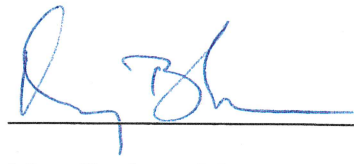
That the Finance Director/Treasurer is hereby authorized and directed to immediately certify to the Board of County Commissioners of Delta County, Colorado, the mill levies for the Town of Paonia, Colorado as herein above determined and set.

Adopted this 13<sup>th</sup> day of December 2022.

Attest:



Amanda Mojarro, Interim Town Clerk



Mary Bachran, Mayor

**TOWN OF PAONIA, COLORADO**

**RESOLUTION 2022-17**  
Resolution to Adopt Budget

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE TOWN OF PAONIA, COLORADO, FOR THE CALENDAR YEAR BEGINNING THE FIRST DAY OF JANUARY 2023 AND ENDING THE LAST DAY OF DECEMBER 2023.

**WHEREAS** the Board of Trustees for the Town of Paonia, Colorado, appointed Cindy Jones, Finance Director/Treasurer to prepare and submit a proposed budget to said governing body at the time; and

**WHEREAS**, Cindy Jones, Finance Director/Treasurer, has submitted a proposed budget to this governing body on October 13, 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 November 8, 2022, interested taxpayers were given the opportunity to file or register objection to said proposed budget; and

**WHEREAS**, the Board of Trustees have made provision therein for the balance on hand and probable revenues 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 also necessary to appropriate the revenues provided in the budget to and for the purposes described below, so as not to impair the operations of the Town, and;

**NOW, THEREFORE**, be it resolved by the Board of Trustees of the Town of Paonia, Colorado;

Section 1. That estimated expenditures for each fund are as follows:

• General Fund	\$3,893,006
• Pass Through Grant Fund	\$ 460,000
• Conservation Trust	\$ 30,846
• Capital Improvement Fund	\$ 960,719
• Enterprise Fund	<u>\$3,928,025</u>
For a total of	\$9,272,596

Section 2. That estimated revenues and prior year surplus for each fund are as follows:

• General Fund	\$3,178,442
• Transfer from Capital	\$ 346,000
• Prior Year Surplus	<u>\$1,409,449</u>
• Total	\$4,933,891
• Pass Through Grant Fund	\$ 460,000
• Prior Year Surplus	<u>\$ 0</u>
• Total	\$ 460,000
• Conservation Trust	\$ 9,265
• Prior Year Surplus	<u>\$ 21,581</u>
• Total	\$ 30,846
• Capital Improvement Fund	\$ 332,350
• Transfer to General	\$ (346,000)
• Prior Year Surplus	<u>\$ 628,369</u>
• Total	\$ 614,719
• Enterprise Fund	\$3,661,142
• Prior Year Surplus	<u>\$2,059,739</u>
• Total	\$5,720,881

For a total of \$11,760,337

- Section 3. That the budget as submitted and herein above summarized by fund, the same is hereby approved and adopted as the Budget of the Town of Paonia, Colorado, for the year 2023.
- Section 4. For the purpose of meeting all expenditures of the General Fund during the 2023 budget year, there is hereby levied a tax of 8.322 mills upon each dollar of the total valuation for assessment of all taxable property within the Town for the year 2022; and
- Section 5. The Finance Officer/Treasurer of the Town of Paonia is hereby authorized and directed to immediately certify to the Board of County Commissioners of Delta County, Colorado, the gross mill levy, and the net mill levy for the Town of Paonia hereinabove determined and set.
- Section 6. For the purpose of paying the necessary expenses and liabilities of the Town of Paonia for the fiscal year beginning January 1, 2023, and for the purpose of appropriating monies to pay the sums set forth in the Budget of the Town, there is hereby appropriated from the surplus and the probable revenue of each fund to each fund for the ensuing year, the sum hereafter set for the following purposes:

**GENERAL FUND:** For the purpose of paying for General Government, Public Safety, Streets and Highways, Health and Welfare, Culture and Recreation, Inter-fund Transfers, maintaining and improving the sidewalks,



maintaining and improving the streets, and other legal purposes, the sum of \$3,893,006;

**PASS-THROUGH-GRANT FUND:** For the purpose of Pass-through grants which are those grants that are received by a recipient government to transfer to or spend on behalf of a secondary recipient, the sum of \$460,000;

**CONSERVATION TRUST FUND:** For the purpose of improving open space and other acceptable uses as determined by the State of Colorado, the sum of \$30,846;

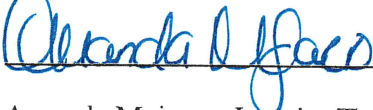
**SALES TAX CAPITAL IMPROVEMENT FUND:** For the purpose of acquiring, constructing, improving, extending, and maintaining capital facilities of the Town funded by a 1% sales tax, the sum of \$960,719;

**ENTERPRISE FUND:** For the purpose of maintaining, operating, improving and extending the water and sewer systems, and collection of garbage of the Town the sum of \$3,928,025;

Section 7. That the Budget as hereby approved and adopted, shall be signed by the Board of Trustees and made part of the public records of the Town.

Adopted this 13<sup>th</sup> day of December 2022

Attest:

  
\_\_\_\_\_

Amanda Mojarro, Interim Town Clerk

  
\_\_\_\_\_

Mary Bachran, Mayor



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# **BUDGET OVERVIEW**

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## Executive Overview

This Budget provides the framework for providing services and programs to the citizens of Paonia for the year 2023, based on the delivery of core services and priorities identified by the Board of Trustees.

### 2022 BUDGET SUMMARY KEY

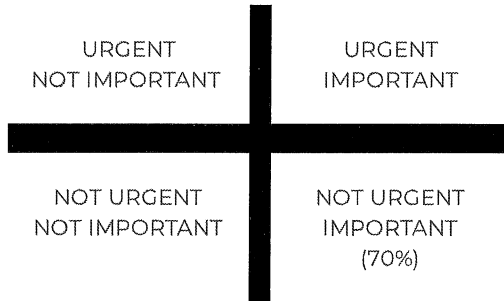
10 = ADMINISTRATION  
12 = BUILDING  
14 = PUBLIC SAFETY  
16 = PARKS  
20 = STREETS  
22 = STREET CAPITAL  
24 = BRIDGE  
26 = SIDEWALKS  
G = GENERAL FUND  
30 = PASS THROUGH GRANTS  
32 = SPACE TO CREATE  
40 = CONSERVATION TRUST  
S = SPECIALTY FUNDS  
50 = CAPITAL IMPROVEMENT  
C = CAPITAL IMPROVEMENT  
60 = WATER  
70 = SEWER  
80 = TRASH  
E = ENTERPRISE FUNDS  
GT = GRAND TOTAL



# Strategic Plan

The graphic below is taken from the DRAFT Master Plan Update for the Town of Paonia. The Master Plan update started in 2020.

In addition, the Mayor, Board of Trustees and staff work together periodically to develop and update a strategic plan that includes a vision, goals and priorities. The Board of Trustees attended a retreat in October 2020 and developed an updated Goal Setting strategies.



## COMMUNITY VISION

In the past ten years, there certainly have been notable changes to the Town.

- Domestic and global changes in anchor industries such as coal mining and agriculture have restructured employment opportunities and energy resources.
- Technology upgrades such as broadband internet have opened the door to remote jobs and learning.
- The influx of creative industries and the naming of Paonia as a Certified Colorado Creative District brought not only creative practitioners, also tourists and visitors for events and festivals.
- The recognition of the North Fork Valley for organic produce and the West Elks AVA for fine Colorado wines has opened new markets and new culinary interests in the area.
- Aging infrastructure has taken its toll on Paonia's water system and roads.
- The shifting to an aging demographic due to long-time residents who love their hometown and new retirees looking for a satisfying community to live out their years.

Yet some things do not change. The reasons we come and the reasons we stay in Paonia are deeply rooted in the vision and values we hold in common.

## VISION

Paonia is the center of creative opportunity in the North Fork Valley of Western Colorado where individuals, families and businesses thrive.

## MISSION

Together, we shall preserve and enhance the unique qualities of this small rural community through thoughtful and deliberate actions, balancing between growth and environmental protection. We will provide adequate services to accommodate a diverse population, protecting and encouraging clean and environmentally sensitive industries and businesses in an effort to diversify the local economy and, encourage economic sustainability in an affordable environment. 2

2 Peterson, Barbara. Envisioning Paonia's Comprehensive Plan: Utilizing diversity to move towards a self-sustaining community, 2012

## VALUES

The Town of Paonia, in partnership and communication with residents, businesses, and schools, is dedicated to the betterment of our community and recognizes these overarching values:

1. Sense of community. Providing excellent services, a safe, healthy, welcoming atmosphere contribute to a sense of community and preserve a place where people choose to live.

We value a small town feel and sense of community within and among the diverse groups of people who live in the North Fork Valley. A strong work ethic helped build our town and the historic western buildings built by settler families. The historical service organizations, churches and clubs are important in the tradition of community service (like Rotary, "Friends of" organizations and the American Legion). Our long-running festivals, Cherry Days, and Mountain Harvest Festival celebrate local traditions that help create our small town feel and sense of community. We also respect and recognize the valley was home to the Ute people with their own enduring cultural traditions before the establishment of North Fork Valley settlements. We value the families who have been here five and six generations, as well as newcomers. We recognize the importance of preserving the traditions and heritage of the valley while new cultural traditions are being integrated into the local fabric of the community.

Goals and policies for this community value seek to retain and enhance key aspects of Paonia's small town character and identity as the community grows in the future through a continued commitment to:

- Quality town services
- Livable friendly neighborhoods
- Creativity and innovation
- Agriculture and ranching
- Community events and activities
- A vibrant downtown
- Parks and recreation
- Historic preservation

Providing excellent services and a safe, healthy, welcoming atmosphere contribute to a sense of community and preserve a place where people choose to live.

2. Vibrant and steady economy. Promoting economic vitality while preserving our small town's character. Strategically positioning Paonia for the future. Promoting a steady local economy by supporting agriculture, energy, creative industries, health & wellness, recreation & tourism and our local businesses.

We value the traditions and heritage of the local economy, including the historical economic sectors of agriculture, ranching/herding, mining, local banks, small and downtown businesses, the railroad, hunting, and our systems of bartering and trade. Many people recognize the importance of new and emerging economic sectors, including tourism and recreation, arts and value-added agricultural products, wine making, organic agriculture, health and wellness, new energy resources, service jobs and businesses that utilize the Internet to do business outside the valley. We recognize that the health of our local economy is strongly tied to regional, national and international markets.

Larger shifts in the national economy towards telecommuting mean that workers no longer need to physically commute to an office. With faster internet speed, residents will increasingly be able to pursue job opportunities and careers in industries not currently located in Paonia. Alternatively, home-based entrepreneurs will be able to access customers or clients located around the globe. Goals and policies for this community value seek to promote a more balanced and sustainable economy through support for:

- A diversified economy
- Farming and mining heritage
- Local businesses/manufacturing/services
- Outdoor recreation industry
- Creative industries and innovation
- Tourism
- Home-based entrepreneurs
- A mobile workforce

3. Individualism, diversity and inclusivity. Honoring the diversity of our population and their independent spirit and freedom of expression.

Paonia has been described for its "quirkiness." Coal miners, bohemians, scientists, artists, retirees, entrepreneurs, teachers and healers make up a large part of the population. It is a small town with many churches and nonprofits. Paonia loves a rockin' festival, a family picnic and a quiet float on the river - sometimes all on the same day. Paonia is perceived as a friendly, welcoming community. Neighbors take care of neighbors and nonprofits and churches take care of cultural and social amenities. People will work together on a project that they believe in. Cherry Days and Mountain Harvest Festival are two examples of how the community comes together to put on community events. Paonia also has an "edge" to it. With freedom of expression of individuals and with the diversity of thoughts and ideas, citizens are not hesitant to express themselves. On one hand, this leads to participation and generating inclusive points of view. The community engagement over the years such as Community Heart & Soul and Chamber of Commerce "visioning" exercises, Creative District Wayfinding and affordable housing surveys all gathered a broad range of input from the community.

Trends like increasing housing costs and a lack of affordable childcare make it difficult for many people to reside in Paonia. Looking to the future, residents would like to see Paonia remain a diverse and inclusive community.

Goals and policies for this community value address our commitment to those things that contribute to our community and help make Paonia, Paonia. Goals and Policies for these values may include:

- Diverse housing options
- Updated planning and zoning
- Inclusive governance and community engagement
- Accessible outreach and communications
- Civil discourse
- Accessible community services
- Support for community nonprofits
- Aging in place and in community
- Public safety

4. A healthy natural environment. Respecting and preserving our beautiful landscape, our water resources and a healthy natural environment is valued by most who live and visit Paonia. From the North Fork of the Gunnison River to the Grand Mesa National Forest and the West Elk Wilderness, Paonia's beautiful natural surroundings, and the recreational opportunities they provide, are one of the main reasons residents choose to live in this community. Protecting the scenic values, the agricultural practices and the riparian character of natural areas in and around Paonia through responsible environmental practices is something the community values strongly. Paonia must grow in a way that is protects the natural environment and these valuable resources. Paonia residents must also be aware of the changes to our local environment that could arise as a result of climate change. Goals and policies for this community value should address:

- Source-water protection for domestic and irrigation uses
- Air quality protection
- Dark skies protection
- Preservation of natural habitats and ecosystems
- Conservation of open space, farm and ranch lands
- Sustainable development practices
- Access to and protection of the river corridor
- Community tree and forest management
- Climate adaptation

5. Honoring our history and heritage. Paonia is seen by residents and visitors as an "authentic" community. Whether it is a fifth generation ranching family, a third generation coal miner or a millennial newcomer, the Western story of the founding and the settlement of Paonia is important to the character of the Town. This feeling is derived from a blend of Paonia's historic past as a Western coal town, its ranching and agricultural community, its proximity to the mountains and outdoor recreation, and its welcoming of creative and innovative entrepreneurs.

Goals and policies for this community value seek to retain and enhance key aspects of Paonia's small town character and identity as the community grows in the future through a continued commitment to:

- The legacy of mining, agriculture and ranching
- Traditional community events and activities
- Outdoor recreation including hunting and fishing
- Historic preservation

## GOALS & OBJECTIVES

In October 2020, the trustees and staff met to identify four goal areas with subsequent objectives to achieving each goal. The purpose of the meeting was to position the town council to work effectively toward the betterment of the Town. This includes financial solvency, public health and safety concerns, and the general quality of civic life for the people who live here.

### Goal Setting Topics:

#### Administration

- Master Plan - In process - Budgeted to move forward pending securing funding. The town has matching funds available.
- Building - In process - The town is changing the direction of the building department. The town will share a building inspector with the City of Delta.
- Trails - Grants
- Human Resource
- Payroll
- Delegation to Planning Commission
- Monthly meetings/work sessions

#### Development

- Diversify and expand revenue streams
- Food Trucks
- Air B&B
- Marijuana
- Grant Revenue
- Reserves
- Annexation
- Accessory Dwelling Units
- Small Business Promotion
- One Delta County
- Back the Badge

#### Operations

- Infrastructure
- Master Plan
- Grants
- Historical Designation
- Town Designation
- Neighborhood Beautification
- Maintenance needs (Schedule for Maintenance)

#### Service/Amenities

- Improve Core Services
- Events
- Police
- Communication
- Public Relations
- Water
- Sewer
- Trash
- Roads
- Parks
- Planning

## 2022 STRATEGIC PLAN

A Strategic Planning session including the Board of Trustees and Paonia citizens was held in 2022. Details will follow:



## **RETREAT 1-GOAL SETTING**

GOAL 1: Administration (Legal, HR, Partnerships, Governance): Review & update the Town's Master Plan.

Goal 2: Development (Revenues in or out): Diversify and expand revenue streams to support improved services and amenities.

Goal 3: Operations (Infrastructure / logistics): Evaluate and address infrastructure and maintenance needs for reliably providing safe clean water, safe roads, trash and sewer for town residents.

Goal 4. Services (Products or services provided): Invest in improving the quality of the town's core services and amenities and ensuring adequate human resources to accomplish this.

All the goals and Objectives shall be aligned with the stated Vision, Mission and Values. This is a test of prioritizing Actions and Policies and ensuring that they are on track with what matters most to the community.

# GOAL SETTING WORK SESSION - FRIDAY OCTOBER 2, 2020

*Updated Goal Document - April 7, 2021*

Board Participants: Mary Bachran, Bill Bear, Karen Budinger, Tamie Meck, Michelle Pattinson, Mick Johnson, Dave Knutson

Staff Participants: Neil Ferguson, Travis Loberg, Cindy Jones, Amanda Mojarro, Corinne Ferguson.

Facilitator: Sally Kane

Scribe: Elaine Brett

**PURPOSE:** To position the town council to work effectively towards the betterment of the town. This includes financial solvency, public health and safety concerns, and the general quality of civic life for the people who live here.

## **GOAL 1**

Operations: Evaluate and address infrastructure and maintenance needs for reliably providing safe clean water, safe roads, trash and sewer for town residents

Objective 1 - Immediate needs (early quick wins)

- Inform the community and celebrate work that has been already done.
- Work to change the culture and demonstrate that things really get accomplished in Town.
- Share the regular routine schedule for maintenance staff.
- Complete water analysis study.
- Implement a neighborhood cleanup and neighborhood pride projects
- Communicate the sidewalk and street improvement plan.
- Investigate a regular High-Country Shopper section for Town accomplishments

Objective 2 - Create a strategic 5- and 10-year plan

- Create Downtown Corridor Plan
- Define infrastructure needs/timelines
  1. Water plan
  2. Safe routes to schools' plan
  3. House restoration project with incentives
  4. Drought management plan

## **GOAL 2**

Administration: Review & update the Town's Master Plan.

Objective 1 - Create action steps to finish master plan

- Using data already collected and Parks and Trails Plan Project, produce a draft by year end for the Planning Commission to review and complete.
- Include existing Vision, Mission statements.
- Monitor progress and if needed bring in outside expertise to complete the plan.

Objective 2 - Implement the finished master plan

- Create implementation plan that is mindful of staff and other resources.
- Create communication plan which will promote competency and instill confidence in the Town.

## **GOAL 3**

Development: Diversify and expand revenue streams to support improved services and amenities.

Objective 1 - Identify and prioritize revenue needs

- Align with Goal 3 and 4

Objective 2 - Explore and identify sources of revenue

- Create retail marijuana sales rules and ordinances and implement (If Issues 2C and 2D pass in November).
- Prioritize Back the Badge revenues (if Issue passes in November).
- Use a targeted approach to grant seeking to most effectively use staff and board time and revenue generation.
- Expand town boundaries (annexations) to add population and property tax
  1. Be mindful and respectful of the opinions of those who do not want to annex.

- 2. Assess the increased workload on Town staff in the process.
- 3. Ensure the revenue will cover additional costs.
- Accessory Dwelling Units (ADUs)
  - 1. Explore required zoning changes
  - 2. Consider modified rates for water taps and factor in increased water usage.
  - 3. Investigate other possible fees.
- Develop an economic development and small business promotion stimulation plan with One Delta County.
- Investigate permitting food trucks.
- Investigate registration and fees for short term lodging.
- Pursue bigger revenue sources, e.g., grants, versus many smaller sources.

Objective 3 - Build reserves for future infrastructure improvements and maintenance.

- Examine current fee structures and increase to build reserves.

#### **GOAL 4**

Services/Amenities: Invest in improving the quality of town core services and amenities and insure adequate human resources to accomplish this.

Objective 1 - Define the Town as the area to which we provide services, not just Town limits

Objective 2 - Define Town services:

- Police
- Trash
- Water
- Sewer
- Roads
- Parks
- Interface with public. Communication
- Event support

Objective 3 – Prioritize issues

- Use Covey 4-Box to prioritize Urgent/Important and Non-urgent/Important tasks
- Resist temptation to be distracted by Non-urgent/Non-important issues
- Be respectful of staff time and allocate by importance and urgency of issue

OTHER IMPORTANT POINTS:

- Staff has been around a long time. As such, Trustees need to value and respect their input: what will work, why something will not.
- Trustees also need to understand that staff have a lot of balls in the air at any given time and respect their time and opinions.
- Look at ways to inspire community pride: Historic designations for old buildings/homes, awards for best landscaping, neighborhood beautification.
- The Board needs to stay at the 30,000-foot level and let the staff be in the weeds.
- Continue to build trust between staff and Board and citizens. When trust goes up, drama goes down.
- Start planning now if we want things to happen.
- Build confidence in the Town. Get most people to believe it.
- Strive for continuous improvement in competence.

PARKING LOT (To be addressed at a later time.)

What is the Paonia culture and its importance to the community?

Small town sense of community

What makes this a place you want to be?

There is a renaissance of small towns and ex-pats returning home.

Friendly, connected, clean, safe

Is there a Welcome packet? Whose responsibility is this?

## **2022 PRIORITIES AND ISSUES**

The Board of Trustee met with town citizens in 2022. New priorities and issues were discussed. Details will follow.

## **PAY-FOR-PERFORMANCE COMPENSATION PLAN**

The Town's compensation plan for full-time/part-time benefited employees is designed as a financially sustainable plan that will help recruit and retain top talent. Additionally, the compensation plan is market-based, fully aligned with the Town's performance management plan (PMP), and is reflective of an overall pay-for-performance system of total rewards. It is important for the town to recognize employees who help achieve the town's strategic results. The Town's compensation philosophy is as follows:

The Town of Paonia recognizes that, as a service organization, employees are critical to the success of its mission and goals. In a highly competitive and ever-changing environment, we strive to attract and retain individuals who respond quickly, think creatively, and achieve meaningful results.

The town strives to attract and retain a highly skilled workforce that is efficient, productive, and innovative. Rewards are based on behaviors, contributions, and performance that demonstrate a commitment to public service and to the town's core values. Employees are rewarded for taking personal responsibility to develop their skills, provide excellent customer service and develop positive relationships within the community. Employees are expected to continually strive to learn as well as apply problem-solving and customer service skills to further the town's mission.

The total compensation package consists of base pay, comprehensive benefits, recognition and wellness programs as well as development opportunities based on financial conditions and strategic objectives, as compared to other governmental and private employers in the community.

Market Survey Update — the Town has conducted a market analysis update for the last three years to see how the Town's pay practices compare to other municipalities of comparable size FTE and budget size markets. The initial changes were made in 2019 and became effective in 2020 to ensure the town is competitive. Changes to 2021 and 2022 compensation include increases to certain sworn positions based on recent market analysis and updates to the part-time employee pay plan to reflect the State-mandated increase in minimum wage.

Following the performance evaluation due dates scheduled in 2022, employees may receive an increase based on how they met the core values and competencies of the PMP system. Performance increases are not guaranteed. The merit budget is determined and approved by the Board of Trustees on an annual basis according to what other comparable organizations are providing and what the Town can afford for that fiscal year. Unforeseen factors that could impact the local, state or national economy cannot always be predicted.

## STAFFING LEVELS

FULL TIME	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Town Administrator	0	0	1	1	1	1	1	1	1	1	1	1
Town Clerk	1	1	1	0	1	1	1	1	X	X	X	1
Deputy Clerk	1	1	1	1	0	0	0	1	1	1	1	1
Assistant Clerk (PD/UT)	0	0	0	0	0	0	0	0	1	1	1	1
Front Desk Assistant	0	0	0	0	0	0	0	0	0	0	0	1
Assistant to Admin	0	0	0	0	0	0	0	0	1	0	0	0
Finance Officer	1	1	1	1	1	1	1	1	1	1	1	1
Finance Clerk	0	0	0	0	0	0	0	0	0	1	1	0
<b>PART TIME</b>												
Assistant	0	0	0	0	1	1	1	0	0	0	0	0
Building Official	1	1	1	1	1	1	1	0	0	0	0	0
Treasurer	0	0	0	0	1	1	1	1	1	1	1	X
Elected Officials	7	7	7	7	7	7	7	7	7	7	7	7
<b>APPOINTED</b>												
Town Attorney	1	1	1	1	1	1	1	1	1	1	1	1
<b>TOTAL</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>12</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>

The following table shows the total staffing for all operations of the Police/Public Safety Department.

FULL TIME	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police Chief	1	1	1	1	0	1	1	1	1	1	1	1
Sergeant	1	1	1	1	1	0	0	1	1	1	1	1
Corpral	0	0	0	0	0	0	0	0	0	0	1	1
Investigator	0	1	1	1	0	1	1	0	0	0	0	1
Police Officers	3	2	1	0	1	1	1	2	3	4	3	2
<b>PART TIME</b>												
Municipal Judge	1	1	1	1	1	1	1	1	1	1	1	1
Police Officer	0	0	0	0	0	1	1	1	0	0	0	0
Code Enforcement	1	1	1	1	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>

The Public Works Department includes staffing for General Fund operations as well as Enterprise Fund operations.

FULL TIME	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Works Director	1	1	1	1	1	1	1	1	1	1	1	1
Public Works Supervisor	0	0	0	0	0	0	0	0	1	1	0	1
Utility Assistant	0	0	0	0	0	0	0	0	1	1	0	0
Laborer with CDL	1	1	1	1	1	1	1	2	2	2	2	2
Laborer	5	5	5	4	3	3	3	3	2	2	3	2
<b>PART TIME</b>												
Laborer	1	1	1	1	0	1	1	1	0	0	0	2
Seasonal Laborer	1	1	0	0	0	0	0	0	0	0	1	0
<b>TOTA</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>7</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>11</b>

The Public Utilities Department will be part of the Public Works Department in 2023.

FULL TIME	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Utilities Director	0	0	0	0	0	0	0	0	0	0	1	0
Utility Assistant	0	0	0	0	0	0	0	0	1	1	2	3
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>3</b>

2023		ADMIN	BUILDING	LAW	STREETS	PARKS	WATER	SEWER	GARBAGE	
PR RPT DETAIL	RATE	10-41-03	12-43-03	1-42-02	1-45-02	1-46-02	2-50-03	3-51-03	3-52-03	
<b>2023 PAYROLL BUDGET SUMMARY &amp; ALLOCATIONS</b>										
PR RPT DETAIL		ANNUAL	ADMIN	BUILDING	LAW	STREETS	PARKS	WATER	SEWER	GARBAGE
			10-41-03	12-43-03	1-42-02	1-45-02	1-46-02	2-50-03	3-51-03	3-52-03
WAGES	-	1,179,348.00	108,098.40	3,486.08	379,674.56	108,359.68	53,130.48	234,728.00	145,350.40	146,520.40
INCREASES	-	190,432.00	5,735.60	268.32	63,833.84	18,015.92	11,775.92	42,957.20	19,890.00	27,955.20
<b>WAGE COSTS</b>	-	<b>1,369,780.00</b>	<b>113,834.00</b>	<b>3,754.40</b>	<b>443,508.40</b>	<b>126,375.60</b>	<b>64,906.40</b>	<b>277,685.20</b>	<b>165,240.40</b>	<b>174,475.60</b>
OT	-	20,126.75	103.25	4.00	6,561.95	1,106.60	802.25	5,755.52	4,225.10	1,568.08
DT	-	6,922.50	-	-	3,915.00	285.32	258.02	1,340.87	917.06	206.25
<b>OVERTIME</b>	-	<b>27,049.25</b>	<b>103.25</b>	<b>4.00</b>	<b>10,476.95</b>	<b>1,391.91</b>	<b>1,060.27</b>	<b>7,096.39</b>	<b>5,142.16</b>	<b>1,774.33</b>
ER-FPPA	-	33,479.55	-	-	33,479.55	-	-	-	-	-
ER-D&D	-	11,903.84	-	-	11,903.84	-	-	-	-	-
ER-SOC	-	59,974.68	7,057.71	232.77	2,545.84	7,835.29	4,024.20	17,216.48	10,244.90	10,817.49
ER-MED	-	19,962.66	1,650.59	54.44	6,531.72	1,832.45	941.14	4,026.44	2,395.99	2,529.90
UNEMP	-	3,729.41	312.70	11.26	979.40	379.13	194.72	833.06	495.72	523.43
<b>TAX COSTS</b>	-	<b>129,050.14</b>	<b>9,021.00</b>	<b>298.47</b>	<b>55,440.35</b>	<b>10,046.86</b>	<b>5,160.06</b>	<b>22,075.97</b>	<b>13,136.61</b>	<b>13,870.81</b>
PENSION	-	54,896.40	5,224.18	190.22	10,794.21	5,915.68	3,211.42	14,192.10	8,350.42	7,018.18
PTO	-	16,420.00	3,478.00	121.40	3,815.00	1,983.20	690.40	2,980.00	1,972.00	1,380.00
MISC-CELL PHONE	-	10,980.00	1,078.80	42.00	3,513.60	1,104.00	543.00	1,809.60	1,231.80	1,657.20
CLOTHING	-	1,100.00	-	-	-	170.00	110.00	345.00	163.00	312.00
		83,396.40	9,780.98	353.62	18,122.81	9,172.88	4,554.82	19,326.70	11,717.22	10,367.38
RMHMO	-	217,224.36	20,533.63	740.37	64,519.71	19,373.07	7,993.54	48,363.89	31,505.99	24,194.17
+RMHMO	-	10,836.30	1,029.24	37.42	3,244.42	953.46	396.26	2,432.00	1,585.82	1,157.68
HARTFORD-DIS	-	2,178.00	126.72	4.95	733.59	183.15	110.88	482.13	287.10	249.48
HARTFORD-LIFE	-	559.68	32.56	1.27	188.51	47.06	28.49	123.89	73.78	64.11
		230,798.34	21,722.16	784.01	68,686.23	20,556.74	8,529.17	51,401.91	33,452.68	25,665.44
<b>BENEFIT COSTS</b>	-	<b>314,194.74</b>	<b>31,503.14</b>	<b>1,137.63</b>	<b>86,809.04</b>	<b>29,729.62</b>	<b>13,083.99</b>	<b>70,728.61</b>	<b>45,169.90</b>	<b>36,032.82</b>
<b>TOTAL</b>	-	<b>1,840,074.13</b>	<b>154,461.39</b>	<b>5,194.50</b>	<b>596,234.74</b>	<b>167,543.99</b>	<b>84,210.71</b>	<b>377,586.17</b>	<b>228,689.07</b>	<b>226,153.56</b>
X		-	-	-	-	-	-	-	-	-
% OF TOTAL PAYROLL			8.39%	0.28%	32.40%	9.11%	4.58%	20.52%	12.43%	12.29%
								ENTERPRISE % OF PAYROLL		45.24%

## Payroll by Department

The following table delineates wages, taxes, and benefits by authorized position. Annual salaries are derived by multiplying hourly wages by 2080, the number of regular hours a full-time employee works in a year. Payroll includes minor percentage increases which can be used to increase wages of existing staff and/or filling staff vacancies as they may arise. Budgeted payroll is not a reflection of actual salaries. Wages cannot exceed the budgeted amount and will be determined by the department head.

### BENEFITS

Benefits for full-time town staff (after their six (6) month probation) include the following:

- PW Director and Chief receive \$100.00/mo. cell phone allowance, Administrator/Town Clerk and Finance Officer receive \$80.00/mo. Cell phone allowance; all other employees receive a \$25.00/mo. cell phone allowance;
- Paid time off (PTO);
- Health Insurance (up to 2021 with Rocky Mountain Health Plans (RMHMO), currently with United Health Plans) (exception: eligible the first of the month following sixty (60) days);
- \$10,000 Life Insurance (up to 2014 with Kansas City Life, changed to MetLife as of 2015, changed to The Hartford as of 2019);
- In 2020, the Town added Short-Term Disability (with The Hartford).
- In 2014, the Town converted from a 401(a) Money Purchase Plan with Dreyfus to a 457(b) Plan with Mutual of Omaha, now with Empower, as of 2021. The Town contributes 5% of the base salary for Administration and Public Works and 2% contribution of the base salary for Public Safety;
- For Public Works employees, a \$100.00 boot allowance is reimbursed after purchase;
- For Public Works employees, uniform shirts are provided;
- For Public Safety employees, uniforms and duty weapons are provided;

Optional Benefits:

- Dental Insurance (2014 was paid by employees but included with Health Insurance, 2015 are now optional individual plans.) In 2019, the dental insurance provider is Delta Dental.
- Vision Insurance (2014 was paid by employees but included with Health Insurance, 2015 are now optional individual plans.) In 2020, the vision insurance provider is VSP.
- AFLAC
- Supplemental Life Insurance (up to 2014 with Liberty National changed to MetLife as of 2015, changed to The Hartford as of 2019).

2023		ADMIN	BUILDING	LAW	STREETS	PARKS	WATER	SEWER	GARBAGE		
PR RPT DETAIL	RATE	ANNUAL	10-41-03	12-43-03	1-42-02	1-45-02	1-46-02	2-50-03	3-51-03	3-52-03	
<b>TOWN ADMIN</b>		<b>TBD</b>	<b>48%</b>	<b>1%</b>	<b>5%</b>	<b>15%</b>	<b>2%</b>	<b>12%</b>	<b>12%</b>	<b>5%</b>	
WAGES	- 50.00	104,000.00	49,920.00	1,040.00	5,200.00	15,600.00	2,080.00	12,480.00	12,480.00	5,200.00	
TAXES	-	8,268.00	3,968.64	82.68	413.40	1,240.20	165.36	992.16	992.16	413.40	
BENEFITS	-	32,964.44	15,822.93	329.64	1,648.22	4,944.67	659.29	3,955.73	3,955.73	1,648.22	
TOTAL	-	145,232.44	69,711.57	1,452.32	7,261.62	21,784.87	2,904.65	17,427.89	17,427.89	7,261.62	
<b>CLERK</b>		<b>TBD</b>	<b>35%</b>	<b>2%</b>	<b>1%</b>	<b>16%</b>	<b>1%</b>	<b>20%</b>	<b>20%</b>	<b>5%</b>	
WAGES	- 35.00	72,800.00	25,480.00	1,456.00	728.00	11,648.00	728.00	14,560.00	14,560.00	3,640.00	
TAXES	-	5,787.60	2,025.66	115.75	57.88	926.02	57.88	1,157.52	1,157.52	289.38	
BENEFITS	-	23,134.44	8,097.05	462.69	231.34	3,701.51	231.34	4,626.89	4,626.89	1,156.72	
TOTAL	-	101,722.04	35,602.71	2,034.44	1,017.22	16,275.53	1,017.22	20,344.41	20,344.41	5,086.10	
<b>DEPUTY</b>		<b>MOJARRO</b>	<b>5%</b>		<b>3%</b>	<b>1%</b>	<b>1%</b>	<b>30%</b>	<b>30%</b>	<b>30%</b>	
WAGES	- 23.25	48,360.00	2,418.00	-	1,450.80	483.60	483.60	14,508.00	14,508.00	14,508.00	
OVERTIME	- 40	465.00	23.25	-	13.95	4.65	4.65	139.50	139.50	139.50	
TAXES	-	3,844.62	192.23	-	115.34	38.45	38.45	1,153.39	1,153.39	1,153.39	
BENEFITS	-	12,892.44	644.62	-	386.77	128.92	128.92	3,867.73	3,867.73	3,867.73	
TOTAL	-	65,562.06	3,278.10	-	1,966.86	655.62	655.62	19,668.62	19,668.62	19,668.62	
<b>F.OFFICE ASSIST</b>		<b>OPEN</b>	<b>5%</b>	<b>1%</b>	<b>2%</b>	<b>1%</b>	<b>1%</b>	<b>40%</b>	<b>25%</b>	<b>25%</b>	
WAGES	- 20.00	33,280.00	1,664.00	332.80	665.60	332.80	332.80	13,312.00	8,320.00	8,320.00	
OVERTIME	- 40	400.00	20.00	4.00	8.00	4.00	4.00	160.00	100.00	100.00	
TAXES	-	2,645.76	132.29	26.46	52.92	26.46	26.46	1,058.30	661.44	661.44	
BENEFITS	-	11,532.08	576.60	115.32	230.64	115.32	115.32	4,612.83	2,883.02	2,883.02	
TOTAL	-	47,857.84	2,392.89	478.58	957.16	478.58	478.58	19,143.14	11,964.46	11,964.46	
<b>PW CLERK</b>	<b>2022</b>	<b>1</b>	<b>VETTER</b>	<b>15%</b>		<b>15%</b>	<b>10%</b>	<b>5%</b>	<b>20%</b>	<b>20%</b>	<b>15%</b>
WAGES	- 20.00	41,600.00	6,240.00	-	6,240.00	4,160.00	2,080.00	8,320.00	8,320.00	6,240.00	
OVERTIME	- 40	400.00	60.00	-	60.00	40.00	20.00	80.00	80.00	60.00	
TAXES	-	3,307.20	496.08	-	496.08	330.72	165.36	661.44	661.44	496.08	
BENEFITS	-	11,749.84	1,762.48	-	1,762.48	1,174.98	587.49	2,349.97	2,349.97	1,762.48	
TOTAL	-	57,057.04	8,558.56	-	8,558.56	5,705.70	2,852.85	11,411.41	11,411.41	8,558.56	
<b>FINANCE</b>	<b>2012</b>	<b>11</b>	<b>C.JONES</b>	<b>20%</b>	<b>1%</b>	<b>15%</b>	<b>12%</b>	<b>2%</b>	<b>20%</b>	<b>20%</b>	<b>10%</b>
WAGES	- 45.00	92,560.00	18,512.00	925.60	13,884.00	11,107.20	1,851.20	18,512.00	18,512.00	9,256.00	
TAXES	-	7,358.52	1,471.70	73.59	1,103.78	883.02	147.17	1,471.70	1,471.70	735.85	
BENEFITS	-	22,997.24	4,599.45	229.97	3,449.59	2,759.67	459.94	4,599.45	4,599.45	2,299.72	
TOTAL	-	122,915.76	24,583.15	1,229.16	18,437.36	14,749.89	2,458.32	24,583.15	24,583.15	12,291.58	
<b>ADMIN</b>											
WAGES		392,600.00	104,234.00	3,754.40	28,168.40	43,331.60	7,555.60	81,692.00	76,700.00	47,164.00	
OVERTIME		1,265.00	103.25	4.00	81.95	48.65	28.65	379.50	319.50	299.50	
TAXES		31,211.70	8,286.60	298.47	2,239.39	3,444.86	600.67	6,494.51	6,097.65	3,749.54	
BENEFIT		115,270.48	31,503.14	1,137.63	7,709.04	12,825.07	2,182.32	24,012.60	22,282.79	13,617.90	
TOTAL		540,347.18	144,126.99	5,194.50	38,198.78	59,650.19	10,367.24	112,578.61	105,399.94	64,830.93	
		0.00	(0.00)	0.00	(0.00)	0.00	0.00	(0.00)	(0.00)	0.00	



PR RPT DETAIL	2023	RATE	ANNUAL	ADMIN 10-41-03	BUILDING 12-43-03	LAW 1-42-02	STREETS 1-45-02	PARKS 1-46-02	WATER 2-50-03	SEWER 3-51-03	GARBAGE 3-52-03
<b>CHIEF</b>	2022	1	M.LAIMINGER			100%					
WAGES	-	35.00	72,800.00	-	-	72,800.00	-	-	-	-	-
TAXES	-		10,082.80	-	-	10,082.80	-	-	-	-	-
BENEFITS	-		22,278.56	-	-	22,278.56	-	-	-	-	-
TOTAL	-		105,161.36	-	-	105,161.36	-	-	-	-	-
<b>SERGEANT</b>	2022	1	G.HENDERSON			100%					
WAGES	-	30.00	62,400.00	-	-	62,400.00	-	-	-	-	-
OVERTIME	-	52/20	1,380.00	-	-	1,380.00	-	-	-	-	-
TAXES	-		8,833.53	-	-	8,833.53	-	-	-	-	-
BENEFITS	-		14,188.44	-	-	14,188.44	-	-	-	-	-
TOTAL	-	41.73	86,801.97	-	-	86,801.97	-	-	-	-	-
<b>CORPRAL</b>			OPEN			100%					
WAGES	-	28.00	58,240.00	-	-	58,240.00	-	-	-	-	-
OVERTIME	-	60/30	1,680.00	-	-	1,680.00	-	-	-	-	-
TAXES	-		8,066.24	-	-	8,066.24	-	-	-	-	-
BENEFITS	-		7,141.04	-	-	7,141.04	-	-	-	-	-
TOTAL	-	36.12	75,127.28	-	-	75,127.28	-	-	-	-	-
<b>INVESTIGATOR</b>	2008	15	P.HINYARD			100%					
WAGES	-	31.00	64,480.00	-	-	64,480.00	-	-	-	-	-
OVERTIME	-	180/30	3,720.00	-	-	3,720.00	-	-	-	-	-
TAXES	-		9,445.70	-	-	9,445.70	-	-	-	-	-
BENEFITS	-		8,626.64	-	-	8,626.64	-	-	-	-	-
TOTAL	-	41.48	86,272.34	-	-	86,272.34	-	-	-	-	-
<b>OFFICER</b>	2021	2	L.KRAMER			100%					
WAGES	-	26.50	55,120.00	-	-	55,120.00	-	-	-	-	-
OVERTIME	-	80/30	1,855.00	-	-	1,855.00	-	-	-	-	-
TAXES	-		7,891.04	-	-	7,891.04	-	-	-	-	-
BENEFITS	-		7,078.64	-	-	7,078.64	-	-	-	-	-
TOTAL	-	34.59	71,944.68	-	-	71,944.68	-	-	-	-	-
<b>OFFICER</b>			OPEN			100%					
WAGES	-	25.00	52,000.00	-	-	52,000.00	-	-	-	-	-
OVERTIME	-	60/30	1,500.00	-	-	1,500.00	-	-	-	-	-
TAXES	-		7,202.00	-	-	7,202.00	-	-	-	-	-
BENEFITS	-		7,016.24	-	-	7,016.24	-	-	-	-	-
TOTAL	-	32.56	67,718.24	-	-	67,718.24	-	-	-	-	-
<b>PD TECH</b>						100%					
WAGES	-	20.00	41,600.00	-	-	41,600.00	-	-	-	-	-
OVERTIME	-	26/0	260.00	-	-	260.00	-	-	-	-	-
TAXES	-		988.00	-	-	988.00	-	-	-	-	-
BENEFITS	-		12,770.44	-	-	12,770.44	-	-	-	-	-
TOTAL	-		55,618.44	-	-	55,618.44	-	-	-	-	-
<b>JUDGE</b>	2020	3	J.HUFFMAN			100%					
WAGES	-	725	8,700.00	-	-	8,700.00	-	-	-	-	-
TAXES	-		691.65	-	-	691.65	-	-	-	-	-
TOTAL	-		9,391.65	-	-	9,391.65	-	-	-	-	-
<b>POLICE &amp; JUDGE</b>											
WAGES			415,340.00	-	-	415,340.00	-	-	-	-	-
OVERTIME			10,395.00	-	-	10,395.00	-	-	-	-	-
TAX COSTS			53,200.96	-	-	53,200.96	-	-	-	-	-
BENEFIT COSTS			79,100.00	-	-	79,100.00	-	-	-	-	-
TOTAL			558,035.96	-	-	558,035.96	-	-	-	-	-
			0.00	-	-	0.00	-	-	-	-	-

2023		ADMIN	BUILDING	LAW	STREETS	PARKS	WATER	SEWER	GARBAGE		
PR RPT DETAIL	RATE	10-41-03	12-43-03	1-42-02	1-45-02	1-46-02	2-50-03	3-51-03	3-52-03		
<b>UT ASST</b>	<b>2016</b>	<b>7</b>	<b>REDDEN</b>				<b>4%</b>	<b>1%</b>	<b>55%</b>	<b>39%</b>	<b>1%</b>
WAGES	-	27.00	56,160.00	-	-	-	2,246.40	561.60	30,888.00	21,902.40	561.60
OVERTIME	-	208/24	3,456.00	-	-	-	138.24	34.56	1,900.80	1,347.84	34.56
TAXES	-		4,464.72	-	-	-	178.59	44.65	2,455.60	1,741.24	44.65
BENEFITS	-		9,247.84	-	-	-	369.91	92.48	5,086.31	3,606.66	92.48
TOTAL	-		73,328.56	-	-	-	2,933.14	733.29	40,330.71	28,598.14	733.29
<b>UT ASST</b>	<b>2022</b>	<b>1</b>	<b>GARCIA</b>				<b>64%</b>	<b>36%</b>			
WAGES	-	26.00	54,080.00	-	-	-	-	-	34,611.20	19,468.80	-
OVERTIME	-	208/24	3,328.00	-	-	-	-	-	2,129.92	1,198.08	-
TAXES	-		4,299.36	-	-	-	-	-	2,751.59	1,547.77	-
BENEFITS	-		9,185.24	-	-	-	-	-	5,878.55	3,306.69	-
TOTAL	-		70,892.60	-	-	-	-	-	45,371.26	25,521.34	-
<b>UT ASST</b>	<b>0</b>	<b>OPEN</b>					<b>36%</b>	<b>64%</b>			
WAGES	-	25.00	52,000.00	-	-	-	-	-	18,720.00	33,280.00	-
OVERTIME	-	208/24	3,200.00	-	-	-	-	-	1,152.00	2,048.00	-
TAXES	-		4,134.00	-	-	-	-	-	1,488.24	2,645.76	-
BENEFITS	-		20,194.44	-	-	-	-	-	7,270.00	12,924.44	-
TOTAL	-		79,528.44	-	-	-	-	-	28,630.24	50,898.20	-
<b>PUBLIC UTILITIES</b>											
WAGES			162,240.00	-	-	-	2,246.40	561.60	84,219.20	74,651.20	561.60
OVERTIME			9,984.00	-	-	-	138.24	34.56	5,182.72	4,593.92	34.56
TAXES			12,898.08	-	-	-	178.59	44.65	6,695.43	5,934.77	44.65
BENEFITS			38,627.52	-	-	-	369.91	92.48	18,234.86	19,837.79	92.48
TOTAL	-		223,749.60	-	-	-	2,933.14	733.29	114,332.21	105,017.68	733.29

2023				ADMIN	BUILDING	LAW	STREETS	PARKS	WATER	SEWER	GARBAGE
PR RPT DETAIL	RATE	ANNUAL	10-41-03	12-43-03	1-42-02	1-45-02	1-46-02	2-50-03	3-51-03	3-52-03	
<b>PW DIRECTOR</b>	2022	1	<b>HEINIGER</b>			18%	17%	40%	5%	20%	
WAGES	-	36.00	74,880.00	-	-	13,478.40	12,729.60	29,952.00	3,744.00	14,976.00	
OVERTIME	-	-	-	-	-	-	-	-	-	-	
TAXES	-	-	5,952.96	-	-	1,071.53	1,012.00	2,381.18	297.65	1,190.59	
BENEFITS	-	-	18,587.84	-	-	3,345.81	3,159.93	7,435.14	929.39	3,717.57	
TOTAL	-	-	99,420.80	-	-	17,895.74	16,901.54	39,768.32	4,971.04	19,884.16	
<b>SUPERVISOR</b>			<b>OPEN</b>			25%	20%	35%	3%	17%	
WAGES	-	30.00	62,400.00	-	-	15,600.00	12,480.00	21,840.00	1,872.00	10,608.00	
OVERTIME	-	52/8	1,020.00	-	-	255.00	204.00	357.00	30.60	173.40	
TAXES	-	-	4,960.80	-	-	1,240.20	992.16	1,736.28	148.82	843.34	
BENEFITS	-	-	20,714.44	-	-	5,178.61	4,142.89	7,250.05	621.43	3,521.45	
TOTAL	-	-	89,095.24	-	-	22,273.81	17,819.05	31,183.33	2,672.86	15,146.19	
<b>LABOR (OVERALL)</b>	2022	1	<b>BYRGE</b>			25%	10%	26%	10%	29%	
WAGES	-	25.75	53,560.00	-	-	13,390.00	5,356.00	13,925.60	5,356.00	15,532.40	
OVERTIME	-	78/12	1,313.25	-	-	328.31	131.33	341.45	131.33	380.84	
TAXES	-	-	4,258.02	-	-	1,064.51	425.80	1,107.09	425.80	1,234.83	
BENEFITS	-	-	9,855.84	-	-	2,463.96	985.58	2,562.52	985.58	2,858.19	
TOTAL	-	-	68,987.11	-	-	17,246.78	6,898.71	17,936.65	6,898.71	20,006.26	
<b>LABOR (OVERALL)</b>	1998	25	<b>D.REICH</b>			13%	4%	76%	3%	4%	
WAGES	-	25.50	53,040.00	-	-	6,895.20	2,121.60	40,310.40	1,591.20	2,121.60	
OVERTIME	-	52/8	867.00	-	-	112.71	34.68	658.92	26.01	34.68	
TAXES	-	-	4,216.68	-	-	548.17	168.67	3,204.68	126.50	168.67	
BENEFITS	-	-	14,302.84	-	-	1,859.37	572.11	10,870.16	429.09	572.11	
TOTAL	-	-	72,426.52	-	-	9,415.45	2,897.06	55,044.16	2,172.80	2,897.06	
<b>LABOR (OVERALL)</b>	2021	2	<b>RAYMOND</b>			25%	43%	13%	3%	16%	
WAGES	-	21.25	44,200.00	-	-	11,050.00	19,006.00	5,746.00	1,326.00	7,072.00	
OVERTIME	-	92/18	1,360.00	-	-	340.00	584.80	176.80	40.80	217.60	
TAXES	-	-	3,513.90	-	-	878.48	1,510.98	456.81	105.42	562.22	
BENEFITS	-	-	2,794.44	-	-	698.61	1,201.61	363.28	83.83	447.11	
TOTAL	-	-	51,868.34	-	-	12,967.09	22,303.39	6,742.88	1,556.05	8,298.93	
<b>T.DRIVER</b>	2003	20 + CDL	<b>R.EDWARDS</b>			20%	5%			75%	
WAGES	-	25.00	52,000.00	-	-	10,400.00	2,600.00	-	-	39,000.00	
OVERTIME	-	26/0	325.00	-	-	65.00	16.25	-	-	243.75	
TAXES	-	-	4,134.00	-	-	826.80	206.70	-	-	3,100.50	
BENEFITS	-	-	14,021.34	-	-	2,804.27	701.07	-	-	10,516.01	
TOTAL	-	-	70,480.34	-	-	14,096.07	3,524.02	-	-	52,860.26	
<b>LABOR (TRASH/PARKS)</b>			<b>OPEN</b>			20%	5%			75%	
WAGES	-	30HR/WK 20.00	24,960.00	-	-	4,992.00	1,248.00	-	-	18,720.00	
OVERTIME	-	26/0	260.00	-	-	52.00	13.00	-	-	195.00	
TAXES	-	-	1,984.32	-	-	396.86	99.22	-	-	1,488.24	
BENEFITS	-	-	460.00	-	-	92.00	23.00	-	-	345.00	
TOTAL	-	-	27,664.32	-	-	5,532.86	1,383.22	-	-	20,748.24	
<b>LABOR (TRASH/PARKS)</b>			<b>OPEN</b>			20%	5%			75%	
WAGES	-	30HR/WK 20.00	24,960.00	-	-	4,992.00	1,248.00	-	-	18,720.00	
OVERTIME	-	26/0	260.00	-	-	52.00	13.00	-	-	195.00	
TAXES	-	-	1,984.32	-	-	396.86	99.22	-	-	1,488.24	
BENEFITS	-	-	460.00	-	-	92.00	23.00	-	-	345.00	
TOTAL	-	-	27,664.32	-	-	5,532.86	1,383.22	-	-	20,748.24	
<b>PUBLIC WORKS</b>											
WAGES			390,000.00	-	-	80,797.60	56,789.20	111,774.00	13,889.20	126,750.00	
OVERTIME			5,405.25	-	-	1,205.02	997.06	1,534.17	228.74	1,440.27	
TAXES			31,005.00	-	-	6,423.41	4,514.74	8,886.03	1,104.19	10,076.63	
BENEFITS			81,196.74	-	-	16,534.63	10,809.19	28,481.14	3,049.33	22,322.45	
TOTAL			507,606.99	-	-	104,960.66	73,110.19	150,675.34	18,271.45	160,589.34	

PR RPT DETAIL	2023	ANNUAL	ADMIN	BUILDING	LAW	STREETS	PARKS	WATER	SEWER	GARBAGE
	RATE		10-41-03	12-43-03	1-42-02	1-45-02	1-46-02	2-50-03	3-51-03	3-52-03
<b>MAYOR</b>			<b>100%</b>							
WAGES	-	2,400.00	2,400.00							
TAXES	-	183.60	183.60							
TOTAL	-	2,583.60	2,583.60							
<b>MAYOR PRO TEM</b>			<b>100%</b>							
WAGES	-	1,200.00	1,200.00							
TAXES	-	91.80	91.80							
TOTAL	-	1,291.80	1,291.80							
<b>TRUSTEE</b>			<b>100%</b>							
WAGES	-	1,200.00	1,200.00							
TAXES	-	91.80	91.80							
TOTAL	-	1,291.80	1,291.80							
<b>TRUSTEE</b>			<b>100%</b>							
WAGES	-	1,200.00	1,200.00							
TAXES	-	91.80	91.80							
TOTAL	-	1,291.80	1,291.80							
<b>TRUSTEE</b>			<b>100%</b>							
WAGES	-	1,200.00	1,200.00							
TAXES	-	91.80	91.80							
TOTAL	-	1,291.80	1,291.80							
<b>TRUSTEE</b>			<b>100%</b>							
WAGES	-	1,200.00	1,200.00							
TAXES	-	91.80	91.80							
TOTAL	-	1,291.80	1,291.80							
<b>TOWN BOARD</b>										
WAGES		9,600.00	9,600.00							
TAXES		734.40	734.40							
TOTAL		10,334.40	10,334.40							

# Property Tax Levies and Collections

The mill levy is a property tax applied based on the assessed value of the property. The rate of the tax is expressed in mills - one mill is equal to **one dollar per \$1,000 of assessed value**. The tax is applied by local governments and other jurisdictions to raise revenue to cover their budgets and to pay for public services such as schools.

## CPI FOR BUDGET PROJECTIONS

The Denver-Aurora-Lakewood CPI figure is released annually near the end of February. Local governments recognize the timing of its release makes it too late for use actual numbers for annual budgetary preparation which must be completed in December. Accordingly most local governments find it necessary to use current year forecasts which are made available quarterly through both the [Governor's Office of State Planning and Budgeting \(OSPBI\)](https://www.colorado.gov/governor/office-state-planning-budgeting) (<https://www.colorado.gov/governor/office-state-planning-budgeting>) and the [Colorado Legislative Council](http://leg.colorado.gov/agencies/legislative-council-staff) (<http://leg.colorado.gov/agencies/legislative-council-staff>)

Many local officials use the forecasts to calculate TABOR limitations. Doing so necessitates recalculation of limits after the release of the actual Denver-Aurora-Lakewood CPI number to compare amounts approved in the budget document and make amendments if necessary.

In January 2018, the Bureau of Labor Statistics introduced a new geographic area for the CPI. The local CPI changed from Denver-Boulder-Greeley to Denver-Aurora-Lakewood. The [Bureau of Labor Statistics CPI](https://www.bls.gov/cpi/regional-resources.htm) (<https://www.bls.gov/cpi/regional-resources.htm>) provides more information, and past actual numbers for the calculation of the index.

## 1997-2023

TOWN OF PAONIA - PROPERTY TAX LEVIES AND COLLECTIONS 1997-2022								
YEAR	COUNTY ASSESSED VALUE	ORIGINAL MILL LEVY	TEMPORARY REDUCTION	TOTAL MILL LEVY	C (mailto:CIP@1231).PI	TOTAL TAX LEVIED	TOTAL TAX COLLECTED	% OF LEVY COLLECTED
1997	5,717,270	10.21	0.000	10.21		58,373		
1998	6,682,890	10.21	1.065	9.145		61,115		
1999	6,813,670	10.21	0.794	9.416		64,158		
2000	8,003,581	8.322	0.000	8.322		66,606		
2001	7,941,290	8.322	0.000	8.322		66,087		
2002	8,569,720	8.322	0.202	8.12		69,586		
2003	8,822,540	8.322	0.285	8.037		70,907		
2004	9,351,600	8.322	0.583	7.739		72,372		
2005	9,456,130	8.322	0.613	7.709		72,897		
2006	9,773,740	8.322	0.632	7.69		75,160		
2007	9,686,070	8.322	0.310	8.012		77,605		
2008	11,412,660	8.322	1.277	7.045		80,402		
2009	12,434,230	8.322	1.623	6.699	-1.20%	83,297		
2010	13,671,550	8.322	2.221	6.101	1.00%	83,410		
2011	13,350,630	8.322	1.960	6.362	1.87%	84,937	77,534.81	91.29%
2012	12,256,510	8.322	1.170	7.152	3.69%	87,659	88,643.85	101.12%
2013	12,524,793	8.322	1.141	7.181	1.94%	89,940	89,866.77	99.92%
2014	12,046,370	8.322	0.000	8.322	2.77%	100,250	99,913.35	99.66%
2015	12,031,703	8.322	0.000	8.322	2.78%	100,128	99,924.93	99.80%
2016	12,320,386	8.322	0.000	8.322	2.70%	103,243	102,009.16	98.80%
2017	12,290,035	8.322	0.000	8.322	2.90%	102,278	102,170.11	99.89%
2018	11,977,020	8.322	0.000	8.322	2.70%	99,673	99,660.85	99.99%
2019	12,073,777	8.322	0.000	8.322	1.90%	100,477	100,298.72	99.82%
2020	15,989,348	8.322	0.000	8.322	2.50%	133,063	132,257.46	99.39%
2021	16,114,704	8.322	0.000	8.322	0.40%	134,107	134,101.09	100.00%
2022	17,979,678	8.322	0.000	8.322	3.50%	149,627	149,536.52	99.94%
2023	17,595,556	8.322	0.000	8.322		146,513		

**NOTE:**

Tax lien sale in November for any property taxes not paid in the current year.

## **DELTA COUNTY COLORADO**

The mill levies shown in this report equate to dollars of tax per \$1,000 of assessed value. So, for example, a mill levy of 50.000 mills would equal \$50.00 of tax per \$1,000 of assessed value. Expressed as a decimal, 50.000 mills would equal 0.05 or 5¢ of tax per \$1 of assessed value. Assessed value is a statutorily defined percentage of "actual value" as determined by the Assessor, dependent on the classification of the property. Improved residential property is assessed at 7.15% of actual value for the tax year 2020. All other property (excepting oil and gas production) is assessed at 29% of actual value. (The assessment percentage, 7.15% or 29%, is known as the "assessment ratio.") So, for example, the tax for an improved residential property with an actual value of \$150,000 as determined by the Assessor in a tax area with a mill levy of 50.000 would be computed as follows:

Actual Value x Assessment Ratio x Mill Levy (expressed as a decimal) = Tax

$$\$150,000 \times 7.15\% \times 0.05 = \$540.00$$

## **AMENDED CERTIFICATE OF TAX LEVIES FOR NON-SCHOOL GOVERNMENTS**

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of Delta, Colorado.

On behalf of the Town of Paonia,  
(taxing entity)<sup>A</sup>

the Board of Trustees,  
(governing body)<sup>B</sup>

of the Town of Paonia,  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 17,605,465 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 17,605,465 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**Submitted:** 12/15/2022 for budget/fiscal year 2023.  
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	8.322 mills	\$ 146,513
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< 0 > mills	\$ < 0 >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	8.322 mills	\$ 146,513
3. General Obligation Bonds and Interest <sup>J</sup>	mills	\$
4. Contractual Obligations <sup>K</sup>	mills	\$
5. Capital Expenditures <sup>L</sup>	mills	\$
6. Refunds/Abatements <sup>M</sup>	mills	\$
7. Other <sup>N</sup> (specify): _____	mills	\$
_____	mills	\$
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	8.322 mills	\$ 146,513

Contact person: (print) CINDY JONES Daytime phone: ( 970 ) 527-4101

Signed:  Title: FINANCE DIRECTOR

*Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.*

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

1. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_
  
2. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

3. Purpose of Contract: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Principal Amount: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_
  
4. Purpose of Contract: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Principal Amount: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.



Notes:

<sup>A</sup> **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a taxing entity is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government<sup>C</sup>.

<sup>B</sup> **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

<sup>C</sup> **Local Government** - For purposes of this line on Page 1 of the DLG 70, the local government is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The local government is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the local government and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the local government when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the local government if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the local government when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

<sup>D</sup> **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* Gross Assessed Value found on Line 2 of Form DLG 57.

<sup>E</sup> **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25<sup>th</sup> each year and may amend it, one time, prior to December 10<sup>th</sup>.

<sup>F</sup> **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

<sup>G</sup> **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57.

<sup>H</sup> **General Operating Expenses (DLG 70 Page 1 Line 1)**—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

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**<sup>I</sup> Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)**—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity's* levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not necessary for other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

**<sup>J</sup> General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)**—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

**<sup>K</sup> Contractual Obligation (DLG 70 Page 1 Line 4)**—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

**<sup>L</sup> Capital Expenditures (DLG 70 Page 1 Line 5)**—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

**<sup>M</sup> Refunds/Abatements (DLG 70 Page 1 Line 6)**—The county assessor reports on the Certification of Valuation (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: If the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity's* total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

**<sup>N</sup> Other (DLG 70 Page 1 Line 7)**—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

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# FUND SUMMARIES

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## General Fund

A general fund is the **primary fund used by a government entity**. This fund is used to record all resource inflows and outflows that are not associated with special-purpose funds. The activities being paid for through the general fund constitute the core administrative and operational tasks of the government entity. It is a major fund and the majority of the governmental fund.

The Town diligently works to maintain a strong, diverse revenue base, recognizing that a dependence upon any individual revenue source would make revenue yields more vulnerable to economic cycles. All revenues are conservatively projected and are monitored and updated as necessary.

## General Fund Revenues - Property Tax Revenue

**Distribution:** General Fund 100%

**Source:** Paonia property owners

**Collection:** The collection process begins with the Delta County Assessor's Office. Two types of property are valued by the Assessor's Office. 1) "real property (land & buildings) and 2) "personal property" (business machines & equipment). Once market values are established, the Assessor's Office computes the assessed valuation of property based on state-legislated assessment percentages. Property is assessed at the end of one year, for collection in the following year.

**Town of Paonia Assessed Valuations:**

The total assessed valuation (in millions) for the Town of Paonia for the past twelve (12) years is demonstrated by the following table:

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ASSESSED VALUATION	12.3	12.5	12.0	12.0	12.3	12.3	12.0	16.0	16.1	18.0	17.0	17.0

**Mill Levies for Residents:** Assessments are furnished to the Delta County Treasurer's Office. The Treasurer's Office issues property tax bills to every property owner based on the property's assessed valuation and the total mill levy which local governments have certified for the year. Within Town of Paonia, mill levies are currently 8.322 and are certified by the Town of Paonia.

**Payment:** Property owners pay property taxes to Delta County in either two installments due February 28 and June 15 or in one installment due April 30. Delta County ACH transfers the Town's property taxes directly to the Town's main bank account on the 15th of the month following the month that the collection is processed by Delta County.

**Legal Restrictions:** The Gallagher Amendment to the Colorado Constitution restricts property tax growth in requiring the legislature to annually adjust the residential assessed valuation percentage to ensure that the proportion of residential to total state assessed valuation remains constant – residential properties pay 45% of the total property taxes, while commercial and industrial properties pay 55%.

There is a statutory limitation which prohibits property tax revenue growth from exceeding 5.5% each year, adjusted for new construction. However, the Town of Paonia put the question to the voters and is now exempt from this provision.

**Forecast: 2022 \$ 149,627**

**Estimate 2023 \$ 146,513**

**Rationale:** Forecast for 2022 is based on actual receipts and amended valuation information from the County Assessor. Beginning in 2020, the Town has experienced significant increases in residential and construction. The Town does not expect to benefit from a continued increase in property tax revenues because of the current water moratorium that is in place, which is affecting construction as there are no water taps available for purchase and no water line can be extended.

**Note:** Additional historical data can be found under Budget Overview Property Tax Levies and Collections.

## General Fund Revenues - Sales Tax Revenue

**Distribution:** General Fund 2% and Capital Improvement Program (CIP) Fund 1% of the Towns 3% Town Sales Tax.

The Town's portion of the County's Sales Tax goes to the General Fund. In 2020 the citizens voted to increase County Sales Tax by .8% to go only to the Public Safety Department within the General Fund. The other stipulation regarding Back The Badge requires the Town to maintain the previously allocated of revenue to the Public Safety Department to remain unchanged.

**Source:** Sales Tax comes from two sources 1) Visitors, residents, and employers in Paonia 2) Allocated share from Delta County.

**Collection:** The Department of Revenue collects a 3% tax on sales of tangible personal property and specific services. In 2018 a 1.0% sales tax increase was approved by the citizens of Paonia, effective July 1, 2018. Sales Taxes are collected by the retailer and are reported directly to the Department of Revenue on either a monthly, quarterly, or annual basis. In 2019, the handling of Delivery Sales Tax changed by the State of Colorado and was originally effective February 2019 but was extended to July 2019.

Delta County collects the County's 2% sales tax and as of 2021 the .8% for Back the Badge initiative. The Delta County Treasures Office allocates it to Delta County municipalities according to the IGA's with the County.

As of December 2021, the Town's first cannabis retail location, followed by a second retail location and a third medical and retail location. Each location is required to pay a 15% state sales tax. The State then allocates 10% of that sales tax back to the Town. The board has directed these funds be used for Streets.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2022 EST	2023 EST
TOWN	\$290,946	\$274,728	\$270,968	\$289,470	\$355,306	\$524,088	\$636,562	\$706,791	\$702,000	\$810,894	\$895,572
COUNTY	\$ 95,418	\$ 98,448	\$ 94,998	\$102,375	\$106,806	\$118,090	\$141,404	\$365,135*	\$325,845	\$356,063	\$407,160
STATE										\$ 25,189	\$ 28,980

\*Denotes inclusion of the estimate related to the .8% Back the Badge initiative.

Sales tax revenues have recovered from the economic recession of 2008. Benefiting from the overall strong Western Slope economy, the Town has seen steady growth since 2017 and anticipates this trend to continue.

**Forecast: 2022 \$702,000    Estimated Actual 2022 \$810,894    Estimated 2023 \$895,572**

**Rationale:** While projections remain conservative, the Town does project a 27.57% increase in sales tax revenues in 2023 over 2022 due to new business growth, development, and delivery sales.

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		2022 TO 2023		NOTES & ASSUMPTIONS
	AUDITED ACTUAL	AUDITED ACTUAL	BUDGET	PROJECTED	ACTUAL	BUDGET	DRAFT BUDGET	FINAL BUDGET	DRAFT BUDGET	FINAL BUDGET	DRAFT VS FINAL	% OF CHANGE			

GENERAL FUND - ADMINISTRATION REVENUE															
PROPERTY TAXES	132,257.46	134,101.09	149,627.00	149,627.00	149,536.52	146,430.00	146,513.00	83.00	-2.08%						CNTY VALUATION
SALES TAX - TOWN	75,247.95	38,838.76	17,224.00	33,216.00	33,216.00	114,830.00	111,680.00	(3,150.00)	548.40%						REALLOCATE FOR + ADMIN EXP
SALES TAX - COUNTY	-	-	45,000.00	-	-	-	-	-	-	-	-	-	-	-	
PENALTY & INTEREST	408.33	304.44	400.00	320.41	320.41	400.00	400.00	-	0.00%						
DELINQUENT TAX	-	13.16	15.00	0.02	0.02	15.00	15.00	-	0.00%						
ABATEMENTS	1,215.27	-	-	-	-	-	-	-	-						
LIQUOR LICENSES	4,240.50	6,509.36	5,000.00	4,525.00	4,350.00	3,675.00	5,000.00	1,325.00	0.00%						
SPECIAL REVIEWS	1,666.30	1,289.35	750.00	1,250.00	1,250.00	1,000.00	1,000.00	-	33.33%						PREV YR HISTORY
INTEREST INCOME	9,690.27	8,618.50	7,200.00	14,385.92	12,339.18	13,200.00	22,800.00	9,600.00	216.67%						INCREASE IN INT RATE (4MO AVG)
LATE CHARGES	2,522.11	6,560.00	7,075.00	6,137.00	4,737.00	5,400.00	6,150.00	750.00	-13.07%						CURRENT YR HISTORY
OTHER INCOME	1.00	53.61	75.00	783.13	783.13	100.00	10.00	(90.00)	-86.67%						PREV YR HISTORY
REFUND OF EXP	10,706.23	2,840.39	1,500.00	9,042.81	12,709.88	4,000.00	4,200.00	200.00	180.00%						PREV YR HISTORY
RESTITUTION	7,544.35	1,762.36	1,500.00	4,795.39	4,715.39	4,800.00	4,800.00	-	220.00%						\$80/MO+TAX RETURN
GRANT REVENUE	61,728.00	130,600.12	15,068.00	6,500.00	6,500.00	66,350.00	66,350.00	-	340.34%						SIPA+HOUSING
RESERVES						19,950.00	19,950.00	-							
<b>TOTAL INCOME</b>	<b>465,935.77</b>	<b>397,803.11</b>	<b>250,434.00</b>	<b>250,434.00</b>	<b>325,962.15</b>	<b>380,150.00</b>	<b>388,868.00</b>	<b>8,718.00</b>	<b>55.28%</b>						

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		DRAFT		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED	AUDITED	AUDITED	AUDITED	BUDGET	PROJECTED	ACTUAL	BUDGET	DRAFT	BUDGET	FINAL	VS	FINAL	F.BUDGET	
	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	ACTUAL	BUDGET	BUDGET	BUDGET	FINAL	VS	FINAL	F.BUDGET	
<b>GENERAL FUND - ADMINISTRATION EXPENDITURES</b>															
TOTAL PAYROLL	48,801.80	25,926.61	81,036.00	85,476.58	81,036.00	85,476.58	76,886.58	155,414.00	154,461.47	(952.53)				90.61%	ADDED POSITIONS ALLOCATION
WORK COMP	126.00	123.90	134.00	137.00	134.00	137.00	137.00	150.00	148.00	(2.00)				10.45%	8% PROPOSAL
CONTRACT LABOR	529.09	-	-	16,723.26	-	16,723.26	-	-	-	-					
OFFICE SUPPLIES	3,175.91	3,757.12	4,375.00	6,059.76	4,375.00	6,059.76	5,559.76	2,876.00	6,075.00	3,199.00				38.86%	COST INCREASES
OPERATING SUPPLIES	652.68	1,036.03	690.00	1,683.51	690.00	1,683.51	1,618.51	735.00	1,585.00	850.00				129.71%	BASED ON CURRENT YR ACTUAL
POSTAGE	488.65	1,702.97	695.00	550.43	695.00	550.43	325.43	500.00	550.00	50.00				-20.86%	BASED ON CURRENT YR ACTUAL
LEGAL SERVICES/ENGINEERING	66,335.09	52,876.29	76,317.00	60,343.12	76,317.00	60,343.12	53,267.11	62,070.00	63,844.53	1,774.53				-16.34%	REMAINING BALANCE
AUDIT & BUDGET EXPENSE	5,290.00	4,500.00	4,500.00	4,000.00	4,500.00	4,000.00	4,000.00	4,500.00	4,500.00	-				0.00%	
TOWN HALL EXPENSE	11,272.11	12,007.99	11,890.00	16,327.86	11,890.00	16,327.86	14,747.86	12,485.00	13,200.00	715.00				11.02%	COST INCREASES
TRAVEL & MEETINGS	909.22	1,633.16	3,950.00	307.46	3,950.00	307.46	307.46	4,841.00	4,850.00	9.00				22.78%	ADDED TRAINING FOR NEW EMP
INSURANCE & BONDS	4,136.30	2,748.10	2,780.00	3,073.67	2,780.00	3,073.67	3,073.67	3,240.00	3,333.00	93.00				19.89%	8% PROPOSAL
UTILITIES	4,473.29	4,497.21	5,785.00	5,806.86	5,785.00	5,806.86	4,931.86	6,120.00	6,175.00	55.00				6.74%	PROPOSED INCREASES
TELEPHONE	1,156.85	2,863.59	3,030.00	2,667.60	3,030.00	2,667.60	2,448.27	2,652.00	2,700.00	48.00				-10.89%	BASED ON CURRENT YR ACTUAL
PUBLISHING & ADS	1,605.73	4,052.12	6,360.00	8,617.61	6,360.00	8,617.61	7,367.61	3,678.00	5,030.00	1,352.00				-20.91%	CHG: + MUNICODE CONTRACT
DUES & SUBSCRIPTIONS	9,538.50	16,342.91	12,230.00	11,943.75	12,230.00	11,943.75	10,673.75	13,171.00	12,386.00	(785.00)				1.28%	COST INCREASES
CNTY TREASURER'S FEE	2,812.45	2,850.58	3,300.00	3,194.31	3,300.00	3,194.31	3,144.31	3,290.00	3,300.00	10.00				0.00%	
DATA PROCESSING	12,814.16	15,056.82	13,619.00	15,344.23	13,619.00	15,344.23	12,216.34	12,528.00	15,080.00	2,552.00				10.73%	COST INCREASES
MISCELLANEOUS (CDOOT GRANT)	127,589.98	-	-	-	-	-	-	-	-	-					
CULTURAL EVENTS	38.91	-	-	-	-	-	-	1,000.00	1,000.00	-					SIGN PROJECT
HUMAN SERVICES	4,300.00	4,100.00	4,675.00	4,576.99	4,675.00	4,576.99	3,336.99	4,600.00	4,350.00	(250.00)				-6.95%	REDUCTION IN DONATIONS
TOTAL FIXED COST	306,371.72	156,075.40	235,366.00	246,834.00	235,366.00	246,834.00	204,042.51	293,850.00	302,568.00	8,718.00					
REVENUE-FIXED COSTS	159,564.05	241,727.71	15,068.00	3,600.00	15,068.00	3,600.00	121,919.64	86,300.00	86,300.00	(0.00)					
CAPITAL OUTLAY	53,222.55	-	15,068.00	3,600.00	15,068.00	3,600.00	3,600.00	-	-	-				-100.00%	
GRANT PROJECTS	-	71,008.76	-	-	-	-	86,300.00	86,300.00	86,300.00	-					SIPA+HOUSING
<b>TOTAL EXPENDITURES</b>	<b>359,594.27</b>	<b>227,084.16</b>	<b>250,434.00</b>	<b>250,434.00</b>	<b>250,434.00</b>	<b>207,642.51</b>	<b>380,150.00</b>	<b>388,868.00</b>	<b>8,718.00</b>	<b>(0.00)</b>				<b>55.28%</b>	
<b>NET = REVENUE-EXPENSE</b>	<b>106,341.50</b>	<b>170,718.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118,319.64</b>	<b>(0.00)</b>	<b>-</b>	<b>(0.00)</b>	<b>(0.00)</b>					
<b>RESERVES</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>131,468.66</b>	<b>~\$111,393.77</b>	<b>-</b>	<b>-</b>					





ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		2022 TO 2023		NOTES & ASSUMPTIONS
	AUDITED	AUDITED	AUDITED	BUDGET	PROJECTED	ACTUAL	DRAFT	FINAL	DRAFT	FINAL	DRAFT	FINAL	F. BUDGET	% OF CHANGE	
	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	F. BUDGET	

GENERAL FUND - PUBLIC SAFETY REVENUE															
ACCOUNT DESCRIPTION	2020	2021	2022	2022	2022	2022	2023	2023	2023	2023	2023	2023	2022 TO 2023	% OF CHANGE	NOTES & ASSUMPTIONS
ACTUAL	ACTUAL	BUDGET	PROJECTED	ACTUAL	DRAFT	FINAL	DRAFT	FINAL	DRAFT	FINAL	DRAFT	FINAL	F. BUDGET	% OF CHANGE	NOTES & ASSUMPTIONS
S.O. AUTO TAXES	22,290.77	23,650.44	23,315.00	20,181.13	20,181.13	20,181.13	23,550.00	23,550.00	23,550.00	-	-	-	1.01%	PREV YR HISTORY	
SALES TAX - TOWN	151,428.37	182,000.00	182,000.00	232,750.59	232,750.59	232,750.59	242,111.00	257,188.00	242,111.00	15,077.00	15,077.00	15,077.00	41.31%	REALLOCATE FOR + EXP	
SALES TAX - COUNTY	142,648.51	159,850.11	325,845.00	308,627.82	308,627.82	308,627.82	168,720.00	169,842.00	168,720.00	1,122.00	1,122.00	1,122.00	25.65%	PREV YR HISTORY	
BACK THE BADGE	-	205,285.29					238,440.00	239,580.00	238,440.00	1,140.00	1,140.00	1,140.00			
CIGARETTE TAX	1,490.60	2,007.74	1,785.00	1,318.51	1,318.51	1,318.51	1,100.00	1,350.00	1,100.00	250.00	250.00	250.00	-24.37%	PREV YR HISTORY	
MOTOR VEHICLE - \$1.50	2,612.20	2,737.06	2,750.00	2,235.65	2,235.65	2,235.65	2,600.00	2,600.00	2,600.00	-	-	-	-5.45%	PREV YR HISTORY	
MOTOR VEHICLE - \$2.50	3,718.77	3,965.00	3,966.00	3,240.00	3,240.00	3,240.00	3,800.00	3,800.00	3,800.00	-	-	-	-4.19%	PREV YR HISTORY	
COURT FINES	717.28	835.00	825.00	200.00	200.00	200.00	200.00	200.00	200.00	-	-	-	-75.76%	CURRENT YR HISTORY	
POLICE FINES	14,075.00	17,206.00	27,650.00	4,277.00	4,277.00	4,277.00	21,000.00	21,000.00	21,000.00	-	-	-	-24.05%	BASED ON FULL STAFFING	
MISC FINES-BONDS	73.50	195.00	200.00	45.00	45.00	45.00	200.00	200.00	200.00	-	-	-	0.00%		
DOG TAGS	311.00	200.00	300.00	180.00	180.00	180.00	300.00	300.00	300.00	-	-	-	0.00%		
PD GRANT	1,352.68	995.00	6,000.00	1,509.25	1,509.25	1,509.25	10,000.00	10,000.00	10,000.00	-	-	-	66.67%	POST GRANT	
OTHER AGENCY CONT	20,000.00	9,925.00		1,236.05	1,236.05	1,236.05				-	-	-			
VIN INSPECTIONS	1,195.00	1,610.00	1,925.00	760.00	760.00	760.00	1,500.00	1,500.00	1,500.00	-	-	-	-22.08%	CURRENT YR HISTORY	
<b>TOTAL INCOME</b>	<b>361,913.68</b>	<b>610,461.64</b>	<b>576,561.00</b>	<b>576,561.00</b>	<b>576,561.00</b>	<b>576,561.00</b>	<b>713,521.00</b>	<b>731,110.00</b>	<b>713,521.00</b>	<b>17,589.00</b>	<b>17,589.00</b>	<b>17,589.00</b>	<b>26.81%</b>		



ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED	AUDITED	AUDITED	AUDITED	BUDGET	PROJECTED	ACTUAL	DRAFT	FINAL	DRAFT	VS	2022 TO 2023	
	ACTUAL	ACTUAL	BUDGET	BUDGET	BUDGET	ACTUAL	BUDGET	BUDGET	BUDGET	FINAL	F.BUDGET	F.BUDGET	

GENERAL FUND - PARKS REVENUE												
SALES TAX - TOWN	94,928.95	165,100.13	132,100.00	120,871.53	107,896.72	150,915.00	140,092.66	(10,822.34)	6.05%	REALLOCATE FOR + EXP		
SEVERANCE TAX	4,764.61	1,304.84	1,300.00	4,021.41	4,021.41	4,000.00	4,025.00	25.00	209.62%	CURRENT YR HISTORY		
MINERAL LEASING	3,918.97	7,219.37	6,680.00	10,330.31	10,330.31	10,300.00	10,335.00	35.00	54.72%	CURRENT YR HISTORY		
RENTS & ROYALTIES	7,396.48	9,656.56	10,472.00	9,345.50	9,345.50	7,582.00	8,567.00	985.00	-18.19%	- HIST PARK EVENTS		
PARK CONTRIBUTIONS	10,360.00	5,975.00	-	200.00	25,200.00	-	-	-	-	BATHROOM-CO GRAND GRANT		
GRANT REVENUE	2,654.21	34,160.93	34,040.00	1,214.30	1,214.30	18,000.00	17,000.00	(1,000.00)	-50.06%	BATHROOM-CO GRAND GRANT		
OTHER AGENCY CONT	-	83.00	-	-	-	-	-	-	-	GRANT MATCH		
RESERVES	-	-	-	-	-	-	14,250.00	14,250.00	-	-		
<b>TOTAL INCOME</b>	<b>124,023.22</b>	<b>223,499.83</b>	<b>184,592.00</b>	<b>155,528.55</b>	<b>158,008.24</b>	<b>190,797.00</b>	<b>194,269.66</b>	<b>3,472.66</b>	<b>5.24%</b>			

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		DRAFT		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED	AUDITED	AUDITED	BUDGET	PROJECTED	ACTUAL	2022	DRAFT	DRAFT	FINAL	VS	FINAL	F. BUDGET	2022 TO 2023	
	ACTUAL	ACTUAL	BUDGET	BUDGET	BUDGET	ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	FINAL	FINAL	F. BUDGET	F. BUDGET	
<b>GENERAL FUND - PARKS EXPENDITURES</b>															
TOTAL PAYROLL	49,903.72	56,724.87	90,752.00	78,947.44	69,170.90	82,682.00	84,210.43	1,528.43	-7.21%	REALLOCATIONS/ACTUALS					
WORK COMP	1,375.00	1,684.90	1,820.00	2,376.00	2,376.00	2,566.00	2,566.00	-	40.99%	8% PROPOSAL					
CONTRACT LABOR	5,787.05	-	-	100.00	100.00	-	-	-	-	-	-	-	-	-	
OFFICE SUPPLIES	16.24	35.97	-	105.17	105.17	25.00	105.00	80.00	10.10%	CURRENT YR HISTORY					
OPERATING SUPPLIES	4,168.71	5,277.26	6,107.00	6,421.21	5,936.21	5,685.00	6,724.00	1,039.00	10.10%	CURRENT YR HISTORY					
POSTAGE	49.61	-	50.00	50.00	50.00	50.00	50.00	-	0.00%	CURRENT YR HISTORY					
REPAIRS & MAINTENANCE	3,699.27	13,043.71	14,728.00	5,854.35	4,854.35	9,325.00	8,080.23	(1,244.77)	-45.14%	CURRENT YR HISTORY					
VEHICLE EXPENSE	1,283.64	4,915.58	4,475.00	4,084.76	3,734.76	2,900.00	4,100.00	1,200.00	-8.38%	CURRENT YR HISTORY					
RENTALS	-	635.67	725.00	1,620.00	1,080.00	550.00	1,080.00	530.00	48.97%	(2) DUMPSTER RENTALS					
SHOP EXPENSE	2,448.16	1,445.87	1,595.00	1,203.03	928.03	1,150.00	1,150.00	-	-27.90%	CURRENT YR HISTORY					
INSURANCE & BONDS	4,079.42	3,812.76	4,300.00	5,108.17	5,108.17	5,534.00	5,539.00	5.00	28.81%	8% PROPOSAL					
UTILITIES	7,177.15	7,562.74	7,895.00	9,177.64	7,977.64	9,000.00	9,300.00	300.00	17.80%	PROPOSED INCREASES					
TELEPHONE	481.41	734.07	709.00	513.86	473.86	480.00	515.00	35.00	-27.36%	CURRENT YR HISTORY					
PUBLISHING & ADS	43.68	98.17	146.00	38.85	38.85	100.00	100.00	-	-31.51%	CURRENT YR HISTORY					
FEES & PERMITS	748.45	748.45	750.00	748.45	748.45	750.00	750.00	-	0.00%	CURRENT YR HISTORY					
MISCELLANEOUS	5,308.42	36,492.38	-	1,017.50	1,017.50	-	-	-	-	-	-	-	-	-	
CONTRACT SERVICES	2,274.13	3,010.48	3,000.00	2,505.49	2,505.49	3,000.00	3,000.00	-	0.00%	CURRENT YR HISTORY					
TOTAL FIXED COSTS						123,797.00	127,269.66								
REVENUE-FIXED COSTS						67,000.00	67,000.00								
CAPITAL OUTLAY	20,858.00	2,593.74	13,500.00	-	-	45,750.00	45,750.00	-	238.89%	PARK COMM REQUESTS					
GRANT PROJECTS		36,492.38	34,040.00	23,230.97	23,230.97	21,250.00	21,250.00	-	-37.57%	CO GRAND GRANT-BATHROOM					
TRANSFER IN - (OUT)	6,000.00	26,704.07	-	-	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	<b>115,702.06</b>	<b>165,520.69</b>	<b>184,592.00</b>	<b>143,102.89</b>	<b>129,436.35</b>	<b>190,797.00</b>	<b>194,269.66</b>	<b>3,472.66</b>	<b>5.24%</b>						
<b>NET = REVENUE-EXPENSE</b>	<b>8,321.16</b>	<b>57,979.14</b>	<b>-</b>	<b>12,425.66</b>	<b>28,571.89</b>	<b>-</b>	<b>(0.00)</b>	<b>(0.00)</b>							
<b>RESERVES</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>109,464.27</b>	<b>~\$107,639.93</b>									

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED	AUDITED	AUDITED	AUDITED	BUDGET	PROJECTED	ACTUAL	ACTUAL	DRAFT	FINAL	DRAFT	FINAL	VS	F. BUDGET	
	ACTUAL	ACTUAL	BUDGET	BUDGET	BUDGET	ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	FINAL	FINAL	
<b>GENERAL FUND - STREETS REVENUE</b>															
SALES TAX - TOWN	94,007.21	78,555.24	127,388.00	151,076.86	121,049.71	89,192.00	90,439.34	1,247.34	-29.00%	REALLOCATE FOR + EXP					
SALES TAX-STATE				23,245.67	20,945.67	28,980.00	29,100.00	120.00							
FRANCHISE TAX	57,753.65	56,420.40	61,375.00	50,582.03	43,417.03	62,075.00	49,910.00	(12,165.00)	-18.68%	CURRENT YR HISTORY					
MISCELLANEOUS PERMITS	1,155.00	2,025.00	1,450.00	1,565.00	1,465.00	1,450.00	1,675.00	225.00	15.52%	CURRENT YR HISTORY					
HIGHWAY USERS TAX	44,153.27	53,718.81	49,916.00	50,825.63	42,903.60	49,916.00	49,916.00	-	0.00%						
ROAD & BRIDGE	7,947.15	8,057.01	8,050.00	8,125.66	8,085.66	8,050.00	8,125.00	75.00	0.93%	CURRENT YR HISTORY					
MOTOR FUEL TAX REFUND	1,179.14	1,811.28	1,875.00	1,133.15	582.48	-	1,000.00	1,000.00	-46.67%	+FLEET CARD					
OTHER INCOME	-	500.00													
GRANT REVENUE			18,250.00	-	-	-	-	-	-100.00%						
RESERVE			18,250.00	-	-	-	-	-							
<b>TOTAL INCOME</b>	<b>206,195.42</b>	<b>201,087.74</b>	<b>286,554.00</b>	<b>286,554.00</b>	<b>238,449.15</b>	<b>431,663.00</b>	<b>462,165.34</b>	<b>30,502.34</b>	<b>1171.23%</b>	<b>TRF TO STREET CAP</b>					
									<b>61.28%</b>						

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		2022 TO 2023		NOTES & ASSUMPTIONS	
	AUDITED	AUDITED	AUDITED	BUDGET	PROJECTED	ACTUAL	DRAFT	BUDGET	DRAFT	BUDGET	DRAFT	BUDGET	VS	F. BUDGET		% OF CHANGE
	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	FINAL	BUDGET	FINAL			
<b>GENERAL FUND - STREETS EXPENDITURES</b>																
TOTAL PAYROLL	52,953.02	83,545.70	191,449.00	131,554.64	121,414.78	166,423.00	167,544.94	1,121.94	-12.49%	REALLOCATIONS/ACTUALS						
WORK COMP	1,691.00	3,305.00	3,570.00	4,542.00	4,542.00	4,905.00	4,905.00	-	37.39%	8% PROPOSAL						
OFFICE SUPPLIES	29.97	35.95	-	160.37	160.37	100.00	160.00	60.00								
OPERATING SUPPLIES	661.00	179.68	625.00	1,724.92	1,645.92	1,920.00	1,733.00	(187.00)	177.28%	CURRENT YR HISTORY						
POSTAGE	189.28	-	-	50.00	-	50.00	50.00	-								
LEGAL & ENGINEERING SERV	945.50	4,237.50	36,755.00	648.00	348.00	500.00	975.00	475.00	-97.35%	CURRENT YR HISTORY						
REPAIRS & MAINTENANCE	30,380.79	25,874.42	8,510.00	19,505.69	15,727.69	10,500.00	10,900.00	400.00	28.08%	CURRENT YR HISTORY						
VEHICLE EXPENSE	9,863.65	15,858.94	8,753.00	10,412.76	9,687.76	10,225.00	10,456.17	231.17	19.46%	CURRENT YR HISTORY						
RENTALS	1,064.00	-	-	-	-	4,380.00	42,750.00	38,370.00	602.78%	+ TOOL PURCHASES						
SHOP EXPENSE	3,063.48	3,499.78	6,083.00	52,958.23	3,959.14	-	-	-								
TRAVEL & MEETINGS	31.66	546.25	-	956.67	956.67	-	-	-								
INSURANCE & BONDS	8,744.63	3,874.63	3,905.00	3,745.91	3,745.91	4,330.00	4,061.00	(269.00)	3.99%	8% PROPOSAL						
UTILITIES	16,706.39	10,251.12	10,620.00	10,563.31	9,463.31	10,750.00	10,770.00	20.00	1.41%	PROPOSED INCREASES						
TELEPHONE	832.41	755.62	709.00	1,117.32	1,077.32	480.00	480.00	-	-32.30%	REALLOCATION OF CELL PHONES						
PUBLISHING & ADS	-	79.10	75.00	138.85	38.85	100.00	100.00	-	33.33%	CURRENT YR HISTORY						
DUES & SUBSCRIPTIONS	1.56	-	-	-	-	-	-	-								
FEES & PERMITS	-	-	-	-	-	-	-	-								
MISCELLANEOUS	-	-	-	-	-	-	-	-								
SNOW REMOVAL	8,455.65	5,511.45	15,500.00	48,475.33	8,297.45	25,000.00	15,280.23	(9,719.77)	-1.42%	CURRENT YR HISTORY						
STREET CLEANING	-	-	-	-	-	-	-	-								
TOTAL FIXED COSTS	-	-	-	-	-	239,663.00	270,165.34	-								
REVENUE-FIXED COSTS	-	-	-	-	-	192,000.00	192,000.00	-								
CAPITAL OUTLAY	62,445.13	-	-	-	-	-	-	-								
TRANSFERS	6,000.00	3,000.00	-	-	-	192,000.00	192,000.00	-								
<b>TOTAL EXPENDITURES</b>	<b>204,059.12</b>	<b>160,555.14</b>	<b>286,554.00</b>	<b>286,554.00</b>	<b>181,065.17</b>	<b>431,663.00</b>	<b>462,165.34</b>	<b>30,502.34</b>	<b>61.28%</b>							
<b>NET = REVENUE-EXPENSE</b>	<b>2,136.30</b>	<b>40,532.60</b>	<b>-</b>	<b>-</b>	<b>57,383.98</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>								
<b>RESERVES</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>192,009.71</b>	<b>-</b>	<b>-</b>	<b>0.00</b>								

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED ACTUAL		AUDITED ACTUAL		BUDGET	PROJECTED	ACTUAL	DRAFT BUDGET	FINAL BUDGET	DRAFT VS FINAL	2022 TO 2023	F.BUDGET	

GENERAL FUND - BRIDGE													
INTEREST INCOME			283.15		300.00	10,017.22	8,117.22	5,000.00	5,000.00	-	-	1566.67%	
BRIDGE RESERVE	4,265.58	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	-	-	0.00%	
RESERVES			-	80,000.00	80,000.00	-	-	80,000.00	80,000.00	-	-	0.00%	
<b>TOTAL INCOME</b>	<b>44,265.58</b>	<b>40,283.15</b>	<b>40,283.15</b>	<b>120,300.00</b>	<b>50,017.22</b>	<b>48,117.22</b>	<b>125,000.00</b>	<b>125,000.00</b>	<b>125,000.00</b>	<b>-</b>	<b>-</b>	<b>3.91%</b>	
BRIDGE REPAIR			-	120,300.00	-	-	-	125,000.00	125,000.00	-	-	3.91%	BRIDGE RESURFACING
<b>TOTAL EXPENDITURES</b>			-	<b>120,300.00</b>	-	-	-	<b>125,000.00</b>	<b>125,000.00</b>	<b>-</b>	<b>-</b>	<b>3.91%</b>	
<b>NET = REVENUE-EXPENSE</b>	<b>44,265.58</b>	<b>40,283.15</b>	<b>40,283.15</b>	<b>-</b>	<b>50,017.22</b>	<b>48,117.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
RESERVES			X				<b>229,524.76</b>		<b>~\$149,524.76</b>				



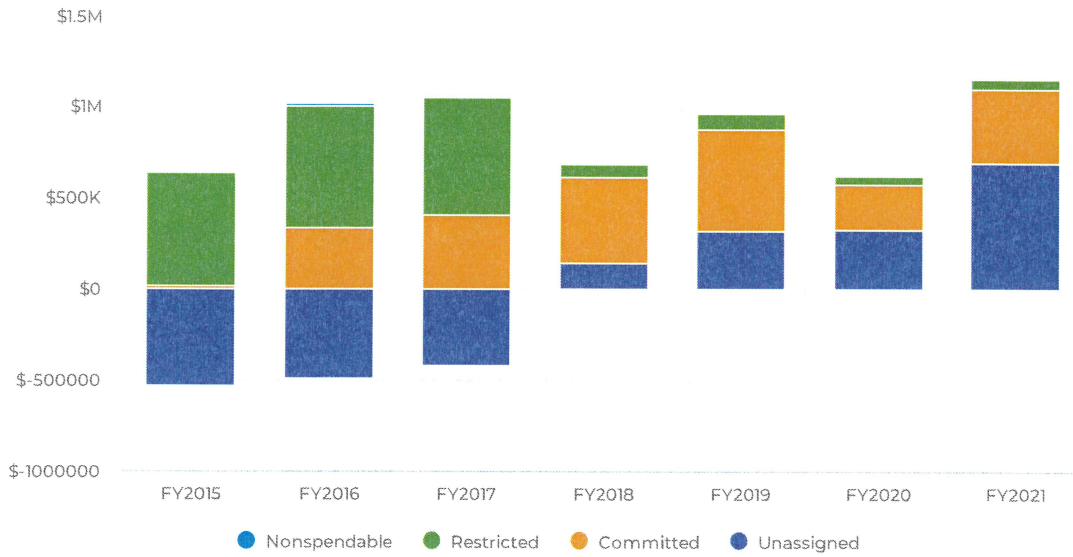






# Fund Balance

## Projections



	FY2019	FY2020	% Change
<b>Fund Balance</b>	—	—	
Unassigned	\$321,226	\$332,793	3.6%
Committed	\$561,088	\$245,162	-56.3%
Restricted	\$87,894	\$42,302	-51.9%
Nonspendable	\$0	\$0	0%
<b>Total Fund Balance:</b>	<b>\$970,208</b>	<b>\$620,257</b>	<b>-36.1%</b>



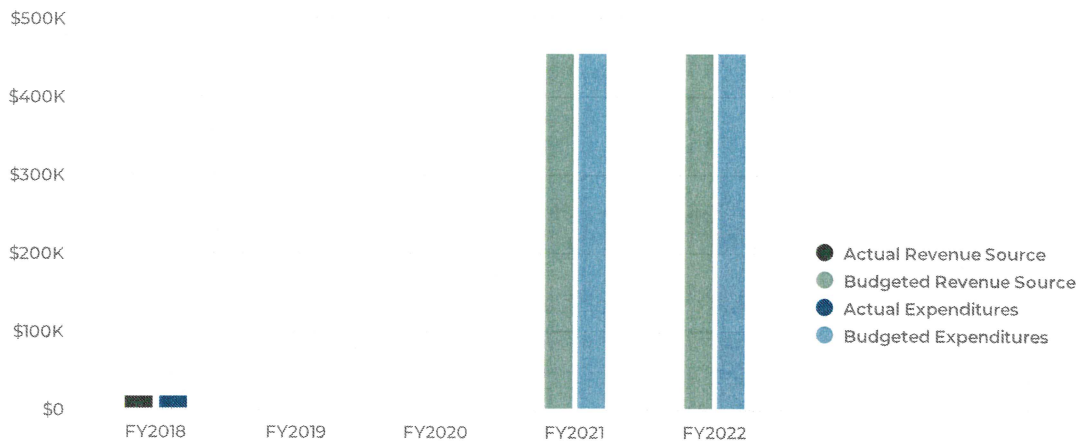
## Pass-Thru Grant Fund

According to GASB 24, all cash pass-through grants received by a government entity (referred to as a recipient government) are reported in its financial statement. Pass-through grants are those grants that are received by a recipient government to transfer to or spend on behalf of a secondary recipient.

As a general rule, recipient governments should recognize all cash pass-through grants and revenue and expenditures or expenses in a governmental, proprietary, or trust fund.

### Summary

The Town of Paonia is projecting \$460K of revenue in FY2023, which represents a 0% increase over the prior year. Budgeted expenditures are projected to increase by 0% or \$0.00 to \$460K in FY2023.



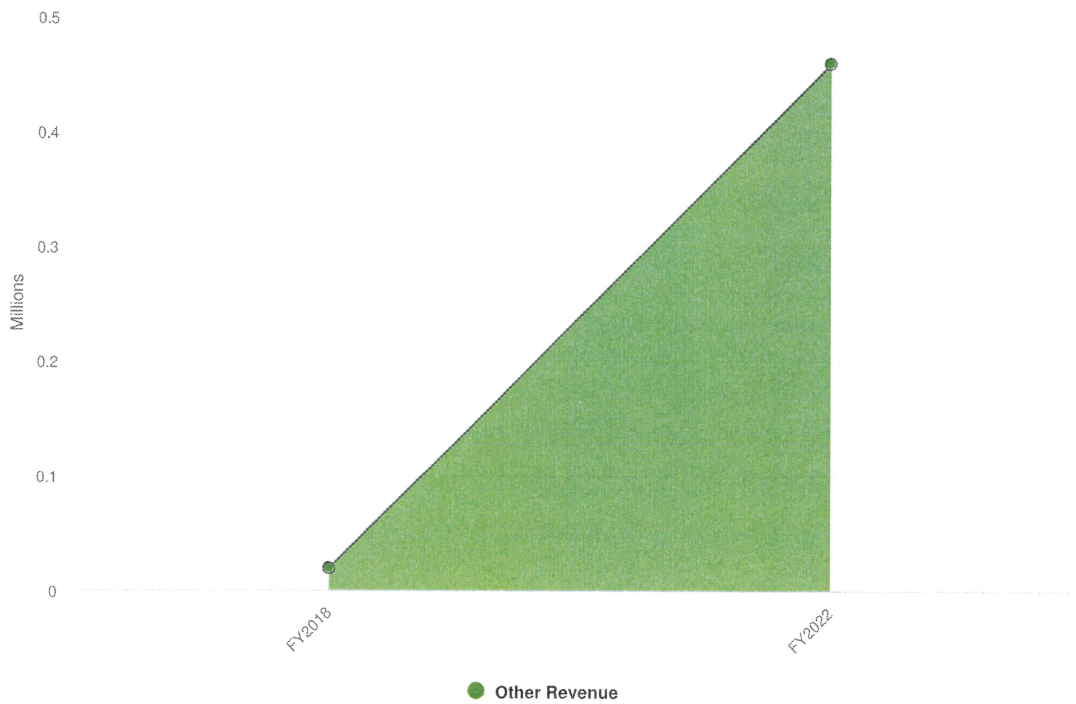


## Revenues by Source

There are two (2) possible pass through grants currently in process for 2023. They are the Skate Park and Turner Ditch Habitat Replacement Project.

### Projected 2023 Revenues by Source

### Budgeted and Historical 2023 Revenues by Source



Name	FY2022 Budgeted	FY2022 Budgeted vs. FY2023 Budgeted (% Change)
Revenue Source		
Other Revenue	\$460,000.00	-100%
<b>Total Revenue Source:</b>	<b>\$460,000.00</b>	<b>-100%</b>

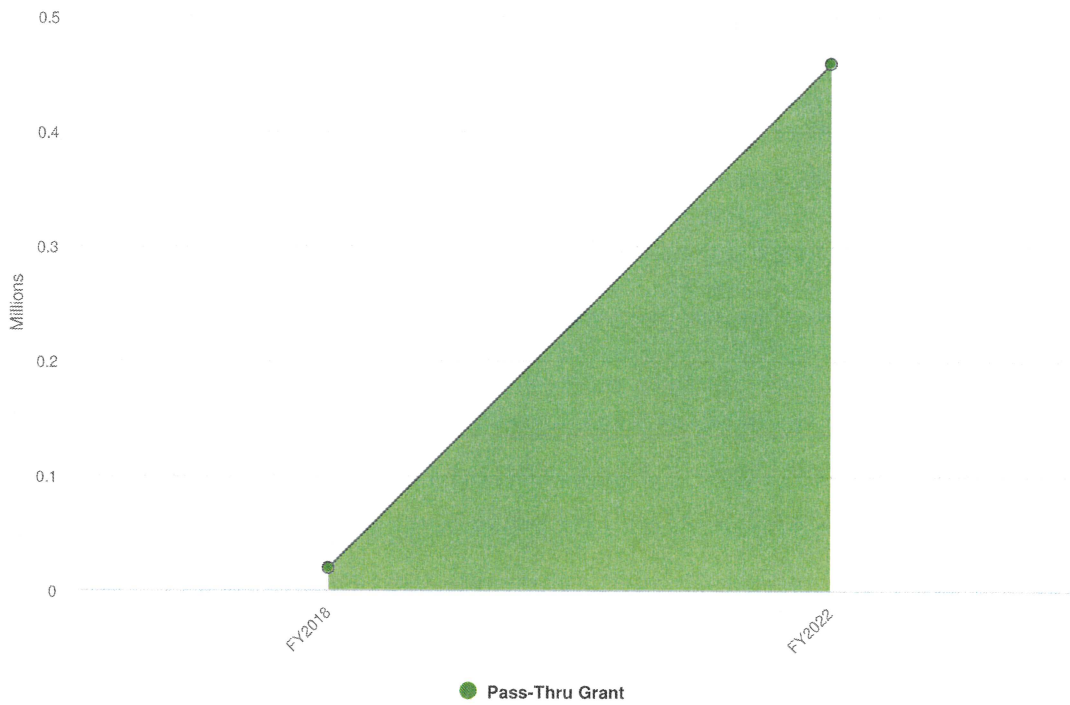


# Expenditures by Function

Pass Through Grant is a portal where the funds are paid out directly to the secondary recipient.

## Budgeted Expenditures by Function

## Budgeted and Historical Expenditures by Function



Name	FY2022 Budgeted	FY2022 Budgeted vs. FY2023 Budgeted (% Change)
Expenditures		
Pass-Thru Grant	\$460,000.00	-100%
<b>Total Expenditures:</b>	<b>\$460,000.00</b>	<b>-100%</b>



## **Conservation Trust Fund**

The Conservation Trust Fund is a special revenue fund established to account for the receipt of Lottery Funds received from the State of Colorado. This fund is used to record all resource inflows and outflows that are associated with the special-purpose of the funds. The activities being paid for through the Conservation Trust fund constitute the administrative and operational tasks of Conservation Trust Funds.

These funds are restricted in use to the acquisition, development, and maintenance of new conservation sites or for capital improvements for recreational purposes on any public site. Conservation Trust Fund revenues are distributed by the State from Lottery proceeds based on population estimates for the entity receiving the funds.

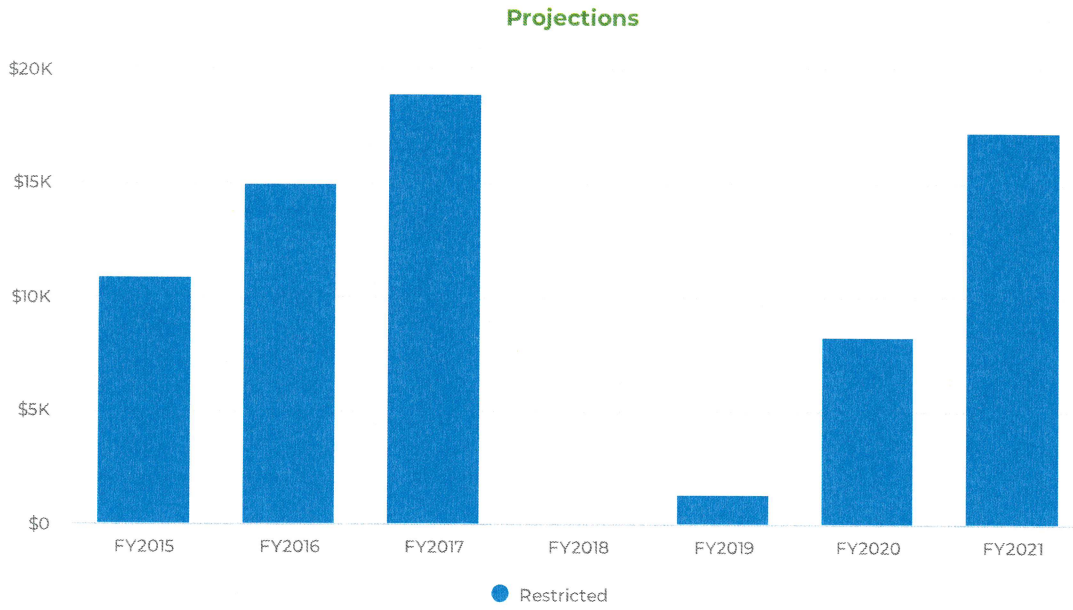
## CONSERVATION TRUST FUND HISTORY

PROJECT	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
TREE TRIMMING	10,000	10,000								
TOWN PARK PLAYGROUND SHELTER		10,000								
TOWN PARK PLAYGROUND UPGRADE	6,747	5,582								
POULOS PARK UPGRADE			3,495.00							
BIKE RACKS FOR TOWN PARK			4,000.00							
DELTA BRICK & CLIMATE COMPANY				600.00						
PAONIA TREE SERVICE-TREE TRIMMING					6,900.00					
CLISSETT LLC-EHS CENTER ROOF					20,000.00					
IRA HOUSEWEART METALWORKER						5,000.00				
TLC TREE SERVICES						300.00				
C&N CONSTRUCTION						22,191.96				
WESTERN SLOPE TREE SERVICE							500.00			
MISTY MOUNTAIN INC							2,897.50			
COLO STATE FOREST SERVICE							824.00			
TREE TRIMMING								5,200.00		
ASPEN TREE									7,500.00	5,000.00
NEW TREE FOR APPLE VALLEY									500.00	
LEVEL 2 TREE INSPECTION									2,000.00	
TOTAL	16,747	25,582	7,495.00	600.00	26,900.00	27,491.96	4,221.50	5,200.00	10,000.00	5,000.00

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		DRAFT		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED	AUDITED	AUDITED	AUDITED	BUDGET	PROJECTED	ACTUAL	BUDGET	DRAFT	FINAL	DRAFT	VS	2022 TO 2023	F. BUDGET	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL					BUDGET	BUDGET	FINAL	FINAL	F. BUDGET	F. BUDGET	

CONSERVATION TRUST FUND															
CONSERVATION TRUST					8,500.00	9,259.68	6,785.13	9,500.00	9,250.00	(250.00)			8.82%		CURRENT YR HISTORY
INTEREST	7,590.44	9,005.88			15.00	12.83	10.83	15.00	15.00	-			0.00%		
RESERVES	4.02	14.78			17,067.00			7,232.00	21,580.75	14,348.75			26.45%		
<b>TOTAL INCOME</b>	<b>7,594.46</b>	<b>9,020.66</b>	<b>9,020.66</b>	<b>9,272.51</b>	<b>25,582.00</b>	<b>4,923.76</b>	<b>6,795.96</b>	<b>16,747.00</b>	<b>30,845.75</b>	<b>14,098.75</b>			<b>20.58%</b>		
EXPENDITURES-CTF	600.00	-	-	4,923.76	25,582.00		4,923.76	16,747.00	30,845.75	14,098.75			20.58%		TREE+PLAYGROUND UPGRADE
TRANSFER	-	-	-	-	-	-	-	-	-	-					
<b>TOTAL EXPENDITURES</b>	<b>600.00</b>	<b>-</b>	<b>-</b>	<b>4,923.76</b>	<b>25,582.00</b>	<b>4,923.76</b>	<b>4,923.76</b>	<b>16,747.00</b>	<b>30,845.75</b>	<b>14,098.75</b>			<b>20.58%</b>		
<b>NET = REVENUE-EXPENSE</b>	<b>6,994.46</b>	<b>9,020.66</b>	<b>9,020.66</b>	<b>4,348.75</b>	<b>-</b>	<b>4,348.75</b>	<b>1,872.20</b>	<b>-</b>	<b>-</b>	<b>-</b>					
CONS TRUST BEGINNING RESERVE	1,316.77	8,311.23		17,232.00											
CONS TRUST INCOME	7,594.46	9,020.66		9,272.51	25,582.00		6,795.96		30,845.75						
CONS TRUST EXPENSE	600.00	-	-	4,923.76	25,582.00		4,923.76		30,845.75						
NET CHANGE	6,994.46	9,020.66		4,348.75	-		1,872.20		-						
<b>CONS TRUST ENDING RESERVE</b>	<b>8,311.23</b>	<b>17,331.89</b>	<b>17,331.89</b>	<b>21,580.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>					

## Fund Balance



	FY2019	FY2020	% Change
<b>Fund Balance</b>	—	—	
Restricted	\$1,317	\$8,311	531.1%
<b>Total Fund Balance:</b>	<b>\$1,317</b>	<b>\$8,311</b>	<b>531.1%</b>



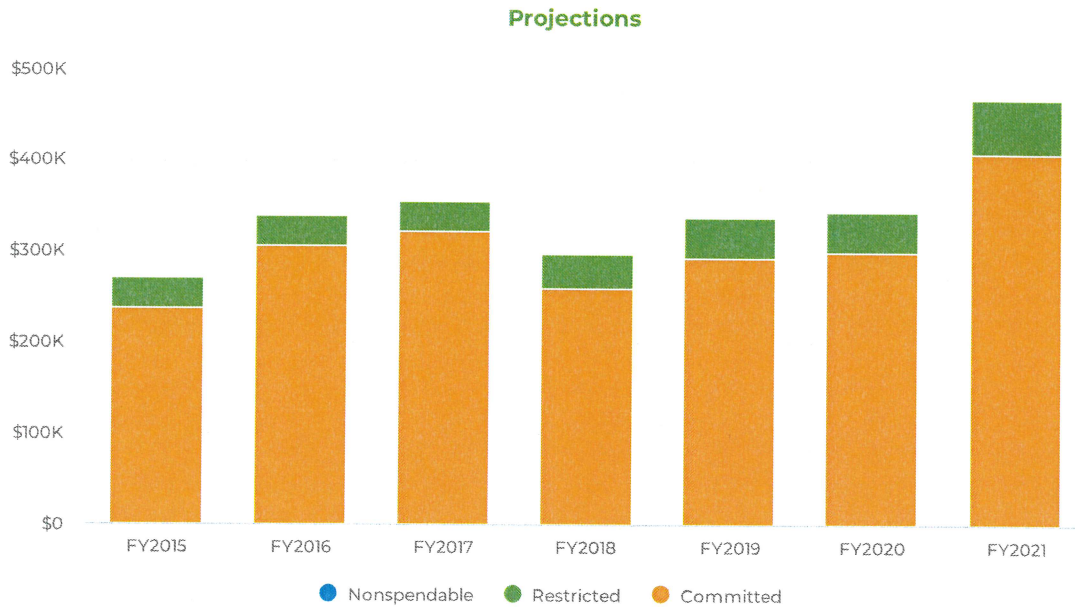
## **Capital Improvement Fund**

The Capital Improvement fund is a specialty fund. This fund is used to record all resource inflows and outflows that are associated with the special purpose of the funds. The activities being paid for through the Capital Improvement fund are 1% of the 3% Town Sales Tax and is used to account for capital projects and purchases.

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		2022 TO 2023		NOTES & ASSUMPTIONS
	AUDITED ACTUAL	AUDITED ACTUAL	AUDITED ACTUAL	BUDGET	PROJECTED	ACTUAL	DRAFT BUDGET	FINAL BUDGET	DRAFT BUDGET	FINAL BUDGET	DRAFT VS FINAL	% OF CHANGE			
<b>CAPITAL IMPROVEMENT FUND</b>															
SALES TAX - CAP. IMPROVEMENTS	214,454.96	235,597.02	234,000.00	278,216.67	255,715.69	298,524.00	299,700.00	1,176.00	28.08%						CURRENT YR HISTORY
AIRPORT	7,650.00	7,650.00	7,650.00	7,650.00	7,012.50	7,650.00	7,650.00	-	0.00%						
GRANT/LOANS	-	-	-	-	-	-	25,000.00	25,000.00							MASTERPLANNING GRANT
MISCELLANEOUS	500.00	-	-	-	-	-	-	-							
RESERVES	-	-	492,258.00	-	-	599,271.00	628,368.76	29,097.76	27.65%						
<b>TOTAL INCOME</b>	<b>222,604.96</b>	<b>243,247.02</b>	<b>733,908.00</b>	<b>285,866.67</b>	<b>262,728.19</b>	<b>905,445.00</b>	<b>960,718.76</b>	<b>55,273.76</b>	<b>30.90%</b>						
CAPITAL OUTLAY	216,847.73	119,107.51	421,740.00	119,546.88	119,546.88	491,603.00	552,874.51	61,271.51	31.09%						INCLUDES MASTER PLANNING
AIRPORT	-	-	19,842.00	5,997.75	5,997.75	67,842.00	61,844.25	(5,997.75)	211.68%						NO CURRENT REQUESTS
CAPITAL PROJECTS	-	-	-	-	-	-	-	-							
TRANSFERS	-	-	244,326.00	-	-	346,000.00	346,000.00	-	41.61%						TRANFER TO STREET CAP
<b>TOTAL EXPENDITURES</b>	<b>216,847.73</b>	<b>119,107.51</b>	<b>685,908.00</b>	<b>125,544.63</b>	<b>125,544.63</b>	<b>905,445.00</b>	<b>960,718.76</b>	<b>55,273.76</b>	<b>40.07%</b>						
<b>NET = REVENUE-EXPENSE</b>	<b>5,757.23</b>	<b>124,139.51</b>	<b>48,000.00</b>	<b>160,322.04</b>	<b>137,183.56</b>	<b>-</b>	<b>(0.00)</b>	<b>(0.00)</b>							
CAPITAL FUND BEGINNING RESERVE	338,149.98	343,907.21	468,046.72												
CAPITAL INCOME	222,604.96	243,247.02	733,908.00	285,866.67	262,728.19	960,718.76	960,718.76								
CAPITAL EXPENSE	216,847.73	119,107.51	685,908.00	125,544.63	125,544.63	960,718.76	960,718.76								
NET CHANGE	5,757.23	124,139.51	48,000.00	160,322.04	137,183.56	(0.00)	(0.00)								
<b>CAPITAL FUND ENDING RESERVE</b>	<b>343,907.21</b>	<b>468,046.72</b>	<b>48,000.00</b>	<b>628,368.76</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>							
LESS CLASSIFIED FUND BALANCE															
RESTRICTED - TABOR															
COMMITTED															
AIRPORT	52,543.00	60,192.00	48,000.00	54,194.25	-	-	-	-							
<b>TOTAL CLASSIFIED FUND BAL</b>	<b>52,543.00</b>	<b>60,192.00</b>	<b>48,000.00</b>	<b>54,194.25</b>	<b>-</b>	<b>-</b>	<b>(0.00)</b>	<b>(0.00)</b>							
<b>UNASSIGNED FUND BAL</b>	<b>291,364.21</b>	<b>407,854.72</b>	<b>-</b>	<b>574,174.51</b>	<b>-</b>	<b>-</b>	<b>(0.00)</b>	<b>(0.00)</b>							



# Fund Balance



	FY2019	FY2020	% Change
<b>Fund Balance</b>	—	—	
Committed	\$293,258	\$299,015	2%
Restricted	\$44,892	\$44,892	0%
Nonspendable	\$0	\$0	0%
<b>Total Fund Balance:</b>	<b>\$338,150</b>	<b>\$343,907</b>	<b>1.7%</b>



## Water Fund

**Water Fund:** The Town operates two water treatment facilities. The upper system, also known as the 2.0 Million Gallon (2MG) Water Treatment Plant (WTP) services primarily the out-of-town customers, water companies and the northeast end of Town. The lower system, also known as the 1.0 Million Gallon (1MG) Water Treatment Plant or commonly referred to as the "Clock Plant" services mostly Town proper. The primary sources of revenue are charges for service. This fund is used to account for the revenues and expenses associated with the operations and maintenance of the water treatment and delivery (distribution) system. Also, to be included in the charges for services or any rate consideration for this fund are the repayment of loans for the water treatment facilities and monies for capital re-investment to these systems.

The Enterprise Funds are used to report the same functions presented as **business-type activities** in the government-wide financial statements. The Town of Paonia uses Enterprise Funds to account for its Water, Sewer and Trash Funds, all of which are considered to be major funds of the Town of Paonia.

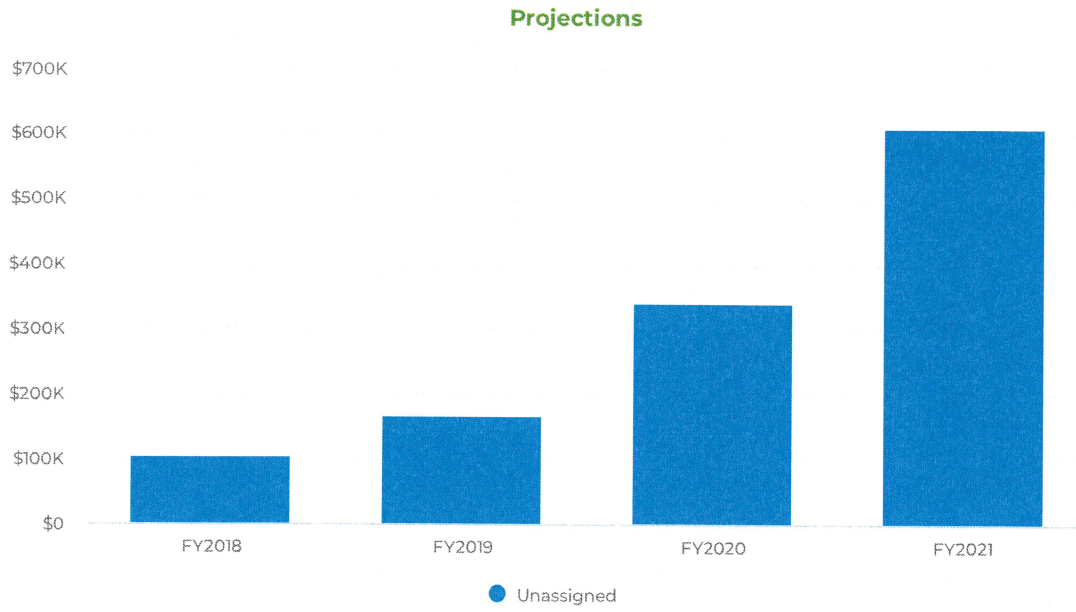
ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		2022 TO 2023		NOTES & ASSUMPTIONS
	AUDITED	AUDITED	AUDITED	ACTUAL	BUDGET	PROJECTED	ACTUAL	DRAFT	DRAFT	BUDGET	BUDGET	FINAL	VS	F. BUDGET	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	FINAL	FINAL	F. BUDGET	

WATER FUND - INCOME															
WATER CHARGES-BASE RATE	799,921.19	965,445.24	694,824.00	802,674.05	672,274.05	788,352.00	802,675.00	14,323.00	15.52%						CURRENT YR HISTORY
STANDBY TAP FEES	53,584.79	54,574.51	50,676.00	58,954.80	46,652.80	56,856.00	58,955.00	2,099.00	16.34%						CURRENT YR HISTORY
BASE RATE INCREASE	-	-	155,664.00	-	-	107,502.00	107,502.00	-	-30.94%						APPROVED INCREASE
WATER CHARGES-USAGE	-	-	270,621.00	219,992.54	195,992.54	310,240.00	310,240.00	-	14.64%						CURRENT YR HISTORY
USAGE RATE INCREASE	-	-	-	-	-	123,657.00	123,657.00	-	-						EST USAGE APPROVED INC
SALES & SERVICES	8,285.75	9,200.48	7,000.00	1,961.52	1,611.52	2,000.00	2,000.00	-	-71.43%						CURRENT YR HISTORY
BULK WATER	5,850.00	6,595.00	6,025.00	8,053.00	6,553.00	7,600.00	8,100.00	500.00	34.44%						CURRENT YR HISTORY
WATER TAPS	45,500.00	5,500.00	-	-	-	-	-	-	-						
GRANT FUNDS	3,826.50	9,896.25	704,732.00	184,616.39	184,616.39	704,732.00	1,119,232.78	414,500.78	58.82%						DOLA+ARPA
PENALTIES	395.72	50.00	350.00	4,525.00	4,125.00	7,500.00	4,525.00	(2,975.00)	1192.86%						CURRENT YR HISTORY
RENTS	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	-	0.00%						CURRENT YR HISTORY
MISCELLANEOUS REVENUE	754.72	1,428.65	-	-	-	-	-	-	-						
SALE OF ASSETS	-	-	-	11,215.12	11,215.12	-	-	-	-						
RESERVES	-	-	335,500.00	-	-	-	-	-	-						
<b>TOTAL INCOME</b>	<b>919,118.67</b>	<b>1,053,690.13</b>	<b>2,558,533.00</b>	<b>1,292,992.42</b>	<b>1,124,040.42</b>	<b>2,109,439.00</b>	<b>2,884,601.78</b>	<b>775,162.78</b>	<b>12.74%</b>						

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED ACTUAL	AUDITED ACTUAL	2022 BUDGET	2022 PROJECTED	2022 ACTUAL	2023 DRAFT BUDGET	2023 FINAL BUDGET	DRAFT VS FINAL	2022 TO 2023 F.BUDGET	2023	2023	2022 TO 2023	F.BUDGET		
<b>WATER FUND - EXPENDITURES</b>															
TOTAL PAYROLL	206,414.45	185,494.08	267,419.00	180,001.43	163,864.31	375,987.00	377,587.01	1,600.01	41.20%	1,600.01	377,587.01	1,600.01	41.20%	REALLOCATIONS/ACTUALS	
NORRIS RETIREMENT	20,160.00	3,068.18	3,315.00	3,776.00	15,120.00	13,440.00	13,440.00	-	-33.33%	-	13,440.00	-	-33.33%	SETTLEMENT CHG	
WORK COMP	3,736.00	478.65	415.00	1,017.19	3,776.00	4,080.00	4,080.00	-	23.08%	-	4,080.00	-	23.08%	8% PROPOSAL	
OFFICE SUPPLIES	181.35	20,497.17	23,415.00	43,769.84	917.19	1,125.00	975.00	(150.00)	134.94%	(150.00)	975.00	(150.00)	134.94%	CURRENT YR HISTORY	
OPERATING SUPPLIES	9,250.99	5,468.19	5,550.00	5,072.58	38,004.84	32,300.00	43,666.00	11,366.00	86.49%	11,366.00	43,666.00	11,366.00	86.49%	CURRENT YR HISTORY	
POSTAGE	4,243.98	43,672.90	28,000.00	23,468.31	4,267.58	5,760.00	5,160.00	(600.00)	-7.03%	(600.00)	5,160.00	(600.00)	-7.03%	CURRENT YR HISTORY	
LEGAL & ENGINEERING SERVICES	3,776.50	11,520.00	12,500.00	12,500.00	20,468.31	26,000.00	31,000.00	5,000.00	10.71%	5,000.00	31,000.00	5,000.00	10.71%	CURRENT YR HISTORY	
AUDIT	11,520.00	11,000.00	12,500.00	12,500.00	12,500.00	13,000.00	13,000.00	-	4.00%	-	13,000.00	-	4.00%	RFP	
REPAIRS & MAINTENANCE	95,982.04	28,600.55	227,750.00	270,483.93	175,622.04	157,146.00	241,752.78	84,606.78	6.15%	84,606.78	241,752.78	84,606.78	6.15%	WATER ADVISORY REQUESTS	
VEHICLE EXPENSE	7,938.23	18,302.97	20,360.00	6,760.59	5,310.59	9,000.00	9,000.00	-	-55.80%	-	9,000.00	-	-55.80%	CURRENT YR HISTORY	
RENTALS				360.00	360.00	400.00	400.00	-		-	400.00	-			
SHOP EXPENSE	3,616.55	5,920.87	1,950.00	7,132.93	5,682.93	5,000.00	7,140.00	2,140.00	266.15%	2,140.00	7,140.00	2,140.00	266.15%	CURRENT YR HISTORY	
TRAVEL & MEETINGS	31.67	1,840.08	1,200.00	1,884.66	1,034.66	2,240.00	2,500.00	260.00	108.33%	260.00	2,500.00	260.00	108.33%	CERTIFICATION TRAINING (2)	
INSURANCE & BONDS	20,980.22	24,873.24	27,550.00	26,389.56	26,389.56	28,625.00	28,612.00	(13.00)	3.85%	(13.00)	28,612.00	(13.00)	3.85%	8% PROPOSAL	
UTILITIES	30,925.74	28,880.49	34,654.00	30,095.39	26,595.39	30,600.00	30,250.00	(350.00)	-12.71%	(350.00)	30,250.00	(350.00)	-12.71%	PROPOSED INCREASES	
TELEPHONE	4,467.93	5,053.13	5,088.00	5,055.19	4,655.19	4,812.00	4,776.00	(36.00)	-6.13%	(36.00)	4,776.00	(36.00)	-6.13%	CURRENT YR HISTORY	
PUBLISHING & ADS	178.35	196.93	200.00	441.31	241.31	425.00	445.00	20.00	122.50%	20.00	445.00	20.00	122.50%	CURRENT YR HISTORY	
DUES & SUBSCRIPTIONS	1,849.06	24,997.50	20,658.00	22,380.00	20,670.00	20,670.00	20,670.00	-	0.06%	-	20,670.00	-	0.06%	CURRENT YR HISTORY	
FEES & PERMITS	11,280.75	17,372.01	12,015.00	8,893.13	8,250.63	11,900.00	10,635.00	(1,265.00)	-11.49%	(1,265.00)	10,635.00	(1,265.00)	-11.49%	CURRENT YR HISTORY	
DATA PROCESSING	11,725.90	18,028.81	29,630.00	35,025.15	34,125.15	21,200.00	21,393.00	193.00	-27.80%	193.00	21,393.00	193.00	-27.80%	CURRENT YR HISTORY	
CONTRACT SERVICES		4,800.00		68,467.62	66,967.62	18,000.00	18,000.00	-		-	18,000.00	-			
WATER POWER AUTHORITY LOAN	171,095.53	173,837.91	191,225.00	173,818.91	173,818.91	192,500.00	192,500.00	-	0.67%	-	192,500.00	-	0.67%	CURRENT YR HISTORY	
DRINKING WATER REVOLVING FUND	23,343.40	23,343.40	23,344.00	23,343.70	11,671.70	23,345.00	23,345.00	-	0.00%	-	23,345.00	-	0.00%	CURRENT YR HISTORY	
FCNB INTERIM FINANCING				495.00	495.00	495.00	495.00	-		-	495.00	-			
DEBT SERVICE	(142,892.96)	(151,795.05)													
TOTAL FIXED COSTS						998,050.00	1,100,821.79				1,100,821.79				
REVENUE-FIXED COSTS						1,111,389.00	1,783,779.99				1,783,779.99				
CAPITAL OUTLAY															
PASS THRU	25,605.31	30,660.59													
GRANT PROJECTS	7,653.01	20,730.00	1,278,395.00			677,732.00	1,393,947.78	716,215.78	9.04%	716,215.78	1,393,947.78	716,215.78	9.04%	DOLA/ARPA	
TRANSFER IN - (OUT)	7,000.00	3,000.00													
DEPRECIATION	325,068.24	331,051.63	323,740.00	325,000.00		310,000.00	310,000.00		-4.24%		310,000.00		-4.24%		
<b>TOTAL EXPENDITURES</b>	<b>865,132.24</b>	<b>899,534.23</b>	<b>2,558,533.00</b>	<b>1,292,992.42</b>	<b>820,808.91</b>	<b>1,985,782.00</b>	<b>2,804,769.57</b>	<b>818,987.57</b>	<b>9.62%</b>	<b>818,987.57</b>	<b>2,804,769.57</b>	<b>818,987.57</b>	<b>9.62%</b>		
<b>NET - REVENUE-EXPENSE</b>	<b>53,986.43</b>	<b>154,155.90</b>	<b>-</b>	<b>-</b>	<b>303,231.51</b>	<b>123,657.00</b>	<b>79,832.21</b>	<b>(43,824.79)</b>		<b>(43,824.79)</b>	<b>79,832.21</b>	<b>(43,824.79)</b>			



## Fund Balance



	FY2021
<b>Fund Balance</b>	—
Unassigned	\$610,788
<b>Total Fund Balance:</b>	<b>\$610,788</b>



## Sewer Fund

**Sewer Fund:** The Town operates a Wastewater Treatment Plant (WWTP) and a sanitary sewer collection system. The primary sources of revenue are charges for service. This fund is used to account for the revenues and expenses associated with the operations and maintenance of the wastewater treatment plant and collections system. Also, to be included in the charges for services or any rate consideration for this fund are the repayment of loans for the wastewater treatment plant facility and monies for capital reinvestment in this system.

The Enterprise Funds are used to report the same functions presented as **business-type activities** in the government-wide financial statements. The Town of Paonia uses Enterprise Funds to account for its Water, Sewer and Trash Funds, all of which are considered to be major funds of the Town of Paonia.

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED ACTUAL	AUDITED ACTUAL	AUDITED ACTUAL	AUDITED ACTUAL	BUDGET	PROJECTED	ACTUAL	2022 DRAFT BUDGET	DRAFT BUDGET	FINAL BUDGET	DRAFT VS FINAL	2022 TO 2023 F. BUDGET	F. BUDGET	F. BUDGET	

**SEWER FUND - INCOME**

SEWER CHARGES - RECEIVED	531,364.63	530,966.64	536,856.00	518,509.76	443,820.81	536,856.00	536,856.00	536,856.00	-	-	0.00%			
INCREASE	-	-	-	-	-	222,804.00	222,804.00							APPROVED INCREASE
SEWER TAPS	42,500.00	4,500.00	5,000.00	5,000.00	5,000.00	10,000.00	10,000.00	10,000.00	-	-	100.00%			PENDING REQUESTS
INTEREST	4,588.81	452.34	400.00	8,885.68	8,885.68	8,630.00	20,760.00	20,760.00	12,130.00	12,130.00	5090.00%			INCREASE IN INT RATE (4MO AVG)
GRANT REVENUE	53,587.50	-	-	-	-	-	-	-	-	-	-			
MISCELLANEOUS REVENUE	2,172.00	-	-	-	-	-	-	-	-	-	-			
SALE OF ASSETS	-	-	9,860.56	9,860.56	9,860.56	-	-	-	-	-	-			
<b>TOTAL INCOME</b>	<b>634,212.94</b>	<b>535,918.98</b>	<b>542,256.00</b>	<b>542,256.00</b>	<b>467,567.05</b>	<b>778,290.00</b>	<b>790,420.00</b>	<b>12,130.00</b>	<b>45.77%</b>					

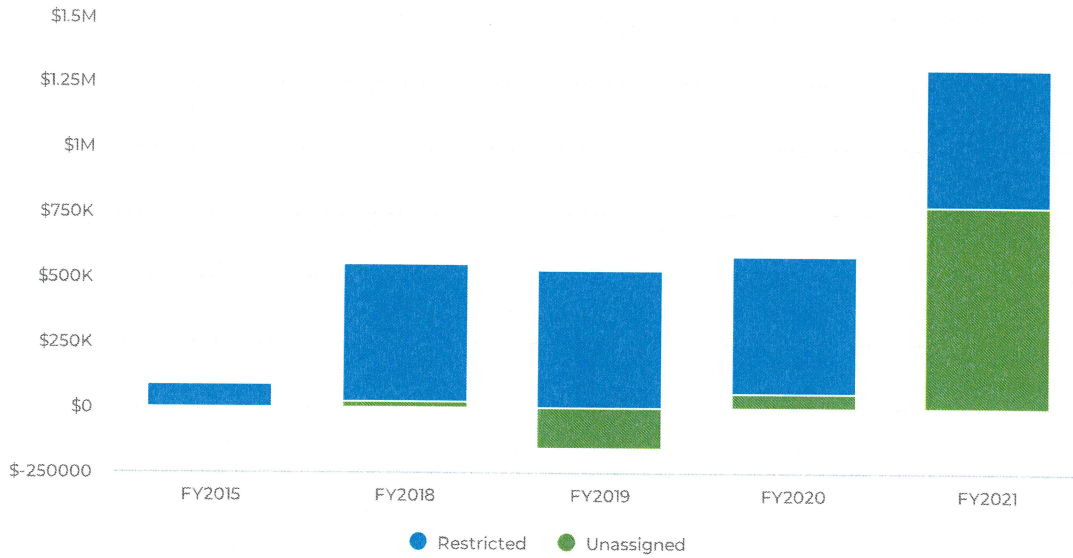


ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		% OF CHANGE		NOTES & ASSUMPTIONS	
	AUDITED	AUDITED	AUDITED	AUDITED	BUDGET	PROJECTED	ACTUAL	DRAFT	FINAL	DRAFT	FINAL	DRAFT	FINAL	2022 TO 2023		F. BUDGET
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	F. BUDGET		F. BUDGET
<b>SEWER FUND - EXPENDITURES</b>																
TOTAL PAYROLL	115,124.36	157,911.68	135,048.00	98,716.98	135,048.00	98,716.98	90,016.15	228,395.00	228,689.17	294.17	69.34%	294.17	69.34%	REALLOCATIONS/ACTUALS		
WORK COMP	961.00	902.01	975.00	1,027.00	975.00	1,027.00	1,027.00	1,150.00	1,110.00	(40.00)	13.85%	(40.00)	13.85%	8% PROPOSAL		
OFFICE SUPPLIES	161.89	69.88	50.00	910.09	50.00	910.09	810.09	900.00	275.00	(625.00)	450.00%	(625.00)	450.00%	CURRENT YR HISTORY		
OPERATING SUPPLIES	10,045.96	12,970.51	16,605.00	15,686.92	16,605.00	15,686.92	13,769.92	16,105.00	15,799.00	(306.00)	-4.85%	(306.00)	-4.85%	CURRENT YR HISTORY		
POSTAGE	2,124.83	2,857.45	2,695.00	2,631.22	2,695.00	2,631.22	2,231.22	2,800.00	2,700.00	(100.00)	0.19%	(100.00)	0.19%	CURRENT YR HISTORY		
LEGAL & ENGINEERING SERV	28,575.90	-	1,000.00	42.60	1,000.00	42.60	42.60	1,000.00	1,000.00	-	0.00%	-	0.00%			
AUDIT	3,600.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	5,000.00	5,000.00	-	11.11%	-	11.11%	RFP		
REPAIRS & MAINTENANCE	126,314.74	41,588.31	59,965.00	38,595.33	59,965.00	38,595.33	29,775.70	112,734.00	120,782.21	8,048.21	101.42%	8,048.21	101.42%	COMMITTEE REQUESTS		
VEHICLE EXPENSE	7,703.95	18,213.71	20,300.00	6,784.76	20,300.00	6,784.76	5,539.76	11,388.00	10,839.62	(548.38)	-46.60%	(548.38)	-46.60%	CURRENT YR HISTORY		
RENTALS	-	-	-	3,520.00	-	3,520.00	3,520.00	-	-	-	-	-	-			
SHOP EXPENSE	2,815.38	11,412.86	6,130.00	4,222.39	6,130.00	4,222.39	3,307.39	3,225.00	4,225.00	1,000.00	-31.08%	1,000.00	-31.08%	CURRENT YR HISTORY		
TRAVEL & MEETINGS	31.67	1,090.14	2,400.00	1,813.18	2,400.00	1,813.18	963.18	2,400.00	2,500.00	100.00	4.17%	100.00	4.17%	CERTIFICATION TRAINING (2)		
INSURANCE & BONDS	7,947.55	9,130.78	11,195.00	10,926.01	11,195.00	10,926.01	9,841.01	12,045.00	11,846.00	(199.00)	5.82%	(199.00)	5.82%	8% PROPOSAL		
UTILITIES	31,325.31	33,592.58	35,951.00	39,658.61	35,951.00	39,658.61	34,308.61	37,050.00	39,725.00	2,675.00	10.50%	2,675.00	10.50%	PROPOSED INCREASES		
TELEPHONE	1,577.91	1,862.94	1,973.00	1,998.09	1,973.00	1,998.09	1,828.09	1,956.00	1,968.00	12.00	-0.25%	12.00	-0.25%	CURRENT YR HISTORY		
PUBLISHING & ADS	69.08	93.69	140.00	123.52	140.00	123.52	23.52	50.00	700.00	650.00	400.00%	650.00	400.00%	RATE INC PUBLICATION		
DUES & SUBSCRIPTIONS	137.50	558.90	560.00	571.40	560.00	571.40	571.40	572.00	572.00	-	2.14%	-	2.14%	CURRENT YR HISTORY		
FEES & PERMITS	6,827.55	7,179.04	7,382.00	6,083.05	7,382.00	6,083.05	5,465.05	6,520.00	6,495.00	(25.00)	-12.02%	(25.00)	-12.02%	CURRENT YR HISTORY		
DATA PROCESSING	13,716.46	15,613.39	13,650.00	13,996.42	13,650.00	13,996.42	13,130.42	12,275.00	13,469.00	1,194.00	-1.33%	1,194.00	-1.33%	CURRENT YR HISTORY		
CONTRACT SERVICE	-	300.00	-	-	-	-	-	-	-	-	-	-	-			
GAGING STATION	3,935.00	5,360.00	4,100.00	2,865.00	4,100.00	2,865.00	2,865.00	4,100.00	4,100.00	-	0.00%	-	0.00%			
DEBT SERVICE	55,529.51	46,450.83	108,625.00	97,250.00	108,625.00	97,250.00	97,250.00	108,625.00	108,625.00	-	0.00%	-	0.00%			
TOTAL FIXED COSTS	-	-	-	-	-	-	568,290.00	580,420.00	580,420.00	-	-	-	-			
REVENUE - FIXED COSTS	-	-	-	-	-	-	210,000.00	210,000.00	210,000.00	-	-	-	-			
CAPITAL OUTLAY	-	-	-	190,333.43	-	190,333.43	141,744.48	100,000.00	100,000.00	-	-	-	-			
PASS THRU FUNDS	15,940.35	15,928.99	-	-	-	-	-	-	-	-	-	-	-			
TRANSFER IN - (OUT)	7,000.00	3,000.00	-	-	-	-	-	-	-	-	-	-	-			
DEPRECIATION	108,906.00	109,011.60	109,012.00	-	109,012.00	-	-	110,000.00	110,000.00	-	0.91%	-	0.91%	CURRENT YR HISTORY		
<b>TOTAL EXPENDITURES</b>	<b>625,421.90</b>	<b>499,599.29</b>	<b>542,256.00</b>	<b>542,256.00</b>	<b>542,256.00</b>	<b>542,256.00</b>	<b>462,530.59</b>	<b>778,290.00</b>	<b>790,420.00</b>	<b>12,130.00</b>	<b>45.77%</b>	<b>12,130.00</b>	<b>45.77%</b>			
<b>NET = REVENUE-EXPENSE</b>	<b>8,791.04</b>	<b>36,319.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,036.46</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>	<b>-</b>			

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED	AUDITED	AUDITED	AUDITED	BUDGET	PROJECTED	ACTUAL	DRAFT	BUDGET	DRAFT	BUDGET	FINAL	VS	2022 TO 2023	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	FINAL	FINAL	F. BUDGET	
<b>SEWER FUND - SUMMARY</b>															
SEWER BEGINNING RESERVE	374,079.48	382,870.52	1,306,299.00	1,306,299.00								1,306,299.00			
SEWER INCOME	634,212.94	535,918.98	542,256.00	542,256.00	467,567.05							790,420.00			
SEWER EXPENSE	625,421.90	499,599.29	542,256.00	542,256.00	462,530.59							790,420.00			
NET CHANGE	8,791.04	36,319.69	-	0.00	5,036.46							0.00			
AUDIT ADJUSTMENT															
SEWER ENDING RESERVE	<b>382,870.52</b>	<b>419,190.21</b>	-	<b>1,306,299.00</b>								<b>1,306,299.00</b>			
SOURCE (USE) OF FUNDS		X													
LESS CLASSIFIED FUND BALANCE															
RESTRICTED															
COMMITTED															
DEPRECIATION/WPA	102,000.00	102,004.00	102,000.00	102,002.00								238,000.00			
DEBT RESERVE (BMO)	156,355.48	124,899.82	135,564.00	135,564.00								197,605.00			
10% DEBT PAYMENT RES	101,040.00	101,040.00	101,040.00	101,040.00								101,040.00			
ASSIGNED															
TOTAL CLASSIFIED FUND BAL	359,395.48	327,943.82	338,604.00	338,606.00								536,645.00			
UNASSIGNED FUND BAL	23,475.05	91,246.38	(338,604.00)	967,693.00								769,654.00			
EST UNASSIGNED	62,542.19	49,959.93	54,225.60	54,225.60								79,042.00			
	156,355.48	124,899.82	135,564.00	135,564.00								197,605.00			
	312,710.95	249,799.65	271,128.00	271,128.00	231,265.30							395,210.00			

# Fund Balance

## Projections



	FY2018	FY2019	% Change
<b>Fund Balance</b>	—	—	
Unassigned	\$24,904	\$-156,207	-727.2%
Restricted	\$530,286	\$530,286	0%
<b>Total Fund Balance:</b>	<b>\$555,190</b>	<b>\$374,079</b>	<b>-32.6%</b>



## Trash Fund

**Sanitation (Trash) Fund:** The Trash Fund is used to account for revenues and expenses associated with the collection and disposal of trash for In-Town residents and businesses. Charges for the service are the only revenue source for this activity.

The Enterprise Funds are used to report the same functions presented as **business-type activities** in the government-wide financial statements.

The Town of Paonia uses Enterprise Funds to account for its Water, Sewer and Trash Funds, all of which are considered to be major funds of the Town of Paonia.

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		DRAFT VS FINAL		% OF CHANGE 2022 TO 2023		NOTES & ASSUMPTIONS
	AUDITED ACTUAL	AUDITED ACTUAL	AUDITED ACTUAL	BUDGET	PROJECTED	ACTUAL	DRAFT BUDGET	FINAL BUDGET	DRAFT BUDGET	FINAL BUDGET	DRAFT VS FINAL	F. BUDGET	F. BUDGET		

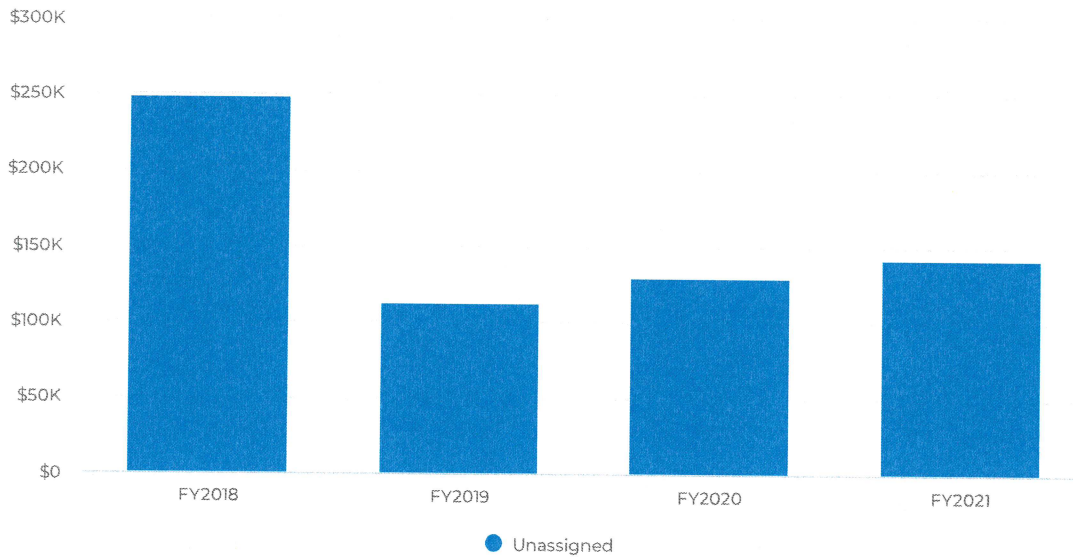
TRASH FUND - INCOME														
GARBAGE FEES - RECEIVED	220,172.59	252,029.42	254,340.00	247,241.02	247,241.02	206,241.02	247,325.00	247,325.00	247,325.00	247,325.00	-	-	-2.76%	
INCREASE	-	-	-	-	-	-	83,010.00	83,010.00	83,010.00	83,010.00	-	-	-	APPROVED INCREASE
SALES & SERVICE RESERVE	1,152.00	8,674.92	10,000.00	1,909.00	1,909.00	1,709.00	2,400.00	2,500.00	2,500.00	2,500.00	100.00	100.00	-75.00%	CURRENT YR HISTORY
TOTAL INCOME	221,324.59	260,704.34	283,100.00	249,150.02	249,150.02	207,950.02	332,735.00	332,835.00	332,835.00	332,835.00	100.00	100.00	17.57%	

ACCOUNT DESCRIPTION	2020		2021		2022		2022		2023		2023		% OF CHANGE		NOTES & ASSUMPTIONS
	AUDITED ACTUAL	AUDITED ACTUAL	2022 BUDGET	2022 PROJECTED	2022 ACTUAL	2022 BUDGET	2023 DRAFT BUDGET	2023 FINAL BUDGET	2023 DRAFT BUDGET	2023 FINAL BUDGET	DRAFT VS FINAL	F. BUDGET	2022 TO 2023	F. BUDGET	
<b>TRASH FUND - EXPENDITURES</b>															
TOTAL PAYROLL	132,015.71	153,897.52	174,850.00	159,460.19	146,436.04	174,850.00	222,106.00	226,152.69	4,046.69	29.34%					REALLOCATIONS/ACTUALS
CONTRACT LABOR	-	-	-	50.00	50.00	-	-	-	-	-	-	-	-	-	
WORK COMP	3,561.00	5,772.32	6,250.00	5,196.00	5,196.00	6,250.00	5,625.00	5,615.00	(10.00)	-10.16%					8% PROPOSAL
OFFICE SUPPLIES	157.00	52.48	160.00	401.41	401.41	160.00	499.00	370.00	(129.00)	131.25%					CURRENT YR HISTORY
OPERATING SUPPLIES	1,113.04	1,069.41	1,205.00	2,215.67	2,090.67	1,205.00	1,905.00	1,856.00	(49.00)	54.02%					CURRENT YR HISTORY
POSTAGE	1,029.15	1,791.03	1,793.00	1,582.14	1,372.14	1,793.00	1,750.00	1,525.00	(225.00)	-14.95%					CURRENT YR HISTORY
AUDIT	3,600.00	4,500.00	4,500.00	4,000.00	4,000.00	4,500.00	4,000.00	4,000.00	-	-11.11%					RFP
REPAIRS & MAINTENANCE	1,287.98	-	1,600.00	369.61	369.61	1,600.00	100.00	375.00	275.00	-76.56%					CURRENT YR HISTORY
VEHICLE EXPENSE	7,859.04	15,503.03	16,760.00	21,944.41	20,589.41	16,760.00	21,280.00	21,433.81	153.81	27.89%					CURRENT YR HISTORY
SHOP EXPENSE	607.74	1,289.38	1,420.00	1,862.93	1,862.93	1,420.00	1,725.00	1,873.50	148.50	31.94%					CURRENT YR HISTORY
TRAVEL & MEETINGS	-	546.25	-	-	-	-	-	-	-	-	-	-	-	-	
INSURANCE & BONDS	6,336.27	5,795.28	6,695.00	6,900.39	6,725.39	6,695.00	7,410.00	7,481.00	71.00	11.74%					8% PROPOSAL
UTILITIES	3,037.21	2,322.25	2,671.00	2,676.69	2,296.69	2,671.00	3,429.00	2,727.00	(702.00)	2.10%					PROPOSED INCREASES
TELEPHONE	569.82	777.27	750.00	513.85	473.85	750.00	480.00	480.00	-	-36.00%					CURRENT YR HISTORY
PUBLISHING & ADS	-	93.71	140.00	38.86	38.86	140.00	200.00	100.00	(100.00)	-28.57%					CLASSIFIED-OPEN POSITION
DATA PROCESSING	2,542.84	3,363.14	2,740.00	3,056.09	2,891.09	2,740.00	2,980.00	2,980.00	-	8.76%					CURRENT YR HISTORY
LANDFILL FEES	33,053.50	38,981.00	37,320.00	36,045.75	33,045.75	37,320.00	38,000.00	38,220.00	220.00	2.41%					PENDING RATE INCREASE
CLEAN-UP DAY	-	3,106.05	3,000.00	4,173.60	4,173.60	3,000.00	-	-	-	-100.00%					DISCONTINUE DUMPSTERS
TOTAL FIXED COSTS							311,489.00	315,189.00							
REVENUE - FIXED COSTS							21,246.00	17,646.00							
CAPITAL OUTLAY	-	-	3,600.00	-	-	3,600.00	3,600.00	-	(3,600.00)	-100.00%					MOVE TO 2024
PASS THRU FUNDS	6,604.92	7,560.89	-	-	-	-	-	-	-	-	-	-	-	-	
TRANSFER	-	2,000.00	-	-	-	-	-	-	-	-	-	-	-	-	
DEPRECIATION	17,646.00	17,646.00	17,646.00	17,646.00	-	17,646.00	17,646.00	17,646.00	-	0.00%					
<b>TOTAL EXPENDITURES</b>	<b>221,021.22</b>	<b>266,067.01</b>	<b>283,100.00</b>	<b>268,133.59</b>	<b>232,013.44</b>	<b>283,100.00</b>	<b>332,735.00</b>	<b>332,835.00</b>	<b>100.00</b>	<b>17.57%</b>					
<b>NET = REVENUE-EXPENSE</b>	<b>303.37</b>	<b>(5,362.67)</b>	<b>-</b>	<b>(18,983.57)</b>	<b>(24,063.42)</b>	<b>-</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>						



# Fund Balance

## Projections



	FY2018	FY2019	% Change
<b>Fund Balance</b>	—	—	
Unassigned	\$248,637	\$112,419	-54.8%
<b>Total Fund Balance:</b>	<b>\$248,637</b>	<b>\$112,419</b>	<b>-54.8%</b>



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# DEBT

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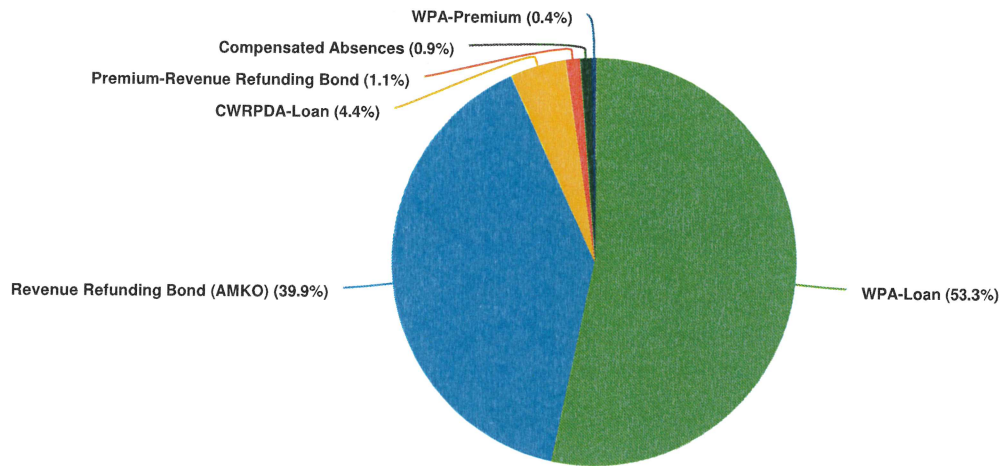
## Debt Snapshot



# \$4,140,221

\$2,189 (0.05% vs. 2019 year)

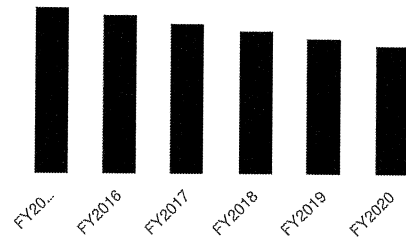
### Debt by Type



Debt	FY2020 Actual
WPA-Loan	\$2,205,438
WPA-Premium	\$17,358
CWRPDA-Loan	\$183,623
RUS-Loan	\$0
Line of Credit	\$0
Capital Lease-Equipment	\$0
Compensated Absences	\$37,622
Revenue Refunding Bond (AMKO)	\$1,650,000
Premium-Revenue Refunding Bond	\$46,180
<b>Total Debt:</b>	<b>\$4,140,221</b>

## WPA-Loan

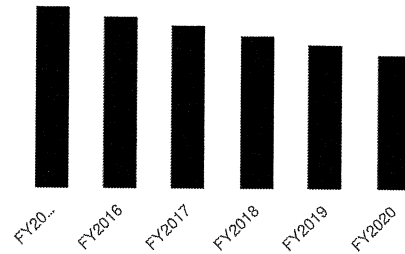
The Town has a Water Power Authority (WPA) loan agreement with CWRPDA for \$2,996,494 at 1.75% interest annually, with twice yearly payments ranging from about \$83,000 to \$91,000. The purpose of the loan is for improvements and the expansion of the existing water treatment facilities and distribution system. The Town pledged its net revenue from the operation of the water utility for repayment of the loan in the amount of approximately \$3,707,000 through 2035. Pledge revenues received during 2020 were \$138,138. The proportion of the pledged revenue to total related revenues is not estimable because annual total fees collected fluctuate. The Town is required to provide rates and charges in order to maintain coverage of 110% of the debt service due on the governmental agency bond coming due in each calendar year.



	FY2020
<b>WPA-Loan</b>	—
WPA-Loan	\$2,205,438
<b>Total WPA-Loan:</b>	<b>\$2,205,438</b>

## WPA-Premium

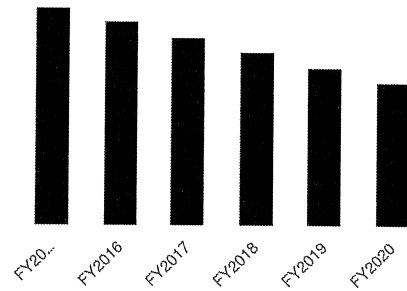
The loan balance includes a premium of \$25,431, which will be amortized over the life of the loan on a straight line basis. Yearly amortization will be \$1,211. The remaining premium balance is \$18,569 as of December 31, 2019.



	FY2020
<b>WPA-Premium</b>	—
WPA-Premium	\$17,358
<b>Total WPA-Premium:</b>	<b>\$17,358</b>

## CWRPDA-Loan

The Town has a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA), which originally enabled the Town to borrow up to \$448,200 at 1.75% interest annually, with payments of \$23,343 per year. The purpose of the loan was for upgrades to the lower water treatment plant. The project was completed in 2011, and the Town is no longer able to draw on the loan agreement. The Town pledged its net revenue from the operation of the water utility for repayment of the loan in the amount of approximately \$338,000 through 2029. Pledged revenues received during 2019 were \$23,343. The proportion of the pledged revenue to total related revenues is not estimable because annual total fees collected fluctuate. The Town is required to provide rates and charges in order to maintain coverage of 110% of the debt service due on the governmental agency bond coming due in each calendar year. As of December 31, 2019, the Town borrowed \$395,969, of which the Town has made principal payments of \$192,478. Principal and interest payments for the years following December 31, 2019 are as follows:



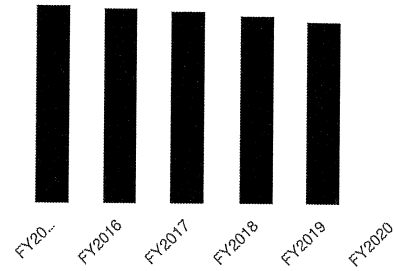
	Principal	Interest	Total
2020	\$19,869	\$3,475	\$23,344
2021	\$20,218	\$3,125	\$23,344
2022	\$20,573	\$2,770	\$23,344
2023	\$20,935	\$2,408	\$23,344
2024	\$21,303	\$2,040	\$23,344
2025 - 2029	\$100,593	\$4,452	\$105,045
Total	\$203,491	\$18,270	\$221,761

	FY2020
<b>CWRPDA-Loan</b>	—
CWRPDA-Loan	\$183,623
<b>Total CWRPDA-Loan:</b>	<b>\$183,623</b>

## RUS-Loan

In 2020, the Town paid off this RUS-Loan with the proceeds from AMKO Refunding Bond Series 2020A.

The Town has an obligation to the U.S. Department of Agriculture's Rural Utilities Service (RUS), bearing interest at 4.375%. The bonds are payable in semi-annual installments of \$50,521, including interest, and are collateralized by the sewer system's pledged revenues through 2046, which is approximately \$3,250,000. Pledged revenues received amounted to \$101,042 during the year. The proportion of the pledged revenue to total sewer revenue is not estimable because annual total fees collected fluctuate. The purpose of the bonds was for construction improvements to the wastewater treatment plant and collection system. Principal and interest payments for the years following December 31, 2019 are as follows:



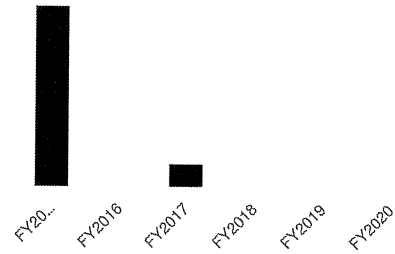
	Principal	Interest	Total
2020	\$38,290	\$62,752	\$101,042
2021	\$34,065	\$66,977	\$101,042
2022	\$35,586	\$65,456	\$101,042
2023	\$37,174	\$63,868	\$101,042
2024	\$38,833	\$62,209	\$101,042
2025 - 2029	\$221,769	\$283,441	\$505,210
2030 - 2034	\$275,887	\$229,323	\$505,210
2035 - 2039	\$343,210	\$162,000	\$505,210
2040 - 2044	\$426,962	\$78,248	\$505,210
2045 - 2046	\$111,975	\$4,208	\$116,153
<b>Total</b>	<b>\$1,563,721</b>	<b>\$1,078,482</b>	<b>\$2,642,203</b>

This loan requires a debt service reserve.

	FY2020
<b>RUS-Loan</b>	—
RUS-Loan	\$0
<b>Total RUS-Loan:</b>	<b>\$0</b>

## Line of Credit

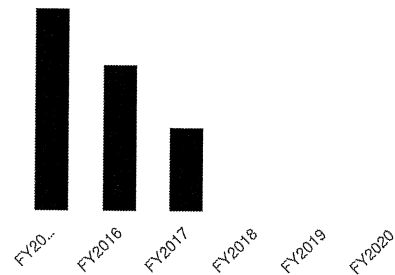
The Town had a \$200,000 working-capital line of credit with an interest rate of 1.55% and a maturity date of July 2020. As of December 31, 2019, there was \$0.00 outstanding balance on the line of credit.



	FY2020
<b>Line of Credit</b>	—
Line of Credit	\$0
<b>Total Line of Credit:</b>	<b>\$0</b>

## Capital Lease-Equipment

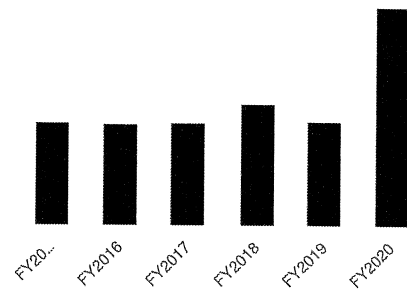
The Town has entered into three capital lease commitments effective May and June 2014 in order to acquire public safety and public works vehicles and equipment. Monthly payments on the capital leases range from approximately \$550 to \$700 per lease. All leases are for 60 months, with maturity dates in May and June 2019. These leases were paid off during 2018.



	FY2020
<b>Capital Lease-Equipment</b>	—
Capital Lease-Equipment	\$0
<b>Total Capital Lease-Equipment:</b>	<b>\$0</b>

## Compensated Absences

Governments typically provide paid leave benefits to their employees, such as vacation leave and sick leave. Often, those benefits accumulate and employees are paid for some or all of their unpaid leave when they terminate employment. Statement 16 defined compensated absences in paragraph 1 as “absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave.” In addition, pre-agenda research indicated some governments provide paid time off (PTO) and compensatory time off.



Statement 16 required that governments generally recognize a liability for compensated absences because employees are entitled to time off or a cash payment in exchange for services already rendered at the financial statement date. Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, included compensated absences as an example of a long-term liability.

Statement 16 distinguished between different types of paid leave, providing different guidance for vacation leave and sick leave. Although many governments continue to provide those benefits separately, the use of PTO has become more common since Statement 16 was issued. With PTO, employees may use their accrued hours of paid leave for either vacation or sick time. Therefore, the distinction between vacation and sick leave in Statement 16 does not apply when governments provide PTO. Statement 16 allows for governments to choose one of two methods for accruing a liability for sick leave: termination payment method or vesting method.

Statement 34 requires compensated absences to be included in the disclosures of long-term liabilities. Those disclosures include increases and decreases during the year (separately presented) and the portion that is due within one year.

	FY2020
<b>Compensated Absences</b>	—
Compensated Absences	\$37,622
<b>Total Compensated Absences:</b>	<b>\$37,622</b>

## Revenue Refunding Bond (AMKO)

The Town issued \$1,650,000 of Revenue Refunding Bonds, Series 2020A. The bonds were issued on September 28, 2020, with interest payments due June 1 and December 1 of each year through December 1, 2044, commencing June 1, 2021. Principal payments are due December 1 of each year commencing December 1, 2021. The bonds carry an interest rate of 3.0%. The bond refunding resulted in a decrease in required cashflow for debt service of \$401,412, which constitutes an economic gain on refunding of \$226,757. These bonds were used to refund the RUS Loan payable.



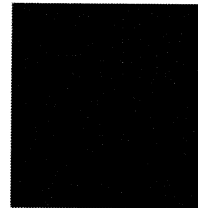
FY2020

The bonds do not constitute a lien on any physical property of the Town, but constitute a lien only on the net revenues of the water and sewer enterprise funds and all moneys on deposit in the Reserve Account. The Reserve Account is required to be maintained at \$100,750.

	FY2020
<b>Revenue Refunding Bond (AMKO)</b>	—
Revenue Refunding Bond (AMKO)	\$1,650,000
<b>Total Revenue Refunding Bond (AMKO):</b>	<b>\$1,650,000</b>

## Premium-Revenue Refunding Bond

The Bonds were issued with a premium of \$46,180 which will be amortized on a straight-line basis through the life of the bonds and recognized as interest expense. Annual amortization will be \$1,925.



FY2020

	FY2020
<b>Premium-Revenue Refunding Bond</b>	—
Premium-Revenue Refunding Bond	\$46,180
<b>Total Premium-Revenue Refunding Bond:</b>	<b>\$46,180</b>



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# APPENDIX

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## Glossary

**Abatement:** A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

**Accounting System:** The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

**Accrued Interest:** The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

**Amortization:** The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

**Appropriation:** A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

**Arbitrage:** As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

**Assessed Valuation:** A value assigned to real estate or other property by a government as the basis for levying taxes.

**Audit:** An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

**Audit Report:** Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

**Available Funds:** Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

**Balance Sheet:** A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

**Betterments (Special Assessments):** Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

**Bond:** A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

**Bond and Interest Record:** (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

**Bonds Authorized and Unissued:** Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

**Bond Issue:** Generally, the sale of a certain number of bonds at one time by a governmental unit.

**Bond Rating (Municipal):** A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

**Budget:** A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

**Capital Assets:** All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

**Capital Budget:** An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

**Cash:** Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

**Cash Management:** The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

**Certificate of Deposit (CD):** A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

**Classification of Real Property:** Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

**Collective Bargaining:** The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

**Consumer Price Index:** The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

**Cost-Benefit Analysis:** A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

**Debt Burden:** The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

**Debt Service:** The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

**Encumbrance:** A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

**Enterprise Funds:** An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs--are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the

"surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

**Equalized Valuations (EQVs):** The determination of the full and fair cash value of all property in the community that is subject to local taxation.

**Estimated Receipts:** A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

**Exemptions:** A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

**Expenditure:** An outlay of money made by municipalities to provide the programs and services within their approved budget.

**Fiduciary Funds:** Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**Fixed Assets:** Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

**Fixed Costs:** Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

**Float:** The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

**Full Faith and Credit:** A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

**Fund:** An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

**Fund Accounting:** Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

**GASB 34:** A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

**GASB 45:** This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

**General Fund:** The fund used to account for most financial resources and activities governed by the normal appropriation process.

**General Obligation Bonds:** Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

**Governing Body:** A board, committee, commission, or other executive or policymaking body of a municipality or school district.

**Indirect Cost:** Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

**Interest:** Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

**Interest Rate:** The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

**Investments:** Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

**Line Item Budget:** A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

**Local Aid:** Revenue allocated by the state or counties to municipalities and school districts.

**Maturity Date:** The date that the principal of a bond becomes due and payable in full.

**Municipal(s):** (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

**Note:** A short-term loan, typically with a maturity date of a year or less.

**Objects of Expenditures:** A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

**Official Statement:** A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

**Operating Budget:** A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

**Overlapping Debt:** A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

**Performance Budget:** A budget that stresses output both in terms of economy and efficiency.

**Principal:** The face amount of a bond, exclusive of accrued interest.

**Program:** A combination of activities to accomplish an end.

**Program Budget:** A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

**Purchased Services:** The cost of services that are provided by a vendor.

**Refunding of Debt:** Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

**Reserve Fund:** An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

**Revaluation:** The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of

the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

**Revenue Anticipation Note (RAN):** A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

**Revenue Bond:** A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

**Revolving Fund:** Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

**Sale of Real Estate Fund:** A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

**Stabilization Fund:** A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

**Surplus Revenue:** The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

**Tax Rate:** The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

**Tax Title Foreclosure:** The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

**Trust Fund:** In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

**Uncollected Funds:** Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

**Undesignated Fund Balance:** Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

**Unreserved Fund Balance (Surplus Revenue Account):** The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

**Valuation (100 Percent):** The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.