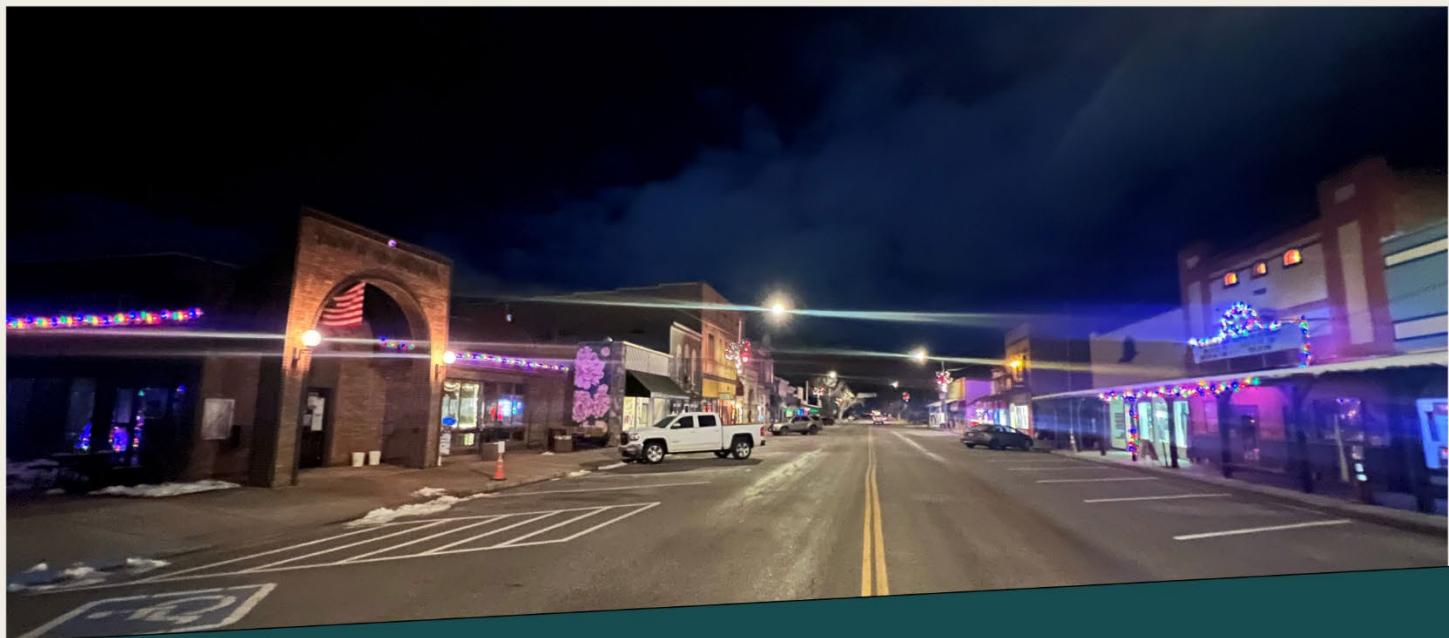




Adopted December 9, 2025

ANNUAL BUDGET FY-2026

Includes Strategic Plan, 5-Year Capital Improvement Plan & Summary of Departmental Expenditures



TownofPaonia.Colorado.gov

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Town of Paonia
Office of the Town Administrator
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Town Administrator's FY-2026 Budget Message

12/9/2025

Honorable Mayor, Board of Trustees and Residents of Paonia,

Staff are pleased to present to the Board of Trustees the proposed FY-2026 expenditure budget for the Town of Paonia. The total requested appropriations across the General Fund, Capital Improvement Funds, Special Revenue Funds, and Enterprise Funds equal \$16,162,111, of which \$1,764,575 is within the General Fund; \$1,321,086 is within the General Fund's Major and Non-Major Funds' Capital Improvement Plan; \$3,200,000 is for the 5th and Grand Realignment Project (mostly grant funded) and will only result in approximately \$32,000 from the Street Fund Capital Improvement Plan (\$3,168,000 is grant funded); \$8,480,450 is within the Water Utility Enterprise and includes \$6,859,000 in investments in infrastructure improvements, most grant and low-interest loan funded; \$878,500 in the Wastewater Utility Enterprise; \$442,500 in the Sanitation Enterprise; and \$75,000 in the North Fork Valley Airport Capital Improvement Fund. This total includes all operating expenditures, debt service, capital outlay, and interfund transfers for FY-2026.

Total available resources for FY-2026 including estimated revenues and beginning fund balances for all funds, equal to approximately \$20,296,020. Because total appropriations do not exceed total available resources, the proposed FY-2026 Budget is balanced in accordance with Colorado law and Town policy. This is a balanced budget where total appropriations do not exceed total available resources.

Within this total, the General Fund continues to serve as the primary operating fund for core municipal services. For FY-2026, adopted General Fund revenues are estimated at \$1,662,750. When combined with an estimated beginning unrestricted fund balance of \$813,338, total resources available in the General Fund equal approximately \$2,476,088. After funding operating costs, debt service, and General Fund capital needs, the General Fund is projected to end the fiscal year with an unrestricted fund balance of approximately \$711,513. This level of fund balance preserves flexibility for unforeseen needs while continuing planned investments in public safety, planning and building services, public works administration, and all Town administrative services.

The FY-2026 Budget was developed with extensive input from the Board of Trustees, the Finance Committee, staff, and the community through a series of meetings and workshops held throughout 2025. Drafts of the budget were amended several times to incorporate Trustee direction, refine revenue projections, update personnel allocations across funds, and better reflect the Town's current and expected financial position. Updated budget documents

have been made available through the Board of Trustees packets on the Town website. The FY-2026 Budget is scheduled for adoption during December 9, 2026, Board of Trustees meeting.

Work on the budget began in late-Summer 2025 when Staff began putting together proposals capital improvements in FY-2026. Throughout 2025, staff tracked expenses and presented them to the Mayor and Board of Trustees through detailed monthly budget to actual reports, staff reports, and departmental reports. During the September 23, 2025, Board of Trustees Meeting, budget workshops were scheduled by the Board of Trustees. Budget workshops were held on September 25, 2025; September 30, 2025; and a Draft Budget was presented to the Mayor and Board of Trustees on October 14, 2025, at the regularly scheduled Board of Trustees meeting. Detailed prioritization of Capital Improvement Outlays was discussed through an additional series of workshops and resulted in the Town's development of a five-year capital improvement plan. On November 10, 2025, a workshop was held on presenting and prioritizing projects for the development of a five-year capital improvement plan. The final Capital Improvement Plan draft was presented to the Board and discussed at length with Staff and open to the public during a workshop on December 5, 2025. The feedback received during all public workshops and discussions helped to better inform the FY-2026 Budget and the development of the 2026 – 2030 Capital Improvement Plan.

As part of this budget, the Town has prepared and integrated its first formal 5-year Capital Improvement Plan covering 2026-2030, previous versions relied on disparate information from consulting firms and was specific to roadway improvements and water, the new Capital Improvement Plan integrates all funds and all projects into a 5-year plan. The FY-2026 capital program appropriates approximately \$4,521,806 in dedicated capital improvement projects. These appropriations include continued work on the Water Capital Improvement Plan Phase One, transportation and safety investments associated with the 5th and Grand Avenue Realignment Project, bridge and sidewalk improvements, and park and recreation enhancements. The 5-year Capital Improvement Plan is intended to function as a living document that will be updated annually as projects advance, new funding opportunities emerge, and community priorities evolve.

The overall size of the Town's budget has grown in recent years as the Board of Trustees has chosen to invest in aging infrastructure, replace critical facilities, and improve internal systems. The FY-2026 Budget continues this direction with a strong emphasis on project delivery while also safeguarding daily operations. Although this budget intentionally spends down fund balances in several funds to cash match significant capital projects, the Town is not close to exhausting its reserves or unrestricted, unappropriated fund balances. Combined beginning fund balances across all funds total approximately \$5,400,000, and the budget anticipates ending the year with combined unrestricted unappropriated fund balances of roughly \$4,130,900.

The enterprise utilities remain a major focus of the FY-2026 Budget. The Water Utility includes total revenues of approximately \$8,271,000 and total operating and capital expenditures of approximately \$8,480,450, reflecting the scale of planned distribution, storage, and treatment improvements. The Wastewater Utility and Sanitation Fund also include significant investments in system reliability, maintenance, and equipment replacement. Over the next few years, substantial additional investment is planned in both the Water and Wastewater systems. The most prudent way to finance these improvements

continues to be through the use of acquisition debt supported by user fees. The Town plans to continue securing grant funding for capital outlays as they become available. Because the utility enterprises are wholly funded through fees for service, water base rates and usage rates, as well as wastewater base rates, will need to continue to increase over time to support repayment of existing and future debt.

Despite these capital commitments, the FY-2026 Budget estimates that all Town funds will meet required fund balance and reserve requirements at year end, including bond covenant obligations for the water and wastewater utilities. While individual funds will experience different levels of drawdown based on project timing, the overall financial posture of the Town remains stable and focused on long term asset management.

BUDGET HIGHLIGHTS

In the FY-2026 Budget there are several recurring themes that emerged from the Board of Trustees strategic discussions and the August strategic planning workshop that guided development of the 2024-2026 Strategic Plan. In accordance with the Town's Mission Statement and Value Statements, the Paonia team remains committed to delivering excellent services that meet the needs of residents, businesses, and visitors. It is important to recognize that while large capital projects tend to be the most visible, the daily operations that keep Paonia running are just as critical. Our employees and the routine services they provide are central to our commitment to public service.

Fiscal Responsibility and Transparency in Finances

Town staff remain committed to strengthening fiscal transparency and monitoring budget performance on an ongoing basis. The monthly budget to actual reports that were initiated in 2024, including a running tally of grant awards and drawdowns, will continue and be refined in 2026. New technology and additional modules within Caselle, the Town's enterprise resource planning system, will be implemented to improve real time cost tracking, especially for grants and capital projects. Staff will continue to pursue external funding to support priorities identified by the Board of Trustees, including federal and state grants that can leverage local dollars. The addition of contracted grants management capacity in 2024 has already improved the Town's competitiveness and will be further utilized in 2026.

Continued Investment in Town Staff

Town employees are the individuals who deliver essential services and maintain the infrastructure that holds our community together. A well-trained and qualified workforce is vital to sustaining and enhancing quality of life for Paonia residents. The FY-2026 Budget continues the Town's practice of providing cost of living adjustments for staff and includes selective merit-based increases for employees who have demonstrated excellent performance. During the December 5, 2025, Budget Workshop, the Town Clerk presented a new performance review tool that will assist supervisors in determining merit-based increases. The budget also assumes that all employees contribute toward the cost of health insurance, while the Town continues to cover the majority of the premium. These compensation investments are designed to keep Paonia competitive with similar communities in our region and to improve recruitment and retention in a challenging labor market.

Investment in Technology

The Town will continue to modernize its processes and equipment through replacement of aging computers, deployment of docking stations, provision of appropriate mobile technology, and implementation of software, so that staff can provide a higher level of service in the office and in the field. The FY-2026 Budget includes funding for upgraded records management tools, additional server capacity, and further improvements to data security and system backup. Security enhancements in Town Park, Town Hall, the Public Works Shop, the Lamborn Water Treatment Plant, and the Wastewater Treatment Plant remain a priority, and the budget continues the original investment in security cameras and related infrastructure at these key facilities.

Infrastructure Improvements

The most significant expenditures in the FY-2026 Budget relate to infrastructure improvements. Water capital projects associated with Phase One of the Water Capital Improvement Plan account for the largest share of planned capital outlays. Several of these projects are carryover items from 2024 and 2025 that required additional design work or regulatory review by agencies such as the Colorado Department of Public Health and Environment and the Colorado Department of Transportation. In addition, the Town is advancing transportation, pedestrian safety, and Americans with Disabilities Act accessibility improvements associated with the 5th and Grand Avenue Realignment Project and related Safe Routes to School investments, as well as targeted park, bridge, and sidewalk projects.

Fleet Replacement and Vehicle Investment

The FY-2026 Budget and the associated 5-year Capital Improvement Plan also make targeted investments in replacement of the Towns aging vehicle fleet, particularly in law enforcement and public works. These investments include an ongoing patrol car replacement program, outfitting of new patrol units with modern equipment, and the planned purchase of a mid-size pickup truck for the Water Utility and other right sized vehicles for public works operations.

Across the municipal fleet, a structured replacement program on an approximate 5-year cycle is widely recognized as a best practice in both government and private fleet management. Research on fleet life cycle management shows that replacing vehicles before they become chronic maintenance liabilities reduces unplanned breakdowns, lowers repair and fuel costs, improves uptime, and increases eventual resale value. Studies of public agency fleet policies similarly find that planned replacement programs, funded through dedicated replacement charges, help stabilize budgets and reduce operating costs over time by avoiding the steep repair and downtime costs associated with very old units. In that sense, the larger initial capital outlay needed to launch a regular replacement program is expected to yield dividends in the long run in the form of lower maintenance expenses, more predictable budgeting, and better service reliability.

For the Police Department, newer patrol vehicles are also a direct investment in officer safety. Modern patrol vehicles incorporate advanced crash protection, stability control, braking systems, and airbag designs that reduce the risk of serious injury in collisions. Newer pursuit rated and patrol sport utility vehicles also integrate technology such as perimeter alert

sensors, collision avoidance systems, blind spot monitoring, and automatic emergency braking, which are increasingly used by departments to detect ambush risks, prevent secondary crashes, and improve driver awareness during emergency response. A reliable patrol vehicle with modern lighting, communications, and ergonomically integrated equipment supports officers in maintaining situational awareness, reduces distraction inside the vehicle, and contributes to safer interactions with the public. These features align with national guidance that emphasizes vehicle technology, training, and policy as key tools in reducing line of duty injuries associated with traffic incidents and vehicle environments.

For Public Works, investment in replacement and right sizing of vehicles is equally important for safety, efficiency, and stewardship of public resources. Industry guidance on fleet right sizing encourages agencies to match vehicle class to the task so that heavy equipment is reserved for truly heavy work, while lighter duty vehicles handle inspection, meter reading, and routine field visits. Lighter duty and mid-size pickup trucks generally consume less fuel, are less expensive to maintain, and produce fewer emissions than heavy dump trucks when used for light duty purposes such as reading water meters or performing small service calls. Replacing the practice of using a large dump truck for meter reading routes with a mid-size pickup truck is consistent with these best practices and is expected to reduce wear and tear on the heavy truck, extend its life for actual hauling needs, and lower overall fuel and maintenance costs.

By combining a thoughtful five-year replacement schedule with right sized vehicle choices, the Town can gradually move away from running vehicles far beyond their economical service life and toward a more modern, dependable fleet. Over time, this approach supports safer police operations, more efficient public works service delivery, improved environmental performance, and a more sustainable total cost of ownership for the Towns vehicles.

This budget is intended to serve as the Town's financial roadmap for the FY-2026. It consolidates the policy direction provided by the Board of Trustees, the needs identified by staff, and the feedback received from the community through the Comprehensive Plan, Housing Needs Assessment, Code Rewrite project, and related engagement processes. In my professional opinion, the FY-2026 Budget reflects the goals and objectives established by the Board of Trustees and provides the financial framework needed to advance the Strategic Plan. It also maintains sufficient flexibility to allow for adjustments during the year as conditions change and as new grant opportunities arise.

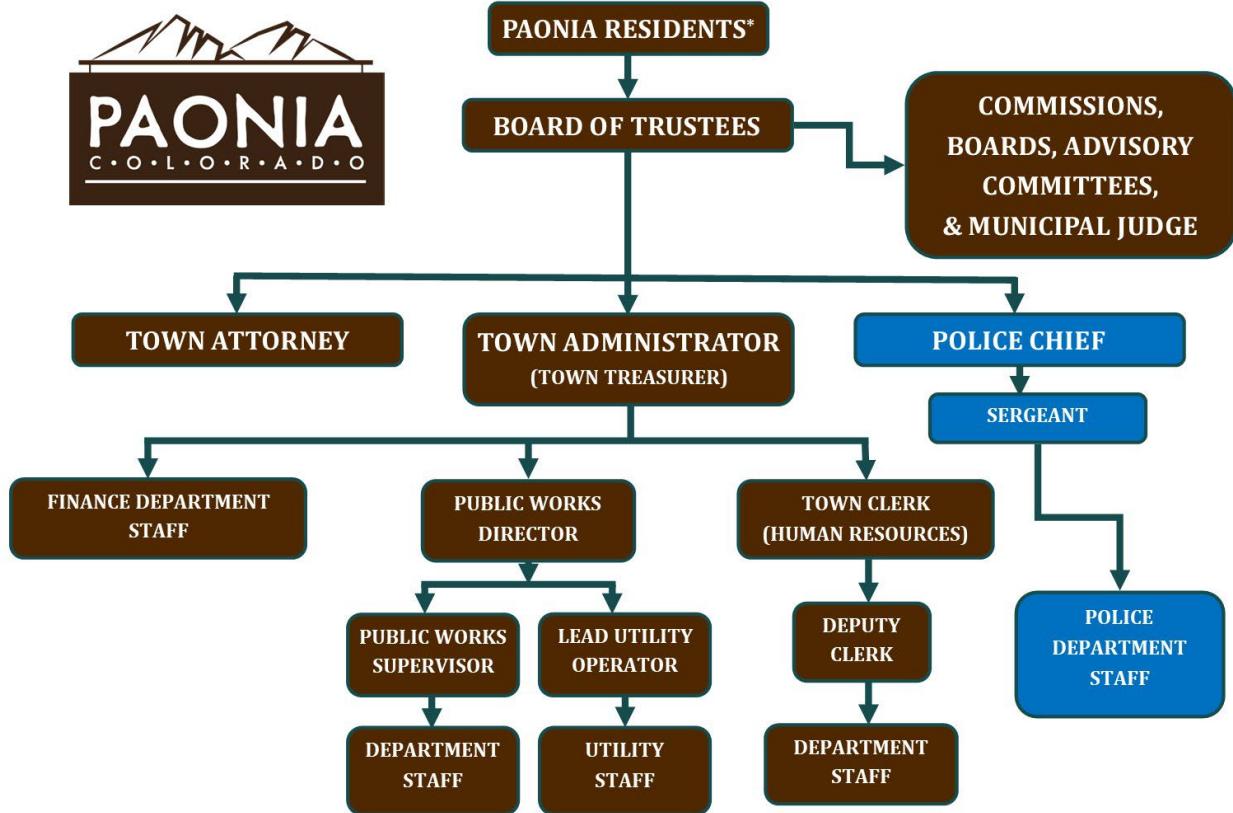
On behalf of staff, I express my sincere appreciation to the Mayor, the Board of Trustees, the residents of Paonia, and Town Staff, for their engagement, support, and careful consideration of this budget.

In Public Service,



Stefen A.B. Wynn, M.P.A.
ICMA-CM
Paonia Town Administrator
E: StefenW@TownofPaonia.com

Town of Paonia Organizational Chart



*Paonia Residents serve a crucial but *limited* role in the Town's governance. The residents' role is defined by Colorado Constitution and state and local laws, including, without limitation, those provisions concerning the election of candidates to municipal offices, the right to vote on matters involving municipal taxes and debt, the right to speak during public hearings, and with regard to legislative matters only, the powers of citizen initiative and referendum. This organizational chart is not intended, nor shall it be deemed, to grant or expand any rights to Paonia Residents above that required by the Colorado Constitution and applicable state and local laws, and specifically does not authorize Paonia Residents to direct Town officers or employees with respect to such employees' or officers' duties or job responsibilities.





BOARD OF TRUSTEES

Paige Smith, Mayor

PaigeS@TownofPaonia.com

Term Expires: April 2028

Rick Stelter, Mayor Pro Tempore

RickS@TownofPaonia.com

Term Expires: April 2026

VACANT

[TBD](#)

Term Expires: April 2026

Karen Tarnow, Trustee

KarenT@TownofPaonia.com

Term Expires: April 2026

Walter Czech, Trustee

WalterC@TownofPaonia.com

Term Expires: April 2028

Lucy Hunter, Trustee

LucyH@TownofPaonia.com

Term Expires: April 2026

Mike Heck, Trustee

MikeH@TownofPaonia.com

Term Expires: April 2026

Town Leadership Team

Stefen Wynn – Town Administrator & Treasurer

Matt Laiminger – Police Chief

Nicole Poulos – Public Works Director

Samira Vetter – Town Clerk

Ruben Santiago – Deputy Town Clerk

Important Digital Resources

The Town of Paonia is pleased to offer a variety of online resources to help keep the community informed on information relative to Town. Please use these tools to find information you need whenever you desire.

Town of Paonia Website

The Town of Paonia website (www.townofpaonia.gov) offers access to more information on the Town's finances including monthly financial statements (budget to actuals), budget information, and annual comprehensive financial reports (audits). The website also offers access to important planning documents such as the Comprehensive Plan (1996) and the current work in progress to update the plan, the Housing Needs Assessment and Housing Action Plan, as well as the Town's municipal code among other valuable information.

Stay Updated with Other Digital Resources

- [Town Administrator's Reports](#) – Monthly updates on all activities of the Town Staff.
- [Departmental Scorecards](#) – Monthly accounting on all projects in action by department.

Follow the Town of Paonia on Social Media



- Town of Paonia - <https://www.facebook.com/TownofPaonia>
- Paonia Police Department - <https://www.facebook.com/PaoniaPoliceDepartmentCO>



- www.youtube.com/@townofpaonia5418

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Text 'Hi' to (970) 540-5550 or scan the QR code here:

Use TextMyGov to report issues around town, receive notices and critical information. This service is available 24/7 and let's you easily submit a report or get in touch with someone that can answer your questions.





RESOLUTIONS
BUDGET, MILLAGE, AND
UTILITY RATES





Town of Paonia
Office of the Town Administrator
214 Grand Ave.
Paonia, CO 81428
O: (970) 527-4101
F: (970) 527-4102

MEMORANDUM

TO: **Mayor & Board of Trustees**
FROM: Stefen Wynn, Town Administrator & Treasurer
DATE: 12/12/2025
SUBJECT: Property Tax Revenue Limits & 2026 Certification of Tax Levies (DLG-70), Including SB24-233 and the 5.25% Property Tax Revenue Limit

This memorandum documents the Town's review of Colorado's updated property tax revenue limitation framework and the Town's rationale for certifying the 2026 property tax mill levy for general operations without adopting a temporary general property tax credit or temporary mill levy rate reduction. This memorandum is intended to support consistent administration in future years and to provide an audit ready record of the Town's interpretation and implementation decisions for the 2026 budget year.

For property tax year 2024, the Town collected the full amount generated by the Town's general operating mill levy of 8.322 mills applied to the Town's net assessed valuation of 19,142,855, resulting in approximately \$159,282 in general operating property tax revenue. For property tax year 2025, the Town's net assessed valuation increased to \$23,432,252. Applying the same general operating mill levy of 8.322 mills to the updated valuation results in expected general operating property tax revenue of approximately \$195,004. The Town did not increase the mill levy. The increase in revenue is valuation driven.

The Town reviewed the Division of Local Government technical assistance draft titled "5.25% Property Tax Revenue Limit in § 29-1-1701, C.R.S. Technical Assistance Resource Document Draft," which explains that SB24-233 and HB24B-1001 established a new 5.25% property tax revenue limit codified in Title 29 and effective for the 2026 local government budget year. The document emphasizes that the 5.25% limit is separate from the existing 5.5% limit in § 29-1-301, C.R.S., and separate from TABOR limits in Article X, Section 20 of the Colorado Constitution, and it further notes that no state agency has authority to calculate, administer, or enforce the new 5.25% limit on behalf of local governments. The document also explains that the 5.25% limit is calculated using qualified property tax revenue, a growth rate percentage, and a carryover amount, and that qualified property tax revenue excludes several categories of property tax revenue, including revenue attributable to new construction and other specified growth and valuation related categories.

Based on this review, the Town's conclusion is that the Town may certify and collect the valuation driven increase in general operating property tax revenue for the 2026 budget year without adopting a temporary credit or temporary mill levy reduction. First, the Town is certifying the same general operating mill levy that was previously certified and collected, and the Town is not seeking to increase the mill levy. Second, the DOLA technical assistance document underscores that the 5.25% limit applies to qualified property tax revenue and that qualified property tax revenue is defined to exclude specified growth and valuation related revenue categories. Accordingly, the Town does not interpret SB24-233 and HB24B-1001 as requiring an automatic credit or reduction merely because assessed value increased, particularly where the levy itself is unchanged and revenue growth is valuation driven.

The Town also evaluated whether C.R.S. 39-1-111.5 should be used to certify a temporary general property tax credit or temporary mill levy rate reduction on Line 2 of the DLG 70 form. The DLG 70 instructions state that the temporary credit or temporary mill levy rate reduction under C.R.S. 39-1-111.5 may be applied to the taxing entity's levy for general operations to effect refunds and that such a temporary credit is not applicable to other levy types reported on the form. The Town did not adopt a temporary credit or temporary mill levy reduction for property tax year 2024 and did not apply such a reduction to maintain compliance with any statutory limitation. For property tax year 2025, the Town similarly did not adopt a temporary credit or temporary mill levy reduction because the Town is certifying the same general operating levy and the Town does not interpret state law or current DOLA guidance as requiring a temporary credit in response to valuation driven growth. For these reasons, the Town's DLG 70 certification for general operations should reflect the full general operating mill levy on Line 1 and no entry on Line 2.

For purposes of consistent administration and protection of future revenue capacity, the Town's approach is to certify the full general operating mill levy authorized by the Town and to avoid voluntary temporary reductions unless the Board adopts such a reduction for an intentional policy purpose. Using the temporary credit mechanism under C.R.S. 39-1-111.5 would reduce current year collections and, depending on how future calculations and baselines are applied, could create avoidable complexity and risk of under collection in later years. By certifying the full authorized levy and documenting that revenue growth is valuation driven, the Town preserves stability in its general operating revenue and reduces the risk of unintended revenue reductions in future budget years.

This memorandum will be retained in the Town's budget file with the 2026 levy certification documentation, including the DLG 70 form and supporting valuation information from the County Assessor. If future DOLA guidance, statutory amendments, or judicial interpretations provide more definitive calculation methodologies or new applicability determinations for the 5.25% limit, the Town will revisit this analysis in consultation with legal counsel and will document any required changes to the Town's levy certification practices.

In Public Service,



Stefen Wynn, M.P.A

ICMA-CM

Paonia Town Administrator & Treasurer

RECERTIFICATION OF VALUATION BY DELTA COUNTY COUNTY ASSESSOR

New Tax Entity? YES NO

Date 11/25/2025

NAME OF TAX ENTITY: TOWN OF PAONIA

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$ 19,142,855
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2. \$ 23,432,252
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$ 0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 23,432,252
5. NEW CONSTRUCTION: *	5. \$ 60,325
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6. \$ 0
7. ANNEXATIONS/INCLUSIONS:	7. \$ 0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8. \$ 0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9. \$ 0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10. \$ \$61.30
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11. \$ \$4.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution

* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR LOCAL GROWTH CALCULATION ONLY

IN ACCORDANCE WITH ART.X, SEC.20, COLO. CONSTUTION AND 39-5-121(2)(b), C.R.S., THE DELTA COUNTY County ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1. \$ 274,789,883
--	-------------------

ADDITIONS TO TAXABLE REAL PROPERTY

2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2. \$ 957,017
3. ANNEXATIONS/INCLUSIONS:	3. \$ 0
4. INCREASED MINING PRODUCTION: §	4. \$ 0
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$ 33,450
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$ 0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7. \$ 0

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$ 0
9. DISCONNECTIONS/EXCLUSIONS:	9. \$ 0
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$ 0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ 274,431,732

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ 77,273

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION (5.25% LIMIT)

IN ACCORDANCE WITH §§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1. <u>\$23,432,252</u>
2. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2. <u>\$0</u>
3. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3. <u>\$23,432,252</u>
4. NEW CONSTRUCTION:	4. <u>\$60,325</u>
5. ANNEXATIONS/INCLUSIONS:	5. <u>\$0</u>
6. PREVIOUSLY EXEMPT PROPERTY: TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	6. <u>\$2,091</u> 7. <u>\$\$61.30</u>
7. INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION* (29-1-306(3)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	8. <u>\$0</u>
8. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) AND (39-10-114(1)(a)(I)(B), C.R.S.):	9. <u>\$\$4.00</u>
9. TOTAL VALUATION FOR ASSESSMENT FROM PRODUCING MINES OR LANDS OR LEASEHOLDS PRODUCING OIL OR GAS	10. <u>\$0</u>
10. REVENUE INCREASE FROM EXPIRED TIF:	11. <u>\$0</u>

* Change in law for property tax classification does not include changes in classification due to property use changes.

Note:

The property tax limit will apply to all property taxing entities with the exception of school districts and any county, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government (“the Division”) has developed technical assistance resources to assist taxing entities with the calculation of the property tax limit available online here (<https://dlg.colorado.gov/budget-information-and-resources>). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity’s revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division’s technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**TO:** County Commissioners¹ of DELTA COUNTY, Colorado.

On behalf of the TOWN OF PAONIA,
 the PAONIA BOARD OF TRUSTEES
 of the TOWN OF PAONIA
 (governing body)^B
 (local government)^C

Hereby officially certifies the following mills
 to be levied against the taxing entity's GROSS \$ 8.322
 assessed valuation of:

Note: If the assessor certified a NET assessed valuation
 (AV) different than the GROSS AV due to a Tax

Increment Financing (TIF) Area^F 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:

Submitted: 12/12/2025 for budget/fiscal year 2026.
 (no later than Dec. 15) (mm/dd/yyyy)

(GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

\$ 23,432,252
 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED
 BY ASSESSOR NO LATER THAN DECEMBER 10**

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>8.322</u> mills	\$ <u>195,004</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< - > mills	\$ < - >
SUBTOTAL FOR GENERAL OPERATING:	8.322 mills	\$ 195,004
3. General Obligation Bonds and Interest ^J	- mills	\$ -
4. Contractual Obligations ^K	- mills	\$ -
5. Capital Expenditures ^L	- mills	\$ -
6. Refunds/Abatements ^M	- mills	\$ -
7. Other ^N (specify): <u> - </u>	- mills	\$ -
	- mills	\$ -
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	8.322 mills	\$ 195,004

Contact person: Stefen WynnPhone: (970) 527-4101Signed: Stefen WynnDigitally signed by Stefen Wynn
Date: 2025.12.12 09:36:51 -07'00'Title: Town Administrator & Treasurer

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

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) 864-7720.

¹ 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.

² 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).

AFFIDAVIT OF PUBLICATION

State of New Jersey, County of Camden, ss:

Deidre Stevens-DiGiovanni, being first duly sworn, deposes and says: That (s)he is a duly authorized signatory of Column Software, PBC, duly authorized agent of Delta County Independent, a newspaper printed and published in the City of Delta, County of Delta, State of Colorado, and that this affidavit is Page 1 of 1 with the full text of the sworn-to notice set forth on the pages that follow, and the hereto attached:

PUBLICATION DATES:

Oct. 23, 2025

NOTICE ID: KSlldjOJhpclGuC2k3dS

PUBLISHER ID: DCI001084

NOTICE NAME: Budget Hearing
Publication Fee: 10.80

I declare under penalty of perjury under the law of Colorado that the foregoing is true and correct.

(Signed) *Deidre Stevens-DiGiovanni*

VERIFICATION

State of New Jersey
County of Camden

Subscribed in my presence and sworn to before me on this: 10/24/2025

Sharon E. Thomas-Pope

Notary Public
Notarized remotely online using communication technology via Proof.

NOTICE OF BUDGET
(Pursuant to 29-1-106, C.R.S.)

NOTICE is hereby given that a proposed budget has been submitted to the Town of Paonia for the ensuing year of 2026; a copy of such proposed budget has been filed in the office of the Town of Paonia, where the same is open for public inspection; such proposed budget will be considered at the regular meeting of the Town of Paonia to be held at 214 Grand Avenue, Paonia, CO 81428 on December 9, 2025 at 6:30 pm.

Any interested Elector of the Town of Paonia may inspect the proposed budget and file or register any objections thereto at any time prior to the final adoption of the budget.

Town of Paonia
Samira M Vetter
Town Clerk

Date: October 23, 2025
DCI001084

SHARON E THOMAS-POPE
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires January 23, 2027

AFFIDAVIT OF PUBLICATION

State of Florida, County of Orange, ss:

Ankit Sachdeva, being first duly sworn, deposes and says: That (s)he is a duly authorized signatory of Column Software, PBC, duly authorized agent of Delta County Independent, a newspaper printed and published in the City of Delta, County of Delta, State of Colorado, and that this affidavit is Page 1 of 1 with the full text of the sworn-to notice set forth on the pages that follow, and the hereto attached:

PUBLICATION DATES:

Nov. 27, 2025

NOTICE ID: iaKS6uHFrOZFCI4oIKYn

PUBLISHER ID: DCI001134

NOTICE NAME: PH Mill Levy

Publication Fee: 13.68

I declare under penalty of perjury under the law of Colorado that the foregoing is true and correct.

Ankit Sachdeva

(Signed) _____

VERIFICATION

State of Florida
County of Orange

Subscribed in my presence and sworn to before me on this: 12/01/2025



Notary Public
Notarized remotely online using communication technology via Proof.

**Notice of Public Hearing
TOWN OF PAONIA,
COLORADO
NOTICE OF PUBLIC HEARING**

NOTICE is hereby given that the Town of Paonia Board of Trustees will hold a Public Hearing at 6:30 pm on Tuesday, December 9, 2025, at the Paonia Town Hall, 214 Grand Avenue, Paonia, CO 81428.

The purpose of the Public Hearing will be to set a Mill Levy for the Fiscal Year of 2026 of 8.322 mills upon each dollar of the total valuation for assessment of all taxable property within the Town.

Any person may appear at the Public Hearing and be heard regarding the matters under consideration. For further information concerning the Public Hearing, please contact the Town Clerk at 970-527-4101 during regular business hours.

Dated the 19th day of
November, 2025.

TOWN OF PAONIA,

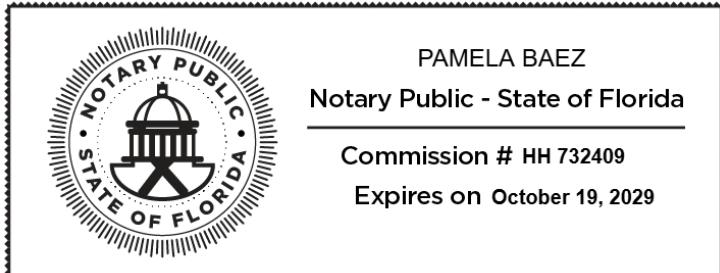
COLORADO

Samira M. Vetter

Town Clerk

Date: November 27, 2025

DCI001134



AFFIDAVIT OF PUBLICATION

State of Florida, County of Orange, ss:

Ankit Sachdeva, being first duly sworn, deposes and says: That (s)he is a duly authorized signatory of Column Software, PBC, duly authorized agent of Delta County Independent, a newspaper printed and published in the City of Delta, County of Delta, State of Colorado, and that this affidavit is Page 1 of 1 with the full text of the sworn-to notice set forth on the pages that follow, and the hereto attached:

PUBLICATION DATES:

Nov. 27, 2025

NOTICE ID: xjxuJJWYr9dzmZ9KswZb

PUBLISHER ID: DCI001132

NOTICE NAME: PH FY 2026 Budget

Publication Fee: 15.48

I declare under penalty of perjury under the law of Colorado that the foregoing is true and correct.

Ankit Sachdeva

(Signed) _____

VERIFICATION

State of Florida
County of Orange

Subscribed in my presence and sworn to before me on this: 12/01/2025



Notary Public
Notarized remotely online using communication technology via Proof.



PAMELA BAEZ
Notary Public - State of Florida
Commission # HH 732409
Expires on October 19, 2029

**TOWN OF PAONIA,
COLORADO
NOTICE OF PUBLIC HEARING**

NOTICE is hereby given that the Town of Paonia Board of Trustees will hold a Public Hearing at 6:30 pm on Tuesday, December 9, 2025 at the Paonia Town Hall, 214 Grand Avenue, Paonia, CO 81428.

The purpose of the Public Hearing will be to accept the Fiscal Year 2026 Proposed Budget. The proposed budget will be available for inspection by the public at the Town Hall at 214 Grand Avenue Paonia CO 81428 as of December 1, 2025. Any interested Elector of the Town of Paonia may file an objection to the proposed budget at any time prior to the final adoption of the budget by the Paonia Board of Trustees.

Any person may appear at the Public Hearing and be heard regarding the matters under consideration. For further information concerning the Public Hearing, please contact the Town Clerk at 970-527-4101 during regular business hours.

Dated the 19th day of

November, 2025.

**TOWN OF PAONIA
COLORADO**

Samira M Vetter
Town Clerk

Date: November 27, 2025
DCI001132

RESOLUTION NO. 29-2025

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 2026 AND ENDING THE LAST DAY OF DECEMBER 2026; APPROPRIATING MONIES TO PAY SUMS SET FORTH IN SUCH BUDGET; AND LEVYING GENERAL PROPERTY TAXES FOR THE TAXABLE YEAR 2025 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2026 BUDGET YEAR.

WHEREAS, the Board of Trustees for the Town of Paonia, Colorado, appointed Stefen Wynn, Town Administrator and Treasurer, to prepare and submit a proposed budget to the Board at the appropriate time; and

WHEREAS, Mr. Wynn has submitted a proposed budget to this Board for its consideration; and

WHEREAS, upon due and proper notice, published and posted in accordance with the law, the proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 09, 2025, and interested taxpayers were given the opportunity to file or register objections; and

WHEREAS, the Board has made provision therein for the balance on hand and probable revenues equal to or greater than the total proposed expenditures as set forth in the draft 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.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA:

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

General Fund	\$ 1,764,575
Sales Tax Capital Improvement Fund	\$ 264,100
Special Revenue Funds	\$ 4,256,986
Water Utility Fund	\$ 6,840,200
Wastewater Utility Fund	\$ 878,500
Sanitation (Solid Waste) Fund	\$ 442,500

For a total of: **\$ 14,446,861**

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

General Fund	\$ 2,476,088
Sales Tax Capital Improvement Fund	\$ 790,686
Special Revenue Funds	\$ 5,226,230
Water Utility Fund	\$ 9,865,094
Wastewater Utility Fund	\$ 1,249,370
Sanitation (Solid Waste) Fund	\$ 612,560
For a total of	\$ 20,220,028

Section 3. That the budget as submitted and herein above summarized by fund, is hereby approved and adopted as the Budget of the Town of Paonia, Colorado, for the budget year 2026, and that the Budget as hereby approved and adopted, shall be signed by the Mayor and made part of the public records of the Town.

Section 4. That out of the estimated revenues to be derived from all sources, including prior year surpluses, as set forth in the 2026 budget as submitted and herein above summarized, to be received into the funds listed above, monies are hereby appropriated to each such fund to pay the expenditures estimated above for each such fund for the fiscal year beginning January 1, 2026.

Section 5. For the purpose of meeting all expenditures of the General Fund during the 2025 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 tax year 2026.

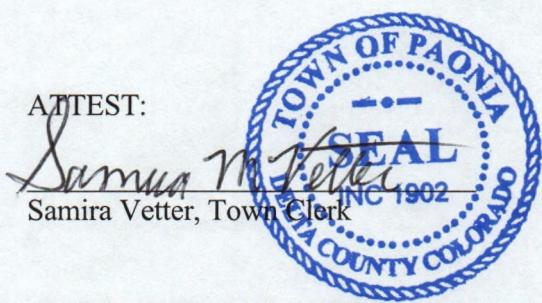
Section 6. The Town Administrator is hereby authorized and directed to immediately certify to the Board of County Commissioners of Delta County, Colorado, the gross mill levy, and the net mill levy for the Town of Paonia hereinabove determined and set.

PASSED AND ADOPTED this 9th day of December, 2025.

TOWN OF PAONIA, COLORADO

By: Paige Smith
Paige Smith, Mayor

ATTEST:



Samira Vetter, Town Clerk

APPROVED AS TO FORM:

By: _____
Clayton Buchner, Town Attorney



MISSION STATEMENT
&
VALUE STATEMENTS



Mission Statement

The Board of Trustees, through public workshops and with staff participation, developed Paonia's first-ever mission statement and passed it through Resolution 2024-15. The mission statement utilized public comments that were received from multiple listening sessions from the Comprehensive Plan update and Housing Needs Assessment that were completed from August 2023 through September 2024.

Our Mission

Paonia is a vibrant community that values our rural, small-town history and heritage centered on education, recreation, social and economic diversity, and a government that ensures a quality of life for all residents by striving to provide exemplary service in a safe, healthy and transparent manner while protecting our precious natural resources.



Values Statements



Our Core Values

Resiliency

We embrace our creative culture and recognize that new industries have flourished after experiencing historic losses to the mineral industry, we commit to ensuring that Paonia remains a livable Town, recovers quickly from difficulties, and we strive to support our Town by proactively adapting to the rapidly evolving impacts of climate change.

Family & Community

We value our families, individuals, neighbors and our extended community as a whole and ensure Paonia remains a livable Town providing an affordable high quality of life for all Residents through exceptional management of resources.

Conservation & Recreation

We value our diverse recreational opportunities and recognize that thoughtful stewardship of our natural resources contribute to our vibrant community and quality of life and that we recognize that our water, agricultural and recreation management practices directly impact our environment and the ability for our residents and the environment to flourish.

Natural Resources & Economic Development

We value investment in our businesses and promote sustainable solutions to economic development while honoring our agricultural heritage and ensuring that we address the impacts of growth to our natural environment in a sustainable and regenerative manner.



STRATEGIC PLAN



Strategic Plan

The Board of Trustees began a strategic planning process in 2023 under the guidance of the interim administrator and a list of goals were created. The Board continued to develop their goals in 2024 through public workshops that identified both internal and external threats and opportunities for each department of the Town through Strengths, Weaknesses, Opportunities and Threats assessments (SWOT). The goals from 2023 and the analysis of SWOT for each department¹ helped to guide the development of a Strategic Plan.

What is a Strategic Plan?

A strategic plan serves as Paonia's roadmap for prioritizing initiatives, utilizing resources, delivering services and departmental operations. The strategic plan is a 'big-picture' document that directs staff efforts and town resources towards a clearly defined vision. Town staff are responsible for prioritizing and planning specific projects and departmental operations based on the overall goals and themes identified in the Strategic Plan.

The Board of Trustees will address and discuss the Strategic Plan, update any goals, and amend priorities every two years. The next time the Board of Trustees will address the Strategic Plan is in the Summer of 2026 for the FY-2027 Budget. Goals are given to department heads for feedback on how to achieve those goals.



Pic. 1 School Loop Trail Ribbon cutting

Throughout the budgeting process and during the fiscal year, decisions are made on what to prioritize based on the goals identified by the Board of Trustees. Staff and Trustees will use the strategic plan to ensure that adequate resources are available to implement each task. As a tracking mechanism, staff prepare a monthly [Departmental Scorecard with updates on projects and it is readily available on the Town's website.](#)

Paonia's strategic plan is a work in progress and will continually be evaluated and improved. A well-executed strategic plan serves as a roadmap for Paonia that enables the Board of Trustees and staff to make decisions towards goals that improve service-delivery and enhance the quality of life for Paonia Residents.



¹The Goals identified during the March 13, 2023 Strategic Planning Session and the SWOT analyses from the August 27, 2024 Board Workshop are included in the appendices.

P A O N I A

STRATEGIC PLAN CATEGORIES AND GOALS

ORGANIZATIONAL EXCELLENCE
AND STAFF DEVELOPMENT



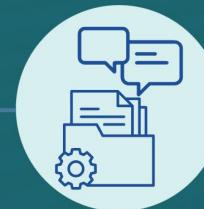
PRISTINE INFRASTRUCTURE
AND CRITICAL FACILITIES



TRANSPARENT, SECURE AND
ACCURATE FINANCIAL AND
ADMINISTRATIVE SYSTEMS



COMMUNICATION AND
RECORDS MANAGEMENT



SAFE AND RESILIENT
COMMUNITY





Organizational Excellence & Staff Development

We support and empower a team that builds confidence with Residents and customers through transparency, integrity, service, innovation and fiscal responsibility. Our team strives to transmit the Town, not only not less, but greater and more beautiful than it was transmitted to us. We align our values with continuing to move Paonia in a positive direction as we work together with the community.

Goal: Strengthen Public Trust and Confidence

Strategies:

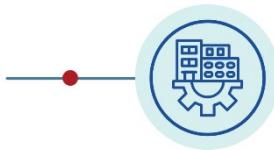
- Hire employees based on skills and ability to perform the duties of positions as assigned, give preference to candidates that demonstrate the ability to work as a team.
- Update personnel policies and provide professional development opportunities to ensure that the Town is staffed with qualified individuals.
- Support employees through continued education opportunities and trainings, encourage and support employees to pursue and maintain accreditations, certifications, and licensure.
- Encourage employees to join and be active in professional organizations and associations.
- Provide value to utility customers by balancing efficiency and cost management with innovation in customer convenience, strive to treat each customers' issue as unique to the customer.
- Foster positive relationships between staff and board members to enhance communication and collaboration.

Goal: Be an Employer that Attracts and Retains Dedicated Staff Passionate about Paonia

Strategies:

- Invest in an organizational culture that values development, creative problem solving, service and recognizes employees for a job well done.
- Continue to develop new training programs and encourage trainings through CIRSA and other organizations that improve employee safety, interdepartmental communication, cross-training, and continue to improve the relationship between staff and the board.
- Update personnel policies and the employee manual with staff input.
- Create clear onboarding processes and recognition systems to boost morale and retention.





Pristine Infrastructure And Critical Facilities

We pledge to adequately fund improvements to infrastructure to atone for underfunding infrastructure and critical facilities in previous years. We strive to provide essential services to Residents and the extended Paonia community by investing in, operating and maintaining, quality facilities and infrastructure.

Goal: Repair and Maintain Existing Infrastructure, Facilities, and Equipment; Liquidate or Replace Those that Can't be Repaired

Strategies:

- Continue to improve the comprehensive long-term capital improvement plan that prioritizes sustainable growth and maintenance.
- Seek out supplemental funding whenever available for infrastructure improvements.
- Maintain accurate records of the Project Needs Assessments for both the Water and Wastewater Utility, include necessary improvements to critical facilities such as treatment plants, pressure relief valves, and other necessary appurtenances necessary to maintain or improve adequate operations.
- Evaluate existing facilities for feasibility of maintaining or restarting operations.
- Ensure the completion of critical infrastructure repairs and upgrades to enhance the Town's water, sewer, and road systems.

Goal: Maintain or Improve Levels of Service

Strategies:

- Reduce utility service disruptions and improve service reliability by upgrading and maintaining essential infrastructure systems.
- Meet or exceed all State and Federal Standards for water and sewer.
- Establish a Storm Water utility to mitigate flood waters, runoff and direct heavy rains to a beneficial place for storage and/or treatment.
- Continue to evaluate annual service delivery levels as a part of the budget process.
- Modernize Park facilities and public spaces to increase community engagement, safety, and accessibility.
- Utilize existing asset management and fleet maintenance software to help assess current and future needs for materials and equipment.
- Include sidewalk repairs and construction of new sidewalks in the annual Capital Improvement Plan.

Goal: Ensure Future Viability of Infrastructure and Facilities

Strategies:

- Create, update, and administer infrastructure plans and studies that prioritize resiliency and stability.
- Ensure the completion of critical infrastructure repairs and upgrades to enhance the Town's water, sewer and road systems.
- Modernize Park facilities and public spaces to increase community engagement and safety.

- Expect high-quality infrastructure construction.
- Plan infrastructure improvements that are more resilient and easier to maintain despite a higher upfront construction cost.
- Approach all improvements with a 'dig once' mentality.
- Establish a comprehensive long-term capital improvement plan that prioritizes sustainable growth and maintenance.





Transparent, Secure and Accurate Financial and Administrative Systems

We are committed to providing transparent, secure and easy to digest financial information. We will ensure that both our administrative systems and financial systems are secure and mitigate the chances of fraud or malfeasance from occurring.

Goal: Strengthen Financial Transparency and Accountability

Strategies:

- Continue to improve financial reporting, budget processes and tracking systems.
- Continue to utilize the Enterprise Resource Planning (ERP) software to its full functionality.
- Fully implement Requisitions and Purchase Order modules within the ERP system to track costs as soon as they are encumbered.
- Integrate Capital Improvement Planning into budgeting and financial reporting.
- Enhance grant tracking and reporting to improve access to funding opportunities and ensure compliance with grant requirements.
- Utilize monthly budget to actual reports as an opportunity to communicate to Residents about the services being provided by the Town.

Goal: Ensure that Inventory and Assets are Properly Accounted and Managed

Strategies:

- Utilize existing software to manage and control an inventory of parts and tools.
- Implement efficient procurement and asset management systems to ensure fiscal responsibility and resource optimization.
- Appoint Staff to manage data entry into the system and provide monthly reports on inventory, stock, parts.
- Continue to liquidate surplus equipment, and assets at the most opportune time to recover the most cost, and utilize the cost recovery towards replacements.



Safe and Resilient Community



Paonia is committed to creating a safe, friendly, and connected experience for Residents and visitors. We value the mix of industries that make Paonia unique and continue to sustainably growing the business community, skilled workforce, and cooperate regionally.

Goal: Provide and Maintain Public Safety Services and Awareness in our Community

Strategies:

- Deliver the highest level of police services without being overbearing to ensure that Residents feel safe and secure.
- Enhance security measures across all town facilities through upgraded surveillance systems and regular safety and security audits.
- Continue to collaborate with regional partners in response and education.
- Develop a Comprehensive Municipal Emergency Management Plan for continuity of operations in partnership with the County Emergency Management Department.
- Utilize Records Management Systems and Computer-Aided Dispatch to generate high-quality reports, and records.
- Create standard policies using Lexipol for police operations and personnel management.
- Improve data protection and cybersecurity by conducting regular security audits and implementing risk mitigation strategies.

Goal: Partner with Existing Non-Governmental Organizations to Create Arts and Culture Opportunities, More Community Based, Community Service and Action Opportunities that Connect the Community

Strategies:

- Establish and provide volunteer resources to the community.
- Work with regional partners to develop or implement programming.
- Develop a needs study for community services such as arts, culture, recreation, and educational opportunities through partnerships with existing NGO's such as the North Fork Chamber of Commerce, the North Fork Historical Society, the North Fork Valley Creative Coalition, the Learning Council, the Paonia Senior Center, and other similar organizations.
- Participate more in leadership and assisting with community events.
- Promote community-wide art initiatives.
- Honor our agricultural legacy and work to celebrate Paonia's history.

Goal: Support the Local Labor Market and Work with Partners to Grow Diverse Employment Opportunities

Strategies:

- Cultivate partnerships with the Delta County Public School District and county agencies to develop a local talent force.
- Connect Paonia employers with local talent force.
- Create a stronger presence with OneDelta County to strengthen economic development activities in Paonia.



Communication and Records Management

Our mission is to enhance municipal operations through efficient records management and transparent communication, ensuring compliance with regulations and fostering public trust. We are committed to using modern technology to improve accessibility, engagement, and the responsible management of town resources.

Goal: Preserve the Town Record and History in an Accessible and Easily Recallable Manner

Strategies:

- Implement a comprehensive records management system to improve the accessibility and organization of municipal documents.
- Improve the Town's technological capabilities by integrating modern software tools for records management and public engagement.

Goal: Engage, Inform and Involve the Community

Strategies:

- Increase public awareness and engagement by improving communication channels, including regular website updates and public reporting.
- Ensure compliance with state and federal regulations through regular accessibility and records audits that evaluate key processes in records management.
- Strengthen community trust by providing clear and transparent information regarding municipal funding, including spending on marijuana revenue and sidewalk improvements.



TOWN OVERVIEW: HISTORY, INTRODUCTION, AND BUDGET PROCESS



TOWN OF PAONIA, COLORADO

TOWN OVERVIEW

HISTORY

The Town of Paonia was organized under the 1877 laws of the State of Colorado and is located in Delta County. Paonia was incorporated, on July 21, 1902, by Delta County Court Order, following a successful election for incorporation held on July 14, 1902, in which 100 people voted for incorporation and 1 person voted against incorporation.



The Town of Paonia is a statutory town and is limited to exercising governing powers that are granted by the State of Colorado and are subject to provisions and limitations imposed by the state.

In 1902, Paonia was first incorporated as a Mayor – Council form of Government with a Board of Trustees serving as the “Council” and legislative body. The Mayor and Trustees are elected to staggered four-year terms. The Mayor and Board of Trustees passed Ordinance 2014-09, establishing the position of Town Administrator and enumerated the duties, and powers of the position to include all executive and administrative functions for the proper management of the Town.

The area encompassing what is now the Town of Paonia was first explored in 1853 by Captain John W. Gunnison of the United States Army. Captain Gunnison's mission was to locate a suitable pass through the Rocky Mountains for the Topographical Engineers. The area was first inhabited by the Ute Indian Tribe 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 traveled with Enos Hotchkiss from Ohio. The areas around Paonia have significant industries in ranching, mining, and orchard farming and vineyards. 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.



The Town of Paonia is home to the North Fork Valley Creative Coalition (NFVCC), which is a thriving community of visionary artists, and creative businesses from Paonia, Hotchkiss and Crawford. The NFVCC manages Paonia's Creative District which is a state-certified district in Colorado's Creative Industries Creative District Program. The NFVCC hosts the following annual events for the Town of Paonia: Final Friday Frolics – a monthly art walk; the Mountain Harvest Festival; and the Holiday Art Fair. Paonia also hosts several other festivals, including: the Paonia Cherry Days Festival; Top 'O the Rockies, BMW Rally; and Pickin' in the Park.

Throughout much of Paonia's history, the Town relied on Coal Mining as the major economic driver for the Town, and as the source of employment for many of its Residents. In 2013, the Elk Creek Mine in Somerset closed and 257 people were left unemployed. In 2016, another coal mine, the Bowie #2 mine shutdown, and an additional 102 jobs were lost. In 2023, it is the West Elk Mine (operated by Arch Coal), is the only fully operational mine left in the Paonia-area, and it has a finite supply of coal left to extract.

After the significant loss of jobs, families emigrating from Paonia, and the loss of billions of dollars of revenue from the closure of coal mines, the state of Colorado designated Paonia as a Disadvantaged Community (DAC). To qualify as a DAC, Paonia needs to meet certain criteria from the state, such as a population less than 10,000, and at least two economic factors. Paonia's current (2023) Median Household Income (MHI) is \$53,646 and is lower than the state's average of \$64,147. The current (2023) Median Home Value (MHV) is \$217,400 and is lower than the state's average of \$397,500.

The Town experienced a catastrophic water loss crisis that began on February 14, 2019, and by February 18, 2019, the State of Colorado placed all Paonia water customers on a Boil Order. Later that day, the Town issued a local emergency declaration, and the drinking water supply was turned off. As a result of the emergency, a referendum was passed on January 7, 2020, through a special election, and the ban went into effect on January 27, 2020.



Entering FY-2026, the Town of Paonia continues to advance a long range program of capital reinvestment and organizational modernization. Much of this work is anchored by the Towns 20-Year Water Capital Improvement Plan, which remains the

most significant infrastructure initiative undertaken by the community in decades. The plan is funded primarily through a loan from Colorado's Drinking Water Revolving Fund, supplemented by competitive state and federal grants. Phase One of this effort focuses on replacing and upsizing the main transmission line from the Lamborn Water Treatment Plant to nearly all Town water customers, relining and restoring the finished water storage tank, expanding metering of the raw water system, and rehabilitating key components of the spring and conveyance infrastructure that have not been comprehensively upgraded since their original construction, some of which haven't been upgraded since the early 1900's.

Progress made during 2024 and 2025 carries directly into FY-2026. Phase One design refinements were extended after additional review by the Colorado Department of Public Health and Environment and the Colorado Department of Transportation. In addition, the hydrogeological study of the Towns complex spring system provided important preliminary findings. Early analysis indicated that the mountain hydrology contains a greater volume of available water than historically assumed. These findings will inform additional phases of the water system improvements, helping the Town prioritize conveyance, storage, and treatment investments based on a more accurate understanding of source water behavior over time.

Paonia remains a predominantly residential community with a limited but important commercial district comprised largely of retail establishments, restaurants, and nonprofit organizations. The Town does not have a significant industrial base, and therefore relies heavily on residential activity and visitor-driven spending. Partnerships with state agencies, regional collaborators, and local nonprofit organizations continue to play an important role in supporting the local economy. Tourism, supported by the North Fork Valley's renowned agricultural landscape, creative industries, and proximity to major outdoor recreation opportunities, remains a growth opportunity that the Town will continue to foster. While economic conditions have generally been stressed in recent years, trends across Delta County and the state of Colorado show signs of incremental improvement, and Paonia continues to adapt its policies and investments to support long term stability.

Significant attention has also been placed on restoring financial reporting credibility and compliance. After several years of delayed audit submissions, the Town successfully completed both the FY-2022 and FY-2023 Annual Comprehensive Financial Reports in 2024. This accomplishment marks an important turning point. During FY-2025, staff worked to prepare the Town to return to a regular audit cycle and to meet the June 30th audit submission deadline going forward. With financial records now modernized and maintained in a transparent, accessible, and easily understood format, Paonia is well positioned to provide consistent and accurate financial information to residents, visitors, granting agencies, and other stakeholders.

The Town submitted the FY-2024 Annual Comprehensive Financial Report on time and even completed a 10-year statistical analysis of financial reports before the deadline of June 30, 2025. The Town's commitment to accountability in budgeting, audit compliance, and public reporting is now firmly embedded in its organizational culture.

The FY-2026 Budget reflects the Town's continued effort to align strategic goals, long-term infrastructure needs, and day-to-day operational responsibilities. Through workshops with the Board of Trustees, internal departmental deliberations, and review of community-adopted planning documents including the Comprehensive Plan and the recently completed 5-year Capital Improvement Plan, the budget process ensures that policy direction translates into actionable and financially responsible plans. As Paonia advances major capital initiatives while maintaining critical public services, the Town remains committed to prudent financial management, transparent decision making, and thoughtful stewardship of community resources.



INTRODUCTION

Scope of Services

The Town of Paonia provides the following major services to the Residents and visitors of Town:

Public Safety
Parks, Trails, and Open Space
Street Construction and Maintenance
Municipal Court
Town Facilities
Administration and Finance
Community Development and Building
Communication, Engagement and Support Services
Municipal Airport
Water Utility
Sewer Utility
Trash Services

Employees and Benefits

The Town had twenty-three (23) regular, full-time positions (exempt and nonexempt) in 2025, with those positions allocated across Administration, Public Works, Parks, Water, Wastewater, Sanitation, and Law Enforcement. In addition, the Town had two (2) part time positions in 2025, consisting of the Municipal Judge and an administrative support role position, whose time was shared across the General Fund and the three utility enterprises. A Seasonal employee in the Streets and Parks Departments supplemented this core workforce during peak operating months.

For FY-2026, the Town is adding two additional positions for a total of twenty-five (25) regular, full-time positions. The additions are a Full-time Front Desk Office Assistant that will have duties at the front desk and as an Administrative Assistant, and a Community Services Officer with allocations in the Police Department and the Administration Department with duties related to Code Enforcement and normal policing duties. Several roles are being restructured in 2026 to better match service levels and workload. Many positions in 2026 are cost allocated across the General Fund and all utility funds, with the only exceptions in the Police Department due to the nature of their duties and services being only within the General Fund. The Public

Works organization has also been clarified, with a Public Works Director, a Lead Utility Operator, a Utility Laborer, a Utility Operator, a Public Works Supervisor, a Public Works General Laborer Mechanic, and multiple Public Works General Laborer positions assigned in specific percentages to Streets, Parks and Recreation, Water, Wastewater, and Sanitation operations. The Police Department continues to staff a Police Chief, a Public Service Technician, a Police Sergeant, three (3) Police Officer positions, a School Resource Officer, and a Community Services Officer, with one Police Officer position and the Community Services Officer position currently vacant but funded. In FY-2026, the Town will fund two new (2) seasonal Parks positions and continue to fund one (1) part time Municipal Judge. The Town of Paonia neither recognizes nor bargains with any employee union.

During FY-2025, the Town continued its transition to a performance-based pay system. Several employees who were recognized for outstanding performance received base salary increases that were higher than the standard cost of living adjustment. All employees received a minimum 5.7% Cost of Living Adjustment going into 2025 to address prior wage compression and keep salaries competitive within the region. Additionally, during FY-2025, the Town initiated a compensation study to evaluate internal equity, market competitiveness, and classification accuracy. The outcomes of that study informed what wages should be applied to different positions in FY-2026 and beyond so that the Town remains competitive with neighboring and similarly sized communities.

By the end of FY-2025 Town staff had fully implemented a new annual performance appraisal system that requires individual development plans to be completed between each employee and their supervisor. During the December 5, 2025, workshop, the Town Clerk presented an addition to the annual performance appraisal system that included a merit-based appraisal framework. If an employee meets or exceeds the goals listed in their individual development plan by the next appraisal, the employee is eligible to receive salary adjustments based on performance and a score from the merit-based appraisal worksheet. All merit-based increases during FY-2026 are subject to budget capacity and availability. Actual salaries and benefits are calculated in the budget assuming that each authorized position is filled for the entire fiscal year, with vacancy savings applied only when appropriate.

The Town provides other benefits to full-time employees including Paid Time Off, which employees may use for any reason such as vacation, sick leave, or personal time. Nonexempt employees may roll over up to forty (40) hours of PTO into the next fiscal year, and sellback up to forty (40) hours. Exempt employees may sell back up to forty (40) hours of PTO and may roll over an additional forty (40) hours into the next fiscal year. All PTO sellback is subject to budget constraints and availability of

funds. The Town offers twelve (13) paid holidays each year, including: New Year's Day; Martin Luther King Day; President's Day; Memorial Day; Juneteenth; Independence Day; Labor Day; Indigenous People's Day; Veterans' Day; Thanksgiving Day and the Day after; Christmas Eve; and Christmas Day.

In FY-2026 the Town will continue to offer employees a minimum PTO accrual rate of 6.25 hours per pay period. Surrounding communities typically provide a mix of vacation and sick leave. By continuing the single PTO accrual rate, the Town provides employees with greater flexibility in managing their time off. This effectively makes the minimum annual PTO accrual for the year to four (4) weeks per year. It is anticipated that Staff will propose a PTO rate accrual rate increase for employees with 5, 10 and 15 years of service, but maintain the minimum accrual rate for employees with under 5 years' service to the Town.

Employees also receive a portion of their health care benefits paid for by the Town, including medical, dental, and vision coverage. All employees pay for a portion of their medical, dental, and vision benefits in 2025 and 2026, including employees who have elected employee only medical insurance. This cost sharing structure is meant to reduce the effects of a thirteen percent (13%) increase in insurance premiums for FY-2026 and is intended to maintain the long-term sustainability of the benefit program. All health care premiums are offered on a pretax basis, which allows employees to realize income tax savings. The Town covers the premium for a \$100,000 life insurance policy for every full-time employee.

The Town has established retirement plans for employees. Regular full-time employees are eligible to participate in the plan and are encouraged to make contributions up to the maximum allowed by law. Regardless of employee contribution toward retirement, the Town invests five percent (5%) of the employee's base wage into the retirement plan. Sworn police officers may also participate in the retirement plan up to the maximum allowable by law, and they are additionally required to participate in a police pension plan.



GENERAL BUDGETARY PRINCIPLES

The annual budget is the primary financial planning tool for the Town. It sets forth management's estimate of available resources and describes the way in which those resources will be expended. Like any plan, the budget is carefully monitored throughout the year to identify and address material variances. Since no plan can accurately predict all future events, management must have sufficient flexibility to adjust during the year without altering the general intent of the Mayor and Board of Trustees as reflected in the adopted budget.

This budget has been structured and prepared using the guidelines of the Government Finance Officers Association (GFOA). Two sources, Governmental Accounting, Auditing and Financial Reporting (GAAFR) and the Governmental Accounting Standards Board (GASB) guide the financial reporting and annual budget process. The budget must be balanced or show a revenue surplus, meaning that deficit spending isn't allowed.

What is a 'Balanced Budget'?

Balanced Budget means, "a balance between total estimated expenditures and total anticipated revenues, including surpluses." This means that appropriated expenditures cannot exceed the sum of the revenues and beginning fund balance. The beginning fund balance is essentially the 'surplus' from previous years' budgets and is the amount of unspent funds from previous fiscal years that are carried forward.

What is the Budget Term?

The Town of Paonia prepares its budget on a calendar-year basis beginning January 1st and ending December 31st.

The Town of Paonia's definition of a 'Balanced Budget' conforms to the statutory requirements for the State of Colorado located in C.R.S. §29-1-103 (2).

What is the Basis for Budgeting?

The budget parallels the methods of accounting used for the Town's funds. The basis of budgeting is the process of converting revenue and costs to establish and report appropriations, which are the legal authority to spend or collect revenue. A modified accrual basis is used for all governmental funds and operations. Proprietary funds are full accrual basis.

The modified accrual basis of accounting is a combination of the cash basis and full accrual basis, and is used to recognize revenues and expenditures for governmental funds. In the modified accrual basis, revenues are recognized when they are measurable and available to finance current expenditures. Measurable means the

amount can be reasonably estimated, and available means it can be collected within the current period or soon enough to pay current period liabilities.

In the modified accrual basis, expenditures are recognized when the related liability is incurred, measurable, and expected to be paid within twelve months of the fiscal period end. Long-term events are treated as accrual accounting, with long-term assets and liabilities recorded on the balance sheet. Depreciation, amortization, and debt repayments are reported over the life of the assets and debts. Modified accrual accounting provides a clear picture of the Town's assets and liabilities, and the relationship between revenue and expenses. It also allows the Town to focus on short-term financial assets and liabilities.

For the Town's purposes, it considers revenue and expenditures as within the same term if collected or incurred within sixty (60) days of the end of the fiscal period. Typically, sixty (60) days past the fiscal period is by February 28th of the following fiscal year.

The full accrual basis of accounting is an accounting method that recognizes transactions in the fiscal year that they occur, regardless of when cash is received or disbursed. This means that revenue is recognized when it's earned, and expenses are recognized when they're incurred. Full Accrual accounting results in accounting measurements based on the substance of transactions and events, rather than when cash is received or disbursed. This form of accounting is used for all of the Paonia's proprietary funds (business activities) such as the water and sewer enterprises and the garbage collection service.

The basis of accounting used to prepare the budget is the same as the basis of accounting used in the financial statements.

What Rules do Staff Follow in Preparing and Monitoring the Budget?

- Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Formal budgetary integration is not employed for Debt Service or Enterprise Funds.
- The Town maintains the legal level of budgetary control at the fund level in the General Fund and at the fund level for all other funds. Total expenditures for each fund may not exceed appropriations without approval by Council.
- The Town Treasurer is authorized to transfer budgeted amounts between accounts within a fund. At any time during the year, the Town Treasurer may

transfer unencumbered appropriated balances among line items within one department, or between departments within the same fund, provided that such transfer does not exceed the total appropriation for that fund.

- In the event that uncontrollable circumstances cause deviations from the budget in an amount greater than that which can be remediated through line-item transfer, flexibility and relief are provided by budget amendment procedures as established by Colorado Statutes. These statutes give the Mayor and the Board of Trustees the authority to adopt a budget and modify it as necessary during the fiscal year.
- The Town also maintains an encumbrance accounting system to assist in budgetary control. At year-end, outstanding encumbrances are recorded as reservations of fund balance.

Budget Recommendation:

The proposed budget provides a complete financial plan for each type of fund of the Town and includes appropriate financial statements for each type of fund showing comparative figures for the last completed and audited fiscal year, comparative figures for the current year, and recommendations for the upcoming year. Three years' comparable data is a requirement of C.R.S. 29-1-103 (1) (d) and the Town's budget complies with the statute.



BUDGET PROCESS

The Town of Paonia's annual budget process begins in mid-July and concludes in December with a public hearing for adoption of the final budget. The process is designed to provide multiple opportunities for public input, Board direction, and interdepartmental review. Through a series of workshops, discussions, and regular Board meetings, the Town develops service level expectations, financial projections, policy priorities, and the Five-Year Capital Improvement Plan. Revenue estimates are based on historical data, trends from local and state sources, and economic indicators from throughout Delta County. Expenditure estimates are developed using cost analyses, departmental needs assessments, expected service demands, and multi-year planning tools managed by the Finance Department.

For FY-2026, the Board of Trustees initiated budget planning earlier and with greater structure than in prior years. Staff began discussing budget in mid-July and the public process began on August 26, 2025, when the Board held a workshop to discuss organizational priorities, service delivery needs, and emerging operational challenges. During that session, the Board reviewed departmental objectives, staffing levels, capital requirements, and operating constraints. This early workshop also initiated the formal update of the Town's 5-Year Capital Improvement Plan, which was integrated directly into the FY-2026 Budget.

Following the August workshop, staff developed and refined initial revenue projections and expenditure estimates. On September 24, 2025, the Board held its first walkthrough of the draft FY-2026 Budget during a publicly noticed workshop. Trustees discussed operating needs, fund balance requirements, and long-term financial obligations, including debt service for the Water and Wastewater utilities. Staff provided updated budget worksheets, the preliminary capital improvement plan, and updated personnel cost allocations reflecting the restructured organization.

A second budget workshop was held on October 28, 2025. During that session, the Board reviewed adjustments requested during the September meeting, departmental budget clarifications, and updated revenue forecasts. Trustees evaluated whether the proposed spending levels aligned with the Town's service commitments, strategic priorities, and infrastructure needs. The workshop also included discussion of the Town's enterprise fund structure, long term capital requirements, and the performance-based compensation system that informs personnel budgeting.

Throughout November, staff incorporated Board direction, updated departmental requests, and finalized the 5-Year Capital Improvement Plan, which accompanied the draft budget in the November 25, 2025, Board packet. During this period, staff also completed the Budget in Brief, narrative budget sections, fund summaries, and capital

project descriptions. Public input opportunities were provided at each regular Board meeting where budget materials were presented or discussed.

The final public hearing on the FY-2026 Budget was scheduled for December 9, 2025. At that hearing, the Board will consider adoption of the budget, appropriation ordinance, and property tax certification. Upon adoption, the FY-2026 Budget becomes the Town's financial roadmap for the upcoming fiscal year and establishes the legal authority for Town expenditures, the delivery of municipal services, and the implementation of the capital program.

Public Hearing

The proposed budget is a matter of public record and is open to the public for inspection. At a minimum one public hearing is held on the proposed budget. Appropriate notice of the time and place of the hearing is placed in a newspaper of general circulation.

Adoption of Budget and Appropriation of Funds

In accordance with state statutes, on or before the fifteenth (15th) day of December, the Board of Trustees shall adopt a balanced budget by ordinance for the ensuing year. The Board appropriates sums of money, as it deems necessary, to defray all expenditures.

Budget Amendments

The Adopted Budget can be amended anytime during the fiscal year by presenting the Board of Trustees with a Resolution for approval. Generally, budget amendments are used for one-time items such as emergency repairs to utility infrastructure, project related grants, or other one-time expenses that could not have reasonably been predicted during the budget process.

Supplemental Appropriation

The Board of Trustees may make supplemental appropriations from actual and anticipated revenues and prior year reserves if the total amount budgeted does not exceed the actual or anticipated revenue total or the available reserve balance. No appropriation can be made which exceed the revenues, reserves, or other funds anticipated or available except for emergencies due to accident or an unforeseen event arising after the adoption of the annual appropriation.

Encumbrances

If a fund has unpaid purchase orders at the end of a fiscal year and a commitment for the expenditure has been logged, those related appropriations are encumbered and carryover to the next fiscal year as a reservation of fund balance. All other appropriations lapse at year-end.

Budget Decreases

The budget can also be decreased below approved levels during the fiscal year. Changes in demand for services, economic conditions, projected growth limits, and Board of Trustee goals may cause such reductions. Should the need arise, each department of the Town is responsible for developing a plan to reduce expenses. If the Town Administrator/Treasurer directs budget reductions, the Board of Trustees will be informed immediately, and the appropriations will be set aside through administrative action. While this administrative action does not lower the appropriations within a fund, expenditures are prevented. If the circumstances that led to the budget reduction change, the appropriation may again be made available for expenditure.

Level of Control and Budget Transfers

Control of expenditures is exercised at the fund level. The Town Administrator/Treasurer, or their designee, is responsible for all expenditures made against appropriations within their departments and may allocate resources within the fund. The Town may transfer appropriated monies between spending agencies within a fund or from one fund to another provided that a few conditions are met.

- The transfer is made from a fund in which the amount appropriated exceeds the amount needed to accomplish the purpose specified by the appropriation.
- The purpose for which the funds were initially appropriated no longer exists.
- A transfer may also include a subsidy of funding from one Fund to support the program needs of another fund. A Transfer from a Utility Enterprise to the General Fund requires a Resolution from the Board of Trustees. Transfers from the General Fund to a Utility Fund are generally prohibited as Enterprise funds are meant to support themselves.

A summary of the timing and principal steps in the budget process is as follows:

July - August	Each July and August, the Town Administrator directs departments to review operational costs, identify successes and challenges from the current year, and determine funding needed to maintain or enhance service levels. Departments also update their portions of the 5-Year Capital Improvement Plan, recommending project additions, removals, or revisions. This early analysis forms the foundation of the draft budget and ensures alignment between operational needs, capital priorities, and organizational goals.
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August - September	<p>County Assessor certifies the total new assessed and actual values for real and personal property to the Town for use in computing the statutory and TABOR property tax revenue limits. The Town Administrator establishes service level goals and broad citywide objectives for the upcoming budget year. The Finance Department reviews and prepares the necessary forms and instructions and distributes them to the individual departments.</p>
September - October	<p>Town Administrator meets with Department Heads to review budget requests. Department Heads return budget requests to the Finance Department for review and compilation of preliminary budget document. Department Heads compile budgetary quotes for inclusion in the Capital Improvement Plan and review the existing plan for edits.</p>
October - November	<p>On October 15 (for CY-2025 and FY-2026), the Town Administrator must submit a proposed budget to the governing body, and a notice of budget must be published upon receiving the proposed budget. Workshops, Public Hearings, and Drafts of the Budget are presented, discussed, and edited as necessary. Deadline for submitting applications to DOLA for an increase in levy are due the first of November.</p>
December	<p>The Mayor and Board of Trustees conduct a Public Hearing to consider approval and adoption of the budget, and certify a mill levy to be sent to Delta County.</p>



FINANCIAL POLICIES

Revenue Policy

The Town of Paonia strives to achieve and maintain a balanced and diverse revenue structure. Paonia is a community that has embraced new industries to offset the effects of sunsetting industries such as coal mining. Due to emerging industries and the seasonal success many of them enjoy, annual revenues can vary widely and fluctuate a great deal, making it difficult to forecast, and unreliable to use as a sound revenue base. Major revenue sources in the General Fund are sales/use tax, property tax, severance tax, franchise charges, fines and forfeitures, and user fees and charges.

User fees are typically adjusted every annually to ensure that the cost of the fee at least captures the cost associated with providing the individual user with that fee. Generally, user fees do not exceed the overall cost of providing the facility, infrastructure, or service for which the fee is imposed. In calculating the cost of fees, the Town considers both direct or indirect costs. The town reviews all fees for licenses, permits, fines, and other miscellaneous charges as part of the annual budgetary process.

Expenditure Policy

The General Fund is comprised of five departments, consisting of: Town Administration (including the Finance and Clerk divisions), Law Enforcement, Building, Streets, and Parks and Recreation. Each department may also have divisions and/or programs supported by the department.

Expenditures are classified as the following:

- Personnel Services
- Operating
- Capital Outlay and Transfers

Personnel Services includes salaries for full-time and part-time employees, overtime pay, insurance, retirement, other related benefits, and other personnel related costs. Some employees have fixed allocations for their salaries which means that a portion of their wages and benefits are paid out of different Funds.

Operating includes services, goods, equipment, maintenance, repairs and other services that are necessary for the department to delivery services in accordance with the Board of Trustees approved service delivery levels. These allocations cover the day-to-day expenses necessary to operate the department.

Capital Outlay and Transfers includes costs associated with projects, capital expenditures and transfers to other funds. These include expenditures for the acquisition of capital goods, such as land, buildings, and equipment, or for improvements to them that increase their value or useful life. Capital outlays are generally fixed assets that cost over \$5,000 and have a useful life of greater than one year, such as major projects, land buildings, or other infrastructure. Most expenses related to grant funded projects are tracked through this expenditure classification.

Taxpayers' Bill of Rights (TABOR)

Colorado voters approved an amendment to the Colorado Constitution that placed limits on revenue and expenditures of the State and all local governments in 1992. Even though the limit is placed on both revenue and expenditures, the constitutional amendment ultimately applies to a limit on revenue collections. Growth in revenue is limited to the increase in the price index for our area plus growth in new construction and buildings. TABOR caps revenue based on property value growth, and rural areas such as Paonia have slower property value appreciation, which means that the Town collects less tax revenue than in urban areas, leading to funding shortages for desired service delivery levels.

In 2020, the Paonia moratorium on new water taps went into effectively stopping any new construction, or growth. Without new users paying into the system, the effects of TABOR are heightened, meaning slower revenue growth for the Town as well. Due to limited revenue, the Town must carefully decide which projects to complete and many of those projects are heavily reliant on supplemental funding from grants and donations. Limited revenue growth also causes issues maintain and improving public services like schools, roads, and emergency response systems. If it weren't for the partnerships that Paonia has cultivated with local non-profits, Delta County, and other regional partners many of the services that Paonia offers would cease to exist.

Any new projects requiring funding that isn't available in the annual budget often need to be funded through ballot initiatives. Due to limited funding, the difference between urban and rural areas has a disparity in the availability and quality of public services offered to Residents. Another consideration is that even if Paonia were to experience a temporary increase in economic activity, the revenue cap set by TABOR might not adjust upwards enough to cover the demand for additional services after the increase subsides. This is called a 'ratchet down effect' and may lead to a permanent decrease in funding.

Capital Improvement Fund

Paonia has significant financial investment in streets, public facilities, parks, natural areas, and other capital improvements. The Board of Trustees voiced a commitment to, and investment in, the Town's capital projects. Costs for capital projects are

estimated based on present value and funding sources are identified for each project. Operating and maintenance costs are identified at the time projects are approved. A variety of funding sources have been identified for capital improvements, including Conservation Trust Funds, Capital Improvement Funds, Bridge Reserve Funds, and a variety of grant funds.

Debt Policies

The Town of Paonia recognizes that the primary purpose of capital facilities is to support provision of services to Residents. Using debt financing to meet the capital needs of the Town must be evaluated according to two tests: efficiency and equity.

The test of efficiency is the highest rate of return for a given investment of resources.

The test of equity required determining who should pay for the cost of capital improvements.

In meeting the demand for additional capital facilities, the Town strives to balance the load between debt financing and *pay as you go* methods. Pay as you go is defined as paying for projects as needed rather than committing to long-term debt. The Town realizes failure to meet the demands of growth and the demands of repairing its utility distribution and collections systems may inhibit its continued economic viability, but also realizes that too much debt may have detrimental effects. Through the rigorous testing of the need for additional debt financed facilities and how the debt will be repaid, the Town strikes an appropriate balance between service level demands and the amount of debt the Town takes on.

Occasionally, the Town may use lease purchase financing for the provision of new and replacement equipment, and vehicles to ensure the timely replacement of these items. This strategy also decreases the impact of the cost to the requesting department by spreading the cost over several years. This method can also be used to acquire real property. The type of lease that the Town uses is termed a conditional sales lease or capital lease, which means a purchase rather than a rental. For the purposes of securing credit ratings and monitoring annual debt service as a percentage of operating expenditures, lease purchase financing is considered a long-term liability of the Town, although subject to annual appropriation, and therefore will be issued under the same conditions as long-term debt. Leases are required to be part of the annual audit through GASB 87, Lease Standard, effective June 15, 2022.

Cash Management and Investment Policies

Colorado statutes govern general provisions for the Town's investment strategies and the Town complies with C.R.S. §24-75-601 - §24-75-702. All Town investments follow this policy regardless of the fund type.

The Town's objectives for cash management and investments are:

- Observe investment management objectives of safety, liquidity, and yield.
- Preservation of capital through the protection of investment principal.
- Maintenance of sufficient liquidity to meet the Town's cash needs.
- Diversification of the types and maturities of investments purchased to avoid incurring unreasonable credit or market risk regarding a specific security, maturity periods, or institution.
- Maximization of the rate of return for prevailing market conditions for eligible securities.
- Conformance with all federal, state, and other legal requirements.

The Board of Trustees assigns responsibilities for the collection of Town funds and cash management functions to the Town Treasurer.

Paonia Municipal Code (P.M.C.) §4-2-10 Custody and Management of Funds, states:

"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 purposes 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 purposes as the Board of Trustees may direct."

The Town Treasurer is authorized to invest funds of the Town in accordance with the Town policies and Colorado Law. The Town currently holds its investments between COLOTRUST and a money market account with United Business Bank. COLOTRUST is a statutory trust organized and existing under the laws of the state of Colorado and is intended solely for the use of Colorado local governments and was created on January 1, 1985, by an indenture of Trust in accordance with the Pooling Act. COLOTRUST meets all of the statutory requirements for investing local government funds.

Risk Management

The goal of the Town is to protect the assets of the Town and provide a safe work environment for town staff. This goal is accomplished by planning for the negative consequences of any decision, process, or action by using risk control, risk retention, and risk transfer strategies.

More specifically, the main features of this program are as follows:

- Utilizing the Town's insurance provider, Colorado Intergovernmental Risk Sharing Agency (CIRSA), and other instructional agencies to provide trainings and loss control programs such as: defensive driving education, confined space entry education, safe lifting education, blood borne pathogens education, first aid and CPR training, and a variety of other safety education measures to prevent or at least mitigate workplace injuries, which saves the Town money. Loss control also includes annual audits from CIRSA of Town facilities to detect safety hazards in order to make services safe for the public.
- Reviewing Town contracts for the proper insurance requirements and bonds to ensure that the Town is properly designated in the contractor insurance policies.
- Monitoring changes in the law at the federal and state level to determine if any changes affect the way the Town delivers services, which in turn creates a liability for the Town.
- Developing the financial resources to pay for expected and unexpected losses.
- Monitoring the exposure in all Town programs and services that may involve the Town in future liabilities.

Purchasing and Procurement

Upon a recommendation of the Treasurer, the Board of Trustees adopted Ordinance 2024-03 to regulate and standardize purchasing and procurement.

The underlying purposes and policies are:

- To clarify and standardize the procurement practices and procedures by the Town.
- To permit procurement policies and practices.
- To provide for increased public confidence in the procedures followed in public procurement.
- To ensure fair and equitable treatment of all persons who deal with the procurement system of the Town.

- To provide increased economy in the Town procurement activities and to maximize to the fullest extent practicable the purchasing value of public funds of the Town.
- To foster effective broad-based competition within the free enterprise system.
- To provide safeguards for the maintenance of a procurement system of quality and integrity.

The ordinance also adopted formal expenditure approval limits which includes less than \$3,000 on the departmental level; less than \$10,000 on the Town Administrator/Treasurer level; and anything \$10,000 and above must go to the Board of Trustees for approval. The ordinance established emergency purchasing abilities and procedures, and it provided for the creation and adoption of a formal Purchasing and Procurement Manual to be adopted by Resolution.²

²Ordinance 2024-03 and the Purchasing and Procurement Manual are available in the appendices of this budget document.





BUDGET **OVERVIEW**



BUDGET OVERVIEW

Fund Accounting

Fund accounting is both for budgeting and accounting purposes. Each fund is established for a specific purpose and is considered a separate accounting entity. The Board of Trustees must approve or appropriate any expenditure from the various funds, including expenditures from reserves or surpluses. The authorization is generally done prior to the beginning of each fiscal year, but can be done both Board during a budget amendment, if funds are available. In government, "appropriate" or, "appropriation" is used instead of, "authorize" or, "Authorization". All of the Town of Paonia funds require appropriations before money can be expended.

Types of Town Funds

Governmental

- General Fund
- Special Revenue Fund

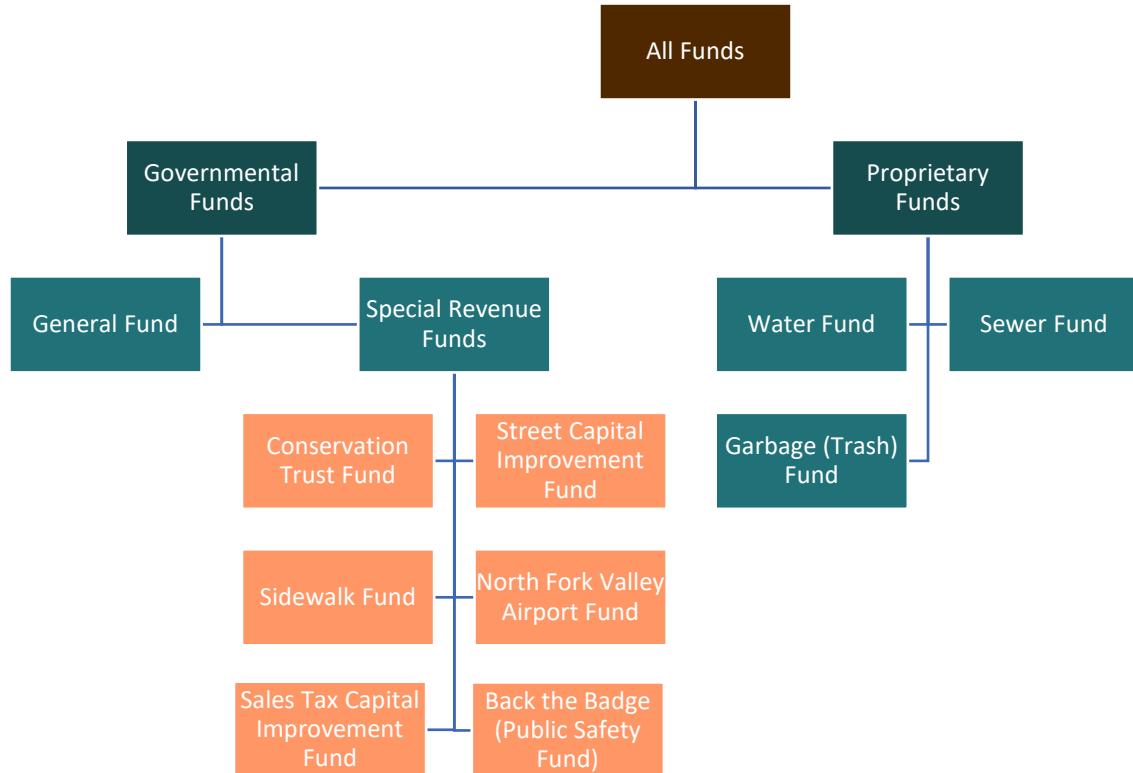
Proprietary

- Enterprise Funds
- Internal Service Funds

Fiduciary

- Trust and Agency Funds (Town currently holds no Trust or Agency Funds)

Fund Structure



Governmental Funds

General Fund

The General Fund accounts for all transactions of the Town of Paonia, not accounted for in other funds and is the Town's primary operating fund. This fund represents an accounting of the Town's ordinary operations financed from taxes and other general revenues and is the Town's most significant fund in relation to overall expenditures. Special Revenue Funds are established for specific purposes and are meant to account for monies received by the Town that are restricted in nature and can only be used for specific purposes that they were established. The General Fund is primarily made up of ad valorem revenues such as property tax, sales taxes, and other taxes.

Special Revenue Funds

Special Revenue Funds are established for the purpose of accounting for monies received by the Town of Paonia that are restricted in nature and can only be utilized for specific purposes.

Conservation Trust Fund

The fund was established as required by C.R.S. §31-25-220, to account for monies received from the State of Colorado for Conservation Trust Fund (lottery) purposes. Funding can be used for the acquisition, development, and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on any public site. New conservation sites are defined in statute as being interests in land and water, acquired after establishment of a conservation trust fund, for park or recreation purposes, for all types of open space, including, but limited to flood plains, green belts, agricultural lands, or scenic areas, or for any scientific, historic, scenic, recreation, aesthetic or similar purposes.

Streets Capital Improvement Fund

This fund was established by the Board of Trustees to account for resources used for the acquisition, construction, and maintenance of assets and major capital facilities other than those financed by proprietary funds and trust funds.

Sidewalk Fund

This fund was established by ballot initiative and is used to account for resources used for the acquisition, construction, and maintenance of assets and capital facilities that are associated with sidewalks in the Town of Paonia. The revenues in this fund are derived entirely from a three dollar (\$3.00) per month fee on homeowners' utility bills.

North Fork Valley Airport Fund

This fund was established by the Board of Trustees to account for resources used for the acquisition, construction, and maintenance of assets and capital facilities at the municipal airport shared with Delta County. The revenues in this fund are derived from a lease for a cellular tower at the airport. An Intergovernmental Agreement between the Town of Paonia and Delta County govern the airport and stipulate that 75% of the cellular tower rent goes to the Town of Paonia and that the Town is also responsible for 75% of the cost of maintenance, improvements and acquisition.

Sales Tax Capital Improvement Fund

This fund was created to account for resources used for the acquisition, construction, and maintenance of assets and major capital facilities other than those financed by proprietary funds and trust funds. Revenue for this fund comes from the imposition of an additional one percent (1%) Sales Tax on all goods and services sold in Town.

Back the Badge Sales Tax Fund (Public Safety Fund)

This fund was created after a 2020 county-wide ballot initiative in which approximately sixty percent (60%) of voters approved an additional county sales tax of eight tenths of a percent (.8%) on taxable retail sales and online sales sold throughout the County. The fund was established to provide monies for urgent and critical law enforcement needs such as increase and improve service delivery, increase sworn officers on staff, and to purchase necessary vehicles and equipment.

Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the Board of Trustees has decided that periodic determination of net income is appropriate for accountability purposes. The Town has three qualified Enterprise Funds including Water and Sewer, and Garbage (Trash) Funds. These funds provide different combinations of utility services to approximately 1,598 customers both in town limits and outside of town limits.

Component Units

The Town of Paonia does not currently have any authorities that are reported as component units.

Total Combined Town Budget

The 2026 Adopted Budget is balanced as defined in the introduction section of this document, with a “balance between total estimated expenditures and total anticipated revenues, including surpluses.” This means that the appropriated expenditures cannot exceed the sum of revenues and beginning fund balance.

The budget shown below is a consolidated budget that contains all the fund budgets for the Town of Paonia. The Board of Trustees is investing heavily in infrastructure projects in FY-2026 and this will cause the overall surplus to be reduced.

2026 BUDGET ALL FUNDS	GENERAL FUND	SALES TAX CAPITAL IMPROVEMENT FUND	SPECIAL REVENUE FUNDS*	WATER FUND	WASTEWATER FUND	GARBAGE (TRASH) FUND	TOTAL ALL FUNDS
BEGINNING BALANCE (UNAUDITED)	\$ 813,338	\$ 513,186	\$ 1,743,452	\$ 1,594,094	\$ 437,370	\$ 234,560	\$ 5,336,000
REVENUES							
LOANS	\$ -	\$ -	\$ -	\$ 5,257,000	\$ -	\$ -	\$ 5,257,000
PROPERTY TAXES	\$ 235,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 235,700
SALES TAXES	\$ 795,800	\$ 277,500	\$ 320,474	\$ -	\$ -	\$ -	\$ 1,393,774
LICENSES, PERMITS & FEES	\$ 62,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,250
INTERGOVERNMENTAL REVENUES	\$ 76,000	\$ -	\$ 5,500	\$ -	\$ -	\$ -	\$ 81,500
FINES AND FORFEITURES	\$ 267,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 267,000
MISCELLANEOUS	\$ 226,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,000
GRANTS	\$ -	\$ -	\$ 3,156,804	\$ 1,602,000	\$ 5,000	\$ -	\$ 4,763,804
CHARGES FOR SERVICES	\$ -	\$ -	\$ -	\$ 1,412,000	\$ 812,000	\$ 378,500	\$ 2,602,500
TOTAL REVENUES	\$ 2,476,088	\$ 790,686	\$ 5,226,230	\$ 9,865,094	\$ 1,254,370	\$ 613,060	\$ 20,225,528
OTHER SOURCES/USES							
TRANSFERS IN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFERS OUT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OTHER SOURCES/USES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
PERSONNEL	\$ 1,234,475	\$ -	\$ -	\$ 492,450	\$ 475,150	\$ 216,500	\$ 2,418,575
OPERATING	\$ 530,100	\$ -	\$ -	\$ 1,129,000	\$ 341,500	\$ 153,000	\$ 2,153,600
CAPITAL OUTLAY	\$ -	\$ 343,600	\$ 4,252,486	\$ 6,859,000	\$ 61,850	\$ 73,000	\$ 11,589,936
TOTAL EXPENDITURES	\$ 1,764,575	\$ 343,600	\$ 4,252,486	\$ 8,480,450	\$ 878,500	\$ 442,500	\$ 16,162,111
ENDING BALANCE	\$ 711,513	\$ 447,086	\$ 973,744	\$ 1,384,644	\$ 375,870	\$ 170,560	\$ 4,063,417

*Special Revenue Funds include 'Non-Major' Funds made up of the Street Fund, Conservation Trust Fund and the Sidewalk Fund

Analysis of Significant Changes in Anticipated Fund Balance

The following analysis focuses on available fund balances of Town funds anticipated to increase or decrease by 10% or more. Due to not beginning many of the infrastructure projects scheduled for FY-2025 and carrying them over into FY-2026, significant investment in infrastructure will once again happen in FY-2026, albeit with significantly more grant funding, it is anticipated that nearly every fund will experience a decrease in Fund Balance. The Beginning Fund Balance in the chart above is based on audited financial statements for FY-2024, and included anticipated surpluses in the General Fund, Sales Tax Capital Improvement Fund, and most Special Revenue Funds.

General Fund

Anticipated FY-2026 Beginning Balance:	\$813,338
Anticipated FY-2026 Ending Balance:	\$711,513
Increase (Decrease):	(\$101,825)
Percent Change:	-12.5%

Discussion

The anticipated decrease in the General Fund balance for FY-2026 reflects the use of unrestricted, unassigned fund balance to support operating expenditures that exceed projected revenues rather than for capital outlays. Although the General Fund is expected to decline by \$101,825, it remains financially stable and continues to maintain reserves well above the Town's minimum requirement. This planned reduction ensures continuity of services while long term fiscal balancing efforts continue.

Sales Tax Capital Improvement Fund

Anticipated FY-2026 Beginning Balance:	\$513,186
Anticipated FY-2026 Ending Balance:	\$447,086
Increase (Decrease):	(\$66,100)
Percent Change:	-12.9%

Discussion

The anticipated decrease in the Sales Tax Capital Improvement Fund balance for FY-2026 reflects the planned use of accumulated reserves to support the majority of General Fund capital outlays. These include vehicle replacements, improvements at the Town Park, repairs and upgrades to Town Hall, and other essential capital needs that cannot be funded through operating revenues alone. The \$66,100 reduction is consistent with the fund's purpose, and the remaining balance preserves adequate reserves for future capital priorities.

Special Revenue Funds

Anticipated FY-2026 Beginning Balance:	\$1,743,452
Anticipated FY-2026 Ending Balance:	\$973,744
Increase (Decrease):	(\$694,708)
Percent Change:	-44%

Discussion

The anticipated decrease in the Special Revenue Funds balance for FY-2026 reflects substantial planned investments in transportation, pedestrian accessibility, and long deferred street infrastructure. These funds, which include the Street Fund CIP, Sidewalk Fund CIP, and Conservation Trust Fund CIP, are projected to decrease by \$694,708 as the Town advances several high priority projects. Major outlays include a potential \$500,000 local match to repair the Samuel Wade Bridge, approximately \$32,000 toward the \$3,200,000 5th and Grand Avenue Realignment Project, \$85,000 for sidewalk and ADA Transition Plan improvements, and \$35,018 for targeted street repaving. Additional expenditures support the Town's match for the Safe Streets for All safety-based street prioritization project, the beginning of a systematic replacement of faded or damaged street signs, and efforts to build a necessary Public Works inventory for ongoing street repair needs. This planned use of reserves aligns with the intended purpose of these funds and advances critical infrastructure priorities while maintaining adequate balances for future needs.

Water Fund

Anticipated FY-2026 Beginning Balance:	\$1,594,094
Anticipated FY-2026 Ending Balance:	\$1,384,644
Increase (Decrease):	(\$209,450)
Percent Change:	-13%

Discussion

The anticipated decrease in the Water Fund balance for FY-2026 reflects the Town's continued investment in critical water infrastructure and long-term system reliability. Major planned expenditures include significant progress on the Western Loop Realignment and Replacement Project, completion of the finished drinking water tank relining, and initiation of the raw water metering and improvement project. The Town will also provide the local match for the WaterSMART grant supporting Phase II of the Hydrogeological Study, which will help identify areas within the raw water collection system where improvements can maximize natural yields and increase resiliency. Additional investments include replacing aging customer water meters with a cellular meter reading program, upgrading plant operations to electric PLC valve systems, initiating a vehicle replacement program to

support utility operations, and building an inventory of essential supplies and materials. While the fund is projected to decrease by \$209,450, this planned use of reserves aligns with the Water Fund's purpose and supports long term operational stability, regulatory compliance, and improved service delivery for the community.

Wastewater Fund

Anticipated FY-2026 Beginning Balance:	\$437,700
Anticipated FY-2026 Ending Balance:	\$375,870
Increase (Decrease):	(\$61,500)
Percent Change:	-14%

Discussion

The anticipated decrease in the Wastewater Fund balance for FY-2026 reflects targeted investments in system assessment, maintenance, and long-term capital planning. Key capital outlays include funding a portion of the safety improvements at the Public Works shop, conducting CCTV inspections of approximately 20% of the Town's sewer mains, and contributing to the purchase of new vehicles shared across utility and public works functions. The Town will also finalize its Project Needs Assessment for CDPHE funding, leveraging available grant support to position the community for future capital improvements. Additional planned expenditures include the purchase of a boat for the sewer lagoons equipped with a winch to safely reposition aerators during maintenance activities. Although the fund is projected to decrease by \$61,500, this planned use of reserves advances essential system evaluation, regulatory planning, and operational safety, ensuring the wastewater system remains reliable and well positioned for future improvements.

Sanitation (Garbage) Fund

Anticipated FY-2026 Beginning Balance:	\$234,560
Anticipated FY-2026 Ending Balance:	\$170,560
Increase (Decrease):	(\$64,000)
Percent Change:	-27%

Discussion

The anticipated decrease in the Sanitation Fund balance for FY-2026 reflects planned investments to modernize trash collection and improve operational efficiency. Capital outlays include the Sanitation Fund's share of safety improvements at the Public Works shop, the purchase of new tires for the Town's trash truck, and a \$50,000 investment in standardized trash cans. These standardized cans include 35-gallon containers for single can customers and 95-gallon containers for customers using two to three cans, manufactured with 10% recycled plastic originally destined for the

ocean. Implementing standardized containers will improve compliance with service levels, reduce labor demands, and decrease landfill weight by limiting water intrusion through secure lids. Although the fund is projected to decrease by \$64,000, these targeted investments support long-term operational savings, improved service delivery, and enhanced environmental stewardship.

Summary of Capital Expenditures

The following summary includes capital expenditures of Town funds that exceed \$25,000. Capital expenditures include acquiring or maintaining fixed assets such as land, buildings and equipment.

5th and Grand Realignment (Safe Pathways for Paonia)

Funding Sources: Special Revenue Funds (Street Fund CIP), and Grant Funding.
Estimated Cost: \$3,200,000. Not Recurring.

Discussion

The 5th and Grand Realignment (Safe Pathways for Paonia) Project is the most transformative street improvement undertaken in Paonia in decades. Although the project has been contemplated for several years, various design, funding, and coordination challenges delayed construction. It was originally scheduled for completion in FY-2024, however, following review by the Colorado Department of Transportation, additional design work was required. As staff incorporated CDOT's directives, the Town adopted a "Dig Once" approach to ensure that all underground utilities and related infrastructure in the project area would be replaced concurrently, maximizing long term efficiency and minimizing future disruptions.

The project will realign the intersection of 5th and Grand Avenue, install new sidewalks, curb, and gutter, eliminate long standing conflicts between the Town's stormwater system and the Paonia Ditch, add on street parking on both sides of the roadway, replace an aging fire hydrant, upgrade all water delivery pipes within the project limits, and replace several copper service lines in compliance with the EPA's final rule and CDPHE requirements for lead and copper service line replacement. The project will also create a significantly safer crossing for pedestrians traveling to school or the Town Park.

To support this work, the Town has secured three major grants: a combined \$1,241,721 from the Revitalizing Main Streets and Safe Routes to School state grant programs, and a \$1,884,901 BUILD grant from the Federal Highway Administration. The Town's expected local match for the project is \$30,182 from the Street Fund Capital Improvement Program. These grant awards represent extraordinary outside

investment in Paonia's infrastructure and significantly reduce the local cost of delivering a project that will benefit residents for generations.

Vehicle Replacement Program

Funding Sources: General Fund CIP, Water Fund, Wastewater Fund, Garbage (Trash) Fund. *Estimated Cost: \$196,000.* Recurring, but reduced through 2030.

Discussion

The Town's Vehicle Replacement Program reflects a coordinated, multi-fund effort to modernize an aging fleet, improve safety, reduce maintenance expenses, and ensure reliable vehicles for Police, Public Works, and Utility operations. The program incorporates several major vehicle categories, including police squad cars, patrol vehicle outfitting, midsize utility trucks, half ton pickups, and three-quarter ton pickups. While the full replacement schedule identifies long term needs totaling more than \$500,000 across categories, the FY-2026 allocation of \$196,000 represents the first phase of a structured, recurring program that will taper as older units are cycled out, and a consistent replacement rhythm is established.

Police Department needs include the Squad Cars Replacement Program at \$250,000 and specialized outfitting for patrol vehicles, such as lights, sirens, cages, racks, and communications equipment, estimated at \$75,000. For Public Works and Utility operations, the program includes acquisition of a mid-size truck at \$35,000 for tasks that no longer require the use of a dump truck or other heavy equipment, a half ton pickup replacement estimated at \$80,000, and a three-quarter ton pickup replacement estimated at \$112,000. These vehicle types support essential daily operations including water meter reading, utility locates, system maintenance, street repair, trash operations, winter plowing, and emergency response.

Establishing a consistent replacement cycle improves operational efficiency, enhances employee safety, and reduces long-term costs associated with deferred maintenance of aging vehicles. Police operations benefit from newer, more reliable vehicles that meet modern safety standards, reduce breakdown risks during emergency response, and ensure appropriate outfitting for officer protection. Public Works and Utility crews benefit from right sized vehicles that reduce fuel usage, improve maneuverability, increase reliability, and ensure compliance with modern OSHA and CDOT safety expectations.

This phased, multiyear replacement program is designed to stabilize fleet costs through two thousand thirty, maintaining predictable annual investments while improving the overall performance, safety, and longevity of the Town's vehicle fleet.

Town Hall Roof Repair

Funding Sources: General Fund CIP. *Estimated Cost: \$65,000.* Not Recurring.

Discussion

The Town Hall Roof Repair project is a onetime capital investment intended to extend the useful life of the existing roof and prevent further deterioration of the building envelope. The project includes removing the current roofing system and installing a new rubber membrane roof consistent with the existing design. During preliminary assessments conducted throughout the building, several soft spots and areas of compromised roof structure were identified. The project will incorporate repairs to these structural deficiencies to ensure a sound substrate before installation of the new membrane system. Completing this work now will reduce the risk of leaks, interior damage, and more costly structural repairs in the future while preserving the integrity and functionality of the Town's primary administrative facility.

Western Loop Waterline Replacement

Funding Sources: Water Fund (Combination of Revenues from User Fees and New Debt from a DWRF Loan). *Estimated Cost: \$5,237,306.* Not Recurring.

Discussion

Nearly two miles of seventy (70) year old eight-inch (8") steel water distribution pipe is being replaced with twelve-inch (12") to ten-inch (10") plastic pipe throughout most of the Town's Service Delivery Area. The entire 8" steel distribution pipe from Silo Corner to the top of Cresthaven Road will be abandoned. The new line will need to be trenched from Silo Corner along Lamborn Mesa Road, to the top of Cresthaven Road. Construction requirements consist of large delivery trucks to haul all pipe and materials to the Town, heavy excavation equipment, and potential road closures when the excavation sites encroach on the roadways. The project moves the line out of most private rights of ways and into public rights of ways maintained by the Town. Project will extend from Pressure Relief Valve (PRV) seven (7) to PRV nine (9).

Two Million Gallon (2MG) Water Tank Relining

Funding Sources: Water Fund (Combination of Revenues from User Fees, Energy/Mineral Impact Assistance Fund (EIAF) Tier II Grant Funding and New Debt from a DWRF Loan). *Estimated Cost: \$2,991,690. Not Recurring.*

Discussion

The entirety of the Town's drinking water is currently stored in a 2 MG welded steel water tank at the top of Roeber Road, named the Lamborn Tank. This tank is due for interior relining as over time the interior of the tank has been subjected to corrosion due to normal wear and tear. The project will consist of redirecting the flow from the Lamborn Water Treatment Plant to a temporary finished water storage tank near the existing tank. The Town secured additional land in FY-2024 that is capable of housing the temporary storage tank, and capable of housing a second permanent tank for future phases of the Water Capital Improvement Plan.

Raw Water Monitoring Improvement

Funding Sources: Water Fund (Combination of Revenues from User Fees, New Debt from a DWRF Loan, and a Federal WaterSMART Grant). *Estimated Cost: \$851,248. Not Recurring.*

Discussion

Four (4) new monitoring devices will be installed at four of the current collection sites. The four monitoring locations to be installed are German Springs/Lake Fork, Old Original, Spor, and Mays/Gillwick. For three out of the four collections sites a simple monitoring device will be added to the spring or collection line. The Mays/Gillwick collection box, will need to be completely rebuilt. It will be replaced with a concrete collection box.

Standardized Garbage Can Program

Funding Sources: Sanitation (Garbage) Fund. *Estimated Cost: \$50,000. Not Recurring.*

Discussion

The Standardized Garbage Can Program establishes a uniform system of refuse containers across the community to improve service efficiency, reduce operational costs, and enhance environmental performance. The program provides standardized

35-gallon cans for single can customers and 95-gallon cans for customers using two to three cans, each manufactured with 10% recycled plastic originally destined for the ocean. Standardizing containers will help ensure compliance with service level expectations, reduce labor time associated with handling non-conforming containers, and decrease landfill weight by reducing water intrusion through secure, lidded cans. This one-time capital investment supports long-term operational savings, improved collection reliability, and a cleaner, more consistent residential waste system.

Samuel Wade Bridge Repair

Funding Sources: Special Revenue Funds (Street Fund CIP), and Grant Funding.

Estimated Cost: \$1,963,520. Not Recurring.

Discussion

The Samuel Wade Bridge Repair project is one of Paonia's highest priority infrastructure needs, addressing significant structural deterioration documented by CDOT and engineering evaluations. The bridge, one of only two primary access points into Town and the sole route capable of supporting heavy truck traffic, shows extensive deck rutting and cracking, concrete spalling, corrosion, and substructure deficiencies that increasingly threaten safety and long-term mobility. The total project cost is estimated at \$1,963,520, and includes deck rehabilitation, concrete and girder repairs, pier and abutment restoration, guardrail replacement, and associated engineering.

If grant funding is awarded, the Town's financial obligation will be limited to a \$500,000 match from the Street Fund Capital Improvement Program, with all remaining costs, more than 75% of the project, covered by outside funding. This one-time investment will stabilize a critical transportation corridor, protect economic access, and ensure the long-term function of a structure essential to residents, businesses, emergency services, and regional freight circulation.

Safe Streets for All (Safety and Pavement Improvement Prioritization Study)

Funding Sources: Special Revenue Funds (Street Fund CIP), and Grant Funding.

Estimated Cost: \$367,468. Not Recurring.

Discussion

The Safe Streets for All (SS4A) Safety and Pavement Improvement Prioritization Study is a one-time planning effort designed to address long standing roadway, pedestrian, and multimodal safety challenges throughout Paonia. Funded through a

\$293,974 Federal Highway Administration grant and a \$73,494 match from the Street Fund CIP, this project responds directly to deteriorating street conditions, widespread sidewalk deficiencies, and the Town's first vehicle cyclist fatality in September 2024. Many local streets lack sidewalks entirely, forcing people with disabilities, children, and pedestrians into the roadway, while existing sidewalks are broken, buckled, and largely non-compliant with ADA standards. Roadway overlays performed over decades have created dangerously high pavement crowns and edges, and there are no dedicated bike facilities or safe crossing locations outside the central business area. Combined with stormwater conveyance conflicts involving private irrigation companies, these issues create unsafe conditions for drivers, cyclists, pedestrians, and emergency access.

Through this study, the Town will develop a Comprehensive Action Plan that prioritizes capital projects aimed at eliminating roadway fatalities and serious injuries on local streets and the entrances into Town from Colorado Highway 133. The plan will incorporate ADA standards, Complete Streets principles, best practices from comparable rural communities, and low cost, high impact safety strategies to ensure improvements are both effective and financially achievable. The Town will competitively select a transportation planning consultant and work closely with Delta County, Delta County Public Schools, and the Paonia Fire District to identify, evaluate, and sequence priority projects. This effort will serve as the foundation for strategically targeted investments that improve safety, mobility, and accessibility for all users while shaping Paonia's long term capital planning and budget decisions.

Sidewalk Improvements and ADA Transition Plan

Funding Sources: Special Revenue Funds (Street Fund CIP and Sidewalk Fund).
Estimated Cost: \$85,000. Recurring until 2030 and a total of \$325,000.

Discussion

The Sidewalk Improvements and ADA Transition Plan project reflects the Town's commitment to addressing long standing accessibility barriers and creating a safer, more connected pedestrian network. The \$85,000 investment for FY-2026 is funded through the Street Fund CIP and Sidewalk Fund and represents the first stage of a recurring program expected to total \$325,000 by FY-2030. This work is guided by the Town's recently completed ADA Transition Plan, which identified numerous broken, buckled, or missing sidewalks, inaccessible intersections, insufficient curb ramps, and areas where pedestrians, particularly those with disabilities, are forced into the roadway due to the absence of safe routes.

As the Safe Streets for All planning effort is completed, the ADA Transition Plan and Sidewalk Improvement Plan will be updated to integrate new safety data, prioritization criteria, and public input. This combined framework will allow the Town to systematically identify and sequence sidewalk repairs, ADA compliant ramp installations, intersection improvements, and targeted infill projects across Paonia. By investing in these improvements on a recurring basis, the Town strengthens multimodal safety, expands accessibility, reduces liability exposure, and enhances walkability for residents, visitors, schoolchildren, and vulnerable users throughout the community.

PW – Shop Code Compliance

Funding Sources: General Fund CIP, Water Fund, Wastewater Fund, Garbage (Trash) Fund. *Estimated Cost: \$30,000. Not Recurring.*

Discussion

The PW Shop Code Compliance project is a one-time investment to correct significant safety deficiencies identified within the Town's Public Works facility. Years of deferred maintenance and outdated structural, electrical, and workspace configurations have resulted in conditions that do not meet current safety standards and elevate risks for employees performing daily operations, equipment maintenance, and utility system support. The \$30,000 project, funded collaboratively through the General Fund CIP and the Water, Wastewater, and Sanitation Funds, addresses these deficiencies to ensure a safe, functional, and legally compliant working environment.

This project includes targeted upgrades to improve building safety, correct hazardous conditions, and bring the facility in line with applicable codes and best practices for municipal public works operations. Completing this work now reduces liability exposure, improves operational efficiency, and supports the health and safety of the Town's workforce. Because these improvements address foundational deficiencies rather than ongoing maintenance needs, the project is not recurring and is expected to extend the life and usability of the existing facility well into the future.

WaterSMART (Phase II Hydrogeological Study)

Funding Sources: Water Fund, and Grant Funding. *Estimated Cost:* \$511,876. Recurring through FY-2027.

Discussion

The WaterSMART Phase II Hydrogeological Study advances Paonia's long term water strategy by undertaking sophisticated watershed, raw water system, and water rights analyses necessary for future infrastructure investments. The project includes stakeholder outreach and engagement, hydrologic investigations of the watershed, raw water collection system surveys, hydraulic modeling, analysis of needed metering improvements, water rights and institutional research, and development of decision support tools, all of which directly respond to Reclamation's required scope of work. These activities collectively support a comprehensive Water Strategy that identifies system vulnerabilities, prioritizes projects, and lays out an implementation pathway for long term reliability and regulatory compliance.

The total project cost is \$511,876, of which \$250,000 is provided through federal WaterSMART funding, substantially reducing the Town's financial burden. Local Water Fund contributions total \$425,000 in FY-2026 and \$86,876 in FY-2027. Upon completion, the Town will have a fully developed Water Strategy document that includes a prioritized capital improvements list, financial and legal analyses, implementation strategies, and monitoring metrics, positioning Paonia to secure future construction funding and make data informed decisions that protect the Town's water supply for decades to come.

Cellular Read Meter Replacement Program

Funding Sources: Water Fund. *Estimated Cost:* \$500,000. Initial Investment of \$50,000 in FY-2026. Recurring with incremental increases in cost through FY-2030.

Discussion

The Cellular Read Meter Replacement Program represents a strategic modernization of Paonia's water system and protects the long-term financial stability of the Water Fund. The Town's existing radio read meters were already outdated when the last bulk purchase occurred in 2020/2021, and replacement parts and support have become increasingly limited. Transitioning to cellular based meters aligns Paonia with current industry standards, is fully supported by the Town's existing meter provider, and significantly improves accuracy, leak detection, and billing efficiency. The initial investment of \$50,000 in FY-2026 begins a multiyear, systematic change

out of aging meters, with recurring annual investments through FY-2030 totaling approximately \$500,000.

This program is both a technological upgrade and a financial safeguard. Cellular meters allow near real time consumption data, reduce manual labor, minimize billing errors, and help identify leaks that would otherwise result in lost water and lost revenue. By adopting a recurring replacement cycle, the Town ensures that its meter fleet remains current, functional, and supported, preventing the future backlog of system wide failures that occur when meters are allowed to age beyond their useful life. Investing in these upgrades protects the Town's revenue streams, strengthens customer confidence in billing accuracy, and supports sustainable, long-range asset management for the Water Fund.

Transition to Electric (PLC) Valves at Water Treatment Plant

Funding Sources: Water Fund. *Estimated Cost: \$160,000. Not Recurring.*

Discussion

The Transition to Electric PLC Valves at the Water Treatment Plant is a critical one-time investment that directly addresses operational vulnerabilities in the Town's drinking water system. The plant's existing air pressure actuated PLC valves are aging and increasingly unreliable, with documented instances of valves sticking open or closed, delaying proper flow control, and even contributing to flooding inside the facility. Because these valves rely on an air compressor to function, their speed and performance fluctuate with system pressure, creating inconsistent response times and elevating the risk of process failures. These recurring issues not only strain staff resources, but also pose unnecessary risks to regulatory compliance, plant safety, and continuous water delivery.

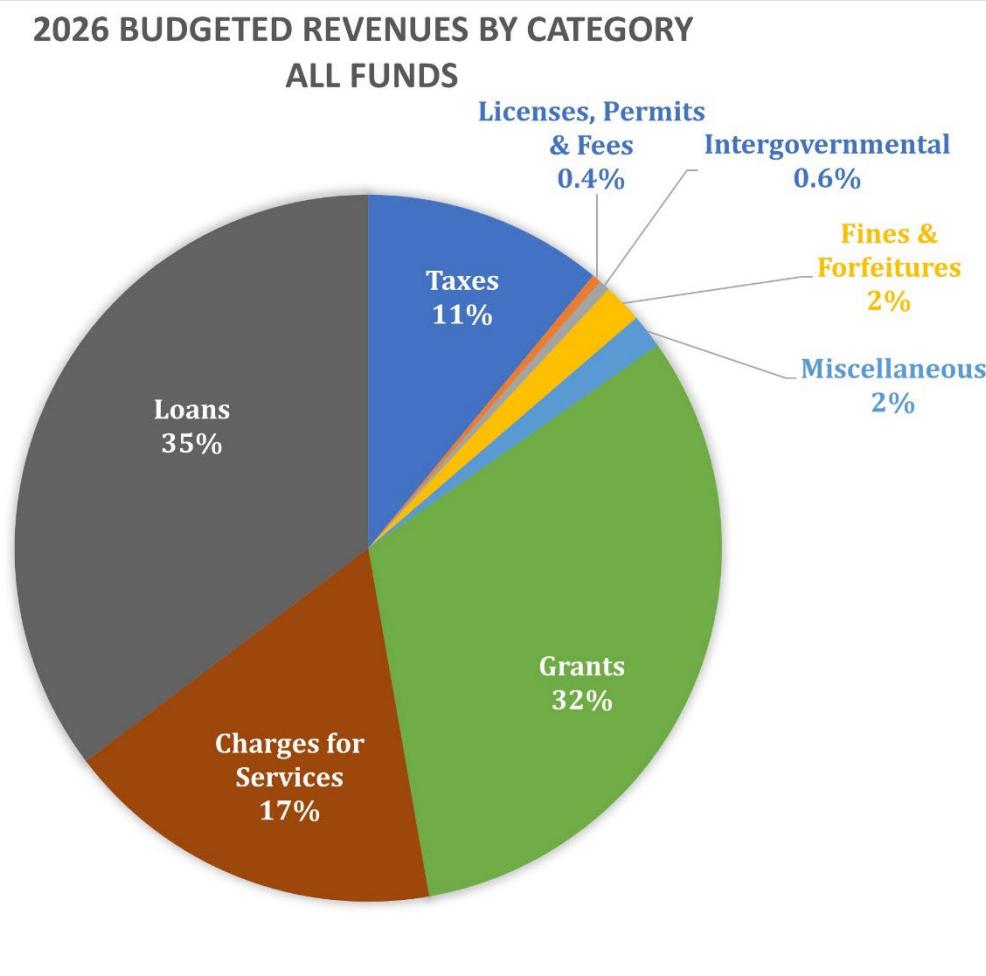
Upgrading to modern electric PLC actuated valves will eliminate dependence on compressed air, provide precise and immediate operational control, and significantly reduce the risk of future malfunctions. Electric valves are more accurate, easier to maintain, and fully compatible with the Town's existing automation systems. This \$160,000 investment through the Water Fund strengthens the reliability of the treatment process, extends the life of plant infrastructure, and reduces long term maintenance and emergency repair costs. Most importantly, it ensures stable, resilient treatment operations that protect the Town's drinking water supply and safeguard the community against avoidable outages or system failures.



BUDGET OVERVIEW – REVENUES

The Town of Paonia strives to maintain a strong, diverse revenue base recognizing that a dependence upon any individual revenue source would make revenue yields vulnerable to economic cycles. All revenues are conservatively projected and monitored. Due to state legislation, revenue generated from property taxes are expected to be at the lowest they've been in five years. The Town considers reports published by economists in the Colorado State Office of Planning and Budgeting, Colorado Mesa University and the University of Colorado. The methodology used for each type of revenue is further explained under each revenue type.

The following chart consolidates and summarizes the Town's revenue by source for all funds:



Property Tax

Property taxes are levied on December 31st, and attached as an enforceable lien on property as of January 1st. Installation payments are due at the end of February, and the second payment is due by June 15th to the Delta County Treasurer's Office. If you choose to pay in full, the payment is due by April 30th. Taxes are considered delinquent, if not paid as of June 15th. If taxes aren't paid within subsequent periods, the property may be sold at a public auction. The Town receives property taxes from Delta County usually every month after deducting 2% for a Treasurer's collection fee.

The mill levy for Paonia in 2026 will remain at 8.322 mills, as it has for over a decade. One mill represents \$1 for every \$1,000 in assessed property value. Property tax is calculated by multiplying the mill levy by the assessed valuation of a property. Property tax revenues are forecasted each year based on assessed valuations as determined by the Delta County Assessor's Office and applying the Town's current mill levy rate. In 2024, Paonia received \$191,185.08 in revenue from property taxes. However, due to state legislation that gave additional credits for property taxes the amount collected by the Town was reduced in FY-2025 and property tax revenue is expected to be \$157,836.73. The amount of property tax collected for FY-2026 will remain the same as FY-2025 and is budgeted as \$160,000.

Sales Tax

The Town's sales tax rate is three percent (3%), with one percent (1%) being restricted to the sales tax capital improvement fund. The three percent (3%) sales tax is the largest revenue source for the Town General Fund. The tax is levied on sales of tangible personal property and services sold in Town and online. Sales taxes are collected by the retailer and reported to the State of Colorado on either a monthly, quarterly, or annual basis. The State collects Paonia's portion and remits it to the Town monthly.

THE SALES TAX RATES COLLECTED IN PAONIA ARE AS FOLLOWS:

<i>State Sales Tax</i>	2.9%
<i>Delta County Sales Tax</i>	2%
<i>Paonia Sales Tax</i>	3%
<i>Delta County PSI</i>	0.8% (<i>Public Safety Improvements Back the Badge</i>)
<i>Delta County HSD</i>	0.8% (<i>Health Services District</i>)
<i>Marijuana Occ. Tax</i>	\$5 <i>per transaction</i>

Sales taxes are forecasted using historical trends for the past five years combined with knowledge of new businesses that are locating into Town. Since sales tax revenue is often one of the first indicators when there is downward shift in the economy, sales tax revenues are conservatively projected and actual sales tax

revenues are monitored closely so that the Town can respond quickly in an effort to eliminate any serious shortfalls in revenue.

Use Tax

A use tax is levied as a complement to the Town sales tax and is imposed upon taxable purchases where a sales tax was not legally imposed. The Use Tax consists of the Motor Vehicle Use Tax which is collected by Delta County and passed through to the Town. Depending on the type of transaction, the use tax may be paid upon purchase/registration of a motor vehicle. Use taxes are projected using trend analysis and historical data on actual revenues received during the last three years.

Excise Tax

Excise taxes are taxes on the sale, or production for sale, of specific goods or a tax on a good produced for sale, or sold, within a country or licenses for specific activities. In Paonia, there are three such taxes, tobacco, severance, and marijuana occupational tax.

Tobacco Products Tax

The State of Colorado taxes tobacco products at the rate of 50% of the manufacturer's list price for non-modified risk products, 35% for tobacco products that are modified risk, and there is a minimum tax for moist snuff of \$1.48 per 1.2 ounce can. As of July 1, 2024, the rates change to 56%, 38%, and \$1.84 respectively. State tax stamps are issued to the distributors as evidence of payment. Each year an amount of State funds from the tax on tobacco products is distributed to counties and municipalities that do not impose any fee, license, or tax on cigarettes. The amount received is based on the proportion of State sales tax collected in each municipality. Tobacco tax revenue projections are calculated using trend analysis based on actual reviews over the past three years.

Marijuana Occupational Tax

The Town of Paonia levies a tax of \$5 per transaction for each marijuana purchased in either of the three (3) marijuana shops in Town. This tax was established after two ballot initiatives passed by a majority vote of electors on the November 3, 2020 Special Election, after which, Ordinance 2021-07 was passed. The passage of this initiative allowed an increase of tax revenues by \$200,000 annually and for additional amounts each year thereafter. The revenue is meant to be used for expenditures related to infrastructure repair such as streets, sidewalks, curb, gutter, drainage, landscaping, lighting and streetscape amenities through 2025. Beginning in FY-2026, the Marijuana Occupational Tax may be used for any general fund purpose and not limited to capital expenditures.

Severance Tax

Colorado severance tax is imposed on nonrenewable natural resources that are removed from the Earth. The tax is calculated on the gross income from oil and gas and carbon dioxide production. 70% of the tax money collected is used by the State to fund grant programs. The remaining 30% is divided and distributed to counties and local governments. The division is based on the residence of certain mineral and energy industry workers. Severance tax is difficult to project as the fluctuations from year to year can be substantial. Revenue projections for severance tax are forecasted using a combination of trend analysis as well as information that the Town receives from the oil and gas industry and other sources. The amount of revenue that the Town received from these taxes has steadily decreased over the last five years. Due to efforts that the Town has undertaken to restrict oil and gas extraction within the Town's watershed area, these revenues are projected to decrease even further.

Franchise Charges

The Town maintains four specific franchise charges Telephone Franchise (Internet), Electric Franchise, Gas Franchise, and Cable Television Franchise.

Telephone (Internet) Franchise

This fee is compensation for the benefits and privileges granted under the franchise agreement. the fees are in consideration of permission to use Town streets, and rights-of-way for the provision of telephone and internet services. The franchise fee is equal to 3% of annual gross revenue for each provider. Revenue projection is completed using trend analysis.

Electric Franchise

The Town currently has a franchise agreement with electric service companies for the right to furnish, sell, and distribute electric to residents and businesses within the community. The agreement provides them with access to public property to provide these services. In consideration for this franchise, the companies pay the Town a sum equal to 3% of total gross revenue. Revenue is projected using trend analysis.

Gas Franchise

The Town currently has a franchise agreement with gas companies for the right to furnish, sell, and distribute natural gas to residents and businesses within the community. The agreement provides them with access to public property to provide these services. In consideration for this franchise, the companies pay the Town two and on-half cents (\$0.025) multiplied by the volume of gas delivered (CCF) to residential and commercial customers, which includes distribution transportation customers within the Town.

Cable Television Franchise

This fee is compensation for the benefits and privileges granted under the franchise agreement. the fees are in consideration of permission to use Town streets, and rights-of-way for the provision of telephone and internet services. The franchise fee is equal to 3% of annual gross revenue for each provider. Revenue projection is completed using trend analysis.

Fines and Forfeitures

The municipal court assesses fees to parties found guilty of any municipal offense through the court system. This category also includes revenues from police activities such as VIN Inspections. This subcategory also includes 'Other Agency Contributions' which are Sales Tax specific to Public Safety as collected and remitted to the Town from Delta County for the 'Back the Badge' program. These revenues are projected using trend analysis.

Licenses and Permits

License and permits are established by ordinance to allow the Town to collect various licenses or permit fees, which are adjusted from time to time by resolution of the Board of Trustees. These licenses and permit fees allow the purchaser to perform or provide specific services or goods within the Town. There are several types of licenses and permits required within the Town. The following identifies the most significant of these license and permit fees.

Building Permit Fees

Building permit fees are based on the dollar valuation of the construction work to be performed. The valuation is determined using the valuation methodology from the ICC/IRC and include valuations from \$1 up to \$5,000,000. Building Plan reviews are also billed at \$150 per hour and all fees are meant to recover the cost of providing review and inspection services. Permit fees are established by Resolution and are budgeted based on local economic trends. Building Permit Fees are forecasted using current year's activity.

Intergovernmental Revenues

Intergovernmental Revenues are transfers from any fund into another fund.

Charges for Services

User based fees are established to help defray the costs of operations such as park and community room rentals, trash collection, and charges for utilities.

Utility Charges

Utility charges are user-based fees that are charged for the participation into the Town's utility services. Those services include water, sewer, and storm water. These revenues are projected using trend analysis and knowledge of upcoming rate changes due to capital improvement investment into the specific utility.

Water Charges

The water rate includes both a base rate and a usage rate per one-thousand-gallon rate of water consumption. There are tiered levels of service depending on property type and whether the water is delivered to a customer within town-limits or outside of Town. The 2026 budget and the foreseeable future includes an increase in both the base rate and the usage rate. The increases will be used to pay debt service for significant debt-funded improvements over the next five fiscal years. Usage tiers are also increasing with conservation incentives to reward customers who use less water.

Wastewater Charges

The wastewater rate for all users is billed at a flat rate depending on their property type and whether or not they are within or out of town-limits. The 2026 budget does not include an increase in the sewer base rates for all customer classes.

Garbage (Trash) Charges

The garbage rate for all users is billed at a flat rate depending on their property type, and their desired service level. This service is provided only for residential and commercial properties within town-limits. The 2026 budget does not include an increase to the base rates.

Miscellaneous Revenues

This category includes revenues from investments, rents, insurance proceeds, donations, reimbursement of expenses, the road and bridge reserve, sales of assets, court-ordered restitution, and other miscellaneous revenue sources. Grant revenue is also recorded here. The Town makes an effort to secure supplemental funding whenever possible. The Town has received grants from the state EIAF program, federal grants from various agencies including the United States Bureau of Reclamation, the United States Forest Service, and the Federal Highway Administration. Grant funds are only budgeted after a complete grant agreement has been executed by the granting agency. Trend analysis and court paperwork is used for forecasting these revenues.

Highway User's Tax

The Highway User's Tax Funds (HUTF) is a state collected, locally shared revenue. HUTF revenues are based on a variety of formulas that include revenues based on motor fuel taxes, driver's license, number of lane miles within Town, and motor vehicle registration fees. The HUTF is distributed monthly among the state, counties, and municipalities based on a formula that takes into account the number of vehicles registered and the lane miles of streets within each municipality relative to the same data in other municipalities. These funds may be spent on new construction, safety, reconstruction, improvement, repair and maintenance, and capacity improvements. These sources may not be used for administrative purposes. Highway User's Tax is forecast based on information provided by the state. Paonia has budgeted to use a very small amounts of the HUTF in 2026 to complete the 5th and Grand Avenue Realignment Project (Safe Pathways for Paonia).

Motor Vehicle Registration Fees

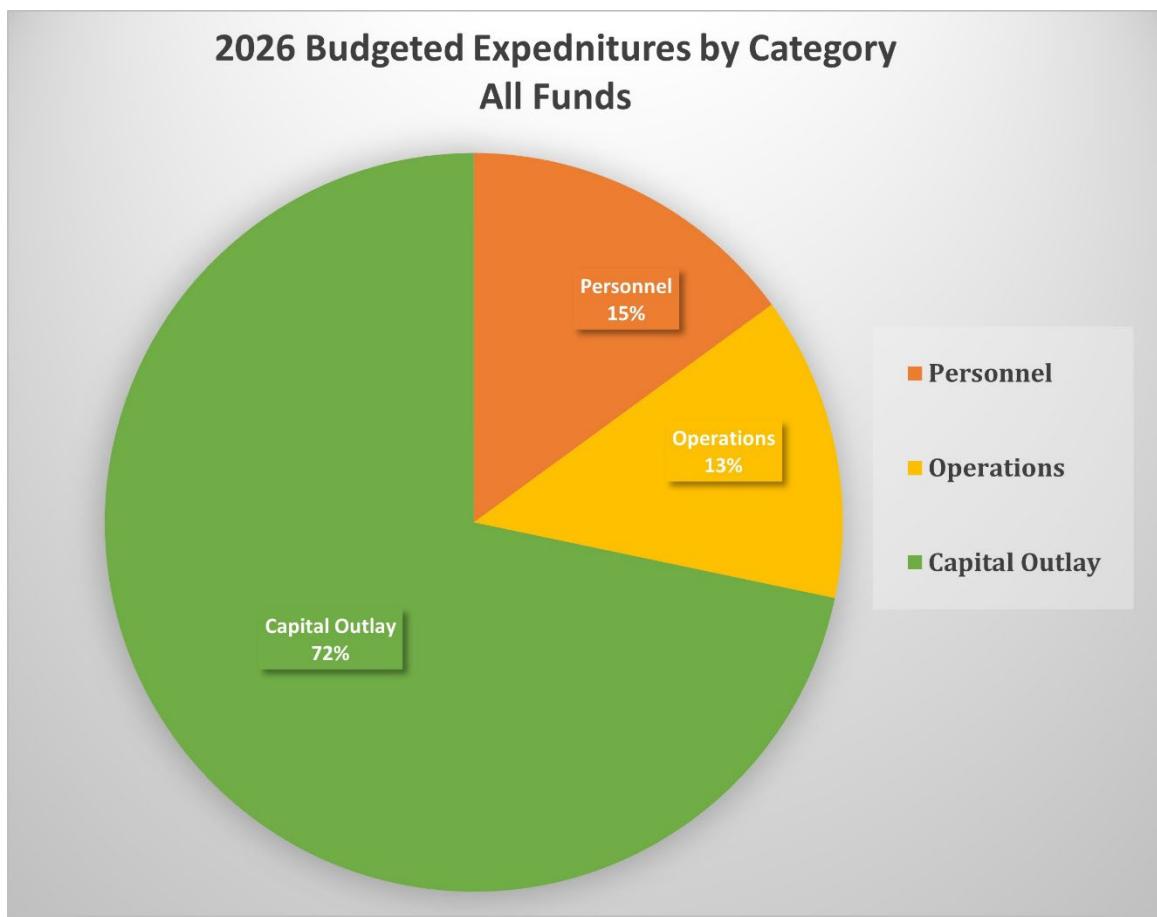
Motor vehicle registration fees are state imposed on the registration of a vehicle. Fees are primarily based on the weight of the vehicle (as published by the manufacturer) and the age of the vehicle. In addition to the base fees, there are numerous add-on fees that are imposed. The revenue received by the county, or town is "actual" fees collected for the month based on the number and type of vehicles registered. Trend analysis is used to project future revenues.

BUDGET OVERVIEW – EXPENDITURES

Expenditures/Expense Overview

The Town of Paonia categorizes the expenses in each fund by function. The categories include: Personnel Services, Operating, and Capital Outlay/Transfers. Each category is detailed below.

The following chart consolidates and summarizes the Town's expenditures by category for all funds.



Personnel Services

This category includes all costs associated with Town personnel including salaries/wages, payroll taxes, unemployment taxes, health insurance benefits, workers compensation insurance, and retirement contributions. Costs for this category are calculated by allocating each employee's time and associated costs to the appropriate fund/funds. In most cases, except for the police department, personnel costs are shared amongst every fund through fixed allocations. As a service-based entity, this is typically the largest expense for the Town as a whole.

Operating

This category includes all expenses that the Town incurs with businesses or individuals on a regular basis such as consulting services, engineering services, legal services, auditing, postage, lease agreements, supplies, fuel, uniforms, contractors, software maintenance, subscriptions, continuing education, dues, permit fees paid to other agencies, tools, and general supplies. These expenditures are typically made up of goods and services that staff use to provide services for each department and fund.

Capital Outlay

Items expensed in this category must meet the requirements of a capital purchase. To qualify the item must have a purchase price or a cumulative purchase price of \$5,000 or greater and must have a life expectancy of more than one year. Examples of costs in this category include large equipment such as commercial mowers, dump trucks, street sweepers, snowplows, vehicles, and new buildings, building remodels, infrastructure expansion/replacement, new distribution and collection lines, new streets, etc.

Debt Service

Debt service items are costs associated with approved debt issuances for the Town. The debt can be a result of a bond issuance, lease purchase, loan, or other contractual obligation. The Town currently allows the individual funds account for their individual debt and does not roll it all together in a debt service fund. The Town currently has no general obligation debt, which means that all available funds in the General Fund are able to be utilized for providing services and not obligated to pay off existing debt.

Debt Service and Financial Obligations

All of the Town of Paonia's debt service and financial obligations will be appropriated each budget year. The general fund currently has no general obligation debt and will continue to have none in the FY-2026 Budget.

The Town's business-type activities in the water and wastewater funds have debt, including a revenue bond, but they are not subject to debt limits.

Business-Type Activities (Water Fund, Wastewater Fund) Long-Term Debt

CWRPDA Loan (Water Fund)	\$23,343/Annually until 2029
WPA Loan (Water and Wastewater)	\$147,825/2026 and increases annually
2020 Revenue Refunding Bonds (Water and Wastewater)	\$98,350/2026 and changes annually, a reserve of \$100,750 must be maintained for compliance with the bond agreement.
CWRPDA Loan #2 - 2025 (Water Fund)	\$263,654.16/Annually until 2045





FUND
SUMMARIES



GENERAL FUND SUMMARY

The General Fund is used to account for the resources devoted to financing the general services that the Town provides for Residents and local businesses, such as police, building and zoning, maintenance of streets and roads, and other services. The revenues and expenditures in this fund are accounted for using a modified accrual basis. Property taxes, sales taxes, franchise fees, fines and other sources of revenue used to finance the fundamental operations of the Town are included in the General Fund. The General Fund is also charged with all the costs of operating the government for which a separate fund has not been established. Services that are included in the General Fund are Town Administration, Law Enforcement, Building, Streets, and Parks and Recreation.

The financial resources of the General Fund are expended for current operations. Large capital projects are recorded in the Capital Improvement Fund. The Board of Trustees passed Ordinance 2018-02 requiring that 1% of the 3% sales tax be used as revenue for the Capital Improvement Fund. This budget follows the ordinance as codified in Paonia Municipal Code (PMC) §4-3-40, and one-third of the Town sales tax is budgeted for Capital Improvement Projects.

Adoption of an Annual Budget is a vital policy action of the Mayor and Town Board each year. The document allocates resources to Town programs and establishes priorities that protect our community's physical security (police), enhance the quality of life (building, zoning, parks), and maintain and develop Town facilities and infrastructure. Once the Board adopts the budget, it establishes the policy direction for every Town department and the services that they will provide for the coming year.

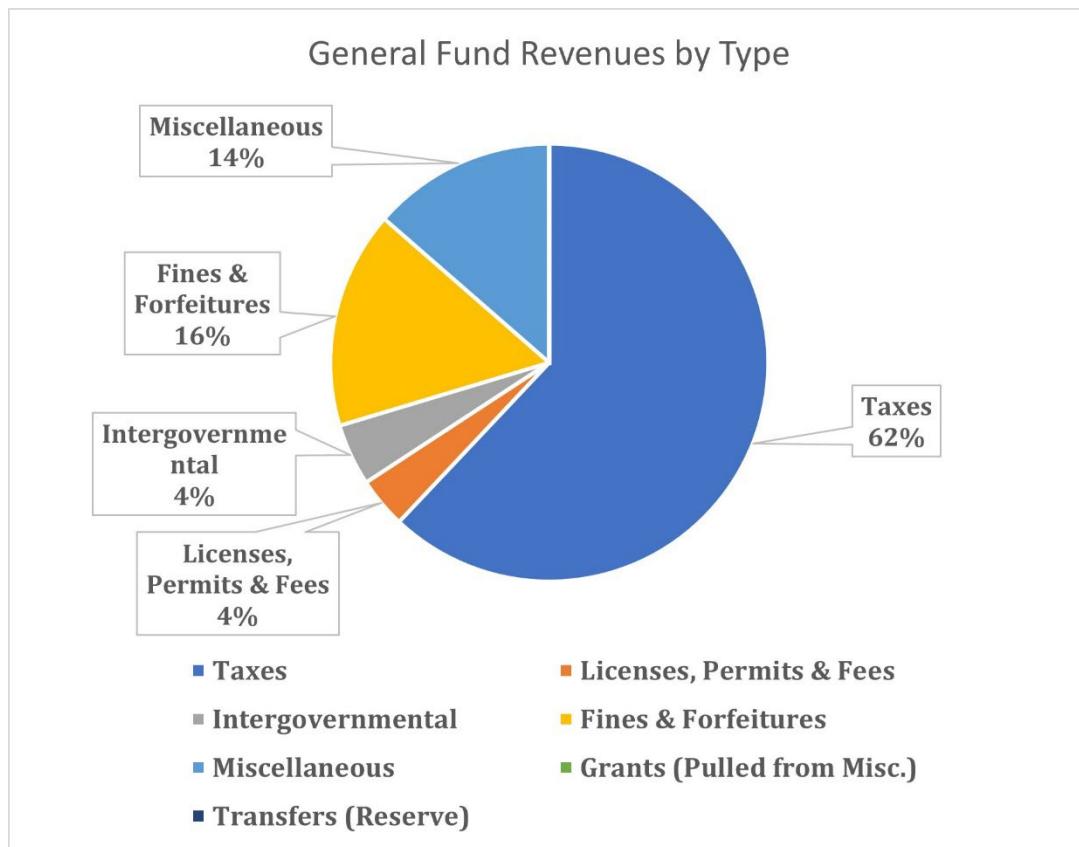
The Fiscal Year 2026 (FY-2026) Budget includes fund balances that meet or exceed the long-range financial plan and position of the Town. The FY-2026 Budget is balanced for all funds. In this case, balanced means that sources of funds (Revenues and Fund Balance) are equal to or greater than uses of funds (Expenditures and Transfers).

The Mayor and Board of Trustees directed Stefen Wynn, Town Administrator and Treasurer, to prepare and submit a proposed FY-2026 Budget to the governing body on or before October 15, 2025, for consideration of an annual appropriation of sums of money to the various funds. A final budget was prepared and submitted for Public Hearing at the December 9, 2025, Board Meeting for consideration of approval, in the amounts and for the purposes set forth by Resolution 29-2025.

GENERAL FUND BUDGET	2022 ACTUALS	2023 ACTUALS	2024 ACTUALS	2025 YEAR END ESTIMATES	2026 ADOPTED BUDGET
REVNUES					
BEGINNING BALANCE	\$ 980,742	\$ 1,162,356	\$ 909,507	\$ 752,493	\$ 813,338
REVENUES					
TAXES	\$ 1,321,919	\$ 1,269,394	\$ 973,918	\$ 939,800	\$ 1,031,500
LICENSES, PERMITS & FEES	\$ 50,335	\$ 48,285	\$ 80,700	\$ 34,450	\$ 62,250
INTERGOVERNMENTAL REVENUES	\$ 166,512	\$ 142,037	\$ 99,426	\$ 67,500	\$ 76,000
FINES AND FORFEITURES	\$ 32,209	\$ 10,876	\$ 174,785	\$ 234,780	\$ 267,000
MISCELLANEOUS REVENUES	\$ 87,515	\$ 238,423	\$ 313,037	\$ 314,100	\$ 226,000
TOTAL REVENUES	\$ 1,658,490	\$ 1,709,015	\$ 1,641,866	\$ 1,590,630	\$ 1,662,750
EXPENDITURES					
EXPENDITURES					
ADMINISTRATION	\$ 316,743	\$ 591,474	\$ 380,000	\$ 302,000	\$ 349,050
POLICE	\$ 538,494	\$ 676,742	\$ 700,000	\$ 827,470	\$ 954,100
BUILDING	\$ -	\$ -	\$ 42,000	\$ 35,965	\$ 42,250
PUBLIC WORKS (STREETS)	\$ 201,872	\$ 296,187	\$ 350,000	\$ 209,050	\$ 244,175
PARKS AND RECREATION	\$ 137,771	\$ 167,662	\$ 182,000	\$ 155,300	\$ 175,000
CAPITAL OUTLAY	\$ -	\$ 37,750	\$ -	\$ -	\$ -
TRANSFERS OUT	\$ -	\$ 192,000	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 1,194,880	\$ 1,961,815	\$ 1,654,000	\$ 1,529,785	\$ 1,764,575
ENDING FUND BALANCE					
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES					
EXPENDITURES	\$ 463,610	\$ (252,800)	\$ (12,134)	\$ 60,845	\$ (101,825)
ENDING FUND BALANCE					
	\$ 1,444,352	\$ 909,556	\$ 752,493	\$ 813,338	\$ 711,513

General Fund Revenues

General Fund revenues for FY-2026 continue to be composed of taxes, licenses and permits, intergovernmental revenues, fines and forfeitures, and miscellaneous. Taxes remain the dominant revenue source, accounting for 62% of all projected General Fund revenues. Fines and forfeitures comprise 16% of expected revenues, reflecting the Town's continued emphasis on compliance and public safety. Miscellaneous revenues make up 14%, while intergovernmental funds and licenses and permits each contribute 4%. Unlike FY-2025, the FY-2026 Budget relies less heavily on grants and prior year fund balances to support General Fund operations, with the majority of revenues generated through locally controlled sources. The chart below illustrates the proportional contribution of each revenue category to the FY-2026 General Fund.

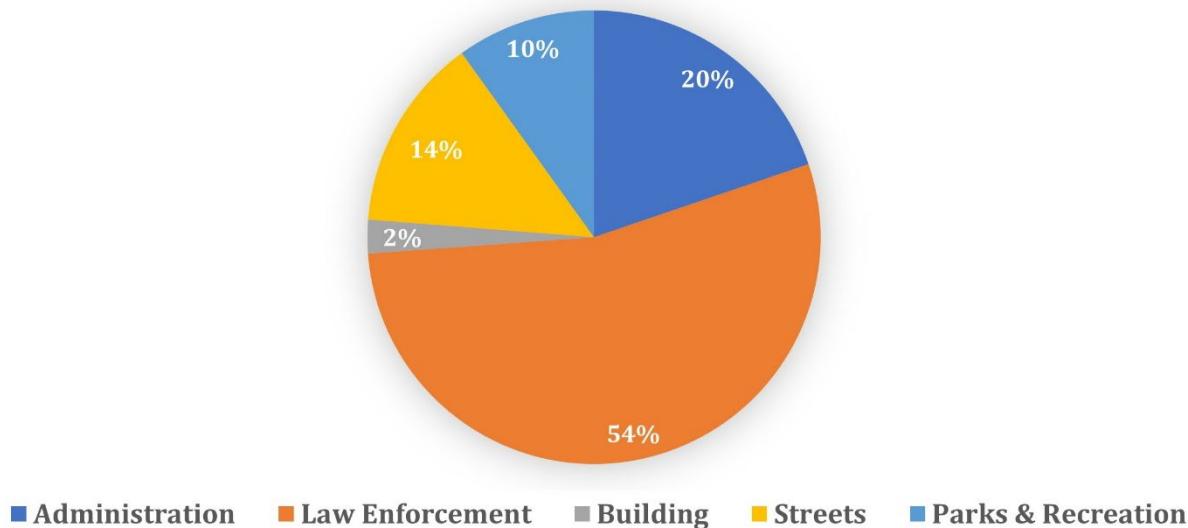


General Fund Expenditures

Expenditures in the General Fund continue to be organized by department or division. For FY-2026, the General Fund supports Administration, Law Enforcement, Building, Streets, and Parks and Recreation. Each department includes personnel, operating, and capital outlay expenditures, with FY-2026 reflecting a continued commitment to maintaining essential services while prioritizing safety, compliance, and infrastructure stewardship. Capital expenses in this budget cycle focus on targeted facility repairs, continued investment in technology and safety, and matched funding for critical transportation and accessibility projects.

The services funded through the General Fund remain personnel driven, with public safety representing the largest share of expenditures. Law Enforcement accounts for 54% of all General Fund expenses, underscoring both the labor intensity of policing and the Town's commitment to community safety. Administration represents 20% of General Fund costs, followed by Streets at 14%, Parks and Recreation at 10%, and Building at 2%. The chart below provides a visual summary of General Fund expenditures by department.

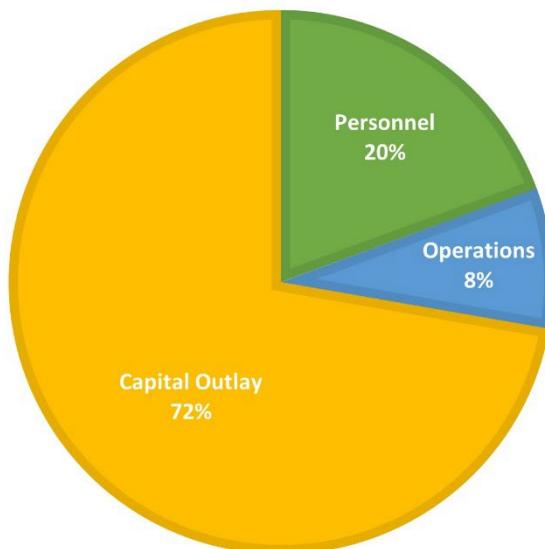
General Fund Expenses by Department



General Fund Expenses by Department	
Administration	\$ 349,050.00
Law Enforcement	\$ 954,100.00
Building	\$ 42,250.00
Streets	\$ 244,175.00
Parks & Recreation	\$ 175,000.00
Total:	\$ 1,764,575.00

GENERAL FUND EXPENSES BY CATEGORY

■ Personnel ■ Operations ■ Capital Outlay



General Fund Expenses by Category

Personnel	\$ 1,234,475.00
Operations	\$ 530,100.00
Capital Outlay	\$ 4,596,086.00
Total: \$ 6,360,661.00	

This document serves as a synopsis of the key aspects of the FY-2026 Budget. The Town of Paonia establishes a budget for eleven separate funds or accounting divisions and reports using modified accrual accounting. For purposes of understanding overall operations, these funds can be grouped into three major categories: the General Fund, Special Revenue Funds (including the Street Fund, Sidewalk Fund, and Conservation Trust Fund), and the Enterprise Funds, which include Water, Wastewater, and Sanitation.

In FY-2026, the Enterprise Funds again represent the largest portion of the Town's financial activity as Paonia continues its long-term investment in critical infrastructure. The Water, Wastewater, and Sanitation Funds collectively support major capital commitments such as the western loop realignment, Phase II of the WaterSMART hydrogeological study, raw water system improvements, CCTV

inspection of wastewater mains, and the transition to cellular read meters. The General Fund provides operating support across five departments and begins FY-2026 with an anticipated beginning balance of \$813,338. Special Revenue Funds, which include the Street Fund CIP, Sidewalk Fund, and Conservation Trust Fund, support substantial investments such as the Samuel Wade Bridge repair match, 5th and Grand Avenue Realignment match, ADA and sidewalk improvements, repaving, street sign replacement, and the Safe Streets for All safety prioritization project. Together, the FY-2026 Budget reflects a coordinated, strategic deployment of resources across all funds to maintain essential services while advancing long deferred infrastructure needs.

The FY-2026 Budget was prepared using the General Budgetary Guidelines and is aligned with the Town Board's financial policies and adopted service priorities.

These include:

- Balance the budget by ensuring current revenues support current expenditures while maintaining all required and appropriate reserves.
- Invest meaningfully in the Town's future by advancing critical water, wastewater, sanitation, street, and public safety infrastructure while establishing sustainable, predictable cost structures.
- Provide a high level of service quality within the limits of available resources and capacity.
- Use actual and forecasted FY-2025 revenues and expenditures to inform FY-2026 assumptions.
- Adapt to the current and projected economic environment affecting municipalities across Delta County and western Colorado.
- Adhere to the Board of Trustees' guiding principles and commitment to transparent, accountable fiscal management.
- Uphold the Town's mission to deliver excellent services that support the safety, wellbeing, and long-term prosperity of Paonia's residents.





TOWN OF PAONIA

GENERAL FUND REVENUE

SUMMARY



ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED FY-2026 BUDGET	ADOPTED FY-2026 BUDGET
General Fund Revenues						
10-31-01	PROPERTY TAXES	\$ 146,647.28	\$ 191,185.08	\$ 158,000.00	\$ 160,000.00	\$ 160,000.00
10-31-02	S.O. AUTO TAXES	\$ 24,005.56	\$ 24,847.78	\$ 20,000.00	\$ 20,200.00	\$ 20,200.00
10-31-03	SALES TAX - TOWN	\$ 540,122.58	\$ 562,538.94	\$ 550,000.00	\$ 560,000.00	\$ 575,000.00
10-31-04	SALES TAX - COUNTY	\$ 179,604.82	\$ 152,829.29	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
10-31-05	SALES TAX - STATE MARIJUANA	\$ 22,363.50	\$ 12,994.79	\$ 5,500.00	\$ 4,800.00	\$ 5,000.00
10-31-06	CIGARETTE TAX	\$ 1,859.84	\$ 1,293.67	\$ 950.00	\$ 890.00	\$ 800.00
10-31-07	FRANCHISE TAX	\$ 110,218.14	\$ 58,284.88	\$ 55,000.00	\$ 53,000.00	\$ 55,000.00
10-31-08	PENALTY & INTEREST	\$ 378.45	\$ 398.09	\$ 350.00	\$ 310.00	\$ 500.00
10-31-09	DELINQUENT TAX	\$ -	\$ -	\$ -	\$ -	\$ -
10-31-10	ABATEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -
10-31-11	MARIJUANA OCCUPATIONAL TAX (Transaction Fee)	\$ -	\$ -	\$ -	\$ 62,300.00	\$ 65,000.00
	Subgroup : TAXES	\$ 1,025,200.17	\$ 1,004,372.52	\$ 939,800.00	\$ 1,011,500.00	\$ 1,031,500.00
General Fund Revenues						
10-32-01	LIQUOR LICENSES	\$ 4,075.00	\$ 5,690.00	\$ 7,200.00	\$ 7,300.00	\$ 5,500.00
10-32-02	MISCELLANEOUS PERMITS	\$ 13,540.00	\$ 10,398.00	\$ 7,000.00	\$ 5,800.00	\$ 5,500.00
10-32-03	BUILDING PERMITS	\$ 28,670.28	\$ 34,219.63	\$ 15,000.00	\$ 40,000.00	\$ 42,250.00
10-32-04	SPECIAL REVIEWS	\$ 1,000.00	\$ 1,550.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
10-32-05	ZONING VERIFICATION & ADMINISTRATIVE REVIEWS	\$ -	\$ 300.00	\$ 750.00	\$ 1,000.00	\$ 700.00
10-32-06	VIN INSPECTIONS	\$ 1,000.00	\$ 1,190.00	\$ 1,500.00	\$ 1,500.00	\$ 1,300.00
10-32-07	PRE-APPLICATION MEETINGS	\$ -	\$ -	\$ -	\$ -	\$ 500.00
10-32-08	SHORT-TERM RENTAL LICENSES	\$ -	\$ -	\$ -	\$ -	\$ -
10-32-09	SPECIAL EVENT PERMIT FEES	\$ -	\$ -	\$ -	\$ 3,500.00	\$ 2,200.00
10-32-10	MARIJUANA LICENSING FEE	\$ -	\$ 4,675.00	\$ 2,000.00	\$ 2,000.00	\$ 3,300.00
	Subgroup : LICENSES, PERMITS & FEES	\$ 48,285.28	\$ 58,022.63	\$ 34,450.00	\$ 62,100.00	\$ 62,250.00
General Fund Revenues						
10-33-01	HIGHWAY USER TAX	\$ 48,242.90	\$ 55,693.59	\$ 45,000.00	\$ 55,000.00	\$ 52,000.00
10-33-02	MOTOR VEHICLE - \$1.50	\$ 1,725.27	\$ 1,705.79	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
10-33-03	MOTOR VEHICLE - \$2.50	\$ 3,968.05	\$ 3,904.16	\$ 3,000.00	\$ 3,000.00	\$ 3,500.00
10-33-07	SEVERANCE TAX	\$ -	\$ 4,895.47	\$ 2,000.00	\$ 2,400.00	\$ 3,500.00
10-33-08	MINERAL LEASING	\$ 18,654.37	\$ 8,012.82	\$ 8,000.00	\$ 9,000.00	\$ 8,500.00
10-33-10	ROAD & BRIDGE	\$ 7,934.77	\$ 6,717.60	\$ 8,000.00	\$ 8,200.00	\$ 7,000.00
	Subgroup : INTERGOVERNMENTAL REVENUES	\$ 80,525.36	\$ 80,929.43	\$ 67,500.00	\$ 79,100.00	\$ 76,000.00
General Fund Revenues						
10-34-01	COURT FINES	\$ 160.00	\$ 1,165.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
10-34-02	POLICE FINES	\$ 2,471.00	\$ 8,843.50	\$ 8,000.00	\$ 8,000.00	\$ 8,500.00
10-34-03	MISCELLANEOUS FINES - BONDS	\$ 115.00	\$ 155.00	\$ 300.00	\$ 250.00	\$ 500.00
10-34-04	BACK THE BADGE (0.8% SALES TAX)	\$ 244,193.18	\$ 261,540.04	\$ 225,000.00	\$ 252,000.00	\$ 255,000.00
10-34-05	DOG TAGS	\$ 250.00	\$ 185.00	\$ 480.00	\$ 750.00	\$ 500.00
10-34-06	CODE ENFORCEMENT VIOLATIONS	\$ -	\$ -	\$ -	\$ 500.00	\$ 1,500.00
10-34-10	LAW ENFORCEMENT COST ALLOCATION	\$ -	\$ -	\$ -	\$ -	\$ -
10-34-50	PD GRANT	\$ 3,105.18	\$ -	\$ -	\$ -	\$ -
	Subgroup : FINES AND FORFEITURES	\$ 250,294.36	\$ 271,888.54	\$ 234,780.00	\$ 262,500.00	\$ 267,000.00

ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED FY-2026 BUDGET	ADOPTED FY-2026 BUDGET
General Fund Revenues						
10-35-01	RENTS & ROYALTIES	\$ 5,555.26	\$ 24,289.02	\$ 30,000.00	\$ 25,000.00	\$ 30,000.00
10-35-02	MOTOR FUEL TAX REFUNDS	\$ -	\$ -	\$ -	\$ -	\$ -
10-35-04	INTEREST INCOME	\$ 165,337.18	\$ 201,755.89	\$ 175,000.00	\$ 175,000.00	\$ 156,000.00
10-35-05	LATE CHARGES	\$ 7,880.00	\$ 7,060.84	\$ 5,000.00	\$ 5,000.00	\$ 4,750.00
10-35-06	OTHER INCOME	\$ 518.32	\$ 16,488.79	\$ 5,700.00	\$ 1,000.00	\$ 1,250.00
10-35-07	INSURANCE PROCEEDS	\$ -	\$ -	\$ 1,100.00	\$ -	\$ -
10-35-09	PARK DONATIONS	\$ -	\$ -	\$ -	\$ -	\$ -
10-35-10	OTHER AGENCY CONTRIBUTIONS	\$ -	\$ -	\$ -	\$ -	\$ 500.00
10-35-13	BRIDGE RESERVE	\$ -	\$ -	\$ -	\$ -	\$ -
10-35-15	REFUND OF EXPENDITURES	\$ 62,237.95	\$ 18,846.24	\$ 7,800.00	\$ 7,500.00	\$ 7,500.00
10-35-16	RESTITUTION	\$ 4,775.14	\$ 4,853.35	\$ 5,500.00	\$ 5,200.00	\$ 5,500.00
10-35-18	SALES OF ASSETS	\$ -	\$ -	\$ 84,000.00	\$ 15,000.00	\$ 20,500.00
Subgroup : MISCELLANEOUS REVENUES		\$ 246,303.85	\$ 273,294.13	\$ 314,100.00	\$ 233,700.00	\$ 226,000.00
General Fund Revenues						
10-39-99	TRANSFER REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -
Subgroup : TRANSFERS		\$ -	\$ -	\$ -	\$ -	\$ -
General Fund Revenues						
TOTAL GENERAL FUND REVENUES		\$ 1,650,609.02	\$ 1,688,507.25	\$ 1,590,630.00	\$ 1,648,900.00	\$ 1,662,750.00
General Fund Revenues						
TOTAL GENERAL FUND EXPENDITURES		\$ (1,640,726.96)	\$ (1,539,566.67)	\$ (1,529,785.00)	\$ (1,807,300.00)	\$ (1,764,575.00)
NET SURPLUS (LOSS) - General Fund		\$ 9,882.06	\$ 148,940.58	\$ 60,845.00	\$ (158,400.00)	\$ (101,825.00)
UNRESTRICTED FUND BALANCE BEGINNING		\$ 1,162,356.00	\$ 909,507.00	\$ 752,493.00	\$ 813,338.00	\$ 813,338.00
UNRESTRICTED FUND BALANCE ENDING		\$ 909,507.00	\$ 752,493.00	\$ 813,338.00	\$ 654,938.00	\$ 711,513.00
*CHECK NOTES BELOW						

SUMMARY OF STAFFING BY DEPARTMENT

STAFFING BY DEPARTMENT

DEPARTMENT	2023	2024	2025	2026
ADMINISTRATION	4.00	4.00	4.50	6.30
POLICE	6.00	7.00	7.00	7.70
BUILDING	0.00	0.00	0.00	0.00
STREETS	2.50	3.50	4.50	4.50
PARKS & RECREATION	1.50	2.00	2.00	1.70
WATER	1.50	1.75	1.50	1.50
WASTEWATER	1.50	1.75	1.50	1.50
SANITATION	2.00	2.50	2.50	2.50
TOTAL	19.00	22.50	23.50	25.70

The staffing figures above reflect full-time equivalents allocated across departments based on the proportion of time employees devote to each fund and function. Police Department personnel remain wholly assigned to the General Fund, while elected officials, the contracted Municipal Judge, and appointed board and commission members are not included in FTE counts. The FY-2026 Budget demonstrates continued organizational strengthening, with Administration increasing from 4.50 to 6.30 FTE to support expanded operational, customer service, and regulatory responsibilities. Police staffing rises to 7.70 FTE to meet growing community safety needs, while Streets, Parks and Recreation, Water, Wastewater, and Sanitation staffing levels remain stable and appropriately matched to current service requirements.

This staffing structure reflects the Board of Trustees' commitment to building a professional, sustainable workforce capable of delivering high quality municipal services. As the Town advances its long-term water system improvements, future increases in Water Department staffing are anticipated to meet regulatory, operational, and system monitoring demands identified during the water moratorium review process. The FY-2026 Budget positions the Town to maintain reliable day-to-day operations while preparing for the expanded responsibilities that accompany major infrastructure investment.



**TOWN OF PAONIA
GENERAL FUND
ADMINISTRATION
SUMMARY**



TOWN OF PAONIA

2026

ADMINISTRATION DEPARTMENT

MISSION The Town of Paonia, Administration Department, ensures that the effective and efficient management of Town Departments including the proper management of Town finances, accounts, and funds. The Administration Department also safeguards the peace, health, and welfare of Residents through the enforcement of the Town's Code of Ordinances. The Mayor and the Board of Trustees are also found within the Administration Department, and they are responsible for the Legislative Duties of the Town. The Administration Department for purposes of the Budget are made up of the Town Administrator's Office, the Finance Office, the Clerk's Office, the Town Attorney's Office, and the Mayor and Board of Trustees.

STAFFING TABLE

<u>Type of Employee</u>	2025	2026	Change
Full Time Non-Exempt	2	4	+1
Full Time Exempt	3	2	-1
Part Time Non-Exempt	1	0	-1
Elected Officials	7	7	0
<u>Total</u>	<u>13</u>	<u>13</u>	<u>-1</u>

MAJOR GOALS AND CHANGES

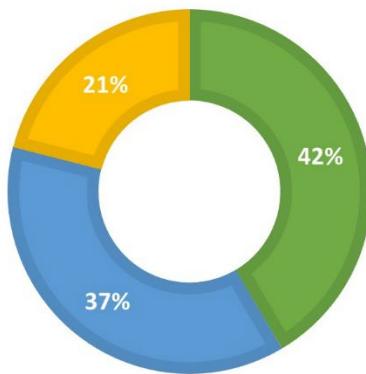
1. The Town previously staffed a part-time, front desk position and a full-time position that also staffed the front desk the rest of the week, including a Friday only role and a position that also carried responsibility for utility billing and permitting. For FY-2026, the Friday only position has been eliminated, and the combined front desk and utility billing and permitting role has been separated into two dedicated full-time positions: a Front Desk Assistant and a Utility Billing and Permit Coordinator. As a result, what were previously two full-time positions and one part-time position is now structured as three full-time positions with no part-time roles.
2. Continuing to focus in 2026 on improving service delivery with updating and modernizing permit applications, review processes, and records management.
3. Increase revenue through the inclusion of certain fees related to plan reviews, pre-application meetings, and zoning verification letters.

CAPITAL REQUESTS

1. Repair Roof at Town hall
2. Purchasing New Server Equipment to Continue to Backup ERP Database
3. Water Fountain Replacement in Town Hall with Bottle Fill Station
4. Finish Code Revisions and Update the Housing Needs Assessment and Housing Action Plan to meet updated State Statute requirements

ADMINISTRATION EXPENSES

■ Personnel ■ Operating ■ Capital Outlay



Administration Expenses

<i>Personnel</i>	\$	183,500.00
<i>Operating</i>	\$	165,550.00
<i>Capital Outlay</i>	\$	93,000.00
Total: \$ 442,050.00		

ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED FY-2026 BUDGET	ADOPTED FY-2026 BUDGET
ADMINISTRATION	PERSONNEL SERVICES					
10-41-01	MAYOR & TRUSTEES	\$ 3,821.94	\$ 9,079.71	\$ 5,500.00	\$ 2,400.00	\$ 2,400.00
10-41-02	TOWN ADMINISTRATOR/CONTRACT LABOR	\$ 153,114.33	\$ 45,375.86	\$ 35,000.00	\$ 33,000.00	\$ 33,000.00
10-41-03	SALARIES & WAGES	\$ 84,175.47	\$ 69,271.56	\$ 73,000.00	\$ 95,000.00	\$ 93,500.00
10-41-04	EMPLOYER FICA	\$ 5,273.88	\$ 7,538.34	\$ 7,250.00	\$ 8,750.00	\$ 8,300.00
10-41-05	EMPLOYER MEDICARE	\$ 1,233.33	\$ 1,740.71	\$ 1,700.00	\$ 2,100.00	\$ 2,050.00
10-41-06	UNEMPLOYMENT TAX	\$ 152.18	\$ 290.10	\$ 300.00	\$ 300.00	\$ 300.00
10-41-07	INSURANCE BENEFITS	\$ 15,106.27	\$ 23,424.45	\$ 25,000.00	\$ 34,300.00	\$ 32,000.00
10-41-08	RETIREMENT BENEFITS	\$ 1,995.95	\$ 4,964.45	\$ 4,750.00	\$ 8,000.00	\$ 6,250.00
10-41-09	LIFE/DISABILITY INSURANCE	\$ -	\$ -	\$ -	\$ 350.00	\$ 325.00
10-41-10	WORKMEN'S COMPENSATION	\$ -	\$ 1,797.54	\$ 1,400.00	\$ 1,600.00	\$ 1,575.00
10-41-13	OVERTIME	\$ -	\$ 1,579.49	\$ 2,300.00	\$ 3,000.00	\$ 3,800.00
	Subgroup : Personnel Services	\$ 264,873.35	\$ 165,062.21	\$ 156,200.00	\$ 188,800.00	\$ 183,500.00
ADMINISTRATION	OPERATING					
10-41-15	OFFICE SUPPLIES	\$ 10,542.87	\$ 2,600.53	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
10-41-16	OPERATING SUPPLIES	\$ 6,322.12	\$ 3,032.18	\$ 2,900.00	\$ 2,900.00	\$ 2,900.00
10-41-17	POSTAGE	\$ 5,785.68	\$ 5,446.25	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00
10-41-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 77,378.25	\$ 69,039.29	\$ 48,000.00	\$ 55,000.00	\$ 50,000.00
10-41-21	AUDIT & BUDGET EXPENSE	\$ -	\$ 6,708.34	\$ 4,000.00	\$ 5,500.00	\$ 7,000.00
10-41-22	REPAIRS & MAINTENANCE	\$ 1,834.54	\$ 1,088.49	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
10-41-23	VEHICLE EXPENSE	\$ -	\$ -	\$ 500.00	\$ 750.00	\$ 750.00
10-41-25	TOWN HALL EXPENSE	\$ 17,839.90	\$ 5,413.69	\$ 3,500.00	\$ 3,550.00	\$ 3,600.00
10-41-26	TRAVEL, MEETINGS, & TRAININGS	\$ 11,828.59	\$ 7,579.31	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
10-41-27	INSURANCE & BONDS	\$ 4,427.09	\$ 12,587.34	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
10-41-28	UTILITIES	\$ 6,324.17	\$ 3,119.95	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
10-41-29	TELEPHONE & INTERNET	\$ 1,243.12	\$ 814.40	\$ 2,300.00	\$ 2,800.00	\$ 2,800.00
10-41-30	PUBLISHING ADS	\$ 8,917.57	\$ 12,033.92	\$ 1,000.00	\$ 2,400.00	\$ 2,400.00
10-41-31	DUES & SUBSCRIPTIONS	\$ 25,888.85	\$ 37,457.21	\$ 30,000.00	\$ 37,700.00	\$ 37,700.00
10-41-33	DATA PROCESSING	\$ 6,981.44	\$ 694.61	\$ 5,000.00	\$ 7,500.00	\$ 8,500.00
10-41-40	MISCELLANEOUS	\$ 6,133.09	\$ 23,421.86	\$ 1,500.00	\$ 1,000.00	\$ 1,000.00
10-41-43	CULTURAL EVENTS	\$ -	\$ -	\$ 400.00	\$ -	\$ 500.00
10-41-44	HUMAN SERVICES	\$ 3,441.93	\$ 3,018.05	\$ 7,100.00	\$ 7,500.00	\$ 7,500.00
10-41-45	BUILDING INSPECTOR	\$ -	\$ -	\$ -	\$ -	\$ -
10-41-90	TREASURER'S FEE	\$ 3,082.96	\$ 12,734.09	\$ 13,000.00	\$ 14,300.00	\$ 14,300.00
	Subgroup : Operating Expenditures	\$ 197,972.17	\$ 206,789.51	\$ 145,800.00	\$ 167,500.00	\$ 165,550.00
	GENERAL FUND TOTAL	\$ 462,845.52	\$ 371,851.72	\$ 302,000.00	\$ 356,300.00	\$ 349,050.00
ADMINISTRATION	CAPITAL OUTLAY & TRANSFERS					
10-41-73	BUILDING IMPROVEMENTS	\$ -	\$ 1,572.69	\$ 38,000.00	\$ 50,000.00	\$ 50,000.00
10-41-74	MACHINERY & EQUIPMENT	\$ -	\$ 3,662.46	\$ 18,000.00	\$ -	\$ 14,500.00
10-41-75	GRANT PROJECTS	\$ 85,692.60	\$ 66,470.21	\$ -	\$ -	\$ 8,500.00
10-41-78	GRANT PROJECT - CODE REVISION	\$ -	\$ -	\$ -	\$ 75,000.00	\$ 20,000.00
10-41-99	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -
	SUBGROUP : SALES TAX CIP TOTAL	\$ 85,692.60	\$ 71,705.36	\$ 56,000.00	\$ 125,000.00	\$ 93,000.00



TOWN OF PAONIA
GENERAL FUND
POLICE DEPARTMENT
SUMMARY



TOWN OF PAONIA

2026

LAW ENFORCEMENT DEPARTMENT

MISSION The Town of Paonia Police Department exists to serve all people within our jurisdiction with respect, objectivity, and compassion. Prevention of crime and the protection of life and property through the enforcement of laws and ordinances is the department's top priority. The Paonia Police Department is dedicated to providing a quality work environment and development of its officers and staff through effective training and leadership.

STAFFING TABLE

<u>Type of Employee</u>	2025	2026	<u>Change</u>
Full Time Non-Exempt	6	7	+1
Full Time Exempt	1	1	0
Part Time Non-Exempt	0	0	0
Appointed Official (Judge)	1	1	0
<u>Total</u>	<u>8</u>	<u>9</u>	<u>+1</u>

MAJOR GOALS AND CHANGES

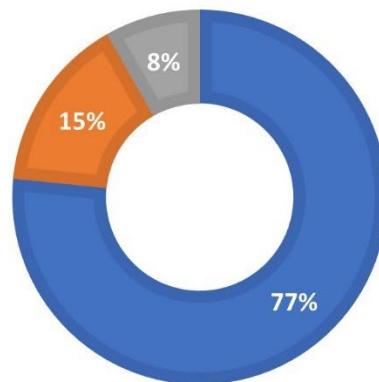
1. The Town's total headcount will increase from eight (8) to nine (9) positions in 2026, representing a net increase of one (1) Full-Time Equivalent (FTE). The new Community Services Officer position will serve as a key link between residents, businesses, and Town departments, improving code compliance, protecting community character, and reinforcing the Town's dedication to transparency, fairness, and responsiveness in enforcement practices.

CAPITAL REQUESTS

1. 1st Year of the Patrol Radio Replacement Program
2. 1st Year of the Squad Car Replacement Program including outfitting
3. Less than lethal Weapons Outfitting

LAW ENFORCEMENT EXPENSES

■ Personnel ■ Operating ■ Capital Outlay



Law Enforcement Expenses

<i>Personnel</i>	\$	796,300.00
<i>Operating</i>	\$	157,800.00
<i>Capital Outlay</i>	\$	85,600.00

Total: \$ 1,039,700.00

ACCOUNT	DESCRIPTION	ACTUAL		PROJECTED		PROPOSED		ADOPTED	
		FY-2023 BUDGET	FY-2024 BUDGET	FY-2025 BUDGET	FY-2026 BUDGET	FY-2026 BUDGET	FY-2026 BUDGET	FY-2026 BUDGET	FY-2026 BUDGET
LAW ENFORCEMENT	PERSONNEL SERVICES								
10-42-02	CONTRACT LABOR (JUDGE)	\$ 8,160.00	\$ 5,820.00	\$ 7,200.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
10-42-03	SALARIES & WAGES	\$ 425,548.60	\$ 438,392.30	\$ 477,500.00	\$ 525,000.00	\$ 520,000.00	\$ 520,000.00	\$ 520,000.00	\$ 520,000.00
10-42-04	EMPLOYER FICA	\$ 5,314.63	\$ 3,508.15	\$ 5,500.00	\$ 36,000.00	\$ 35,750.00	\$ 35,750.00	\$ 35,750.00	\$ 35,750.00
10-42-05	EMPLOYER MEDICARE	\$ 6,047.55	\$ 6,556.56	\$ 7,000.00	\$ 8,500.00	\$ 8,400.00	\$ 8,400.00	\$ 8,400.00	\$ 8,400.00
10-42-06	UNEMPLOYMENT TAX	\$ 880.01	\$ 904.31	\$ 1,100.00	\$ 1,200.00	\$ 1,150.00	\$ 1,150.00	\$ 1,150.00	\$ 1,150.00
10-42-07	INSURANCE BENEFITS	\$ 53,715.89	\$ 59,209.55	\$ 85,800.00	\$ 109,250.00	\$ 107,000.00	\$ 107,000.00	\$ 107,000.00	\$ 107,000.00
10-42-08	RETIREMENT BENEFITS	\$ 8,963.07	\$ 9,519.52	\$ 11,500.00	\$ 13,050.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
10-42-09	LIFE/DISABILITY INSURANCE	\$ -	\$ -	\$ -	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00
10-42-10	WORKMEN'S COMPENSATION	\$ 10,010.00	\$ 8,695.93	\$ 13,000.00	\$ 16,000.00	\$ 16,050.00	\$ 16,050.00	\$ 16,050.00	\$ 16,050.00
10-42-11	FPPA PENSION	\$ 32,996.18	\$ 34,408.19	\$ 44,000.00	\$ 49,000.00	\$ 49,000.00	\$ 49,000.00	\$ 49,000.00	\$ 49,000.00
10-42-12	FPPA D&D	\$ 9,406.78	\$ 12,561.21	\$ 16,700.00	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00
10-42-13	OVERTIME & ON-CALL	\$ (164.31)	\$ 15,800.04	\$ 15,000.00	\$ 17,700.00	\$ 20,150.00	\$ 20,150.00	\$ 20,150.00	\$ 20,150.00
	Subgroup : Personnel Services	\$ 560,878.40	\$ 595,375.76	\$ 684,300.00	\$ 802,000.00	\$ 796,300.00			
LAW ENFORCEMENT	OPERATING								
10-42-15	OFFICE SUPPLIES	\$ 1,480.51	\$ 529.82	\$ 1,000.00	\$ 1,500.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00
10-42-16	OPERATING SUPPLIES	\$ 23,436.61	\$ 15,360.77	\$ 4,000.00	\$ 4,000.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00
10-42-17	POSTAGE	\$ -	\$ 72.31	\$ 500.00	\$ 250.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
10-42-19	UNIFORMS	\$ -	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
10-42-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 2,648.35	\$ 9,185.47	\$ 12,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
10-42-22	REPAIRS & MAINTENANCE	\$ 630.29	\$ 688.06	\$ 1,000.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00
10-42-23	VEHICLE EXPENSE	\$ 18,481.34	\$ 25,552.68	\$ 16,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00
10-42-26	TRAVEL, MEETINGS, & TRAININGS	\$ 8,583.75	\$ 4,777.57	\$ 3,000.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
10-42-27	INSURANCE & BONDS	\$ 27,701.61	\$ 42,011.01	\$ 57,000.00	\$ 60,500.00	\$ 60,500.00	\$ 60,500.00	\$ 60,500.00	\$ 60,500.00
10-42-28	UTILITIES	\$ 1,819.06	\$ 2,432.07	\$ 2,700.00	\$ 2,500.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00
10-42-29	TELEPHONE & INTERNET	\$ 2,663.87	\$ 2,379.05	\$ 5,600.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
10-42-30	PUBLISHING ADS	\$ -	\$ -	\$ 100.00	\$ -	\$ -	\$ -	\$ -	\$ -
10-42-31	DUES & SUBSCRIPTIONS	\$ 1,071.86	\$ 1,516.73	\$ 6,500.00	\$ 6,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
10-42-33	DATA PROCESSING	\$ 15,624.24	\$ 3,936.91	\$ 2,470.00	\$ 2,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
10-42-42	CONTRACT SERVICES	\$ 10,217.41	\$ 13,499.37	\$ 30,000.00	\$ 15,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
10-42-44	HUMAN SERVICES	\$ 1,339.45	\$ 995.06	\$ 1,300.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
	Subgroup : Operating Expenditures	\$ 115,698.35	\$ 122,936.88	\$ 143,170.00	\$ 148,000.00	\$ 157,800.00			
	GENERAL FUND TOTAL	\$ 676,576.75	\$ 718,312.64	\$ 827,470.00	\$ 950,000.00	\$ 954,100.00			
LAW ENFORCEMENT	CAPITAL OUTLAY & TRANSFERS								
10-42-73	BUILDING IMPROVEMENTS	\$ -	\$ 2,920.28	\$ 7,000.00	\$ 2,500.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
10-42-74	MACHINERY & EQUIPMENT	\$ -	\$ 46,563.30	\$ 30,475.00	\$ 65,000.00	\$ 70,600.00	\$ 70,600.00	\$ 70,600.00	\$ 70,600.00
	SUBGROUP : SALES TAX CIP TOTAL	\$ -	\$ 49,483.58	\$ 37,475.00	\$ 67,500.00	\$ 85,600.00			



TOWN OF PAONIA
GENERAL FUND
BUILDING DEPARTMENT
SUMMARY



TOWN OF PAONIA
2026

BUILDING DEPARTMENT

MISSION The Town of Paonia Building Department ensures that any remodeling, construction, repairs, additions, siding, fencing, roofing, concrete work, wood stove installations, and other improvement related items adhere to best practices in building codes and the codes adopted by the Town of Paonia. The Building Department provides information and processes all applications for building permits, and planning requests such as subdivisions, annexations, zone changes, conditional uses, variances, site development and mobile home park licenses.

STAFFING TABLE

Type of Employee	2025	2026	Change
Full Time Non-Exempt	0	0	0
Full Time Exempt	0	0	0
Part Time Non-Exempt	0	0	0
Contracted Official (Inspector)	0	0	0
Total	0	0	0

MAJOR GOALS AND CHANGES

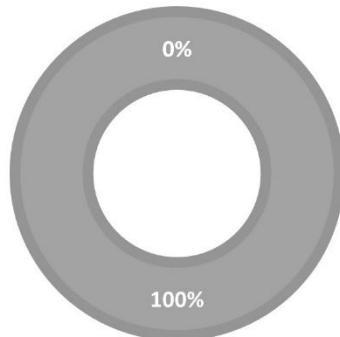
1. There are no staff members or Full-time equivalents in the Building Department. All services provided for plan review, building inspection and the building official are currently provided through contracts with firms for professional services including Shums Coda, and the City of Delta. Therefore, there are no positions within this department.

CAPITAL REQUESTS

1. N/A

BUILDING EXPENSES

■ Personnel ■ Operating ■ Capital Outlay



Building Expenses

<i>Personnel</i>	\$	-
<i>Operating</i>	\$	42,250.00
<i>Capital Outlay</i>	\$	-
Total: \$ 42,250.00		

ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED BUDGET FY-2026	ADOPTED BUDGET FY-2026
BUILDING	PERSONNEL SERVICES					
10-43-01	MAYOR & TRUSTEES	\$ -	\$ -	\$ -	\$ -	\$ -
10-43-02	CONTRACT LABOR	\$ 34,030.00	\$ 5,437.50	\$ -	\$ -	\$ -
10-43-03	SALARIES & WAGES	\$ 3,091.67	\$ -	\$ -	\$ -	\$ -
10-43-04	EMPLOYER FICA	\$ 170.03	\$ -	\$ -	\$ -	\$ -
10-43-05	EMPLOYER MEDICARE	\$ 39.79	\$ -	\$ -	\$ -	\$ -
10-43-06	UNEMPLOYMENT TAX	\$ 5.05	\$ -	\$ -	\$ -	\$ -
10-43-07	INSURANCE BENEFITS	\$ 1,181.58	\$ -	\$ -	\$ -	\$ -
10-43-08	RETIREMENT BENEFITS	\$ 100.17	\$ -	\$ -	\$ -	\$ -
10-43-09	LIFE/DISABILITY INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -
10-43-10	WORKMEN'S COMPENSATION	\$ 25.00	\$ -	\$ -	\$ -	\$ -
10-43-13	OVERTIME	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : Personnel Services	\$ 38,643.29	\$ 5,437.50	\$ -	\$ -	\$ -
BUILDING	OPERATING					
10-43-15	OFFICE SUPPLIES	\$ -	\$ -	\$ 75.00	\$ -	\$ -
10-43-16	OPERATING SUPPLIES	\$ 762.50	\$ -	\$ 15.00	\$ -	\$ -
10-43-17	POSTAGE	\$ 1.20	\$ -	\$ -	\$ -	\$ -
10-43-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 63.90	\$ 35,836.00	\$ 35,000.00	\$ 40,000.00	\$ 42,250.00
10-43-22	REPAIRS & MAINTENANCE	\$ -	\$ -	\$ -	\$ -	\$ -
10-43-23	VEHICLE EXPENSE	\$ 1,375.51	\$ -	\$ -	\$ -	\$ -
10-43-26	TRAVEL & MEETINGS	\$ -	\$ -	\$ 75.00	\$ -	\$ -
10-43-27	INSURANCE & BONDS	\$ 1,010.12	\$ 4,544.77	\$ -	\$ -	\$ -
10-43-28	UTILITIES	\$ 966.19	\$ 239.85	\$ -	\$ -	\$ -
10-43-29	TELEPHONE & INTERNET	\$ -	\$ -	\$ -	\$ -	\$ -
10-43-30	PUBLISHING ADS	\$ -	\$ -	\$ 100.00	\$ -	\$ -
10-43-31	DUES & SUBSCRIPTIONS	\$ 145.00	\$ 290.00	\$ 700.00	\$ -	\$ -
10-43-33	DATA PROCESSING	\$ 136.10	\$ 3,914.54	\$ -	\$ -	\$ -
10-43-40	MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -	\$ -
10-43-43	CULTURAL EVENTS	\$ -	\$ -	\$ -	\$ -	\$ -
10-43-44	HUMAN SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : Operating Expenditures	\$ 4,460.52	\$ 44,825.16	\$ 35,965.00	\$ 40,000.00	\$ 42,250.00
	GENERAL FUND TOTAL	\$ 43,103.81	\$ 50,262.66	\$ 35,965.00	\$ 40,000.00	\$ 42,250.00
BUILDING	CAPITAL OUTLAY & TRANSFERS					
10-43-73	BUILDING IMPROVEMENTS	\$ -	\$ 54.20	\$ -	\$ -	\$ -
10-43-74	MACHINERY & EQUIPMENT	\$ -	\$ 188.71	\$ -	\$ -	\$ -
	SUBGROUP : SALES TAX CIP TOTAL	\$ -	\$ 242.91	\$ -	\$ -	\$ -



TOWN OF PAONIA
GENERAL FUND
PUBLIC WORKS DEPARTMENT
STREETS DIVISION
SUMMARY



TOWN OF PAONIA
2026

PUBLIC WORKS DEPARTMENT
STREETS DIVISION

MISSION The Town of Paonia Public Works Department, Streets Division, exists to serve all people within our jurisdiction with respect, objectivity, and compassion. The care and maintenance of roadways, bridges, sidewalks and the storm sewer system are all charges of the Streets Division. The Paonia Public Works Department Streets Division is dedicated to providing a quality work environment and ensuring that the Town's roadway systems are in good repair.

STAFFING TABLE

<u>Type of Employee</u>	2025	2026	Change
Full Time Non-Exempt	4	2	-2
Full Time Exempt	1	0	-1
Part Time Non-Exempt	0	0	0
<u>Total</u>	<u>5</u>	<u>2</u>	<u>-3</u>

MAJOR GOALS AND CHANGES

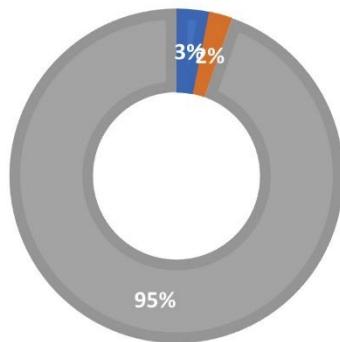
1. Adding two seasonal employees to the Public Works Parks Division that are shared with the Streets division.
2. Adding a new line item for Right of Way maintenance, which includes trimming of trees and potential funding for replacement of trees that are removed due to age or sickness.

CAPITAL REQUESTS

1. Samuel Wade Bridge Repair Local Match
2. Safe Streets for All – Safety and Pavement Improvement Prioritization Study
3. Sidewalk Improvements and ADA Transition Plan Improvements
4. Public Works Shop Compliance
5. Begin Street Resurfacing Program
6. 5th & Grand Realignment Project
7. Beginning the Street Sign Replacement Program
8. Beginning to get Shop Storage and Inventory & Stock for Replacement Parts and Supplies

STREETS EXPENSES

■ Personnel ■ Operating ■ Capital Outlay



Streets Expenses

<i>Personnel</i>	\$ 141,175.00
<i>Operating</i>	\$ 103,000.00
<i>Capital Outlay</i>	\$ 4,256,986.00

Total: \$ 4,501,161.00

ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED FY-2026 BUDGET	ADOPTED FY-2026 BUDGET
STREETS	PERSONNEL SERVICES					
10-45-02	CONTRACT LABOR	\$ -	\$ 700.00	\$ -	\$ 12,000.00	\$ -
10-45-03	SALARIES & WAGES	\$ 105,389.89	\$ 105,716.64	\$ 80,000.00	\$ 109,000.00	\$ 100,000.00
10-45-04	EMPLOYER FICA	\$ 6,042.00	\$ 6,621.77	\$ 5,200.00	\$ 7,800.00	\$ 6,600.00
10-45-05	EMPLOYER MEDICARE	\$ 1,497.11	\$ 1,548.65	\$ 1,300.00	\$ 1,900.00	\$ 1,550.00
10-45-06	UNEMPLOYMENT TAX	\$ 196.88	\$ 213.61	\$ 300.00	\$ 300.00	\$ 225.00
10-45-07	INSURANCE BENEFITS	\$ 13,229.99	\$ 18,312.75	\$ 16,500.00	\$ 22,000.00	\$ 19,000.00
10-45-08	RETIREMENT BENEFITS	\$ 3,601.02	\$ 4,858.13	\$ 4,750.00	\$ 6,500.00	\$ 4,975.00
10-45-09	LIFE/DISABILITY INSURANCE	\$ -	\$ -	\$ -	\$ 500.00	\$ 325.00
10-45-10	WORKMEN'S COMPENSATION	\$ 3,714.00	\$ 5,142.19	\$ 6,500.00	\$ 6,100.00	\$ 5,100.00
10-45-13	OVERTIME	\$ -	\$ 2,815.73	\$ 2,500.00	\$ 3,900.00	\$ 3,400.00
	Subgroup : Personnel Services	\$ 133,670.89	\$ 145,929.47	\$ 117,050.00	\$ 170,000.00	\$ 141,175.00
STREETS	OPERATING					
10-45-15	OFFICE SUPPLIES	\$ 249.24	\$ 8.79	\$ 500.00	\$ 100.00	\$ 500.00
10-45-16	OPERATING SUPPLIES	\$ 17,489.55	\$ 2,016.66	\$ 7,250.00	\$ 7,300.00	\$ 7,000.00
10-45-17	POSTAGE	\$ -	\$ 1.40	\$ -	\$ -	\$ -
10-45-19	UNIFORMS	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00
10-45-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 59,154.47	\$ 5,735.72	\$ 17,500.00	\$ 20,000.00	\$ 20,000.00
10-45-21	AUDIT & BUDGET EXPENSE	\$ -	\$ 2,208.33	\$ 1,600.00	\$ 2,500.00	\$ 3,500.00
10-45-22	REPAIRS & MAINTENANCE	\$ 38,156.72	\$ 20,779.63	\$ 12,000.00	\$ 12,000.00	\$ 11,000.00
10-45-23	VEHICLE EXPENSE	\$ 10,305.61	\$ 4,442.14	\$ 7,500.00	\$ 8,000.00	\$ 8,000.00
10-45-24	RENTALS	\$ -	\$ -	\$ -	\$ -	\$ -
10-45-25	SHOP EXPENSE	\$ 3,988.09	\$ 3,286.62	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00
10-45-26	TRAVEL, MEETINGS & TRAININGS	\$ -	\$ 1,128.77	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
10-45-27	INSURANCE & BONDS	\$ 4,006.50	\$ 6,557.98	\$ 3,800.00	\$ 4,500.00	\$ 4,500.00
10-45-28	UTILITIES	\$ 11,522.24	\$ 10,546.35	\$ 12,000.00	\$ 12,000.00	\$ 12,250.00
10-45-29	TELEPHONE & INTERNET	\$ 283.84	\$ 632.56	\$ 1,500.00	\$ 1,500.00	\$ 1,550.00
10-45-30	PUBLISHING ADS	\$ -	\$ 157.25	\$ 100.00	\$ 100.00	\$ 100.00
10-45-31	DUES & SUBSCRIPTIONS	\$ 784.42	\$ 5,679.89	\$ 3,500.00	\$ -	\$ 1,100.00
10-45-32	FEES & PERMITS	\$ 122.00	\$ 40.00	\$ -	\$ 2,500.00	\$ 2,500.00
10-45-33	DATA PROCESSING	\$ -	\$ 136.10	\$ 1,250.00	\$ -	\$ -
10-45-40	MISCELLANEOUS	\$ 1,763.66	\$ 2,241.77	\$ 1,000.00	\$ -	\$ 500.00
10-45-42	SNOW REMOVAL	\$ 12,734.57	\$ 3,541.68	\$ 12,000.00	\$ 15,000.00	\$ 18,000.00
10-45-43	CULTURAL EVENTS	\$ -	\$ -	\$ -	\$ -	\$ -
10-45-44	HUMAN SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -
10-45-45	BUILDING INSPECTOR	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : Operating Expenditures	\$ 160,560.91	\$ 69,141.64	\$ 92,000.00	\$ 98,000.00	\$ 103,000.00
	GENERAL FUND TOTAL	\$ 294,231.80	\$ 215,071.11	\$ 209,050.00	\$ 268,000.00	\$ 244,175.00
STREETS	CAPITAL OUTLAY & TRANSFERS					
10-45-70	CAPITAL OUTLAY	\$ -	\$ 70,704.64	\$ 175,000.00	\$ -	\$ 29,000.00
10-45-71	RIGHT OF WAY MAINTENANCE	\$ -	\$ -	\$ -	\$ 30,000.00	\$ 25,000.00
10-45-72	5TH STREET REALIGNMENT	\$ -	\$ 94,833.81	\$ 25,000.00	\$ 3,200,000.00	\$ 3,200,000.00
10-45-73	BUILDING IMPROVEMENTS	\$ -	\$ -	\$ 500.00	\$ -	\$ 5,500.00
10-45-74	MACHINERY & EQUIPMENT	\$ -	\$ 50,971.85	\$ 20,000.00	\$ 75,000.00	\$ 45,000.00
10-45-75	GRANT PROJECTS	\$ -	\$ -	\$ -	\$ 325,000.00	\$ 367,486.00
10-45-90	TREASURER'S FEE	\$ -	\$ -	\$ -	\$ -	\$ -
10-45-99	TRANSFERS	\$ 192,000.00	\$ -	\$ -	\$ -	\$ -
24-45-70	CAPITAL OUTLAY - BRIDGE RESERVE	\$ -	\$ -	\$ -	\$ -	\$ 500,000.00
26-45-70	CAPITAL OUTLAY - SIDEWALKS	\$ -	\$ -	\$ 9,700.00	\$ -	\$ 85,000.00
	SUBGROUP : SALES TAX CIP TOTAL	\$ 192,000.00	\$ 216,510.30	\$ 230,200.00	\$ 3,630,000.00	\$ 4,256,986.00



TOWN OF PAONIA
GENERAL FUND
PUBLIC WORKS DEPARTMENT
PARKS & RECREATION DIVISION
SUMMARY



TOWN OF PAONIA
2026

PUBLIC WORKS DEPARTMENT
PARKS & RECREATION DIVISION

MISSION The Town of Paonia Public Works Department, Parks & Recreation Division, exists to serve all people within our jurisdiction with respect, objectivity, and compassion. The care and maintenance of all parks and recreational opportunities within the Town are the charges of the Parks and Recreation Division. The Paonia Public Works Department Parks & Recreation Division is dedicated to providing a quality work environment and ensuring that the Town offers quality & beautiful Park and Recreational opportunities.

STAFFING TABLE

<u>Type of Employee</u>	2025	2026	Change
Full Time Non-Exempt	1	1	0
Full Time Exempt	0	0	0
Seasonal Non-Exempt	0	2	+2
<u>Total</u>	<u>1</u>	<u>3</u>	<u>+2</u>

MAJOR GOALS AND CHANGES

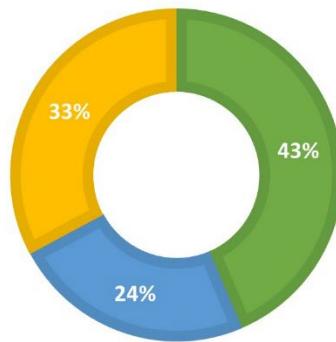
1. Adding two seasonal employees to the Public Works Parks Division that will be shared with the Streets division.
2. Adding a new line item for Right of Way maintenance, which includes trimming of trees and potential funding for replacement of trees that are removed due to age or sickness.

CAPITAL REQUESTS

1. Funding for Parks Irrigation/Sprinkler Replacement
2. Playground Equipment (Slide and Merry Go Round)
3. Water Bottle Fill Stations & Water Fountains
4. Park & Right of Way Maintenance Equipment (Lawnmowers)

PARKS & RECREATION EXPENSES

■ Personnel ■ Operating ■ Capital Outlay



Parks & Recreation Expenses

<i>Personnel</i>	\$	113,500.00
<i>Operating</i>	\$	61,500.00
<i>Capital Outlay</i>	\$	85,500.00
Total: \$ 260,500.00		

ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED FY-2026 BUDGET	ADOPTED FY-2026 BUDGET
PARKS	PERSONNEL SERVICES					
10-46-02	CONTRACT LABOR (SEASONAL EMPLOYEES)	\$ 10,748.91	\$ 1,000.00	\$ -	\$ 38,400.00	\$ 26,000.00
10-46-03	SALARIES & WAGES	\$ 65,259.03	\$ 86,231.58	\$ 59,000.00	\$ 68,000.00	\$ 60,000.00
10-46-04	EMPLOYER FICA	\$ 3,959.44	\$ 5,389.04	\$ 4,500.00	\$ 6,800.00	\$ 5,500.00
10-46-05	EMPLOYER MEDICARE	\$ 925.95	\$ 1,260.32	\$ 1,100.00	\$ 1,600.00	\$ 1,300.00
10-46-06	UNEMPLOYMENT TAX	\$ 120.78	\$ 173.86	\$ 200.00	\$ 250.00	\$ 200.00
10-46-07	INSURANCE BENEFITS	\$ 7,930.12	\$ 17,275.20	\$ 12,500.00	\$ 12,350.00	\$ 12,000.00
10-46-08	RETIREMENT BENEFITS	\$ 2,386.21	\$ 3,964.30	\$ 3,500.00	\$ 3,600.00	\$ 3,200.00
10-46-09	LIFE/DISABILITY INSURANCE	\$ -	\$ -	\$ -	\$ 200.00	\$ 200.00
10-46-10	WORKMEN'S COMPENSATION	\$ 1,594.00	\$ 3,251.09	\$ 3,300.00	\$ 3,600.00	\$ 2,900.00
10-46-13	OVERTIME	\$ -	\$ 2,479.61	\$ 1,750.00	\$ 2,200.00	\$ 2,200.00
	Subgroup : Personnel Services	\$ 92,924.44	\$ 121,025.00	\$ 85,850.00	\$ 137,000.00	\$ 113,500.00
PARKS	OPERATING					
10-46-15	OFFICE SUPPLIES	\$ 153.55	\$ 7.98	\$ 150.00	\$ 100.00	\$ 200.00
10-46-16	OPERATING SUPPLIES	\$ -	\$ 4,266.96	\$ 3,500.00	\$ 3,900.00	\$ 5,900.00
10-46-17	POSTAGE	\$ -	\$ 67.17	\$ -	\$ -	\$ -
10-46-19	UNIFORMS	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00
10-46-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ -	\$ 942.72	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00
10-46-21	AUDIT & BUDGET EXPENSE	\$ -	\$ 2,208.33	\$ 1,600.00	\$ 1,500.00	\$ 4,800.00
10-46-22	REPAIRS & MAINTENANCE	\$ 42,676.66	\$ 12,050.90	\$ 33,000.00	\$ 20,000.00	\$ 18,000.00
10-46-23	VEHICLE EXPENSE	\$ 5,499.77	\$ 4,312.87	\$ 5,100.00	\$ 4,500.00	\$ 5,250.00
10-46-24	RENTALS	\$ 3,181.00	\$ 3,990.00	\$ 300.00	\$ -	\$ 500.00
10-46-25	SHOP EXPENSE	\$ 1,204.76	\$ 1,699.10	\$ 2,400.00	\$ 2,500.00	\$ 100.00
10-46-26	TRAVEL, MEETINGS & TRAININGS	\$ -	\$ 112.59	\$ 500.00	\$ 500.00	\$ 500.00
10-46-27	INSURANCE & BONDS	\$ 5,812.39	\$ 8,667.64	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00
10-46-28	UTILITIES	\$ 7,926.66	\$ 8,424.03	\$ 7,500.00	\$ 7,500.00	\$ 7,750.00
10-46-29	TELEPHONE & INTERNET	\$ 283.83	\$ 510.93	\$ 1,200.00	\$ 1,500.00	\$ 2,000.00
10-46-30	PUBLISHING ADS	\$ -	\$ -	\$ -	\$ -	\$ -
10-46-31	DUES & SUBSCRIPTIONS	\$ -	\$ 2,152.60	\$ 2,700.00	\$ 3,000.00	\$ 3,000.00
10-46-32	FEES & PERMITS	\$ 773.45	\$ -	\$ -	\$ -	\$ -
10-46-33	DATA PROCESSING	\$ -	\$ -	\$ -	\$ -	\$ -
10-46-40	MISCELLANEOUS	\$ 249.87	\$ 1,767.10	\$ 1,500.00	\$ 500.00	\$ 500.00
10-46-42	CONTRACT SERVICES	\$ 3,282.70	\$ 11,862.62	\$ 1,000.00	\$ 500.00	\$ 2,500.00
10-46-43	CULTURAL EVENTS	\$ -	\$ -	\$ -	\$ -	\$ -
10-46-44	HUMAN SERVICES	\$ -	\$ -	\$ 1,000.00	\$ -	\$ -
10-46-45	BUILDING INSPECTOR	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : Operating Expenditures	\$ 71,044.64	\$ 63,043.54	\$ 69,450.00	\$ 56,000.00	\$ 61,500.00
	GENERAL FUND TOTAL	\$ 163,969.08	\$ 184,068.54	\$ 155,300.00	\$ 193,000.00	\$ 175,000.00
PARKS	CAPITAL OUTLAY & TRANSFERS					
10-46-70	CAPITAL OUTLAY	\$ 37,750.00	\$ 11,269.08	\$ -	\$ 5,000.00	\$ 20,000.00
10-46-71	RIGHT OF WAY MAINTENANCE	\$ -	\$ -	\$ -	\$ 20,000.00	\$ 15,000.00
10-46-73	BUILDING IMPROVEMENTS	\$ -	\$ 2,009.89	\$ -	\$ 5,000.00	\$ 7,500.00
10-46-74	MACHINERY & EQUIPMENT	\$ -	\$ 4,059.27	\$ 5,800.00	\$ 20,000.00	\$ 43,000.00
10-46-75	GRANT PROJECTS	\$ -	\$ -	\$ 2,500.00	\$ -	\$ -
10-46-90	TREASURER'S FEE	\$ -	\$ -	\$ -	\$ -	\$ -
10-46-99	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -
40-46-20	CONSERVATION TRUST FUND EXPENDITURES	\$ -	\$ -	\$ 34,500.00	\$ -	\$ -
	SUBGROUP : SALES TAX CIP TOTAL	\$ 37,750.00	\$ 17,338.24	\$ 42,800.00	\$ 50,000.00	\$ 85,500.00



TOWN OF PAONIA
ENTERPRISE FUNDS
PUBLIC WORKS DEPARTMENT
WATER UTILITY DIVISION
SUMMARY



TOWN OF PAONIA
2026

PUBLIC WORKS DEPARTMENT
WATER UTILITY DIVISION

MISSION The Town of Paonia Public Works Department, Water Utility Division, exists to serve all people within our jurisdiction with clean and safe drinking water. The care and maintenance of the collections, treatment and conveyance of the drinking water system are all charges of the Water Utility Division. The Paonia Public Works Department Water Utility Division is dedicated to providing a quality work environment and ensuring that the Town is supplied with enough clean drinking water to meet its demand.

STAFFING TABLE

Type of Employee	2025	2026	Change
Full Time Non-Exempt	1.5	1.5	0
Full Time Exempt	0	0	0
Part Time Non-Exempt	0	0	0
Total	1.5	1.5	0

MAJOR GOALS AND CHANGES

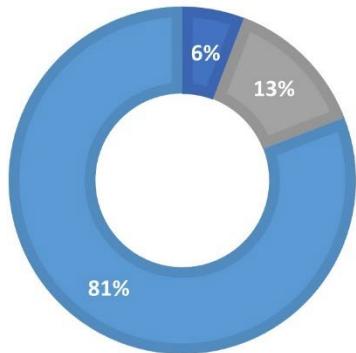
1. Moving into FY-2026 fully staffed. The headcount in the Water Utility Division is 3, but the FTE's are shared between the Water and Wasetewater Utility Division and are split.

CAPITAL REQUESTS

1. 2MG Lamborn Finished Water Tank Re-Lining
2. Westernloop Replacement Project
3. Raw Water Metering and Diversion Box Improvements
4. WaterSMART (Phase II Hydrogeological Study)
5. Cellular Read Meter Replacement Program
6. Transition to Electric (PLC) Valves at WTP
7. Begin Vehicle Replacement Program

WATER UTILITY EXPENSES

■ Personnel ■ Operating ■ Capital Outlay



Water Utility Expenses

<i>Personnel</i>	\$ 492,450.00
<i>Operating</i>	\$ 1,129,000.00
<i>Capital Outlay</i>	\$ 6,859,000.00
<i>Depreciation</i>	\$ -
Total: \$ 8,480,450.00	

ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED FY-2026 BUDGET	ADOPTED FY-2026 BUDGET
WATER						
* Revenue is dependent upon utility rate increases						
	WATER UTILITY REVENUE					
60-36-01*	WATER CHARGES	\$ 838,424.71	\$ 889,995.32	\$ 925,000.00	\$ 962,000.00	\$ 962,000.00
60-36-02*	WATER CHARGES - USAGE	\$ 346,235.08	\$ 296,837.66	\$ 360,000.00	\$ 380,000.00	\$ 380,000.00
60-36-03	SALES & SERVICES	\$ 725.00	\$ 3,702.51	\$ 750.00	\$ 1,000.00	\$ 1,000.00
60-36-04	STANDBY TAP FEES	\$ 61,305.42	\$ 58,738.86	\$ 49,000.00	\$ 49,000.00	\$ 49,000.00
60-36-05	BULK WATER	\$ 15,710.15	\$ 14,272.00	\$ 11,000.00	\$ 12,000.00	\$ 12,000.00
60-36-06	RECONNECT FEES & PENALTIES	\$ -	\$ -	\$ -	\$ -	\$ -
60-36-07	WATER TAPS	\$ 100.00	\$ 12,975.00	\$ -	\$ -	\$ -
60-36-08	TAPS FEES ASSIGNED FOR STORAGE	\$ -	\$ -	\$ -	\$ -	\$ -
60-36-09	PENALTIES	\$ 7,125.00	\$ 5,615.14	\$ 6,100.00	\$ 6,000.00	\$ 6,000.00
60-36-10	INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -
60-36-12	RENTS	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
60-36-13	MISCELLANEOUS REVENUE	\$ 41.98	\$ 4,159.39	\$ 670.00	\$ 1,000.00	\$ 1,000.00
60-36-15	SALE/DISPOSAL OF ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -
60-36-20	PASS THROUGH FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -
60-36-21	DOLA PASS THROUGH REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -
60-36-22	WPA PASS THROUGH REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -
60-36-23	DWRF GRANT (PRINCIPAL LOAN FORGIVENESS)	\$ -	\$ -	\$ -	\$ -	\$ -
60-36-24	DOLA URS PASS THROUGH REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -
60-36-25	LOAN FUNDS	\$ -	\$ -	\$ 235,000.00	\$ 5,000,000.00	\$ 5,257,000.00
60-36-28	WATERSMART GRANT REVENUE	\$ -	\$ -	\$ -	\$ 250,000.00	\$ 250,000.00
60-36-30	GRANT FUNDS	\$ -	\$ 458,781.20	\$ 620,000.00	\$ 1,352,000.00	\$ 1,352,000.00
60-36-31	CAPITAL CONTRIBUTIONS	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : Total Revenue ¹	\$ 1,269,667.34	\$ 1,746,077.08	\$ 2,208,520.00	\$ 8,014,000.00	\$ 8,271,000.00

WATER						
* Revenue is dependent upon utility rate increases						
WATER UTILITY PERSONNEL SERVICES						
60-50-02	TRUSTEE/ADMIN SALARIES	\$ -	\$ 35,534.20	\$ 56,000.00	\$ 90,500.00	\$ 48,600.00
60-50-03	SALARIES & WAGES	\$ 284,117.89	\$ 199,920.28	\$ 243,000.00	\$ 285,500.00	\$ 289,000.00
60-50-04	EMPLOYER FICA	\$ 17,581.11	\$ 14,786.28	\$ 17,800.00	\$ 24,000.00	\$ 22,000.00
60-50-05	EMPLOYER MEDICARE	\$ 4,111.73	\$ 3,435.75	\$ 4,250.00	\$ 5,700.00	\$ 5,200.00
60-50-06	UNEMPLOYMENT TAX	\$ 520.62	\$ 473.90	\$ 700.00	\$ 800.00	\$ 750.00
60-50-07	INSURANCE BENEFITS	\$ 38,221.23	\$ 40,157.89	\$ 57,000.00	\$ 76,500.00	\$ 70,500.00
60-50-08	RETIREMENT BENEFITS	\$ 10,033.64	\$ 10,952.59	\$ 14,500.00	\$ 20,000.00	\$ 18,000.00
60-50-09	LIFE/DISABILITY INSURANCE	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 900.00
60-50-10	WORKMEN'S COMPENSATION	\$ 6,061.00	\$ 4,316.59	\$ 2,200.00	\$ 7,100.00	\$ 6,500.00
60-50-13	OVERTIME & ON-CALL	\$ -	\$ 7,262.70	\$ 9,500.00	\$ 16,900.00	\$ 31,000.00
	Subgroup : Personnel Services	\$ 360,647.22	\$ 316,840.18	\$ 404,950.00	\$ 528,000.00	\$ 492,450.00

WATER						
* Revenue is dependent upon utility rate increases						
WATER UTILITY OPERATING EXPENSES						
60-50-14	CHEMICALS	\$ -	\$ 1,934.25	\$ 13,000.00	\$ 15,000.00	\$ 15,000.00
60-50-15	OFFICE SUPPLIES	\$ 798.01	\$ 3,087.70	\$ 3,000.00	\$ 4,500.00	\$ 4,500.00
60-50-16	OPERATING SUPPLIES	\$ 35,580.62	\$ 45,125.17	\$ 10,500.00	\$ 15,000.00	\$ 15,000.00
60-50-17	POSTAGE	\$ 3,091.14	\$ 3,012.92	\$ 3,500.00	\$ 4,500.00	\$ 4,500.00
60-50-19	UNIFORMS	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00
60-50-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 93,389.29	\$ 96,639.11	\$ 115,000.00	\$ 175,000.00	\$ 175,000.00
60-50-21	AUDIT & BUDGET EXPENSE	\$ -	\$ 13,375.00	\$ 9,100.00	\$ 14,500.00	\$ 25,000.00
60-50-22	REPAIRS & MAINTENANCE	\$ 104,860.30	\$ 33,129.38	\$ 20,000.00	\$ 25,000.00	\$ 25,000.00
60-50-23	VEHICLE EXPENSE	\$ 6,932.39	\$ 4,696.75	\$ 9,500.00	\$ 12,000.00	\$ 12,000.00
60-50-24	RENTALS	\$ 1,113.75	\$ 1,195.50	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00

ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED FY-2026 BUDGET	ADOPTED FY-2026 BUDGET
WATER						
WATER UTILITY OPERATING EXPENSES						
60-50-25	SHOP EXPENSE	\$ 8,432.43	\$ 5,986.90	\$ 7,900.00	\$ 8,000.00	\$ 8,000.00
60-50-26	TRAVEL, MEETINGS & TRAININGS	\$ 1,216.37	\$ 2,458.61	\$ 4,000.00	\$ 4,500.00	\$ 4,500.00
60-50-27	INSURANCE & BONDS	\$ 29,789.15	\$ 16,828.07	\$ 21,000.00	\$ 21,500.00	\$ 21,500.00
60-50-28	UTILITIES	\$ 27,240.31	\$ 24,115.16	\$ 26,000.00	\$ 28,000.00	\$ 28,000.00
60-50-29	TELEPHONE & INTERNET	\$ 2,170.15	\$ 7,365.44	\$ 7,700.00	\$ 8,000.00	\$ 8,000.00
60-50-30	PUBLISHING ADS	\$ 170.33	\$ 191.16	\$ 500.00	\$ 500.00	\$ 500.00
60-50-31	DUES & SUBSCRIPTIONS	\$ 18,591.79	\$ 47,416.60	\$ 18,000.00	\$ 20,500.00	\$ 20,500.00
60-50-32	FEES & PERMITS	\$ 8,312.47	\$ 4,111.00	\$ 3,500.00	\$ 4,000.00	\$ 4,000.00
60-50-33	DATA PROCESSING	\$ 10,430.76	\$ 6,402.26	\$ 6,000.00	\$ 7,500.00	\$ 7,500.00
60-50-40	MISCELLANEOUS	\$ 322.61	\$ 275.13	\$ 11,000.00	\$ 1,000.00	\$ 1,000.00
60-50-41	WRITEOFF - UNCOLLECTABLE	\$ 1,942.18	\$ 1,605.96	\$ 1,500.00	\$ 2,000.00	\$ 1,500.00
60-50-42	CONTRACT SERVICES	\$ 31,171.65	\$ 10,175.48	\$ 5,000.00	\$ 7,000.00	\$ 7,000.00
60-50-44	NORRIS RETIREMENT	\$ 14,560.00	\$ 6,608.00	\$ 7,300.00	\$ 7,500.00	\$ 7,500.00
60-50-50	CWRPDA PRINCIPAL	\$ -	\$ -	\$ 210,000.00	\$ 215,000.00	\$ 615,000.00
60-50-51	CWRPDA INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -
60-50-52	WPA LOAN PRINCIPAL	\$ -	\$ -	\$ -	\$ -	\$ -
60-50-53	WPA LOAN INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -
60-50-54	DEBT SERVICE	\$ 10,039.00	\$ -	\$ -	\$ -	\$ -
60-50-55	LOAN PRINCIPAL	\$ -	\$ 21,210.22	\$ 72,000.00	\$ 72,500.00	\$ 72,500.00
60-50-56	LOAN INTEREST	\$ -	\$ 22,542.40	\$ 41,000.00	\$ 42,000.00	\$ 42,000.00
60-50-57	INTEREST ON LEASE	\$ 10,221.81	\$ -	\$ -	\$ -	\$ -
60-50-60	WATER STORAGE EXPENDITURE	\$ -	\$ 215.00	\$ -	\$ -	\$ -
Subgroup : Water Operating Expenditures		420,376.51	379,703.17	627,500.00	719,000.00	1,129,000.00
WATER						
WATER UTILITY CAPITAL OUTLAY & TRANSFERS						
60-50-69	RAW WATER METERING	\$ -	\$ 21,790.85	\$ 65,000.00	\$ 250,000.00	\$ 250,000.00
60-50-70	CAPITAL OUTLAY	\$ -	\$ 268,187.95	\$ -	\$ 250,000.00	\$ 300,000.00
60-50-71	PASS THROUGH ACCOUNT	\$ -	\$ -	\$ -	\$ -	\$ -
60-50-72	WATER TANK RELINING	\$ -	\$ 16,189.00	\$ 875,000.00	\$ 1,200,000.00	\$ 1,200,000.00
60-50-73	WEST LOOP IMPROVEMENT PROJECT	\$ -	\$ -	\$ 86,000.00	\$ 4,320,000.00	\$ 4,320,000.00
60-50-74	WATERSMART GRANT	\$ -	\$ -	\$ -	\$ 375,000.00	\$ 425,000.00
60-50-75	GRANT PROJECTS	\$ -	\$ 114,080.71	\$ 125,000.00	\$ 200,000.00	\$ 50,000.00
60-50-76	BUILDING IMPROVEMENTS	\$ -	\$ -	\$ 200.00	\$ 100,000.00	\$ 164,000.00
60-50-77	MACHINERY & EQUIPMENT	\$ -	\$ 23,404.80	\$ 22,000.00	\$ 52,000.00	\$ 150,000.00
60-50-99	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -
Subgroup : Water Capital Outlay & Transfers		\$ -	\$ 443,653.31	\$ 1,173,200.00	\$ 6,747,000.00	\$ 6,859,000.00
WATER						
WATER UTILITY DEPRECIATION						
60-59-99	DEPRECIATION	\$ 298,676.91	\$ 296,151.13	\$ -	\$ -	\$ -
Subgroup : Water Depreciation		\$ 298,676.91	\$ 296,151.13	\$ -	\$ -	\$ -
WATER FUND						
TOTAL REVENUES		\$ 1,269,667.34	\$ 1,746,077.08	\$ 2,208,520.00	\$ 8,014,000.00	\$ 8,271,000.00
TOTAL EXPENDITURES		\$ (1,079,700.64)	\$ (1,436,347.79)	\$ (2,205,650.00)	\$ (7,994,000.00)	\$ (8,480,450.00)
NET INCOME (LOSS) - Water Utility		\$ 189,966.70	\$ 309,729.29	\$ 2,870.00	\$ 20,000.00	\$ (209,450.00)
UNRESTRICTED FUND BALANCE STARTING		\$ 1,001,529.00	\$ 1,213,714.00	\$ 1,591,224.00	\$ 1,594,094.00	\$ 1,594,094.00
UNRESTRICTED FUND BALANCE ENDING		\$ 1,213,714.00	\$ 1,591,224.00	\$ 1,594,094.00	\$ 1,614,094.00	\$ 1,384,644.00



TOWN OF PAONIA
ENTERPRISE FUNDS
PUBLIC WORKS DEPARTMENT
WASTEWATER UTILITY DIVISION
SUMMARY



TOWN OF PAONIA
2026

PUBLIC WORKS DEPARTMENT
WASTEWATER UTILITY DIVISION

MISSION The Town of Paonia Public Works Department, Wastewater Utility Division, strives to provide the best services possible to Residents. The care and maintenance of the collections, treatment and discharge of sewer wastewater are all charges of the Wastewater Utility Division. The Paonia Public Works Department Wastewater Utility Division is dedicated to providing a quality work environment and ensuring that the Town's effluent meets all required limits for discharge.

STAFFING TABLE

<u>Type of Employee</u>	2025	2026	Change
Full Time Non-Exempt	1.5	1.5	0
Full Time Exempt	0	0	0
Part Time Non-Exempt	0	0	0
<u>Total</u>	<u>1.5</u>	<u>1.5</u>	<u>0</u>

MAJOR GOALS AND CHANGES

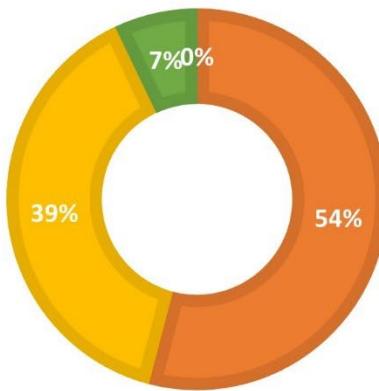
1. Moving into FY-2026 fully staffed. The headcount in the Water Utility Division is 3, but the FTE's are shared between the Water and Wasetewater Utility Division and are split.

CAPITAL REQUESTS

1. Wastewater Project Capital Improvement Planning
2. Begin Sewer Line CCTV Inspection Program
3. Procure Boat with Winch for Sewer Ponds
4. Vehicle Replacement Program Funding

WASTEWATER UTILITY EXPENSES

■ Personnel ■ Operating ■ Capital Outlay ■ Depreciation



Waste Water Utility Expenses

Personnel	\$ 475,150.00
Operating	\$ 341,500.00
Capital Outlay	\$ 61,850.00
Depreciation	\$ -
Total:	\$ 878,500.00

ACCOUNT	DESCRIPTION	ACTUAL FY-23 BUDGET	ACTUAL FY-24 BUDGET	PROJECTED FY-25 BUDGET	PROPOSED FY-26 BUDGET	ADOPTED FY-26 BUDGET
WASTEWATER						
WASTEWATER UTILITY REVENUE						
70-37-01	SEWER BASE CHARGE	\$ 756,038.06	\$ 779,995.11	\$ 785,000.00	\$ 780,000.00	\$ 782,000.00
70-37-04	SEWER TAPS	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -
70-37-05	SEWER RENTAL PROPERTY	\$ -	\$ -	\$ -	\$ -	\$ -
70-37-07	SALES & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -
70-37-08	PASS THROUGH FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -
70-37-09	INTEREST INCOME	\$ 34,745.61	\$ 37,173.37	\$ 32,000.00	\$ 30,000.00	\$ 30,000.00
70-37-10	WWTP PAYBACK FUND	\$ -	\$ -	\$ -	\$ -	\$ -
70-37-11	WWTP PAYBACK INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -
70-37-12	RENTS	\$ -	\$ -	\$ -	\$ -	\$ -
70-37-13	GRANT REVENUE	\$ 137,756.00	\$ -	\$ -	\$ -	\$ -
70-37-14	MISCELLANEOUS REVENUE	\$ 40.00	\$ 1,593.00	\$ 280.00	\$ -	\$ -
	Subgroup : Total Revenue	\$ 928,579.67	\$ 828,761.48	\$ 817,280.00	\$ 810,000.00	\$ 812,000.00
WASTEWATER						
WASTEWATER UTILITY PERSONNEL SERVICES						
70-51-02	TRUSTEE/ADMIN SALARIES	\$ -	\$ 35,534.46	\$ 47,500.00	\$ 54,500.00	\$ 48,600.00
70-51-03	SALARIES & WAGES	\$ 156,033.72	\$ 198,887.56	\$ 255,500.00	\$ 280,500.00	\$ 287,000.00
70-51-04	EMPLOYER FICA	\$ 9,505.57	\$ 14,728.69	\$ 17,750.00	\$ 22,000.00	\$ 22,000.00
70-51-05	EMPLOYER MEDICARE	\$ 2,223.08	\$ 3,422.32	\$ 4,250.00	\$ 5,100.00	\$ 5,100.00
70-51-06	UNEMPLOYMENT TAX	\$ 280.01	\$ 472.02	\$ 600.00	\$ 700.00	\$ 700.00
70-51-07	INSURANCE BENEFITS	\$ 17,869.94	\$ 39,118.47	\$ 56,000.00	\$ 69,900.00	\$ 70,000.00
70-51-08	RETIREMENT BENEFITS	\$ 4,819.15	\$ 10,903.37	\$ 13,000.00	\$ 17,700.00	\$ 17,700.00
70-51-09	LIFE/DISABILITY INSURANCE	\$ -	\$ -	\$ -	\$ 900.00	\$ 850.00
70-51-10	WORKMEN'S COMPENSATION	\$ 1,820.00	\$ 4,122.93	\$ 1,700.00	\$ 5,900.00	\$ 5,900.00
70-51-11	OVERTIME & ON-CALL	\$ -	\$ 7,269.82	\$ 9,500.00	\$ 15,800.00	\$ 17,300.00
	Subgroup : Personnel Services	\$ 192,551.47	\$ 314,459.64	\$ 405,800.00	\$ 473,000.00	\$ 475,150.00
WASTEWATER						
WASTEWATER UTILITY OPERATING EXPENSES						
70-51-14	CHEMICALS	\$ -	\$ -	\$ -	\$ 7,500.00	\$ 15,500.00
70-51-15	OFFICE SUPPLIES	\$ 690.31	\$ 1,608.79	\$ 900.00	\$ 1,000.00	\$ 1,000.00
70-51-16	OPERATING SUPPLIES	\$ 10,705.12	\$ 12,480.88	\$ 14,000.00	\$ 7,500.00	\$ 5,000.00
70-51-17	POSTAGE	\$ 1,669.96	\$ 2,504.58	\$ 3,100.00	\$ 3,500.00	\$ 3,500.00
70-51-19	UNIFORMS	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00
70-51-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 32,354.22	\$ 50,192.09	\$ 47,500.00	\$ 50,000.00	\$ 65,000.00
70-51-21	AUDIT & BUDGET EXPENSE	\$ 12.99	\$ 13,625.00	\$ 9,052.50	\$ 11,000.00	\$ 11,000.00
70-51-22	REPAIRS & MAINTENANCE	\$ 71,164.23	\$ 42,359.83	\$ 7,500.00	\$ 25,000.00	\$ 25,000.00
70-51-23	VEHICLE EXPENSE	\$ 6,171.36	\$ 4,550.89	\$ 9,500.00	\$ 11,000.00	\$ 11,000.00
70-51-24	RENTALS	\$ -	\$ 375.75	\$ 4,200.00	\$ 2,500.00	\$ 2,500.00
70-51-25	SHOP EXPENSE	\$ 7,029.30	\$ 3,002.91	\$ 1,750.00	\$ 2,500.00	\$ 2,500.00
70-51-26	TRAVEL, MEETINGS & TRAININGS	\$ 965.24	\$ 1,694.63	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
70-51-27	INSURANCE & BONDS	\$ 9,974.24	\$ 9,165.13	\$ 14,750.00	\$ 15,500.00	\$ 15,500.00
70-51-28	UTILITIES	\$ 42,672.37	\$ 40,735.89	\$ 40,000.00	\$ 45,000.00	\$ 45,000.00
70-51-29	TELEPHONE & INTERNET	\$ 1,774.98	\$ 3,756.36	\$ 3,250.00	\$ 3,750.00	\$ 3,750.00
70-51-30	PUBLISHING ADS	\$ -	\$ 191.17	\$ 150.00	\$ 150.00	\$ 150.00
70-51-31	DUES & SUBSCRIPTIONS	\$ 5,913.05	\$ 24,997.56	\$ 12,535.00	\$ 18,000.00	\$ 18,000.00

ACCOUNT	DESCRIPTION	ACTUAL FY-23 BUDGET	ACTUAL FY-24 BUDGET	PROJECTED FY-25 BUDGET	PROPOSED FY-26 BUDGET	ADOPTED FY-26 BUDGET
WASTEWATER						
WASTEWATER UTILITY OPERATING EXPENSES						
70-51-32	FEES & PERMITS	\$ 5,281.13	\$ 1,839.20	\$ 3,500.00	\$ 3,600.00	\$ 3,600.00
70-51-33	DATA PROCESSING	\$ 9,854.89	\$ 6,352.27	\$ 5,500.00	\$ 7,500.00	\$ 7,500.00
70-51-40	MISCELLANEOUS	\$ 121.60	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
70-51-41	WRITEOFF - UNCOLLECTABLE	\$ 1,085.05	\$ 741.83	\$ 250.00	\$ 1,000.00	\$ 500.00
70-51-42	CONTRACT SERVICES	\$ 8,791.16	\$ 7,609.07	\$ 1,500.00	\$ 5,000.00	\$ 5,000.00
70-51-43	GAUGING STATION	\$ 4,517.00	\$ 4,853.00	\$ -	\$ 5,000.00	\$ 5,000.00
70-51-44	NORRIS RETIREMENT	\$ -	\$ 5,712.00	\$ 6,720.00	\$ 7,500.00	\$ 7,500.00
70-51-50	DOLA PRINCIPAL & INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -
70-51-51	RURAL DEVELOPMENT PRINCIPAL & INTEREST	\$ 73,250.00	\$ 45,135.00	\$ 76,262.50	\$ 78,000.00	\$ 78,000.00
70-51-52	WWTP PAYBACK FUND EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -
70-51-53	ISSUANCE COSTS	\$ -	\$ -	\$ -	\$ -	\$ -
70-51-54	DEBT RESERVE	\$ 11,250.00	\$ -	\$ -	\$ -	\$ -
	Subgroup : Operating Expenses	\$ 305,248.20	\$ 288,483.83	\$ 269,920.00	\$ 321,500.00	\$ 341,500.00
WASTEWATER						
WASTEWATER UTILITY CAPITAL OUTLAY & TRANSFERS						
70-51-70	CAPITAL OUTLAY	\$ 373,992.00	\$ -	\$ -	\$ -	\$ 15,000.00
70-51-71	PASS THROUGH FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -
70-51-72	ASSET REPLACEMENT RESERVE	\$ -	\$ -	\$ -	\$ -	\$ -
70-51-73	PASS THROUGH OPERATING	\$ -	\$ -	\$ -	\$ -	\$ -
70-51-74	SEWER LINE IMPROVEMENTS	\$ -	\$ -	\$ -	\$ -	\$ 12,000.00
70-51-75	GRANT PROJECTS	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00
70-51-76	BUILDING IMPROVEMENTS	\$ -	\$ -	\$ -	\$ -	\$ 7,500.00
70-51-77	MACHINERY & EQUIPMENT	\$ -	\$ 80,186.67	\$ 117,000.00	\$ 15,000.00	\$ 22,350.00
70-51-99	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : Wastewater Capital Outlay & Transfers	\$ 373,992.00	\$ 80,186.67	\$ 117,000.00	\$ 15,000.00	\$ 61,850.00
WASTEWATER						
WASTEWATER UTILITY DEPRECIATION						
70-59-99	DEPRECIATION	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : Wastewater Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -
WASTEWATER FUND						
TOTAL REVENUES		\$ 928,579.67	\$ 828,761.48	\$ 817,280.00	\$ 810,000.00	\$ 812,000.00
TOTAL EXPENDITURES		\$ (871,791.67)	\$ (683,130.14)	\$ (792,720.00)	\$ (809,500.00)	\$ (878,500.00)
	NET INCOME (LOSS) - Wastewater Utility	\$ 56,788.00	\$ 145,631.34	\$ 24,560.00	\$ 500.00	\$ (66,500.00)
	UNRESTRICTED FUND BALANCE STARTING	\$ 131,525.00	\$ 361,190.00	\$ 412,810.00	\$ 437,370.00	\$ 437,370.00
	UNRESTRICTED FUND BALANCE ENDING	\$ 361,190.00	\$ 412,810.00	\$ 437,370.00	\$ 437,870.00	\$ 370,870.00



TOWN OF PAONIA
ENTERPRISE FUNDS
PUBLIC WORKS DEPARTMENT
SANITATION DIVISION
SUMMARY



TOWN OF PAONIA
2026

PUBLIC WORKS DEPARTMENT
SANITATION DIVISION

MISSION The Town of Paonia Public Works Department, Sanitation Division, strives to provide the best services possible to Residents. The Paonia Public Works Department Sanitation Division is dedicated to providing a quality work environment and ensuring that the Town's solid waste is collected and removed from the Town.

STAFFING TABLE

<u>Type of Employee</u>	<u>2025</u>	<u>2026</u>	<u>Change</u>
Full Time Non-Exempt	2	4	+2
Full Time Exempt	0	0	0
Part Time Non-Exempt	0	0	0
Total	2	4	+2

MAJOR GOALS AND CHANGES

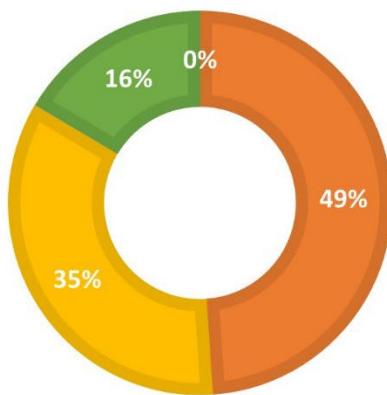
1. Modernizing the billing and collections procedures for trash service.
2. Ensure that garbage charges in Utility Billing reflect the level of service customers are actually receiving.

CAPITAL REQUESTS

1. Trash Truck Tires – two sets
2. Purchasing Standardized Trash Cans: 35-gallon cans and 95-gallon cans

SANITATION EXPENSES

■ Personnel ■ Operating ■ Capital Outlay ■ Depreciation



Sanitation Expenses

<i>Personnel</i>	\$	216,500.00
<i>Operating</i>	\$	153,000.00
<i>Capital Outlay</i>	\$	73,000.00
<i>Depreciation</i>	\$	-
Total:		\$ 442,500.00

ACCOUNT	DESCRIPTION	ACTUAL FY-23 BUDGET	ACTUAL FY-24 BUDGET	PROJECTED FY-25 BUDGET	PROPOSED FY-26 BUDGET	ADOPTED FY-26 BUDGET
SANITATION						
SANITATION REVENUE						
80-30-02	TRASH CHARGES	\$ 324,057.79	\$ 319,086.45	\$ 341,100.00	\$ 379,000.00	\$ 375,000.00
80-30-03	BULK TRASH CHARGE	\$ 1,345.00	\$ 1,185.00	\$ 1,500.00	\$ 1,500.00	\$ 3,500.00
80-30-04	TIRE PICK UP	\$ -	\$ -	\$ -	\$ -	\$ -
80-30-05	TRANSFER REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -
Subgroup : Total Revenue		\$ 325,402.79	\$ 320,271.45	\$ 342,600.00	\$ 380,500.00	\$ 378,500.00
SANITATION						
SANITATION PERSONNEL SERVICES						
80-52-02	CONTRACT/ADMIN SALARIES	\$ 330.00	\$ 4,718.26	\$ 6,500.00	\$ 9,100.00	\$ 9,400.00
80-52-03	SALARIES & WAGES	\$ 159,949.20	\$ 63,942.89	\$ 166,000.00	\$ 166,000.00	\$ 143,000.00
80-52-04	EMPLOYER FICA	\$ 9,715.06	\$ 4,251.52	\$ 11,200.00	\$ 11,200.00	\$ 9,500.00
80-52-05	EMPLOYER MEDICARE	\$ 2,272.26	\$ 971.99	\$ 2,700.00	\$ 2,700.00	\$ 2,250.00
80-52-06	UNEMPLOYMENT TAX	\$ 293.84	\$ 134.08	\$ 400.00	\$ 400.00	\$ 350.00
80-52-07	INSURANCE BENEFITS	\$ 21,964.01	\$ 14,292.86	\$ 32,000.00	\$ 35,400.00	\$ 32,500.00
80-52-08	RETIREMENT BENEFITS	\$ 5,042.60	\$ 3,041.11	\$ 7,800.00	\$ 8,700.00	\$ 7,750.00
80-52-09	LIFE/DISABILITY INSURANCE	\$ -	\$ -	\$ -	\$ 500.00	\$ 450.00
80-52-10	WORKMEN'S COMPENSATION	\$ 7,277.00	\$ 3,599.53	\$ 3,600.00	\$ 5,750.00	\$ 4,800.00
80-52-11	OVERTIME & ON-CALL	\$ -	\$ 2,013.69	\$ 5,000.00	\$ 5,200.00	\$ 6,500.00
Subgroup : Personnel Services		\$ 206,843.97	\$ 96,965.93	\$ 235,200.00	\$ 244,950.00	\$ 216,500.00
SANITATION						
SANITATION OPERATING EXPENSES						
80-52-15	OFFICE SUPPLIES	\$ 833.69	\$ 1,091.46	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
80-52-16	OPERATING SUPPLIES	\$ 1,473.49	\$ 875.01	\$ 1,135.00	\$ 1,500.00	\$ 1,500.00
80-52-17	POSTAGE	\$ 1,015.28	\$ 2,395.21	\$ 2,700.00	\$ 2,550.00	\$ 2,600.00
80-52-19	UNIFORMS	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00
80-52-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 2,095.20	\$ 14,461.27	\$ 18,000.00	\$ 18,600.00	\$ 20,000.00
80-52-21	AUDIT & BUDGET EXPENSE	\$ -	\$ 13,375.00	\$ 4,500.00	\$ 4,750.00	\$ 4,800.00
80-52-22	REPAIRS & MAINTENANCE	\$ 730.57	\$ 1,296.24	\$ 3,100.00	\$ 5,000.00	\$ 7,500.00
80-52-23	VEHICLE EXPENSE	\$ 14,512.46	\$ 14,749.78	\$ 14,000.00	\$ 15,000.00	\$ 20,000.00
80-52-24	RENTALS	\$ -	\$ 783.50	\$ 100.00	\$ -	\$ -
80-52-25	SHOP EXPENSE	\$ 2,249.19	\$ 3,317.00	\$ 2,000.00	\$ 2,500.00	\$ 3,000.00
80-52-26	TRAVEL, MEETINGS & TRAININGS	\$ 457.33	\$ 2,239.55	\$ 2,300.00	\$ 2,500.00	\$ 3,000.00
80-52-27	INSURANCE & BONDS	\$ 6,755.45	\$ 9,202.42	\$ 9,500.00	\$ 10,750.00	\$ 11,000.00
80-52-28	UTILITIES	\$ 2,631.28	\$ 2,015.90	\$ 1,800.00	\$ 2,500.00	\$ 2,500.00
80-52-29	TELEPHONE & INTERNET	\$ 283.93	\$ 1,649.77	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
80-52-30	PUBLISHING ADS	\$ -	\$ 198.87	\$ 150.00	\$ 200.00	\$ 200.00
80-52-31	DUES & SUBSCRIPTIONS	\$ 175.69	\$ 22,131.89	\$ 8,500.00	\$ 11,200.00	\$ 11,500.00
80-52-32	FEES & PERMITS	\$ -	\$ 63.00	\$ -	\$ -	\$ -
80-52-33	DATA PROCESSING	\$ 2,857.16	\$ 4,780.21	\$ 5,000.00	\$ 7,000.00	\$ 7,500.00
80-52-40	MISCELLANEOUS	\$ -	\$ 275.12	\$ -	\$ -	\$ -
80-52-41	WRITEOFF - UNCOLLECTABLE	\$ -	\$ -	\$ -	\$ -	\$ -
80-52-42	LANDFILL FEES	\$ 41,142.80	\$ 34,706.05	\$ 41,500.00	\$ 45,000.00	\$ 51,400.00
80-52-43	CLEAN UP DAYS	\$ -	\$ -	\$ -	\$ -	\$ -
Subgroup : Operating Expenses		\$ 77,213.52	\$ 129,607.25	\$ 118,785.00	\$ 135,550.00	\$ 153,000.00

ACCOUNT	DESCRIPTION	ACTUAL FY-23 BUDGET	ACTUAL FY-24 BUDGET	PROJECTED FY-25 BUDGET	PROPOSED FY-26 BUDGET	ADOPTED FY-26 BUDGET
SANITATION						
SANITATION CAPITAL OUTLAY & TRANSFERS						
80-52-70	CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ 50,000.00	\$ 50,000.00
80-52-71	PASS THROUGH FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -
80-52-75	GRANT PROJECTS	\$ -	\$ -	\$ -	\$ -	\$ -
80-52-76	BUILDING IMPROVEMENTS	\$ -	\$ -	\$ -	\$ -	\$ 2,500.00
80-52-77	MACHINERY & EQUIPMENT	\$ -	\$ 9,425.37	\$ 12,750.00	\$ 15,000.00	\$ 20,500.00
80-52-99	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : Sanitation Capital Outlay & Transfers	\$ -	\$ 9,425.37	\$ 12,750.00	\$ 65,000.00	\$ 73,000.00
SANITATION						
SANITATION DEPRECIATION						
80-59-99	DEPRECIATION	\$ 18,207.20	\$ 19,177.74	\$ -	\$ -	\$ -
	Subgroup : Sanitation Depreciation	\$ 18,207.20	\$ 19,177.74	\$ -	\$ -	\$ -
SANITATION FUND						
TOTAL REVENUES		\$ 325,402.79	\$ 320,271.45	\$ 342,600.00	\$ 380,500.00	\$ 378,500.00
TOTAL EXPENDITURES		\$ 302,264.69	\$ 255,176.29	\$ 366,735.00	\$ 445,500.00	\$ 442,500.00
	NET INCOME (LOSS) - Wastewater Utility	\$ 23,138.10	\$ 65,095.16	\$ (24,135.00)	\$ (65,000.00)	\$ (64,000.00)
	UNRESTRICTED FUND BALANCE STARTING	\$ 131,525.00	\$ 173,551.00	\$ 258,695.00	\$ 234,560.00	\$ 234,560.00
	UNRESTRICTED FUND BALANCE ENDING	\$ 173,551.00	\$ 258,695.00	\$ 234,560.00	\$ 169,560.00	\$ 170,560.00



TOWN OF PAONIA

2026

NORTH FORK VALLEY AIRPORT



ACCOUNT	DESCRIPTION	ACTUAL FY-23 BUDGET	ACTUAL FY-24 BUDGET	BUDGET/ACTUAL FY-25 BUDGET	PROPOSED FY-26 BUDGET	ADOPTED FY-26 BUDGET
NFV AIRPORT						
NFV AIRPORT REVENUE						
50-31-06	AIRPORT REVENUE	\$ 7,650.00	\$ 7,650.00	\$ 7,650.00	\$ 7,650.00	\$ 7,650.00
50-31-15	TRANSFER FROM GENERAL FUND	\$ -	\$ -	\$ -	\$ -	\$ -
50-31-16	CAPITAL IMPROVEMENT FUND - AIRPORT GRANTS	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : Total Revenue	\$ 7,650.00	\$ 7,650.00	\$ 7,650.00	\$ 7,650.00	\$ 7,650.00
NFV AIRPORT						
NFV AIRPORT CAPITAL OUTLAY & TRANSFERS						
50-32-70	CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ 75,000.00
80-52-71	PASS THROUGH FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -
80-52-75	GRANT PROJECTS	\$ -	\$ -	\$ -	\$ -	\$ -
80-52-76	BUILDING IMPROVEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -
80-52-77	MACHINERY & EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -
80-52-99	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : NFV Capital Outlay & Transfers	\$ -	\$ -	\$ -	\$ -	\$ 75,000.00
NFV AIRPORT						
NFV AIRPORT DEPRECIATION						
80-59-99	DEPRECIATION	\$ -	\$ -	\$ -	\$ -	\$ -
	Subgroup : NFV Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -
NFV AIRPORT						
TOTAL REVENUES		\$ 7,650.00	\$ 7,650.00	\$ 7,650.00	\$ 7,650.00	\$ 7,650.00
TOTAL EXPENDITURES		\$ -	\$ -	\$ -	\$ -	\$ (75,000.00)
NET INCOME (LOSS) - NFV CAPITAL IMPROVEMENT FUND		\$ 7,650.00	\$ 7,650.00	\$ 7,650.00	\$ 7,650.00	\$ (67,350.00)
UNRESTRICTED FUND BALANCE BEGINNING		\$ 60,192.00	\$ 60,192.00	\$ 60,192.00	\$ 67,842.00	\$ 67,842.00
UNRESTRICTED FUND BALANCE ENDING		\$ 60,192.00	\$ 60,192.00	\$ 67,842.00	\$ 75,492.00	\$ 492.00



TOWN OF PAONIA

2026

CAPITAL IMPROVEMENT PLAN



ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED FY-2026 BUDGET	ADOPTED FY-2026 BUDGET
CIP REVENUE						
22-31-06	MARIJUANA OCCUPATIONAL TAX (Transaction Fee)	\$ 97,330.00	\$ 93,550.00	\$ 70,000.00	\$ -	\$ -
26-30-01	SIDEWALK FEE	\$ 30,125.84	\$ 30,279.53	\$ 27,000.00	\$ 26,500.00	\$ 26,500.00
40-38-01	CONSERVATION TRUST FUND	\$ 3,038.75	\$ 16,285.06	\$ 4,264.00	\$ 4,000.00	\$ 5,500.00
50-31-03	SALES TAX - CIP	\$ 270,043.31	\$ 281,227.21	\$ 250,000.00	\$ 260,000.00	\$ 260,000.00
10-35-20	GRANT REVENUE	\$ 52,612.50	\$ 39,352.46	\$ 6,500.00	\$ 293,974.00	\$ 311,474.00
10-35-20	GRANT REVENUE - 5TH & GRAND	\$ -	\$ -	\$ -	\$ 3,798,500.00	\$ 3,156,804.00
10-35-13	BRIDGE RESERVE	\$ 34,194.61	\$ 34,799.71	\$ 36,717.96	\$ -	\$ 6,500.00
	Subgroup : General Fund CIP	\$ 322,655.81	\$ 320,579.67	\$ 250,000.00	\$ 260,000.00	\$ 277,500.00
	Subgroup : Street Fund CIP	\$ 97,330.00	\$ 93,550.00	\$ 76,500.00	\$ 293,974.00	\$ 293,974.00
	Subgroup : Street Fund CIP - 5th & Grand	\$ -	\$ -	\$ -	\$ 3,798,500.00	\$ 3,156,804.00
	Subgroup : Sidewalk Fund CIP	\$ 30,125.84	\$ 30,279.53	\$ 27,000.00	\$ 26,500.00	\$ 26,500.00
	Subgroup : Conservation Trust Fund	\$ 3,038.75	\$ 16,285.06	\$ 4,264.00	\$ 4,000.00	\$ 5,500.00
	Total All Funds	\$ 453,150.40	\$ 460,694.26	\$ 357,764.00	\$ 4,382,974.00	\$ 3,760,278.00
CIP EXPENDITURES						
10-41-73						
10-41-74	CAPITAL OUTLAY EXPENSES ADMINISTRATION	\$ (85,692.60)	\$ (71,705.36)	\$ (56,000.00)	\$ (125,000.00)	\$ (93,000.00)
10-41-75						
10-41-78						
10-42-73	CAPITAL OUTLAY EXPENSES LAW ENFORCEMENT	\$ -	\$ (49,483.58)	\$ (37,475.00)	\$ (67,500.00)	\$ (85,600.00)
10-42-74						
10-43-73	CAPITAL OUTLAY EXPENSES BUILDING	\$ -	\$ (242.91)	\$ -	\$ -	\$ -
10-43-74						
10-45-70						
10-45-71						
10-45-73						
10-45-74	CAPITAL OUTLAY EXPENSES PW-STREETS	\$ (192,000.00)	\$ (121,676.49)	\$ (195,500.00)	\$ (430,000.00)	\$ (471,986.00)
10-45-75						
10-45-90						
10-45-99						
10-45-72	CAPITAL OUTLAY EXPENSES PW -STREETS 5TH & GRAND	\$ -	\$ (94,833.81)	\$ (25,000.00)	\$ (3,200,000.00)	\$ (3,200,000.00)
10-46-70						
10-46-71						
10-46-73						
10-46-74	CAPITAL OUTLAY EXPENSES PW - PARKS	\$ (37,750.00)	\$ (17,338.24)	\$ (8,300.00)	\$ (50,000.00)	\$ (85,500.00)
10-46-75						
10-46-90						
10-46-99						
26-45-70	CAPITAL OUTLAY EXPENSES - SIDEWALKS	\$ -	\$ -	\$ (9,700.00)	\$ -	\$ (85,000.00)
40-46-20	CAPITAL OUTLAY EXPENSES PW - CONSERVATION TRUST	\$ -	\$ -	\$ (34,500.00)	\$ -	\$ -
24-45-70	CAPITAL OUTLAY EXPENSES - BRIDGE RESERVE	\$ -	\$ -	\$ -	\$ -	\$ (500,000.00)
	Subgroup : CIP EXPENDITURES - GENERAL FUND CIP	\$ (123,442.60)	\$ (138,770.09)	\$ (101,775.00)	\$ (242,500.00)	\$ (264,100.00)
	Subgroup : CIP EXPENDITURES - STREET FUND CIP	\$ (192,000.00)	\$ (121,676.49)	\$ (195,500.00)	\$ (430,000.00)	\$ (471,986.00)
	Subgroup : CIP EXPENDITURES - STREET FUND CIP - 5TH & GRAND	\$ -	\$ (94,833.81)	\$ (25,000.00)	\$ (3,200,000.00)	\$ (3,200,000.00)
	Subgroup : CIP EXPENDITURES - SIDEWALK FUND CIP	\$ -	\$ -	\$ (9,700.00)	\$ -	\$ (85,000.00)
	Subgroup : CIP EXPENDITURES - CONSERVATION TRUST CIP	\$ -	\$ -	\$ (34,500.00)	\$ -	\$ -
	Subgroup : CIP EXPENDITURES - BRIDGE RESERVE	\$ -	\$ -	\$ -	\$ -	\$ (500,000.00)

ACCOUNT	DESCRIPTION	ACTUAL FY-2023 BUDGET	ACTUAL FY-2024 BUDGET	PROJECTED FY-2025 BUDGET	PROPOSED FY-2026 BUDGET	ADOPTED FY-2026 BUDGET
CIP TOTALS						
	NET SURPLUS (LOSS) - GENERAL FUND CIP	\$ 199,213.21	\$ 181,809.58	\$ 148,225.00	\$ 17,500.00	\$ 13,400.00
	RESTRICTED FUND BALANCE BEGINNING - GENERAL FUND CIP	\$ 173,498.00	\$ 90,804.00	\$ 378,961.00	\$ 513,186.00	\$ 513,186.00
	RESTRICTED FUND BALANCE ENDING - GENERAL FUND CIP	\$ 90,804.00	\$ 378,961.00	\$ 527,186.00	\$ 530,686.00	\$ 526,586.00
	NET SURPLUS (LOSS) - STREET FUND CIP	\$ (94,670.00)	\$ (28,126.49)	\$ (119,000.00)	\$ 3,662,474.00	\$ (221,208.00)
	RESTRICTED FUND BALANCE BEGINNING - STREET FUND CIP	\$ 300,552.00	\$ 938,482.00	\$ 1,032,032.00	\$ 913,032.00	\$ 913,032.00
	RESTRICTED FUND BALANCE ENDING - STREET FUND CIP	\$ 938,482.00	\$ 1,032,032.00	\$ 913,032.00	\$ 4,575,506.00	\$ 691,824.00
	NET SURPLUS (LOSS) - SIDEWALK FUND CIP	\$ 30,125.84	\$ 30,279.53	\$ 17,300.00	\$ 26,500.00	\$ (58,500.00)
	RESTRICTED FUND BALANCE BEGINNING - SIDEWALK FUND CIP	\$ 63,218.00	\$ 93,344.00	\$ 123,623.00	\$ 150,623.00	\$ 150,623.00
	RESTRICTED FUND BALANCE ENDING - SIDEWALK FUND CIP	\$ 93,344.00	\$ 123,623.00	\$ 140,923.00	\$ 177,123.00	\$ 92,123.00
	NET SURPLUS (LOSS) - CONSERVATION TRUST CIP	\$ 3,038.75	\$ 16,285.06	\$ (30,236.00)	\$ 4,000.00	\$ 5,500.00
	RESTRICTED FUND BALANCE BEGINNING - CONSERVATION TRUST CIP	\$ 21,681.00	\$ 22,730.00	\$ 39,033.00	\$ 8,797.00	\$ 8,797.00
	RESTRICTED FUND BALANCE ENDING - CONSERVATION TRUST CIP	\$ 22,730.00	\$ 39,033.00	\$ 8,797.00	\$ 12,797.00	\$ 14,297.00
	NET SURPLUS (LOSS) - BRIDGE RESERVE	\$ 34,194.61	\$ 34,799.71	\$ 36,717.96	\$ -	\$ (493,500.00)
	RESTRICTED FUND BALANCE BEGINNING - BRIDGE RESERVE	\$ 596,833.76	\$ 631,028.37	\$ 665,282.04	\$ 671,000.00	\$ 671,000.00
	RESTRICTED FUND BALANCE ENDING - BRIDGE RESERVE	\$ 631,028.37	\$ 665,282.08	\$ 702,000.00	\$ 671,000.00	\$ 177,500.00

Ref. #	Project Name	Project Total	Home Department	FY-2026	FY-2027	FY-2028	FY-2029	FY-2030
1	Town Hall Roof Repair	\$ 65,000	Administration	\$ 65,000	\$ -	\$ -	\$ -	\$ -
2	Computer & Server Upgrades (All Departments)	\$ 15,000	Administration	\$ 15,000	\$ -	\$ -	\$ -	\$ -
3	Water Fountain Replacement - Town Hall	\$ 4,500	Administration	\$ 4,500	\$ -	\$ -	\$ -	\$ -
4	Code Revision & HNA/HAP Update	\$ 28,500	Administration	\$ 28,500	\$ -	\$ -	\$ -	\$ -
5	Patrol Radios (6) Handheld Pacset Patrol Radios	\$ 12,000	Police	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	\$ -
6	Back up generators Town Hall and WTP WWTP	\$ 1,024,542	Police	\$ -	\$ -	\$ 1,024,542	\$ -	\$ -
7	PD Squad Cars Replacement Program	\$ 250,000	Police	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
8	Patrol Car Outfitting (Lights/Sirens/Cage/Racks/Communications)	\$ 75,000	Police	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
9	Less Lethal Weapons Outfitting	\$ 3,200	Police	\$ 1,600	\$ 1,600	\$ -	\$ -	\$ -
10	Police Department Remodel for Access to Evidence Room	\$ 50,000	Police	\$ -	\$ -	\$ 50,000	\$ -	\$ -
11	Parks Irrigation/Sprinkler System Replacement	\$ 20,000	PW-Parks	\$ 20,000	\$ -	\$ -	\$ -	\$ -
12	Park information Kiosks & Benches, tables and trashcans	\$ 16,000	PW-Parks	\$ -	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
13	Playground Equipment (slide and merry go round)	\$ 30,000	PW-Parks	\$ 20,000	\$ 10,000	\$ -	\$ -	\$ -
14	Water Bottle fill stations & Water Fountains	\$ 21,000	PW-Parks	\$ 5,000	\$ 8,000	\$ 8,000	\$ -	\$ -
15	Park & R/W Maintenance Equipment	\$ 41,000	PW-Parks	\$ 23,000	\$ -	\$ -	\$ 9,000	\$ 9,000
16	Trash Truck Tire Replacement	\$ 12,000	PW-Sanitation	\$ 12,000	\$ -	\$ 12,000	\$ -	\$ 12,000
17	Yard Waste Vehicle	\$ 75,000	PW-Sanitation	\$ -	\$ -	\$ 75,000	\$ -	\$ -
18	Standard Trash Cans	\$ 50,000	PW-Sanitation	\$ 50,000	\$ -	\$ -	\$ -	\$ -
19	Samuel Wade Bridge Repair	\$ 1,963,520	PW-Streets	\$ 500,000	\$ 1,463,520	\$ -	\$ -	\$ -
20	Safe Streets for All (Safety and Pavement Improvement Prioritization Study)	\$ 367,468	PW-Streets	\$ 367,468	\$ -	\$ -	\$ -	\$ -
21	Sidewalk Improvements & ADA Transition Plan	\$ 325,000	PW-Streets	\$ 85,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
22	PW - Shop Code Compliance	\$ 30,000	PW-Streets	\$ 30,000	\$ -	\$ -	\$ -	\$ -
23	Street Resurfacing	\$ 765,018	PW-Streets	\$ 35,018	\$ -	\$ 225,000	\$ 225,000	\$ 250,000
24	5th and Grand Realignment (Safe Pathways for Paonia)	\$ 3,200,000	PW-Streets	\$ 3,200,000	\$ -	\$ -	\$ -	\$ -
25	Street Signs Replacement	\$ 20,000	PW-Streets	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
26	Shop Storage and Inventory/Stock (Multiple PW Divisions, including Utilities)	\$ 25,000	PW-Streets	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
27	Wastewater Project Capital Improvement Planning	\$ 75,000	PW-Wastewater	\$ 35,000	\$ 40,000	\$ -	\$ -	\$ -
28	Wastewater Pond Relining	\$ 250,000	PW-Wastewater	\$ -	\$ -	\$ -	\$ -	\$ 250,000
29	Sewer Line Inspection - CCTV	\$ 60,000	PW-Wastewater	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
30	Boat for Sewer Ponds	\$ 10,000	PW-Wastewater	\$ 10,000	\$ -	\$ -	\$ -	\$ -
31	Material Bin Construction - Sewer Lagoons	\$ 20,000	PW-Wastewater	\$ -	\$ -	\$ 20,000	\$ -	\$ -
32	Western Loop Realignment	\$ 5,240,000	PW-Water	\$ 4,320,000	\$ 920,000	\$ -	\$ -	\$ -
33	Water Tank Relining	\$ 1,200,000	PW-Water	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -
33	Raw Water Metering	\$ 851,500	PW-Water	\$ 250,000	\$ 601,500	\$ -	\$ -	\$ -
34	WaterSMART (Phase II Hydrogeological Study)	\$ 511,876	PW-Water	\$ 425,000	\$ 86,876	\$ -	\$ -	\$ -
35	Cellular Read Meter Replacement Program	\$ 500,000	PW-Water	\$ 50,000	\$ 75,000	\$ 100,000	\$ 125,000	\$ 150,000
36	Transition to Electric (PLC) Valves WTP	\$ 160,000	PW-Water	\$ 160,000	\$ -	\$ -	\$ -	\$ -
37	Realignment of Lee's Water Main & Installation of Fire Hydrants	\$ 160,000	PW-Water	\$ -	\$ 160,000	\$ -	\$ -	\$ -
38	Midsized Truck (eg. Chevy Colorado)	\$ 35,000	PW-Water	\$ 35,000	\$ -	\$ -	\$ -	\$ -
39	GIS Mapping of Infrastructure (Water, Sewer, Storm Water)	\$ 150,000	PW-Water	\$ -	\$ -	\$ 50,000	\$ 75,000	\$ 75,000
40	1/2 Ton Pickup Truck Replacement Program	\$ 80,000	PW-Water	\$ 40,000	\$ -	\$ -	\$ 40,000	\$ -
41	3/4 Ton Pickup Truck Replacement Program	\$ 112,000	PW-Water	\$ 56,000	\$ -	\$ -	\$ -	\$ 56,000
42	GIS Mapping Equipment	\$ 5,000	PW-Water	\$ 5,000	\$ -	\$ -	\$ -	\$ -

FY-2026 CIP TOTALS BY DEPARTMENT

DEPARTMENT	TOTAL	LOAN FUNDED	GRANT FUNDED	FUND BALANCE OR REVENUE REQUIREMENT
Administration	\$ 90,000	\$ -	\$ 17,500	\$ 72,500
Police	\$ 85,600	\$ -	\$ -	\$ 85,600
PW-Streets (Includes \$25,000 not listed for R/W Maintenance)	\$ 4,231,986	\$ -	\$ 3,420,596	\$ 811,390
PW-Parks	\$ 85,500	\$ -	\$ -	\$ 85,500
PW-Water (Includes \$300,000 not listed for water line repairs)	\$ 6,859,000	\$ 5,257,000	\$ 1,602,000	\$ -
PW-Wastewater (Includes \$2,850 for Misc. Machinery & Equipment needs not listed)	\$ 61,850	\$ -	\$ -	\$ 61,850
PW-Sanitation (Includes \$9,000 for Machinery & Equipment for Major Trash Truck Repairs)	\$ 64,000	\$ -	\$ -	\$ 64,000



TOWN AMENITIES
&
DEMOGRAPHICS



TOWN AMENITIES

In 2021, the Town completed an Asset Inventory and Capital Improvement Plan and has used that document to prioritize and plan projects. The Town has significantly invested in water system improvements and plans to continue investing in infrastructure beginning in FY-2024 and continuing for twenty years. Investments have been made across all Town amenities, including water, wastewater, roads, sidewalks, parks, public facilities, buildings, and sanitation. The Town has also invested in software to assist in improving service delivery to Residents. Continuing to invest in significant capital improvements will ensure that Paonia is affixed upon a firm foundation for resiliency and future development and growth.

WATER

Paonia operates a raw water collections, treatment and distribution system that serves Residents of the Town and distributes treated drinking water to private water companies. The Paonia Water System (PWS) serves Residents in Town and twenty-three private water companies outside of Town. The PWS infrastructure includes two water treatment facilities, Lamborn Water Treatment Plant (LWTP) and Clock Water Treatment Plant (CWTP). The CWTP has been offline and out of service since 2015 but has a one-million-gallon water storage tank that is also out of service. The LWTP is the only operating water treatment plant and has a two-million-gallon treated water storage tank.

The Town currently contracts with an Operator in Responsible Charge, Benjamin R. Archuleta, and will continue to utilize third party services until current Town Staff achieve an appropriate licensure. The Town is in compliance with records retention requirements as outlined in §11.36 of Regulation No. 11 – Colorado Primary Drinking Water Regulations. All records pertaining to the operation and water quality of the Town are located at 214 Grand Avenue, Paonia, Colorado, 81428, and are available to the public during normal working hours.

In FY-2026, it is expected that the Town of Paonia will continue to operate under a self-imposed moratorium on new water taps. The moratorium was implemented in 2020 in response to a critical 2019 water-supply issue. The language of the moratorium requires confidence in the water system's ability to serve additional users in order to lift the moratorium. Beginning in 2019, the Town has worked on phased capital improvement plans to ensure the water system, including the raw water, treatment, storage, and distribution are sufficiently robust to confidently support growth.

The following detail existing system facilities' limitations that necessitate the proposed projects for FY-2026:

Important Note: Most projects listed were originally scheduled to be completed in FY-2024 and FY-2025, but due to requirements from state agencies, and securing additional supplemental funding through grants, these projects required more design than originally anticipated and weren't ready for construction in 2024 or 2025, or they've started in 2025 and will be finished in FY-2026. The projects listed are now fully-designed and have received notices to proceed from regulating state and federal agencies.

Raw Water Sources – Paonia currently collects water from spring systems flowing from Mt. Lamborn and Landsend Peak. This has been a consistent source of water for the Town since the establishment of the drinking water system. Problems that are seen in the spring system are many. Several of the springs do not have a successful containment of the spring and much of the water bypasses their respective collection boxes. Many of the pipes from the collection boxes do not have metering which prevents the Town from understanding the potential of source water available. Much of the piping form collections to the Upper Lamborn water treatment plant and the lower Clock water treatment plant was laid without a vision for the future of those lines. Those lines were constructed to carry water to treatment but not designed for long-term success. It is especially important to improve the collection of the spring water and piping to the water treatment plants to provide the Town as much spring water as possible in drought years. Missing the collection of any of the spring water available to the Town through their designated water rights during a drought puts the Town in a situation where they may not have ample water to serve the residents and the paying water companies.

Treatment – Paonia's raw water sources are classified as surface water or groundwater under the direct influence of surface water (GWUDI). Because of the GWUDI classification, both the Upper Lamborn and Clock water treatment plants employ filtration membranes to remove particulates from the raw water before the water is disinfected and sent to distribution. The Upper Lamborn water treatment plant (WTP) is the only plant currently in operation. The Clock WTP has sat idle since 2014 except for the water emergency that occurred in February 2019. This plant remains idle due to the repairs that are needed for the 1-MG tank that receives Clock WTP treated water before distribution. At the sanitary survey performed in April 2023, it was recommended that the Clock water treatment plant be fully inspected and operated to note any repairs required before putting into service for actual water treatment to be sent to distribution.

Finished Water Storage

- The Clock 1-MG finished water storage tank is not adequately sealed from outside animals and insects and is not in service.
- The Lamborn 2-MG finished water storage tank must be relined and repaired.
- Additional storage has been recommended in previous engineering reports.

Distribution

- From the Lamborn 2-MG finished-water storage tank, water is distributed into town via two 8-inch pipelines. The routing of these pipelines is referred to as the east and west loops. Along the west loop, an 8-inch steel line section is proposed to be replaced with a 12" pipe size in this PNA. This line is critical to the overall distribution system. However, sections of this pipe are not adequately buried and has been a consistent source of leaks.
- Other distribution pipelines in the system range from 0.75-12" with materials consisting of steel, cast iron, ductile iron, PVC, or HDPE. Many of the pipelines in the town are insufficiently sized, aging, and may not be buried at a sufficient depth to prevent freezing.

Significant improvements to the raw water collection, treatment and distribution systems are planned for FY-2026.

- 2-MG Tank Relining: Relining 2-MG finished water storage tank which will require first installing a temporary finished water tank to hold treated water while the 2-MG finished water tank is relined. Once the water can be sent to the temporary tank, relining will occur on the 2-MG tank. Engineering work will be led by SGM Engineering (SGM), with support by RESPEC.
- Distribution System Improvements: Replace 9,400 LF of 8" finished water steel pipe from the intersection of Lamborn Mesa Rd. and Steward Mesa Rd. to the northern end of Cresthaven Rd. where the pipe will connect to PRV 9. Work may also include relocating existing pressure reducing valves (PRV) in the impacted pressure zones. Engineering work to be completed by RESPEC.
- Raw Water Monitoring Improvements: Rehabilitate springs structures to increase/improve raw water intake as well as install meters on four raw water discharge locations. Engineering work to be completed by RESPEC.

WASTEWATER

The existing wastewater collection system receives wastewater from residential and commercial customers and conveys it to the Wastewater Treatment Plant (WWTP, Colorado Discharge Permit System Number CO0047431). The collection system is entirely a gravity system, consisting of service laterals, manholes, and gravity sewer mains.

Collections

As restrictions from the State of Colorado and the National Environmental Protection Agency become tighter, the Town of Paonia will continue to meet compliance standards. According to the 2020 Asset Inventory and Capital Improvement Plant, the Wastewater collections system has an estimated future replacement cost of **\$45,338,563**. The FY-2026 Wastewater Utility Fund Budget and future budgets will need to begin collecting enough revenue to help offset the cost of implementing these improvements. The highest priority replacement cost in the wastewater collections system is replacing the Vitreous (Vitrified) Clay Pipe (VCP) at an estimated cost of **\$3,199,132**.

Treatment

Paonia's current Wastewater Treatment Facility (WWTF) was constructed in 2005, and consists of a manual bar screen, two aerated lagoons, a settling/polishing pond, a serpentine chlorine contact chamber and a de-chlorination feature. Treated wastewater is discharged (effluent) to the North Fork of the Gunnison River.

Generally, the WWTF is in good shape. All the onsite buildings are in excellent shape. The only issue the Town will face is with the pending nutrient limitations. The Colorado Department of Public Health and Environment (CDPHE) has publicly stated that in-stream limits for total nitrogen (TN) and phosphorus will be implemented by 2027. The draft criteria and limits are not anticipated until 2026, but it is expected that the limits will be at least as stringent as the current limits for new domestic wastewater treatment plants in the current Regulation 85.

These limits are an annual median of 7 mg/L total inorganic nitrogen (TIN) and 0.7 mg/L phosphorous. Currently, the WWTF only has a nutrient discharge limit for ammonia. The WWTF has struggled to meet the ammonia limit during colder periods when the biological activity within the lagoons is reduced. Additional kinetic modeling will be necessary, but our experience suggests that the current lagoons have the capacity to effectively remove biological oxygen demand (BOD), total suspended

solids (TSS), and to treat ammonia to the current limits depending on the reaction rate coefficient. The lagoons, however, are not suitable for additional nutrient removal. To effectively reduce the TN, the plant must nitrify the remaining ammonia in an aerobic environment and then denitrify the nitrite and nitrate to nitrogen gas in an anoxic environment. For phosphorous removal enhanced biological processes are necessary; these are not possible in a lagoon system. As legislation progresses Paonia will likely need to abandon the existing lagoons and replace the system with a mechanical plant that is capable of nutrient removal.

Planning for the possibility of replacing the existing lagoon facility with a fully mechanical plant that can achieve nutrient removal is a critical capital improvement that must be planned as soon as possible. As state and federal regulations become stricter, the Town may be faced with upgrading its existing facilities in order to become compliant. The cost for a fully mechanical plant is estimated to start at **\$13,891,933**. The FY-2026 Wastewater Utility Fund Budget and future budgets will need to begin collecting enough revenue to help offset the cost of implementing these improvements.

STREETS, ROADWAYS & SIDEWALKS

The Town's Street and road system consists of mainly asphalt roadways with some gravel roads which are largely alleyways or short dead-end branches. The Town implemented a Sidewalk Replacement Fund with Ordinance 2014-09 (PMC §4-2-80) and began charging property owners \$3/month for sidewalk repairs.

Registered Voters in Paonia overwhelmingly approved a ballot initiative to continue the sidewalk fee for another ten years. This time however, the language does not restrict the Town to only replacing existing sidewalks, but also to installing new sidewalks. Despite the growing costs associated with pouring concrete sidewalks, the Town only asked to continue the fee at \$3 per month. In FY-2026, the Town expects to also

The Town maintains roads within its boundaries which are:

- Intersection of 4th and Grand to the north.
- Intersection of Samuel Wade and Highway 133 to the west. Note: side streets between Highway 133 and the North Fork of the Gunnison River are the responsibilities of the County.

- Intersection of Mathews Lane and Niagara Ave, intersection of 1st St and Lamborn Mesa Rd, and the intersection of Colorado Ave and Meadowbrook Blvd to the South.
- Intersection of 7th St and Black Bridge Rd to the east.

The total street and road system consists of approximately 2.35 miles of asphalt roadways and 0.24 miles (1,275 feet) of concrete paved roadways. The Town has PASER Rated all town streets and sidewalks and has prepared a capital improvement plan for prioritizing improvements to the Towns roadways and sidewalks.

Construction on the 5th Street and Grand Avenue realignment (Safe Pathways for Paonia) project is scheduled to begin in FY-2024. The Town has received a Revitalizing Main Streets (RMS) Grant from the Colorado Department of Transportation to begin construction on the project. The Town will continue to work on the project with CDOT, Delta County and the Delta County School District to complete improvements. The total cost for this project is **\$3,200,000**.

In FY-2026, the Town plans to replace and repair deteriorating sidewalks with the Sidewalk Replacement Fund. Sidewalks on both sides of Grand Avenue from 3rd Street to 4th Street are scheduled to be replaced in FY-2026. This area is prioritized due to the significant roadwork being completed on the intersection of 5th Street and Grand Avenue. Should funds be available after Grand Avenue from 3rd to 4th Streets is completed, the next two prioritized sidewalk projects are both sides of Orchard Avenue from 3rd to 4th Streets; and both sides of Main from 1st and 2nd Streets.

PARKS, RECREATION & OPEN SPACES

Paonia operates a robust public park, recreation, and open spaces network. The public parks in Paonia are designed to support outdoor recreation activities (both active and passive) and community gatherings in Paonia. Some, like Town Park, are multiple acres and can accommodate a wide variety of activities. Others, like Poulos Park, are much smaller and provide space for people to gather and spend time outside.

Parks At a Glance

Count:	6 public parks in Paonia
Total Acreage:	34.7 acres
Parkland per 1,000 Residents:	10.2 acres (excludes area of Paonia River Park owned by WSCC) (Town of Paonia)
Parkland per 1,000 Residents:	5.2 (lower quartile) - 17.6 acres (upper quartile); 9.9 acres (Typical Park & Recreation Agency) (median)

Data Source(s): Delta County Assessor; and, 2021 NRPA Agency Performance Review

Summary of Parks

Park Name	Ownership	Size	Brief Description
Town Park (700 4th Street)	Town of Paonia	3 acres	Paonia's Town Park is one of the community's highlights. Towering trees, pink peonies, and grassy areas invite users to relax and enjoy the park. The park serves as a venue for many of Paonia's community events including Cherry Days, Pickin' in the Park, and the annual BMW Rally.
Apple Valley Park (45 Pan American Ave)	Town of Paonia	6.62 acres	A large park located along Minnesota Creek that offers a number of amenities including playground equipment, seasonal restrooms, tennis/pickleball courts with lights, a looped walking path with exercise stations, disc/frisbee golf features, and a picnic shelter. Given its proximity to Minnesota Creek, Apple Valley Park has been designed to mitigate flooding of the creek.
Poulos Park (221 Grand Ave)	Town of Paonia	0.1 acres	The parking lot for Apple Valley Park serves park users, as well as users of the Jumbo Mountain trail system.
Paonia Library Park (No Street Address)	Town of Paonia	0.41 acres	A small park that serves as a great spot to stop for a rest while enjoying the shops, restaurants, and galleries of downtown Paonia. Recently, Poulos Park has served as a venue for local concerts hosted by Pickin' in the Park.
Lee's Park (No Street Address)	Floyd Lee	0.08 acres	A small park space located on the north side of the Paonia Library. The park is owned by the Town of Paonia and leased to the Delta County Library District. The park offers a looped walking path, shade structures, and outdoor seating areas.
Paonia River Park (700/759 Shady Lane)	Western Slope Conservation Center & Town of Paonia	19.76 acres (WSCC owned) 4.73 acres (town-owned)	A small, privately-owned park that is maintained by the town. Lees Park is intended to be a town-owned park but the property has yet to be conveyed to the Town of Paonia.
			The park offers a limited number of amenities, including a swing set, merry-go-round, picnic tables, and shade trees.
			A large park along the North Fork of the Gunnison River that comprises properties owned by the Western Slope Conservation Center (WSCC) and the Town of Paonia. The park is located outside of the town's boundaries.
			The town and WSCC have a Memorandum of Understanding (MOU) for the management and maintenance of the River Park.
			The park offers public access to, and along, the North Fork of the Gunnison River, as well as a walking path, river overlooks, a shaded seating area, and informational signage.

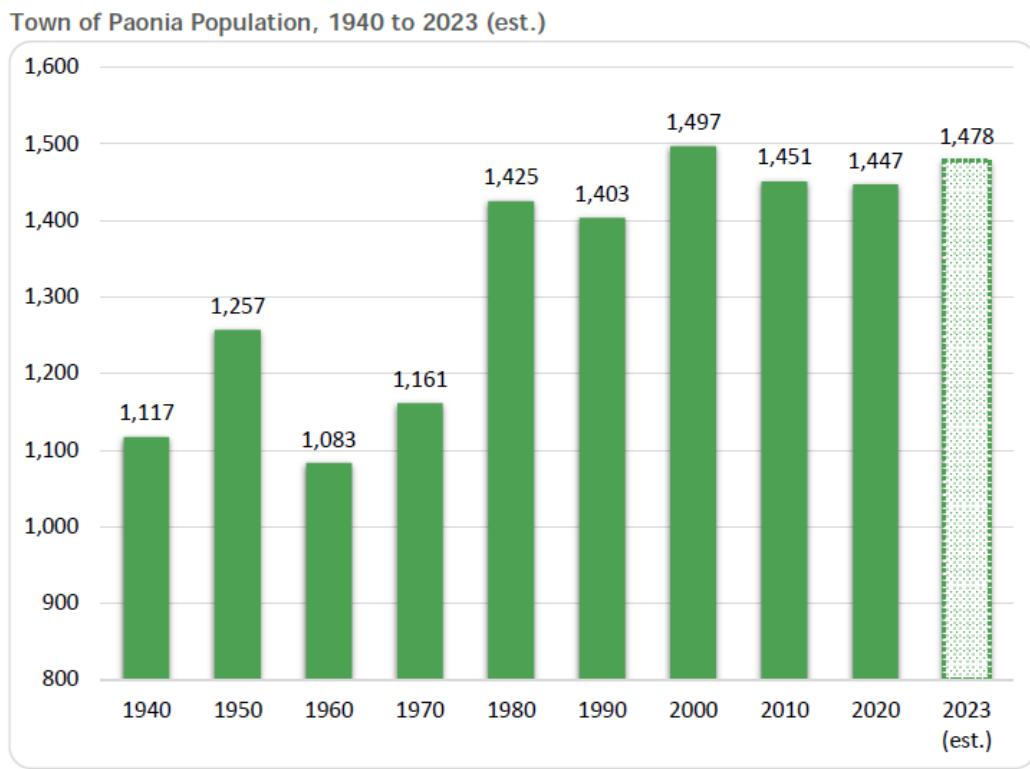
Data Source(s): Town of Paonia and Delta County Assessor

LOCAL DEMOGRAPHICS

Information in this section is from a 2023 Housing Needs Assessment conducted by UrbanRuralContinuum and funded in part from the Colorado Department of Local Affairs.

Population

An estimated 1,478 residents live in the Town of Paonia in 2023, an increase of about 30 residents since 2010. Despite the recent uptick, the population has changed very little since 1980, although there have been population fluctuations between decades with ebbs and flows of the local economy, especially natural resource extraction activity (e.g., the increase and decrease from 1980 to 1987). Today's population is almost identical to the Town's population in 1987 (1,471), 1998 (1,475) and 2005 (1,472).



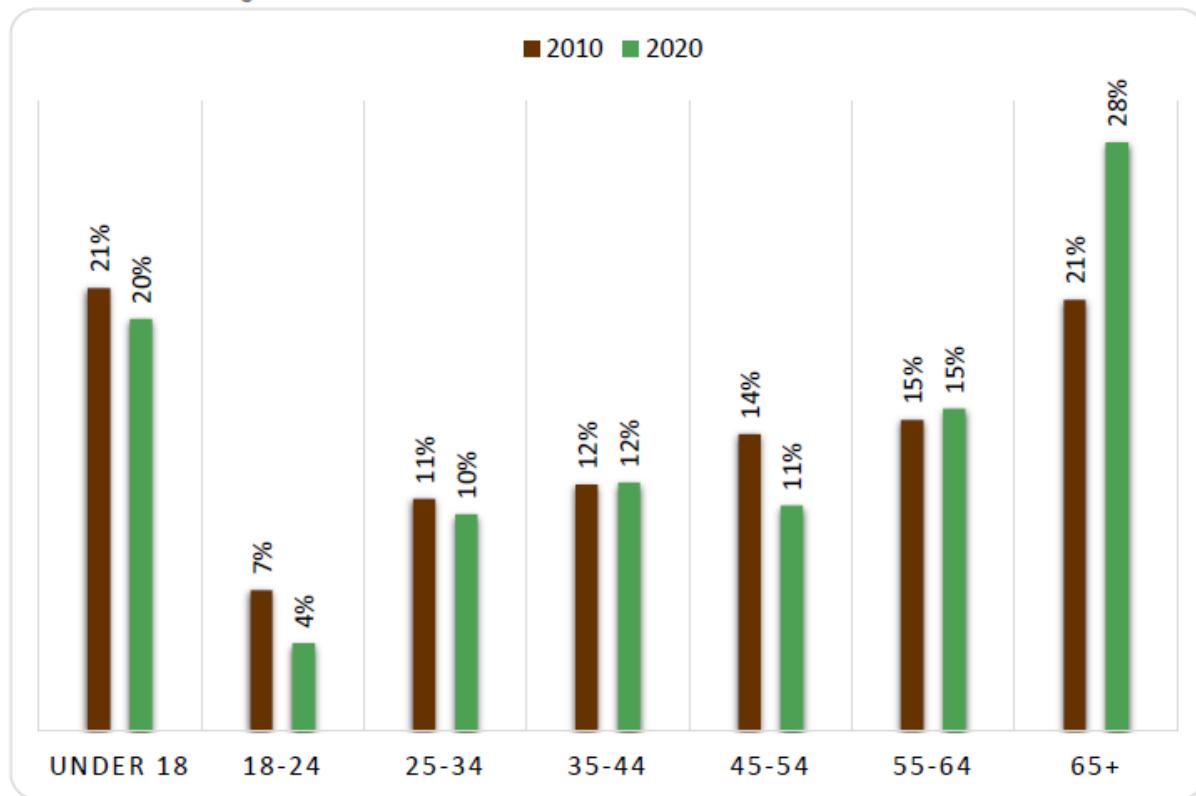
While the Town's population was basically the same in 2020 as 2010, the population of the Paonia CCD excluding the Town of Paonia declined by about 2% over the decade to roughly 2,500 residents. In contrast, Delta County grew by 0.6% per year on average from 2010 to 2020 due to positive net migration rather than natural increase (deaths outpaced births in the county).

Age

The Town's population is aging, with two of five (43%) residents aged 55 or older; this is significantly higher than that of Colorado where only 27% of residents are that age. The

share of residents aged 65 and over increased by about 7 percentage points from 2010 to 2020, but otherwise the distribution of Paonia residents by age has changed little since 2010 and is similar to that of Delta County. It is important to ensure seniors, many of whom are long-time valley residents, can safely age in place.

Town of Paonia Age Distribution, 2010 to 2020



SOURCE: U.S. CENSUS BUREAU, CENSUS 2010 AND 2020

The aging of the population is pronounced. The median age of residents was 41 in 2000, 44 in 2010, and 49 in 2020. This same trend is occurring in Delta County at large, which is in sharp contrast to the much younger median age of 37 in the State of Colorado.

The age of residents is important to the local economy. The share of residents who are part of the prime age workforce, those aged 25 to 54, has declined from 37% in 2010 to 33% in 2020. A decline in this age cohort coupled with an increase in seniors creates a challenging economic environment. Retired seniors consume local goods and services, which requires a large enough workforce to support their needs. Local employers report difficulty recruiting and retaining workers, which aligns with fewer people in the community of prime working age and a very low unemployment rate (see Section B – Employment for more details).

The Paonia CCD excluding the Town of Paonia is also aging. Just under half (48%) of residents in this part of the valley are aged 55+, a much higher share of residents than in 2000 (29%) and 2010 (40%).

Household Income

Household income in the Town of Paonia is similar to that of Delta County, lower than the broader Paonia area (Paonia CCD), and significantly lower than Colorado as a whole. The median income of the Paonia CCD is 24% higher than in the Town of Paonia. An understanding of how much local households earn through wages or other income sources is important to determine the availability and need for housing at various price points.

Household Income, 2021 [1]

	Town of Paonia	Paonia CCD	Delta County	State of Colorado
Median	\$53,646	\$66,646	\$51,803	\$80,184
Average	\$72,552	\$79,600	\$72,549	\$107,446

[1] 2021 inflation-adjusted dollars

SOURCE: U.S. CENSUS BUREAU, AMERICAN COMMUNITY SURVEY 2017-2021 5-YEAR ESTIMATES

Types of Jobs and Wages

Employment in the Town of Paonia is concentrated in sectors like education; arts, entertainment, and recreation; social assistance; and food and other services. Many local businesses and employers benefit directly or indirectly from seasonal visitation and there is a seasonal increase in employment in the summer and fall.

Local employers completing the 2023 employer questionnaire confirmed this seasonal employment uptick, noting that a large share of their seasonal employees live in the area year-round.

- Respondents indicated that 86% of their seasonal or part-year employees work during the summer or harvest season.
- Respondents indicated that at least 60% of seasonal or part-year employees live in the area year-round.

Spending by visitors to the area provides a revenue boost that helps sustain many local businesses over the slower winter months. The closure of Highway 133 in the spring/early summer of 2023 precluded typical visitation patterns for months, which adversely impacted local businesses prior to its reopening in June 2023. This is indicative of the local area's reliance on spending by tourists and those traveling through the area. The local economy is also tied to the hundreds of well-paying mining and wholesale trade jobs at the West Elk Mine in Gunnison County.

The average annual wages in Delta County in 2016 and 2022 shows that jobs in retail, arts and entertainment, and the food services sectors are the lowest paying on average, which makes housing affordability a serious struggle for many local employees working such jobs.

Delta County Average Annual Wage and Change, 2016 to 2022 (sorted 2022 high to low)

	2016	2022	Average Annual % Change [2]
Management of Companies and Enterprises	\$57,824	\$76,856	4.9%
Utilities	\$56,784	\$71,864	4.0%
Finance and Insurance	\$44,408	\$62,764	5.9%
Mining [1]	\$73,684	\$60,476	-3.2%
Professional and Technical Services	\$37,596	\$55,952	6.9%
Real Estate and Rental and Leasing	\$35,308	\$52,312	6.8%
Construction	\$42,640	\$51,064	3.1%
Health Care and Social Assistance	\$34,372	\$49,920	6.4%
Public Administration	\$42,536	\$49,192	2.5%
Wholesale Trade [1]	\$40,768	\$47,840	2.7%
Information	\$32,760	\$47,112	6.2%
Transportation and Warehousing	\$38,792	\$46,384	3.0%
Manufacturing	\$35,360	\$44,564	3.9%
Administrative and Waste Services	\$28,288	\$41,236	6.5%
Agriculture, Forestry, Fishing & Hunting	\$28,704	\$41,184	6.2%
Other Services, Ex. Public Admin	\$30,420	\$37,804	3.7%
Retail Trade	\$26,156	\$34,424	4.7%
Accommodation and Food Services	\$13,884	\$21,060	7.2%
Arts, Entertainment, and Recreation	\$20,124	\$19,500	-0.5%

[1] Many mining and wholesale trade jobs associated with the Paonia economy are located in Gunnison County, which had an average annual wage in Q4 2022 of \$106,714 and \$65,867, respectively.

[2] Represents the compound annual growth rate.

Note: data for "Educational Services" is suppressed in 2016 and 2022, along with "Unclassified" in 2016 and therefore not reported. Annual wage is calculated as average weekly wage multiplied by 52 weeks per year.

SOURCE: COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT, LMI GATEWAY (QCEW DATA), CONSULTANT TEAM

Wages in all but two sectors above increased from 2016 to 2022. Annual wages in the mining sector and arts, entertainment, and recreation decreased by 3.2% and 0.5% per year on average.

The average annual pay for all industries increased by 4.6% per year on average from 2016 to 2022 to just under \$44,000 per year in 2022.

Although wages have increased over time, projections indicate that most household growth through 2028 will be among households earning \$125,000 or more per year. This is a very high income for local households, even those with two earners, and points to the continued inflow of retirees and those earning money from outside the local area.



APPENDICES





APPENDIX A:
BOARD OF TRUSTEE
STRATEGIC PLANNING GOAL
&
DEPARTMENTAL SWOT
ANALYSES



Top 11 Goals

- Hire a competent administrator
- Municipal code rewrite
- Make repairs to the clock treatment plant and bring it online
- Install new and repair old pressure relief valves, install bypasses, replace pilot valves and diaphragms
- Create a capital improvement plan as part of the town budget
- Clean up the springs, and make basic source water improvements
- Improve financial reporting
- Update the website, improve citizen communication
- Improve staff and board relationships
- Repave Samuel Wade bridge
- Support staff training
- Make park improvements, including rebuilding the stage, improving bathrooms, installing wi-fi
- Rewrite employee personnel manual, and create a separate police department employee manual

Additional Board of Trustee Goals

- Develop a schedule for chip sealing for capital improvement plan
- Develop a new trustee training program
- Develop a candidate for elected office briefing program during the election process
- Introduce new employees at board meetings
- Recognize staff for anniversaries, awards and other milestones
- Conduct a computer security audit
- Communicate with the public on how marijuana money is spent
- Communicate with the public on how sidewalk money is spent
- Improve grant tracking and reporting
- Improve the budget process

Additional Department Goals

Town Clerk/Administration

- Establish a Records Management System
- Cross-Train Administrative Staff
- Catch up on minutes
- Keep up with utility billing enforcement for non-payers
- Continue marijuana and liquor license training
- Attend municipal clerks institute
- Update website to include events, water information, fillable forms
- Integrate meter radio reads into the billing system

Police Department

- Create Lexipol policy manual
- Conduct an evidence room audit
- Meet state required training goals
- Purchase spillman mobile software for better records management and reporting
- Create department personnel manual
- Implement a fleet maintenance plan and schedule
- Improve the prescription drug turn in program

Public Works Department

- Replace Dorris Sewer Line
- CIRSA training for all employees
- Implement a safety training program
- Install Security cameras at all town facilities
- Integrate wastewater controls
- Upgrade chlorine dosing equipment
- Implement an asset management system and inventory existing assets
- Improve the sidewalk at 3rd and grand avenues with planters and benches
- Improve other highly trafficked sidewalks and budget for improvements
- Continue to replace old water meters with radio read technology
- Reroute and repair a waterline that is leaking under the railroad track
- Complete the lead and copper rule evaluation
- Camera and scope the clay sewer line to determine where critical repairs are needed

Finance Department

- Setup a parts inventory system
- Inventory computer equipment
- Data entry into asset management systems
- Create a purchase order (PO) system
- Develop improved checklists
- Develop funding request form
- Develop fleet maintenance logs
- Develop a process for divesting surplus items
- Improve training
- Continuing education in finance
- Improve communication with staff

ADMINISTRATION SWOT



STRENGTH

- Well-Trained, Knowledgeable, diligent and caring staff
- Improved Communication with Elected Officials, Residents, and the extended Paonia Community
- Continuous Improvement and High Performance Mindset
- Building Confidence in Utility Systems and Processes
- High Performing and Impactful Team

WEAKNESS

- Need More Office Space
- Volume of Work is at times, Overwhelming
- Historic Data Collection, Retention and Records Management lacked established processes and procedures, resulting in difficult to recall information.

OPPORTUNITY

- Utilize Consulting Resources More Frequently Such as CML, Other Municipalities, Professional Associations
- Grant Funding and Opportunities, especially for Technical Assistance
- Continuing Education for Clerks, Accountants, Administrator, Etc.

THREATS

- Cloud of Judgement Stemming from Past Issues with Previous Administrations
- Volume of Catch-up Work and new Issues Can Quickly Overwhelm Staff and May Lead to Dissatisfaction
- Funding Infrastructure Takes Priority Over All Other Departments

SWOT ANALYSIS

S

- Full-Staffed / Employees
- Community Policing - Out in the Community
- Social Media Presence and Engagement
- Collaborative with Other Departments

W

- Reliance on Local Officers (Live in Paonia)
- Funding (Competitive Wages, Equipment, etc.)
- Officer Retention due to Location of Town

O

- Strengthen the Partnership with Delta County Public Schools
- Establish Reserve Officer Program for Special Events & Departmental Support.

T

- Location & Distance from other Agencies, Paonia Mutual Aid Agreements are one-sided
- Unfunded Mandates from the State

Wastewater SWOT ANALYSIS

S

- Ambitious, Dedicated, and Knowledgeable Employees
- Additional Capacity Available in Wastewater Plant
- Excellent Engineering Firm(s)

Strengths

W

- Understaffed, Need to Hire additional employees at Competitive Wages
- Lack of Funding
- Lack of Discharge Ability (Constrained by Permit)
 - Sludge Removal Necessary in 3-5 Years
- Land Constraints

Weaknesses

O

- Skilled Contractors
- Supplemental Funding from Grants
- Rural Water Association/Auxiliary Organizations and NGO's
- Ditch Company Offsets
- Floodplain Near the Plant
 - (Dilution Ability)

Opportunities

T

- Additional Rules and Regulations from CDPHE, EPA and changes to the NPDES Permit
- River Level Fluctuates and Effects Effluent
- Inconsistent Sampling Reports from Labs

Threats

Water SWOT ANALYSIS

S

- Ambitious, Dedicated, Knowledgeable, and Skilled Employees
- Good Water (Tasting, Clean)
- An Understanding of Necessary Improvements to the System
- Three Excellent Engineering Firms

Strengths

W

- Understaffed, Need to Hire additional employees at Competitive Wages
- Tight Budget and Limited Resources
- State and Federal Government Processes & Procedures
- Scale and Magnitude of Needs
- Lack of System Redundancies

Weaknesses

O

- Skilled Contractors
- Supplemental Funding from Grants
- Improve Relationship and Collaborate with Consecutive Water Systems

Opportunities

T

- Additional Rules and Regulations from CDPHE
- Stigma Associated with Issues from Town's Historical Performance
- Spreading of Misinformation through Social Media
- Threat of Wildfires in Watershed
- Scale and Magnitude of Needs

Threats

STREETS, PARKS AND REC.

SWOT

STRENGTHS

- Caring and Professional Employees
- Excellent and Accessible Parks
- Free Public WiFi Internet
- Community's Love of Parks!
- Robust Volunteer Network
 - Flower Pot Crew
- Legacy Events

Tree Board
Underutilized, and We Have One

OPPORTUNITIES

- Strengthen Public/Private Partnerships
 - Western Slope Conservation Center
 - The Nature Connection
 - Delta County Public Schools
- Strengthen Relationship with North Fork Valley Pool Parks and Rec. District
- Grants
 - CDOT
 - FHWA
 - GOCO
- Continue to Build Relationship with Delta County

WEAKNESSES

- ADA Accessibility at EVERY Park
- Need a Clearly Defined Maintenance Schedule Based on Seasons
- Internal Scheduled for Rentals, Maintenance and Coordination
- Parks Need Attention (Funding)
- Under-Utilization of Park Potential
- Potholes, Lack of Stormwater Consideration, Sidewalk Issues
- Lack of Funding for all Street-Related Issues



THREATS

- Skyrocketing cost of materials
 - Additional Cost Associated with Federal Construction and Design Standards Compliance
- Undermaintenance of Tree Canopy & DMEA Topping
- Emerald Ash Borer

STRENGTHS

- Dedicated Employees
 - Multiple Staff with CDL
- Proposed Changes to the Paonia Municipal Code will Strengthen the Enterprise

WEAKNESSES

- Customer Education about Rules
- Lack of Ability to Track Service Level and Appropriate Charges in the Field
- Employee Safety
- Lack of Ability to Enforce Rules
 - No Spare Truck or Redundancy
 - Route Scheduling

TRASH SWOT ANALYSIS

- Establishing a Recycling Program with CDPHE Assistance
- Locate and Establish a Dedicated Place for Town-Wide Composting
- New Technology to Help Mitigate Weaknesses

- Landfill Approaching Maximum Capacity
 - Tipping Fees Increase
- Additional Enforcement from State Agencies on What Can be Collected and Disposed of at the Landfill
- Distance to Landfill - Causes Wear on Truck

OPPORTUNITIES

THREATS



APPENDIX B: PURCHASING POLICIES



**TOWN OF PAONIA, COLORADO
ORDINANCE NO. 2024-03**

**AN ORDINANCE OF THE TOWN OF PAONIA, COLORADO
ENACTING ARTICLE 6 (PURCHASING AND PROCUREMENT)
OF CHAPTER 4 (REVENUE AND FINANCE) OF THE PAONIA
MUNICIPAL CODE**

WHEREAS, the Town of Paonia, Colorado is a statutory municipality organized pursuant to Colorado Revised Statutes (C.R.S.) §31-1-203; and

WHEREAS, C.R.S. §31-15-201 establishes Administrative Powers for statutory municipalities, and C.R.S. §31-15-302 establishes Financial Powers for statutory municipalities; and

WHEREAS, Chapter 4 of the Town of Paonia's Municipal Code (the "Code") sets forth the Town's policies for Revenue and Finance; and

WHEREAS, the Board of Trustees for the Town of Paonia, Colorado finds and determines that the Town's Purchasing Policy needs to be memorialized and codified and is in the best interest of the public health, safety and welfare of the Residents of Paonia to enact Article 6 of Chapter 4, Purchasing and Procurement Policy, of the Code as set forth herein.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO:

1. The foregoing recitals are incorporated by reference as findings and determinations of the Board of Trustees.
2. Article 6 of Chapter 4 of the Code is hereby enacted to read as follows:

Article 6. PURCHASING AND PROCUREMENT

Sec. 4-6-10. Purposes, Interpretation of Rules.

- (a) Interpretation. This Article shall be construed and applied to promote its underlying purposes and policies.
- (b) Purposes and Policies. The purpose of this Article is to provide for a purchasing procedure that the Town will follow in contracting for or constructing public works, purchasing tangible property and insurance policies, and obtaining consulting services.
- (c) The underlying purposes and policies of this Article are:

1. To clarify and standardize the procurement practices and procedures by the Town;
2. To permit procurement policies and practices;
3. To provide for increased public confidence in the procedures followed in public procurement;
4. To ensure fair and equitable treatment of all persons who deal with the procurement system of the Town;
5. To provide increased economy in the Town procurement activities and to maximize to the fullest extent practicable the purchasing value of public funds of the Town;
6. To foster effective broad-based competition within the free enterprise system; and
7. To provide safeguards for the maintenance of a procurement system of quality and integrity.

Sec. 4-6-20. Procurement Contrary to this Article.

Except as otherwise may be provided by law, it shall be unlawful for any Town Officer or employee to order a procurement contrary to the provisions of this Article. Any procurement or contract so made shall be void and wholly without effect and shall not be binding upon the Town in any manner.

Sec. 4-6-30. Requirement of Good Faith.

This Article requires all parties involved in the negotiation, performance, or administration of Town contracts to act in good faith.

Sec. 4-6-40. Application of this Article.

This Article shall apply to every expenditure of public funds irrespective of their source, by this Town, acting through a governmental body as defined herein, under any contract; provided, however this Article shall not apply to either grants or contracts between the Town and other governments and federal assistance monies, for which, if necessary, the Town shall adopt specific purchasing policies related to such assistance monies. Nothing in this Article or in regulations promulgated hereunder shall prevent any governmental body from complying with the terms and conditions of any grant, gift, bequest or cooperative agreement.

Sec. 4-6-50. Expenditure Approval Authority.

The following amounts reflect expenditure approval authority limits. Expenditure limits must follow the provisions of §4-6-60 for purchasing and procurement of this Article.

- (a) Department Director, or their designee
 - 1. Less than \$3,000
- (b) Town Administrator/Treasurer
 - 1. Less than \$10,000
- (c) Board of Trustees
 - 1. Any amount \$10,000 or greater

Sec. 4-6-60. Purchasing and Procurement Manual.

This Article adopts a formal purchasing and procurement process as outlined in a Purchasing and Procurement Manual, passed by Resolution of a majority vote of the Board of Trustees, as may be amended from time to time.

Sec. 4-6-70 Emergency Purchases.

- (a) Emergency purchase orders may be issued when unforeseen circumstances require an immediate purchase to avoid a substantial hazard to life, health, and welfare of the Residents of Paonia; or there is an imminent threat to property or threat of serious interruption to the operation of a Town Department, or the necessary repair of Town equipment or heavy equipment required for the operation of a Town Department.
- (b) If an emergency arises, departments must work directly with the Town Administrator/Treasurer to obtain purchase authorizations through as normal purchasing processes as possible. If an emergency situation arises after normal Town business hours, a Department Head, or their designee, may authorize an immediate purchase of commodities or services, if necessary, after notifying the Town Administrator/Treasurer.
- (c) Authorization for emergency purchases shall be documented and properly included in the purchasing record as required. The department shall advise the Town Administrator/Treasurer of any emergency purchases as soon as reasonable after the commitment is made. An immediate report shall be made to the Board of Trustees by the Town Administrator/Treasurer detailing the purchase and the cause of the emergency.
- (d) The Town Clerk shall schedule a Special Meeting of the Board of Trustees as soon as practicable to address the reasons and circumstances for the Emergency Purchases.

Sec. 4-6-80. Waiver of Procedures.

Upon a majority vote, the Board of Trustees may approve a waiver of any of the provisions of this Article, after consideration of the particular facts and circumstances necessitating the request for waiver. All of the procedures herein may be modified to prevent the loss of any gift or grant to the Town.

Sec. 4-6-90. Cooperative Purchasing.

The Town Administrator/Treasurer is authorized to participate in joint bidding with other public agencies or entities when deemed to be in the Town's best interests. The Town Administrator/Treasurer, in his or her sole discretion, may approve cooperative purchases that have been through similar processes as described in §4-6-60 of this Article with other public agencies or entities and is within his/her expenditure approval authority as listed in §4-6-50.

PASSED AND ADOPTED this 17th Day of September 2024.

Paige Smith, Mayor

ATTEST:

Samira M. Vetter, Town Clerk

Approved as to form and contents:

Clay Buchner, Town Attorney

**TOWN OF PAONIA, COLORADO
RESOLUTION NO. 2024-14**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN
OF PAONIA, COLORADO, ADOPTING A PURCHASING POLICY
AND MANUAL**

WHEREAS, the Town of Paonia (the "Town") is a statutory town in Delta County, Colorado;

WHEREAS, the Board of Trustees for the Town of Paonia determined that it is necessary to create a comprehensive purchasing policy and procurement manual.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE
TOWN OF PAONIA, COLORADO, COUNTY OF DELTA, STATE OF COLORADO:**

The following Purchasing Manual attached as *Exhibit A* is declared the appropriate Purchasing and Procurement Policy for the Town. This resolution repeals and replaces Resolution 2024-11 Adopting a Credit Card Policy.

APPROVED AND ADOPTED this 17th day of September 2024, by the Board of Trustees, Town of Paonia.

TOWN OF PAONIA, COLORADO

Paige Smith, Mayor

ATTEST:

Samira M. Vetter, Town Clerk

Approved as to form and contents:

Clayton Buchner, Town Attorney



Town of Paonia

Purchasing Policy Manual

v.9.10.2024

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INTRODUCTION

The purpose of this Purchasing Policy Manual (Manual), approved by the Town Administrator and the Board of Trustees, is to describe the acceptable conduct of purchasing activity for the Town of Paonia, Colorado following the guidelines outlined in the Colorado Revised Statutes (CRS). If there is a conflict with this Manual, the CRS are the superseding rules. The failure of a Town employee to comply with this Manual may result in disciplinary action, and may lead to a criminal investigation.

The Administration Department, which includes Finance and the Town Administrator's Office, is generally responsible for providing direction and guidance in all phases of material utilization, e.g. acquisition, storage, distribution, re-utilization, and disposal. Administration, with the assistance of individual Department Heads, also provides direction and guidance to departments on all matters relating to pre-requisition investigation of possible supply sources and alternative product examinations. The Manual instructs the Town of Paonia with how Administration, with the assistance of individual Department Heads, facilitates specification preparation, inspection and receiving practices, quality control, order follow-up, materials expediting, and the enforcement of the terms and conditions of purchase orders issued by the Town.

Further, this Manual is meant to ensure that a standard of integrity is met when purchasing goods and services on behalf of the Town. The Manual also provides for fair and equitable treatment by the Town of all persons involved in public procurement and maximizes the purchasing value of public funds. Finally, this Manual is meant to provide safeguards for maintaining a procurement system of quality and integrity, and foster effective, broad-based competition within the free enterprise system.

In Public Service,



Stelen Wynn *M.P.A.*

ICMA-CM

Paonia Town Administrator/Treasurer

1.0 ETHICAL STANDARDS FOR PURCHASING ACTIVITIES

1.1 Policy Statement

It is the policy of the Town of Paonia to promote government integrity and guard against the appearance of impropriety by prescribing the following essential standards of ethical conduct.

- (a) Town Employees shall discharge their duties impartially to assure fair, competitive access to governmental procurement by responsible contractors and to foster public confidence in the integrity of the Town's procurement system and processes.
- (b) Town Employees shall not solicit, demand, accept, or agree to accept a gratuity, an offer of employment, or any other benefit in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement, specification, standard, solicitation, or contract.
- (c) Town Employees shall not participate directly or indirectly in procurement when an employee knows that:
 - (1) The Employee or any member of the employee's immediate family has a personal financial interest pertaining to the procurement.
 - (2) A business or organization in which the employee, or any member of the employee's immediate family has a personal financial interest pertaining to the procurement.
 - (3) Any other person, business, or organization with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning employment is involved in procurement.
- (d) Town employees who fail to comply with this policy may be subject to disciplinary action and criminal prosecution.

1.2 Discovery of an Actual or Potential Conflict of Interest

Upon discovery of an actual or potential conflict of interest, an employee shall promptly withdraw from further participation in the transaction involved and notify their Department Head, and/or Town Administrator. The Town Administrator will consult with the Town Attorney for an opinion whenever there is a question of an appearance of conflict.

1.3 Supplier Ethics

- (a) It shall be a breach of ethical standards for any person to offer, give, or agree to give any Town employee a gratuity, an offer of employment, or any other benefit in connection with any decision, approval, disapproval, recommendation, specification, standard, solicitation, or contract.

- (b) It shall be a breach of ethical standards for any person, or firm to present false documents, or falsely represent its firm.
- (c) Suppliers shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the Town's best interests. This obligation shall apply to suppliers' employees, agents, subcontractors, and third parties associated with accomplishing the work for the Town.
- (d) A breach of Manual Section 1.3 (a) or (b) may result in debarment for consideration of awards.
- (e) Personal purchases shall not be made by or for Town employees through the Town's procurement system or Purchasing Card program unless such purchases have been authorized as a special program available to all Town employees, or programs such as a duty firearm buy-back program, specifically for the employees of the Police Department.

1.4 Unlawful Purchases

If any office, department, or employee, other than employees specifically authorized to make purchases for their Department, contracts for any supplies, materials, equipment, or contractual services contrary to the purchasing policies as described in this Manual and provided in CRS, such purchase or contract shall be void and of no effect, and the cost shall not constitute a legal charge against the Town.

2.0 PURCHASING AUTHORITY

It is the Town's intent to reduce the total costs associated with the acquisition and management of commodities and services by purchasing competitively and wisely.

The Town Administrator/Treasurer and each Department Head are designated as the Town's Purchasing Agents (collectively known as Town Management), with respect to the limits and thresholds as may be established, set, and modified by the Board of Trustees.

2.1 Scope

Administration, the Town Clerk, and Department Heads shall:

- (a) Review all purchasing activity for compliance with the Purchasing Manual and associated Purchasing Policies.
- (b) Assist departments in the development of solicitation documents, manage the formal, public solicitation process, receive, and distribute responses to solicitation received to appropriate Department Heads.
- (c) Assist departments with external requests for information in accordance with the Colorado Open Records Act (CORA).
- (d) With the Town Attorney's office, manage contract development, negotiations, execution, approval, and archive processes as assigned.

- (e) Assist with the sale, auction, or disposal of all property determined to be surplus to the Town's needs in accordance with CRS.
- (f) Review and approve Sole Source Justification (SSJ) and Request to Proceed (RTP) requests within parameters of assigned authority.
- (g) Initiate and manage centralized procurement activity for goods and services consistent with the strategic procurement goals of the Town.

2.2 Objectives

- (a) To provide increased economy in the Town's procurement activities and to maximize, to the fullest extent practicable, the value of public funds expended for purchased materials, or services.
- (b) To provide safeguards that ensure the maintenance of a procurement system of high quality and integrity.
- (c) To ensure the fair and equitable treatment of all persons and businesses that deal with the Town for purchasing, or procurement.
- (d) To buy the right material of an appropriate quality and in the correct quantity at the right time from the proper source.
- (e) To reduce the overhead cost of purchasing by using an efficient workflow that reduces the volume of individual orders and minimizes paperwork.
- (f) To seek values that provide the best combination of price, quality, and service.
- (g) To reduce costs by consolidating departmental requests and making volume purchases.
- (h) To promote a system of procurement standardization throughout the Town whenever appropriate and practical.

2.3 Competitive Purchasing – Generally

- (a) The Town is committed to a program of purchasing competitively and wisely. Departments are forbidden to artificially divide purchase requisitions to circumvent any competitive bidding requirement. In addition, no department or employee shall draft or cause to be drafted any specifications in such a manner as to limit the bidding directly or indirectly to any one specific concern, or any specific brand, product, thing, or service. Certain items are approved as exempt from competitive bidding requirements or are approved as sole source purchases as provided for under Manual Section 2.4 – Exceptions, and Section 3.5 – Sole Source Requests. Administration's objective is to obtain competition from responsible

suppliers, and to ensure that the materials purchased through competition are properly suited to the job that they are intended, both as to price and quality.

- (b) Administration is authorized to make purchases from other public agencies without seeking competitive bids and may use Cooperative Purchasing Programs and other recognized types of agreements used by governments to combine agency requirements for purchases. However, the prices paid must be competitive with comparable products offered in the marketplace.
- (c) Except as otherwise provided by law, the Town may reject all bids received during a response to a solicitation if it is determined that the price, terms, or surrounding circumstances of the bids received are such that award of a contract based on that solicitation would not be in the Town's best interests.

2.4 Exceptions to the Competitive Process

The Administration Department maintains a list of goods and services where competitive bids are not required, and issuance of a purchase order is not mandated.

Except as otherwise directed by law, or by the Board of Trustees, competitive bidding is not required for the following purchases:

- Any good/service or combination of goods and services under \$1,000.
- Any good/service purchased with a Purchase Card under \$1,500.
- Any good/service made during the normal course of a contract or agreement that has already been through a competitive bidding process (Cooperative Purchasing, State Bid, etc.).
- Advertising (employment, bid advertisements, public notices, etc.)
- Benefit Payments – Human resources (medical/dental/life/LTD Insurance, etc.)
- Books, periodicals, and similar items.
- Town & County shared services (operating expenses only)
- Classes, Training, and Similar events.
- Conference/Seminar Registration Fees.
- Copying/Duplication Services.
- Debt Payments.
- Emergency Purchases.
- Emergency Medical Expenses.
- Employee Reimbursements.
- Fees – Bank, Filing, Tax, Title, License, Vehicle Registrations, etc.
- Grant pass-through payments (one-time only and contract not required).
- Insurance Premium Payments.
- Intra-agency payments.
- Lodging.
- Meals and Refreshments.
- Membership Dues/Fees.
- Postage.

- Rebates/Refunds.
- Shipping.
- Sponsorships (approved as part of the fiscal budgeting process).
- Subscriptions (newspaper, magazine, electronic, online).
- Temporary Agency Services and Contracted Employees.
- Travel (airfare, train tickets, rideshare, etc.).
- Utility Payments (telephone, internet, gas, water, electric).

2.5 Procurement Thresholds

Supplier selection shall be based on a competitive process whenever feasible and when in the Town's best interests.

A verbal or written solicitation shall be made as follows:

(1) Commodity Purchases/Contracts to \$1,000

Departments are authorized to make purchases up to \$1,000 without a requirement for a purchase requisition or purchase order. Use of a Purchasing Card or Credit Card is encouraged for purchases at this level. Departments are encouraged to obtain competitive pricing and "shop around", but competitive bidding is not required.

Issuance of a purchase order for purchases \$1,000 and below is not mandatory. Payment via a Purchasing Card or Credit Card, or direct invoice entry is acceptable.

(2) Commodity Purchases/Contracts \$1,001 to \$5,000

Departments are authorized to solicit suppliers at this level. Comparison shopping is strongly encouraged. Formal purchase orders must be issued for purchases of goods and services between \$1,001 and \$5,000. Departments must attach to the electronic requisition at least three (3) documented quotes attached to the requisition that contains the scope of work or item(s) to be purchased. One (1) "no bid" from a qualified vendor can be used to satisfy (1) of the three (3) required bids. Documentation of quotes must be attached to the electronic requisition to verify compliance.

(3) Commodity Purchases/Contracts \$5,001 to \$10,000

(a) Departments are authorized to solicit suppliers at this level with prior approval from the Town Administrator/Treasurer. A minimum of three (3) written quotations are required for the commodity or service. One (1) "no bid" from a qualified vendor can be used to satisfy (1) of the three (3) required bids. Documentation of quotes must be attached to the electronic requisition to verify compliance.

(b) Informal Bidding Process Required.

- a. Written quotes are required as referenced above.
- b. The Town Administrator/Treasurer may waive written quotation requirements if it is determined that it is not practical or advantageous to the interest of the Town. Such a determination shall be made in writing with justification from the Town Administrator/Treasurer. Proposals in this range

must be submitted to the Town Board for approval before the purchase can be made.

c. Steps to Complete an Informal Bid:

- i. Develop Specifications. Upon finalization of the specifications, prepare any documents required by the informal bid.
- ii. Disseminate specifications to relevant vendors, including dissemination by email, mail or other method as appropriate.
- iii. Evaluate the bid results and determine which bid serves the Town's best interests.
- iv. Prepare a Purchase Order and obtain required approval for the level of purchasing.

(4) Commodity, Service, & Construction Purchases/Contracts \$10,001 and Greater

Purchases of goods and services \$10,001 and greater require a formal, public bid process. The project manager or designated staff member must work with the Finance Department to develop the appropriate formal solicitation document. Once the solicitation document is finalized, the solicitation will be posted on a website used by the Town for procurement purposes for an agreed upon timeframe, which is typically no less than thirty (30) days. The use of electronic vendor submissions is strongly encouraged.

(5) Consulting Services

Any purchase of consulting services may require a formal contract to be completed and signed by the Mayor, the Town Administrator, the Town Attorney, and the Town Clerk.

2.6 Emergency Purchasing

Emergency purchase orders may be issued when unforeseen circumstances require an immediate purchase to avoid a substantial hazard to life, health, and welfare of the Residents of Paonia; or there is an imminent threat to property or threat of serious interruption to the operation of a Town Department, or the necessary repair of Town equipment or heavy equipment required for the operation of a Town Department.

If an emergency arises, departments must work directly with the Town Administrator/Treasurer to obtain purchase authorizations through as normal purchasing processes as possible. If an emergency situation arises after normal Town business hours, a Department Head, or their designee, may authorize an immediate purchase of commodities or services, if necessary, after notifying the Town Administrator/Treasurer.

Authorization for emergency purchases shall be documented and properly included in the purchasing record as required. The department shall advise the Town Administrator/Treasurer of any emergency purchases as soon as reasonable after the commitment is made. An immediate report shall be made to the Board of Trustees by the Town Administrator/Treasurer detailing the purchase and the cause of the emergency.

2.7 Change Order Management

Change orders to projects that have previously been approved is commonplace. If a change order results in a total project value surpassing the formal bid threshold, Town management approval must be secured. In addition, a project previously issued with a value of \$50,000 or greater, that has a change order value increase of 10% or greater, also requires approval of the Town Administrator/Treasurer.

The Town Administrator/Treasurer and the Department Head shall work with the Town Attorney's Office to update, as appropriate, any accompanying contract changes resulting from the change order for the project.

2.8 Standards

The Finance Department is primarily responsible for standardization. Standardization is the organized process of obtaining solutions to common problems by establishing agreement on specific quality, design, size, color, etc. and the established agreement as a standard.

The Town purchases many products that are standardized (carpet, furniture, copy paper, office supplies, etc.). When standards are adopted, only items meeting those standards may be purchased. However, no standard is meant to be unchangeable, and each standard is subject to review on a case-by-case basis and referred to the department with related expertise. The Finance Department shall be the chair of any such committees, which may include department heads or their representatives, and/or other staff.

2.9 Local Preference – Purchases of Goods and Services

It is the Town's goal to promote the purchase of services and goods provided by United States companies and employees, with a strong preference for local vendors. Off-shore services are defined as services provided from an off-shore location (foreign country). Examples of such services may include, but are not limited to, customer support services, telemarketing services, and financial auditing services.

Preferential considerations for local vendors or contractors will be given for non-capital purchases in the event that solicited bids from local vendors are within 10% of non-local vendor bids and all factors, including quality, terms, and delivery are determined by the soliciting employee or Finance Department to be equal to non-local vendors.

For the purposes of this policy, a vendor is considered local if it has maintained a place of business in Delta County, Colorado, for at least twelve (12) months prior to date of bid solicitation, at least 50% of the employees are Delta County, Colorado residents, and at least 50% of the fleet used for the project are registered within Delta County, Colorado.

Preferential consideration for local vendors or contractors will be given for Capital purchases in the event that solicited bids from local vendors are within 2% of non-local vendors' bids and all factors, including quality, terms, and delivery are determined by the soliciting employee or the Finance Department to be equal to non-local vendors.

For the purposes of this part of the policy as it applies to Capital purchases, the following terms are applicable:

- The vendor has maintained a place of business in Delta County for at least twelve (12) months prior to the date of the bid solicitation.
- Fifty-one percent (51%) of the work is self-performed (49% or less is performed by a subcontractor).
- Whether or not this policy will apply will be determined on a case-by-case basis at the discretion of the Board of Trustees at the time the project is authorized for bid. Local preference will be stated in each and all bid documents.
- If a vendor has received a 2% credit in the preceding year and the contract is still in place at the time the bid is solicited, the vendor does not qualify for the 2% local preference.

2.10 Environmental Purchasing

The Town's goal is to reduce the effects of climate change generated by government operations. Purchasing activity is encouraged to use and buy recycled and environmentally preferable products. The purchasing of products that are recycled or environmentally preferable strengthens the markets for such products, diverts more materials from the solid waste stream, and promotes both human and environmental health.

Purchasing agents have the following options:

1. Accept a bid which is not the lowest if:
 - A. The lowest bid is for a non-recycled product; and
 - B. A recycled content product meets the performance criteria specified; or
 - C. A bid other than the lowest bid meets the criteria for environmentally preferable products or services; or
 - D. A cost analysis is conducted over the life and disposal of the product that reveals lower total costs than are reflected in short-term analysis.
2. Award a portion of the contract to bidders offering recycled content or environmentally preferable products.

2.11 Results – Driven Contracting

The Town supports initiatives to integrate Results – Driven Contracting (RDC) strategies and data-driven decision processes into its solicitation, evaluation, award, contracting, and project management processes. RDC and data-based decision making serve as a foundational element to meeting organizational objectives and promoting a high performance, transparent government. Where practical, RDC practices and data-based decisions should be incorporated

into procurement activities. RDC and data-based decision methodologies are available through the Town Administrator/Treasurer's Office, one such resource is the Harvard Kennedy School's article: What is Procurement Excellence?

2.12 Underserved Business Program

The Town commits itself to applying a racial equity lens in its decision-making with the goal of continuing to build an equitable community to ensure a healthy community for all Paonia Residents and visitors.

There is an inherent need within the commercial makeup of the Town to expand small businesses within the Town's marketplace to increase the tax base, to provide new employment opportunities, to stimulate economic development, and to assist in the implementation of the comprehensive plan for the Town.

The Town encourages all underserved businesses to submit responses to all solicitations. The Town will promote the use of underserved businesses by encouraging staff to consider these businesses for award in all solicitations by including it as an appropriately weighted and scored criteria in the evaluation of all vendor submissions. The Town will participate in outreach programs to aid underserved businesses in understanding the Town's procurement process, improve their access to solicitations, and increase the visibility of underserved businesses within the organization.

The Town will permit vendors to self-identify any underserved business status which will be maintained in the vendor files of the ERP system (Caselle). The Town may perform periodic audits to determine if the vendor certifications are current and valid.

The Town will measure awards made to underserved businesses on a regular basis and review award amounts against stated organizational goals.

3.0 Types of Solicitations

Solicitations are purchasing processes designed to seek and obtain goods and/or services. Four types of solicitations utilized by the Town for purchasing are discussed in this section.

- Request for Information (RFI) – RFIs are used to obtain general information from the vendor community on a specific topic related to a project. RFIs are a market research tool used to obtain price, delivery, capabilities, interest, etc. for planning purposes. RFIs must clearly indicate that an award of contract will not automatically follow.
- Request for Qualifications (RFQ) – RFQs are used when requirements are uncertain, and the project manager is seeking potential vendors to provide proposals once requirements have been finalized. RFQs are solicitations documents that request submittal of qualifications or specialized expertise in response to the scope of services required. Pricing is not solicited with RFQ documents issued prior to RFPs, but typically describe the project in enough detail to let potential bidders determine if they wish to compete, and forms the basis for requesting qualifications submissions in a two-phase or prequalification process. Used most often with construction projects.

- Invitation For Bid/Request for Quote (IFB/RFQ) – IFBs/RFQs are formal requests to prospective bidders soliciting price quotations or bids. IFBs/RFQs contain, or incorporate by reference, the specifications of the scope of work and all contractual terms and conditions. An IFB/RFQ is only a solicitation, and it does not qualify as an offer since the Town will review bids and select a vendor prior to entering into a binding contract. Awards are generally made to the lowest priced quote.
- Request for Proposals (RFP) – RFPs are generally used when there are a variety of ways to meet a need, specifications are not available or not fully determined, and/or when professional services or certain personal services are required. RFPs are typically documents used in sealed-bid procurement procedures through which a buyer advises potential bidders of the statement and scope of work, specifications, schedules or timelines, contract type, data requirements, terms and conditions, description of goods and/or services to be procured, general criteria used in evaluation procedure, special contractual requirements, technical goals, instructions for preparation of technical, management, and/or cost proposals. RFPs are publicly advertised, and bidders respond with a detailed proposal, not just a price quote. They provide for negotiations after sealed proposals are opened, and contracts may not necessarily be awarded to the lowest bidder.

3.1 Request for Information (RFI)

- a) When to Use:
 1. An RFI may be used to obtain general information from vendors regarding products and services. Responses to RFIs are often largely assembled from vendor standard literature for a good or service. RFIs generally contain no project specific financial or cost information and do not result in an award.
- b) Acceptance of Late Submissions: Late submissions may be accepted with the discretionary approval of the Finance Department and when in the Town's best interests.

3.2 Request for Qualifications (RFQ)

- a) When to Use:
 1. An RFQ may be used to obtain specific information regarding a vendor's qualifications and ability to provide supplies, equipment, and certain services. RFQs contain more specific vendor information and responses may be tailored to highlight a vendor's capability to meet a specific scope of work for a Town project. RFQs generally contain no specific financial or cost information and do not result in an award.

b) Acceptance of Late Submissions: Late submissions to an RFQ may only be accepted with the discretionary approval of the Town Administrator/Treasurer and when in the Town's best interests.

3.3 Invitation for Bid/Request for Quotes (IFB/RFQ)

a) When to Use: An IFB/RFQ may be used to obtain supplies, equipment, and certain services that can be clearly specified and awarded to the lowest responsible, responsive bidder. The IFB/RFQ is also used for public construction projects valued at \$50,000 and above.

1. Pre-Qualification of Bidders: A two-step process may be used to pre-qualify bidders when deemed appropriate by the Finance Department. Bidders are pre-qualified by responding to an RFI/RFQ to establish competency. The information requested from vendors may include financial background, capacity to perform, lines of credit, manufacturers' authorizations and relevant experience.

Qualified bidders may then be asked to participate in a price solicitation via a targeted IFB process.

2. Prequalification of Commodities: Commodities may be prequalified through study and recommendation by an evaluation team for the specific project.
3. The Following Factors, Among Others, May be Used for Prequalification:

- Quality of commodities or services
- Experience with the commodities involved
- Maintenance cost
- Economic life cycle cost
- Length of time the commodity has been on the market
- Compatibility of existing equipment
- Available warranties
- General reputation and experience of the bidder
- Evaluation of the bidder's ability to serve the Town
- Prior knowledge of experience with the bidder in terms of past performance
- Other legal protection provided in the purchase

b) Format for IFB/RFQ Document: IFB/RFQ are prepared by the Department seeking the to purchase with guidance from the Town Administrator/Treasurer. IFB/RFQ documents are to use specifications and Scope of Work information provided by the Project Manager. IFBs contain the following elements:

1. **Specifications:** Clear, concise specifications must be provided. Frequently, specifications state, *Brand Name or Equal*. *Brand Name* includes identification of products by manufacturer, make, and model. Such identification is intended to be descriptive, but not restrictive. Bidders offering an *equal* must submit complete specifications and/or samples with their bids. Determination of equality shall be at the sole discretion of the Town. If it has been justified and accepted by the requesting department and the Finance Department or an evaluation team has determined that only one brand can meet the Town's expectations, *no exceptions* shall be noted in the specifications.
2. **Responsibility Criteria:** Include items such as business references, plant capacity, credit data, financial statements, recent tax returns, licenses, bonding and insurances.
3. **Bid Submission Information:** Includes the time and date for bidder's conference (if applicable); where, when, and how bids are to be returned; contacts for information during the solicitation period; required signatures on bids; cost/price submission instructions, etc.
4. **Terms and Conditions:** Include standard terms and conditions that will be incorporated in the purchase order/contract and any special conditions in the bid document.

c) **Acceptance of Bids:** Bids must be received prior to or at the time specified in the bid. Late bids shall not be considered under any circumstances.

d) **Bid Opening:** The Purchasing Agent (may be a department director, deputy director, Town Administrator, etc.) or designee shall administer all bid openings and all hard copy bids shall be opened in the presence of one or more witnesses at the time and place designated in the IFB. The opening of the bids shall be recorded by video, voice or both.

e) **Rejection of Bids:** The Town may reject any or all bids when deemed to be in the Town's best interests; reject any bid not accompanied by any required bid security or by other data required by bid documents; reject any bid which is in any way incomplete, irregular, or otherwise not in compliance with bid documents in all material respects or reasonable interpretation; and/or waive any informality, irregularity, immaterial defect, or technicality when deemed to be in the Town's best interests.

f) **Bid Award Consideration**

1. **Cost Factors:** in addition to the total bid price (including any discounts), unit or extended price, and administrative costs (if applicable), hourly rates for specified personnel, the Town's administrative costs, maintenance costs and warranty provisions may be considered. Life cycle costs, repurchase value, residual value of equipment after a specified number of years, and or cost and

rate of use of consumables may be considered in cases where these costs are relevant and measurable.

2. The following responsibility factors may be considered:

- Bidder's general reputation and experience.
- Bidder's ability to service the Town.
- Bidder's financial ability to successfully meet the requirements of the contract.
- Town's prior knowledge of and experience with the bidder in terms of past performance.
- Nature and extent of company data furnished by bidder upon request of the Town.
- Size and location of the bidder's warehouse.
- Bidder's ability to meet delivery and stocking requirements.
- Bidder's experience with the commodities or systems.
- Length of time the commodities or systems have been on the market.

Awards shall be made to the lowest, responsible, responsive bidder(s). A responsible bid is one that has demonstrably met the following criteria in the solicitation:

1. Capacity to perform – fiscal, physical, experience on schedule, etc.
2. Ability to comply with applicable laws and regulations – licenses, insurance, bonding, etc.

3. The following responsiveness factors may be considered:

- Adherence to all conditions and requirements of the bid specifications.
- Quantity and quality of merchandise or service offered.
- Compatibility and/or continuity with existing commodities or systems.
- Overall completeness of the commodity line or service offered.
- Delivery or completion date.

A responsive bid is one that adequately meets all solicitation requirements. To be responsive, the bid or proposal must not constitute a different offer or make substitutions for requirements stated in the solicitation.

4. Local Preference: When all other factors are determined to be equal, preference shall be given to firms meeting the conditions of Policy 2.9 – Local Preference.

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3.4 Request for Proposals (RFP)

- a) When to Use: An RFP may be used when the Town's requirements are not precisely defined or quantified. RFPs are required to be used when it is necessary to obtain the services of professional consultants, contractors, architects, engineers, and design firms when the contract for services is expected to exceed \$50,000. Awards made as a result of RFP solicitations are not based solely on cost factors but upon the technical and programmatic superiority of the offeror's proposal. However, the selected proposal should include a price that is within reasonable proximity of other qualified offerors.
- b) Pre-Qualifications: It is sometimes advantageous to conduct a two-phased RFP process in which the first phase is a pre-qualification of firms. This initial phase screens potential offerors for qualifications prior to requesting proposals.
- c) Advertising/Notice: If appropriate, an advertisement announcing the RFP should be placed in at least one local newspaper of general circulation. Notice should be made through the Town's online bidding announcement platforms, including but not limited to the Town's website. Notice may also be sent to firms identified by Town management and the requesting department, other interested firms and/or those firms who have been screened through a prequalification process.
- d) Basic RFP Format: To develop consistency in the preparation of RFPs, a standardized RFP format must be used. Using this format helps to ensure that the RFP contains adequate information about the needed service, facility or program and the RFP requirements. More technical proposals may require additional information. The Town Administrator/Treasurer, or their designee, will assist in the development of RFPs. The basic format for the preparation of an RFP, including a description of what should be included in each section follows:
 1. General Project Description: Provide a summary of the needed facility or program and a general description of the services required.
 2. Project Background: Provide relevant background information on the project. A description of the site or program, significant historical data and information on existing facilities and/or programs may be provided. A clear concept of the needed facilities or program should be outlined. A vicinity map and scale site map may be provided. Any available resources such as completed studies, surveys and preliminary feasibility work that are relevant to the project and available to consultants on the overall project budget, including funding sources, may be listed if available.
 3. Scope of Work: Provide the scope of work and services needed in detail. Provide a clear understanding of what will be required, including items such as the degree of community input expected and any required time schedules. Clearly define whether the consultant or the Town will be responsible for related services such as obtaining feasibility studies and permits, coordinating construction, conducting public meetings, and developing

budgets. If construction coordination is required, the consultant's role and level of responsibility should be clearly defined to ensure contractor compliance related to construction documents and responsibilities for contract administration.

4. **Services and Materials to be Provided by Town:** List all services to be provided by the Town, and available documents relative to the project. Typical services that may be handled by either Town Staff, or the Contractor include, but are not limited to, obtaining surveys, processing permits, coordinating construction, preparing bid documents, obtaining geological data, and conducting public hearings and/or meetings (including open houses).
5. **Town Liaison (Point of Contact):** Provide the name and contact information of the person acting as the Town's liaison on the project, if applicable, and advise the consultants to direct all questions regarding the project to the liaison.
6. **Terms and Conditions:** Include the Town's standard contract terms and conditions and insurance requirements. If an increase in insurance policy limits is necessary, based on project value or type, include that information in a separate section of the RFP package. Contact the Town Administrator/Treasurer to obtain the appropriate language for insurance requirements if necessary.
7. **Selection Criteria:** List the criteria that will be used to evaluate proposals and the relative importance of each criterion. Outline the process that will be used to select a contractor. A rating sheet may be prepared which lists the selection criteria and their relative weighting in the scoring process. A copy of the rating sheet may be provided to the offerors so that they understand the scoring factors and their relative importance to each other.
 - **Typical selection criteria may include the following:**
 - Technical approach.
 - Qualifications of firm.
 - Qualifications of the specific personnel who will work on the project.
 - Project management and adherence to required time schedules. *Consideration may be given to the location of the firm's office and the resulting availability of the firm for meetings with staff and the public, if necessary.*
 - Cost.
 - References.
8. **Proposal Requirements:** List the specific proposal requirements including the date, time and place for submittal, and any specific insurance, licensing or legal requirements.

- Typical proposal requirements may include, but are not limited to, the following:
 - Name, address, contact email address, and telephone number of the business submitting the proposal.
 - Identification of the project manager, and/or principal contact.
 - A complete description of the approach to the analysis and how the major work elements are to be accomplished.
 - Detailed estimate of work hours per task.
 - A listing of personnel who would perform the work, including any subcontractors, and the amount of time that each would commit to the project by task.
 - Reference information including contact information.

e) Acceptance of Proposals: Proposals are to be received at the time and place specified in the RFP. All proposals will be date-stamped upon arrival. Late proposals will only be considered when it has been determined to be in the Town's best interests to do so and may only be accepted within twenty-four (24) hours after the scheduled closing. Approval of the Department Head, or their designee, and, if the proposal is administered by the Finance Department, the approval of the Town Administrator/Treasurer shall be required for acceptance of late proposals.

1. A Responsible proposal is one that has demonstrably met the following criteria in the solicitation:
 - Capacity to perform – fiscal, physical, experience and schedule.
 - Ability to comply with applicable laws and regulations – licenses, insurance and bonding.

3.5 Sole Source / Request to Proceed

The Sole Source/Request to Proceed policy should be followed for purchases \$10,001 and greater where a competitive solicitation process will not be used. A sole source justification is to be used in a situation where only one vendor can provide a solution for the Town. A request to proceed is to be used in a situation where the normal procurement process cannot be followed. Sole Source justifications or Requests to Proceed are strongly discouraged and must be signed by the Town Administrator/Treasurer at any dollar amount.

Circumstances sometimes require that certain goods and services can only be feasibly obtained from a single or sole source. Sole Source acquisitions must be justified in sufficient detail to explain the basis for suspending the usual competitive procurement process.

Sole source justification is not needed in cases where a contract renewal provision, or continuation of services, is expressly stated in the solicitation.

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a) The following factors, if verified, may justify sole source purchases:

1. What capability does the proposed contractor have that is critical to the specific effort and makes the contractor clearly unique compared to other contractors in the same general field?
2. What prior experience of a highly specialized nature does the proposed contractor have that is vital to the proposed effort?
3. Does the proposed contractor have a substantial investment that would need to be duplicated at the Town's expense by another contractor entering the field?
4. If timelines are involved, why are they critical and why can the proposed contractor best meet them?
5. Is competition precluded because of the existence of patent rights, or copyrights?
6. Does this acquisition require compatibility with any existing Town equipment?
7. What unique characteristics does the equipment or material offered by the proposed contractor possess that are required to meet the Town's needs?
8. Is competition precluded because of existing equipment maintenance program/contracts/warranties?

b) Documentation/Approval

Sole source requests should be documented through a memorandum outlining the justification and submitted to the Town Administrator/Treasurer for consideration. The requesting employee must notify their respective department director and provide the Town Administrator/Treasurer with evidence of concurrence from the director.

The Town Administrator/Treasurer is authorized to approve sole source requests valued up to \$5,000. Any Sole Source requests over that amount must be approved by the Board of Trustees and must have received a favorable recommendation from the Town Administrator/Treasurer prior to being placed on an agenda for consideration.

c) Negotiation

Sole source acquisitions require non-competitive negotiation and may require price/cost analysis by the Finance Department to determine price reasonableness.

4.0 Contract Procurement Policies

This section describes procurement policies for the various types of purchases and agreements utilized by the Town of Paonia.

a) Length of Contract Term

Generally, the Town does not enter into contracts for longer than one (1) fiscal year. While contracts for the purchase of commodities/equipment may be renewed annually, all contracts for commodities and equipment must be reviewed for certification or renegotiation not less than every five (5) years to ensure the Town is still receiving good value for the public.

b) Consolidation

Contracts shall be consolidated whenever feasible. Contracts shall not be intentionally split to avoid approval or procurement requirements.

4.1 Commodities/Equipment

Commodities/Equipment contracts include all contracts and purchase orders for supplies, materials, and equipment. Equipment (fixed assets) is defined as a capital asset costing \$5,000 or more, and its useful life expectancy is one year or more.

4.2 Services

a) Continuing Services Agreements/Contracts (CSA)

For services, it is advisable to establish and implement Continuing Services Agreements (CSAs). CSAs can be beneficial in circumstances where the same type of service, such as consulting, landscape services, laundry services, janitorial services, security services, etc., are repetitive in nature and potentially needed by multiple Town departments.

The Finance Department may establish a CSA after reviewing Town departmental needs for a specific type of service and analyzing vendor responses to an RFP conducted by the Finance Department based on biddable specifications, qualification, and/or an informal review of competitiveness of rates for other similar services. A CSA enables the Finance Department to take advantage of any economy of scale resulting in significant savings to the Town by standardizing and fixing cost rates for a service over an extended period of time. It also allows departments to utilize the service without having the burden of developing their own separate independent contractor agreements for the same type of service. CSAs are generally issued for

individual projects that do not exceed \$50,000 in value. CSAs can be renewed for an additional four (4) years at the option of the Town as determined by the Town Administrator/Treasurer in consultation with the Finance Department and the department that uses the contract. After issuance of the CSA, the Finance Department has primary responsibility for renewal and places the agreement on the Town's continuing list of agreements.

b) Qualification Based Selection (QBS)

Certain professional consulting services (engineering, architect, etc.) may be awarded under a QBS process using Town approved guidelines for award of those services.

QBS contractors are typically selected via a public, competitive process (typically via RFQ) where vendors are selected primarily based on their qualifications. Award to a QBS vendor must be supported by a receipt of competitive proposals from other QBS contractors for the scope of work to be awarded. This helps to ensure that a QBS award is based on rates that are commensurate with rates from peer group companies.

A purchase order is necessary to facilitate payment against a QBS contract.

4.3 Software

Software is defined as any computer program installed on a Town of Paonia computer ("Licensed Software") or accessed by a Town employee in the course of their work ("Hosted Software" or "Software as a Service" also known as "SaaS"). Software of any type may only be purchased through the use of an IT Agreement for Software and Services, which is first reviewed by the Town's IT provider, and approved by the Town Administrator/Treasurer and the Town Attorney's Office before placing on an agenda for approval by the Town's Board of Trustees.

5.0 Formal Solicitation Policy

A formal solicitation is required for the purchase of goods and services that have a value of \$10,000 or greater.

Formal bidding is a procurement method involving competitive sealed offers that require:

- Adoption of plans, specifications, working details, scope of work, etc.
- Formal advertising in a general circulation newspaper during a solicitation process typically not less than (10) days.
- Submissions at a pre-designated time and place depending on the project needs.
- Referral of submissions to the department for evaluation.
- Award of a contract to the responsive and responsible vendor who has submitted the lowest bid that meets the requirements and criteria set forth in the invitation for solicitation.

- Notice of award to the selected bidder.
- Completion of all required contract documentation.
- Notice to proceed is issued to the contractor.
 - If grant funded, a notice to proceed from the granting agency is required before any work is to proceed by the contractor and must be received by the Town before a notice to proceed is sent to the contractor by the Town.
- The notice inviting responses shall state the time and place for submissions and distinctly state the project to be completed and the place where plans, scope of work, and specifications are on file.
- In addition to the notice published in a newspaper of general circulation, the Finance Department may also publish notice in a trade publication and/or through other means designed to encourage competition, such as bidnet.

5.1 Bid Documents

a) Copies of Bid Documents

- 1) Bidders shall use complete sets of bidding documents in preparing bids; the Town will not assume any responsibility for errors or misinterpretations resulting from the use of incomplete sets of bidding documents, or documents not received directly from the location where the Town has posted the documents.
- 2) The Town makes copies of the bidding documents available on the above terms only for the purpose of obtaining bids for the specified commodities or services and does not confer a license or grant for any other use.

b) Interpretation or Correction of Bidding Documents

- 1) Bidders shall promptly notify the Finance Department of any inconsistency or error discovered upon examination of the bidding documents, or of the site and local conditions.
- 2) Any interpretation, correction or change of the bidding documents will be made by written addendum. Interpretations, corrections or changes of the bidding documents made in any other manner will not be binding, and bidders shall not rely upon such interpretations, corrections and changes.

c) Alternate Bids

- 1) The materials, products and equipment described in the bid documents establish a standard of required function, dimension, appearance and quality to be met. An equal product must meet minimum specifications and the burden of proof of merit of proposed alternate or substitute is on the bidder.

- 2) Non-solicited alternates may be considered for award if submitted by the bidder who would otherwise be the low bid.
- 3) Solicited alternates may be awarded based on the sole judgement of the Town.

d) Addenda

- 1) Addenda will be posted at the same location as the original solicitation.
- 2) No addenda will be issued later than two (2) calendar days prior to the date for submissions except an addendum withdrawing the request for submission or one that includes the extension of the due date.
- 3) Each bidder shall be responsible for ascertaining prior to submitting a bid that it has received all addenda issued.
- 4) Bidders shall acknowledge receipt of addenda to receive award consideration unless otherwise indicated in the bid documents.

5.2 Form of Submission

To receive consideration, submissions shall be made on the forms and in the manner described and/or provided within the solicitation.

- Late submissions to a solicitation may only be accepted with the discretionary approval of the Town Administrator/Treasurer and when determined to be in the Town's best interests.
- Each bid must be signed by an authorized vendor representative, include the legal name of the company, and a statement of non-collusion signed by the company.

5.3 Bid and Project Security

A bid bond or bid deposit (certified or cashier's check) made payable to the Town of Paonia is required to protect the Town in the event the bidder awarded the contract does not execute the contract, furnish any required performance bond, and/or proceed with performance. A required bid bond or bid deposit must be submitted with the bid and be the amount as specified in the solicitation. In the event a low bidder is allowed to withdraw its bid due to claim of error, the Town may retain the bid guarantee.

For construction projects valued at \$50,000 or greater, the Town may choose to withhold retainage to be used to satisfy unresolved project claims.

5.4 Receipt of Bids

All bids must be received in accordance with the instructions in the solicitation document.

5.5 Opening of Bids

The purchasing agent or designee shall administer all bid openings and coordinate them with the Town Clerk's office. The Town assumes no responsibility over the confidentiality of bid information unless specifically stated otherwise in the solicitation document.

5.6 Correction or Withdrawal of Bids

Mistakes in submissions detected prior to opening may be corrected or withdrawn by the submitting vendor. Any request made to correct or withdraw a submission prior to opening must be made by a bona fide representative of the bidder. Mistakes in bids detected during or after a bid opening may not be corrected by the bidder.

Exceptions allowed to be corrected include:

- A vendor may be permitted to correct a material mistake that would cause such vendor to have the low-cost submission if the mistake is clearly evident from examining the document; for example, mathematical errors. However, a vendor shall not be permitted to correct a bid for errors of judgement. The vendor of the lowest cost submission shall not be permitted to increase its price and still be considered the low bidder.
- An otherwise low bidder may be permitted the opportunity to furnish other information called for by the solicitation and not supplied due to oversight, so long as it does not affect responsiveness.

The Purchasing Agent shall maintain complete and sufficient records of evaluations to ensure there is no abuse of the competitive process. All reasons for making the award recommendation shall be made in writing by the Project Manager and retained in the archives.

5.7 Bid Evaluation

The Purchasing Agent shall maintain complete and sufficient records of evaluation to ensure there is no abuse of the competitive process. All reasons for making the award recommendation shall be made in writing by the Project Manager and retained in the archives.

5.8 Rejection of Bids

The Town may, in its discretion, reject any submissions presented. The Town may also:

- Reject a submission not accompanied by any required bid security or by other data required by the bidding documents.
- Reject a submission that is in any way incomplete, irregular, amplified, unqualified, or otherwise not in compliance with the solicitation documents in all material respects.

- Reject a submission that includes a blanket rejection of the Town's contract terms and conditions.
- Waive any informality, irregularity, immaterial defects or technicalities, in any submissions received.
- Cancel any solicitation or reject all submissions because any of the following reasons:
 - Specifications are inadequate or ambiguous.
 - Specifications have been revised.
 - Supplies or services are no longer needed.
 - Town Requirements have changed.
 - All submissions have been deemed unreasonable.
 - Submissions were not independently arrived at and/or were submitted in bad faith.
 - Necessary requirements of the solicitations process have not been met.
 - Competition is insufficient.
 - Cancelation or rejection of all submissions is clearly in the Town's best interest.
 - The company's name appears on either the Federal Excluded Parties list and/or the appearance of the company's name on any debarment list.

5.9 Written Quotations

Any written quotes, including email, received shall be retained as an attachment to the requisition in the ERP system. Written quotes shall include the name of the supplier representative and the date of the quote.

5.10 Fixed Assets

Fixed assets (equipment that has a unit cost of \$5,000 or more and a useful life greater than one year) should be budgeted and the asset tracked by the Finance Department.

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6.0 Departmental Policies

Town departments have important responsibilities in the procurement of goods and services. Departments are encouraged to utilize the resources of the Finance Department for assistance.

6.1 Requisitioning Process

Departmental Responsibilities

Departments shall contact the Finance Department early in the purchasing process to benefit from advice and assistance on specifications, sources of supplies, price advantages, substitutions, and a determination of each department's precise needs. Further, departments are responsible for:

- a) Determining that sufficient funds are available to pay for requested goods and services.
- b) Ensuring that requested items/services are necessary to operations and are used for their stated purpose.
- c) Ensuring that requisitions and purchase orders are completed and processed for payment satisfactorily.
- d) Ensuring that the Finance Department is informed of annual requirements in a form and manner as requested by the Finance Department.

6.2 Signature Authority

All requisitions sent to the Finance Department must be approved by an authorized departmental approver(s) in accordance with the Enterprise Resource Planning (ERP) system workflow. These approvers are typically the department head or their designee.

6.3 Specifications

Departments must develop specifications that are nonrestrictive and provide samples (as needed) that clearly describe the item(s) needed in terms of performance. Finance and the requesting department will jointly determine "equal" items. If a purchase requisition specifies a brand name or model, Finance will assume that "equal" items are acceptable.

If a department determines that only a specific make and model will meet its needs, the department shall complete the Sole Source Justification form (See Section 3.5) that details the unique features of the sole source item and states why these features are required. If other brands and models have been tested or used previously, the department shall specify the brands and models used, and why they are unacceptable. Similarly, prior unsatisfactory performance may be used for future source evaluations.

The Finance Department may return the requisition for additional justification if a specific item appears to be unreasonably restrictive or inappropriate.

6.4 Record Retention

All requisitions and related procurement documents shall be retained in accordance with the record retention policy for the Town. Additional information may be found in the Clerk's office.

6.5 Receiving

Departments shall provide for the receiving, inspection and acceptance or rejection of merchandise delivered, and services performed. Departments should assign the responsibility for receiving and inspecting shipments to the specific individuals, preferably someone other than the person who approved the requisition. Departments are responsible for ensuring that commodities delivered, and services performed conform to the order specifications as applicable. Assigned staff must inspect merchandise received in a timely manner so that problems, if any, may be identified and more easily resolved. Generally, merchandise should be inspected within three business days of receipt.

Departments should ensure that the invoice is promptly processed for accepted merchandise or services to take advantage of any discounts to which the Town is entitled. Department personnel are also required to submit the invoice to the Finance Department for inclusion in the ERP system to initiate the payment process.

6.6 Materials Expediting

If a supplier is late meeting specified delivery dates, the department should contact the purchasing agent responsible for the purchase order or contact to aid in expediting the order. The purchasing agent may contact the supplier on the department's behalf and will continue to monitor the supplier's progress until the order is complete.

6.7 Manufacturers' Warranties

Many items of equipment purchased by departments carry a manufacturer's warranty of acceptable materials and workmanship. All departments shall register and maintain proper records of such warranties to ensure that the manufacturer repairs defects covered by the warranty.

6.8 Energy Conservation

Prior to the purchase of all new equipment, except in the case of an emergency, the purchasing agent or any other Town officer, or employee authorized to purchase such equipment shall evaluate and consider the energy consumption level and the anticipated operating costs over the useful life of the new equipment in addition to the initial cost of the equipment.

6.9 Special Receiving Assistance

Because of their technical nature, or support requirements, receipt of the following items should be made by, or shall be coordinated with, the indicated departments.

<u>Items/Services</u>	<u>Coordinating Department</u>
Vehicles	Clerk's Office (Registration and Insurance)
Telecommunications Equipment	Town Administrator and IT provider
Computer Equipment	Town Administrator and IT Provider

6.10 Material Safety Data Sheets (MSDS)

A Material Safety Data Sheet (MSDS) must accompany all hazardous materials ordered and received by a department. If the department does not receive an MSDS, the department must contact the supplier and request two copies (one for the Town's Risk Management master folder and one for the receiving department) before approving the invoice for payment. Every department is responsible for maintaining a complete file of all hazardous materials that must be filed by the name of the chemical and be made available in a central location to anyone needing the information.

6.11 Vehicles

The Town Clerk's Office is responsible for the administrative aspects of all registration and licensing of Town owned and leased vehicles in the general Town fleet. The Town Clerk's office is also responsible for updating the insurance company for all new vehicles to the fleet and for removing vehicles from insurance that are liquidated.

7.0 Disposal of Surplus Property

Surplus Town Property is to be disposed of through a competitive bidding process. Formal competitive bids or conducting a public auction is required for the sale of any item of obsolete, surplus, or unusable Town property with an estimated value of at least \$1,000.00 or for the sale of more than one item of such property with an estimated accumulative value in excess of \$2,500.00.

The property shall be sold to the highest bidder, unless the Town Administrator/Treasurer determines that it is not practical and advantageous to do so. The Town Administrator/Treasurer may require such bonds or other surety as deemed prudent to assure prompt payment. The Board of Trustees shall be promptly notified by the Town Administrator/Treasurer on any determination to donate or otherwise dispose of any item of Town property with an estimated value at least \$1,000.00, other than through a formal competitive bid or a public auction. Prior to the beginning of any competitive bid or public auction the Board of Trustees shall review items to be disposed of and give their approval.

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The Town will routinely use auction services for the disposal of surplus equipment. However, other methods for disposal of surplus may be used as appropriate.

The Finance Department should be contacted when capital assets are disposed of to ensure that they are properly accounted for in the Town's asset tracking system.

7.1 Prohibition Against Purchase by Employees

Any officer, agent or employee of the Town assigned to the purchasing function, or responsible for surplus declarations, or having privileged information regarding the personal property or the value thereof that is not available to all prospective bidders, or assigned to the organization having custody of the surplus property shall not directly or indirectly submit a bid or purchase surplus personal property, unless the disposal method is competitive bidding through a third party auction house. This policy shall be liberally construed to prohibit any appearance of impropriety and the Town Administrator's office should be consulted for an opinion from the Town Attorney's office whenever there is a question of probable conflict.

The direct sale of surplus property (materials, supplies, machinery, furnishing, equipment and any other tangible article) to Town employees, other than through an auction conducted by a third-party auction house, is prohibited.

7.2 Donations

Departments may donate surplus property with a total estimated value of \$1,500 or less, if, in his/her judgement, donating the property is in the Town's best interests.

The Town Administrator/Treasurer must notify the Board of Trustees and may also direct the Department(s) or the Finance Department to coordinate the donation of an item of surplus property with an estimated value of between \$1,501 and \$5,000 or donate more than one item with an estimated cumulative value up to \$5,000.

Any donation of property should be documented by the Town and expressly state the donation "as is," and carries no warranties, express or implied.

7.3 Surplus Personal Computer (PC) Systems

The Town Administrator/Treasurer's office will have the responsibility to direct and manage disposal of copiers, imaging systems, personal computer systems, and related equipment. Department personnel should contact the Town Administrator/Treasurer when they have surplus computer related items for disposal.

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8.0 Grant Funded Purchases

Projects either fully or partially funded by grants may have their own, specific procurement requirements to maintain funding. Project managers must be aware of and follow any specific procurement requirements to ensure funding. If specific procurement requirements conflict with policies outlined in this document, the requirements attached to the grant prevail, if not in violation of any applicable law. If no specific procurement requirements are outlined in the grant, the policies of this document will prevail.

9.0 Credit Card/Purchasing Card Program

The use of purchasing and credit cards are intended to save time and money and to avoid the need for payment requests for purchases. This policy applies to Town employees whose jobs require them to use a credit card issued to them by the Town of Paonia.

a) Conditions of Use

Only the named cardholder may use the issued Credit Card. Any default department credit cards shall be managed by the Town Administrator's designee.

Purchasing cards and credit cards are generally issued to all supervisors, although this may vary by department. All purchases will be reviewed by the Town Administrator and are subject to review from the Department Director, Finance Department, and Finance Committee.

A receipt copy on 8 1/2 x 11 is required and must be coded to the proper expense account according to the adopted town budget. These coded receipts must be submitted to the Town Administrator within three days of the purchase date. The Department Head or related credit card holder must also code the expense on the credit card issuers website and attach a photocopy of the receipt. The requirement of a hard copy may change should the card issuer's website prove to meet the requirements of this policy. Until then both the hardcopy and digital processes shall be followed.

The default credit limit on Town purchasing cards is \$1,500. Higher limits may be granted with the Department Director's, or the Town Administrator's approval. Generally, the highest limit is \$5,000. Temporary increases can be requested for a planned purchase, with Board of Trustees approval.

Purchasing cards and Credit Cards are for purchasing appropriate foods and services while conducting business for the Town of Paonia only. These purchases should be necessary for completing your work and within the bounds of your normal purchasing needs or authority per your supervisor and established procurement policies.

b) Food Purchases

The purchase of food and services by an employee of the Town is allowable only when conducting business for the Town of Paonia while attending conferences, trainings, or town business outside of the Town's incorporated limits. When purchasing for food services, you are allowed to tip 10% for carry-out orders and anywhere between 15-20% for waiter/waitress type service, depending on the quality of service, but not to exceed 20%.

Meal receipts must be itemized, and a record must be kept stating the business purposes along with the names and titles of those served. Within these limits, meals can be excluded from employees' taxable pay under IRS regulations.

Alcohol purchases are expressly prohibited.

c) Per Diem

Allowances for meals and incidental costs incurred on official Town travel must follow U.S. General Services Administration per diem rates for the location. Any charges incurred on a Town Credit Card or Purchasing Card that is over the limit as identified in the US GSA for that location may be required to be reimbursed by the employee.

d) Restricted Purchases

Certain purchases have specific requirements or restrictions:

- **Employee Gifts** – The Town Administrator shall approve purchasing of any gift for a current or former employee, such gifts are related to service awards or merit awards and shall not have a greater market value than the current State of Colorado gift ban amount of \$75.00 which may be adjusted from time to time by the Colorado Independent Ethics Commission.
- **Capital – Related Purchases** – Any purchase related to a capital expenditure must be limited and clearly identified by the underlying capital item that the purchase relates to, such as project name and activity number.

e) Minimum Consequences of Violation

It is expressly prohibited to use Town credit cards or purchasing cards for personal use. The misuse or personal use of credit cards and purchasing cards may result in disciplinary action up to and including termination. A memo signed by the Department Head to the Town Administrator is required immediately following any personal use, along with a check, cash or money order, to reimburse the Town for the erroneous purchase.

In the event of a non-routine purchase, prior approval from a Supervisor, Department Head, or the Town Administrator must be obtained. Misuse of any purchasing

authority is cause for deactivation and may result in disciplinary action, up to and including termination.

f) Sales Tax

The Town of Paonia is a tax-exempt entity. Town employees are expected to complete any paperwork a vendor may require to secure tax-exempt status for purchases. The Town tax exempt number or certificate is available upon request from the Finance Department. If sales tax is charged in error, the employee should request a refund from the vendor to be issued back to the Town equal to the sales tax amount. In the event that a merchant does not accept the State of Colorado exemption certificate, it is acceptable to pay applicable sales tax and note the reason tax could not be removed.

g) Security

Employees are responsible for the secure keeping of their credit cards. If the card is lost or if there is any reason to believe that the card has been tampered with, the Town Administrator should be notified immediately, and the card forfeited until it can be replaced. Employees shall also verify the last authorized transaction to ensure that it is a legitimate purchase.

h) Card Deactivation

Cards can be deactivated at any time with or without cause by the Town Administrator. Purchasing cards are deactivated by Finance on the departing employee's last day, per email communication from Human Resources. If an employee is terminated, that employee's supervisor should immediately contact Finance.

i) Personal Use

Town credit cards are to be used for town purchases only. If a personal purchase is made by mistake, the Purchasing Cardholder must reimburse the Town upon identification of the error. Generally, a second occurrence will result in a verbal warning, and a third occurrence will result in termination of the Purchasing Card along with documentation to the employee's personnel file for performance review purposes. However, instances of personal use are reviewed on a case-by-case basis and may result in disciplinary action up to and including termination.

j) Compliance and Signature Required

All employees that are either issued or have an occasion to use a purchasing card or credit card must sign a copy of this policy prior to use and it must be kept within their personnel file.

10.0 Debarment of Suppliers/Contractors

The Town Administrator/Treasurer may debar or suspend a vendor or contractor for just cause, but not until the Town Attorney has provided an opinion on the debarment or suspension and the procedures recommended by the Town Attorney have been followed.

10.1 Causes for Debarment

The causes for debarment include the following:

- a) Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public contract or subcontract.
- b) Conviction or indictment under a state or federal statute of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- c) Conviction, pled guilty to, declared nolo contendere, or indictment under a state or federal antitrust statute, a charge of engaging in conspiracy, collusion, price fixing, or combination thereof, or other unlawful act in restraint of trade, or business discrimination, or of similar charges in any Federal court or a court of this or any other state.
- d) Failure or default without good cause to perform in accordance with any contract or unsatisfactory performance with any contract.
 - 1) Continually failed or refused to correct deficient work or replace substandard or unauthorized materials found by the Public Works Department, or its agent, or fails to make prompt progress payments to subcontractors for materials or labor.
 - 2) Continually found to not be in reasonably close conformity with the project document or failed to correct work so as to be reasonably acceptable.
 - 3) Continually failed to carry on the work in an acceptable manner or refused to comply with a written order or directive of the Public Works Director, designee, or their agent, within a reasonable time, or has responded to the Public Works Director, designee, agent, Town official, employee, or the Town in any manner which is either threatening, disparaging, or insulting.
 - 4) Persistently failed to timely complete a contract, or sought unreasonable extensions of time on current projects, or refused to comply with directives of the Public Works Director, designee, agent, Town Administrator/Treasurer, or the Board of Trustees.
 - 5) Failed to perform the contract with skilled workers as required in the project documents, or otherwise assigned or disposed of work to an unauthorized contractor, or to subcontract any portion thereof without approval of the Public Works Director, designee, agent, Town Administrator/Treasurer, or the Board of Trustees.

- 6) Forfeited a bid bond or failed to enter into a contract upon an offer of award by the Town in response to a prior advertisement for bids for the same project, or any combination of projects involving the same work for which the award is currently being considered.
- 7) Failed to comply with the nondiscrimination requirements of the standard specifications or special provisions as outlined in bid documents.
- 8) Failed to comply with the requirements of the Federal Davis-Bacon Act requirements to pay prevailing wages during the course of a federally - funded project, as required by Federal law.

e) Debarment, disqualification, or suspension by another government entity for any reason.

- 1) This includes a supplier/contractor that has subcontracted, employed, or otherwise used the services of anyone who has been disqualified by the Town from working on Town projects.
- 2) Town employees are automatically disqualified by the nature of their employment with the Town, and any supplier/contractor that hires and pays a Town employee for a project is grounds for debarment.
 - i. No Town officer or employee shall have an interest, direct or indirect, in any contract or job of work or material of the profits thereof of services to be furnished or performed for the officer's or employee's Town.
 - ii. This provision does not apply to a Town employee that has an employment contract with the Town.

f) An actual or perceived conflict of interest between the supplier/contractor and other clients serviced by the supplier/contractor.

- 1) For the purposes of this section, a conflict of interest is defined as acts benefitting other clients of the supplier/contractor that have an expressed or implied agreement/contract with the Town that is in direct conflict with the goods or services being supplied by the supplier/contractor.
- 2) The perception of a conflict of interest between the supplier/contractor and other clients serviced by the supplier/contractor is generally not enough for disbarment, but when combined with a service to another client that has an active contract with the Town it becomes a conflict of interest.

g) Offered, promised or given a gratuity to any person elected, selected, appointed, employed or otherwise engaged in public service to secure or fulfill a Town contract, or has employed as its own employees during the course of the project any of the foregoing.

10.2 Other Actions

This section shall not be construed as to limit or prejudice any administrative or legal action available to the Town.

10.3 Federally Funded Vendors' Exclusion Records

In accordance with Federal requirements concerning debarment and suspension of vendors participating in and/or receiving funding related to Federal programs, Purchasing shall conduct searches for federally funded vendors' active exclusion records.

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GLOSSARY

Addendum. An addendum is a change or modification to achieve correctness. An addendum is also an alteration, modification, deletion or addition to a solicitation document such as a Request for Bids. An addendum must be in writing.

Award. An award is the presentation of a purchase agreement or contract to a bidder or the acceptance of a bid or proposal.

Best Interests (of the Town). A term used in granting a purchasing official authority to use discretion to take action that is felt most advantageous to the Town. This authority is used when it is difficult or impossible to anticipate adequately the circumstances that may arise so that more specific directions could be delineated by the law or regulation.

Bid Bond. An insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event that a specific successful bidder fails to sign the contract for the solicitation.

Blanket (Open) Purchase Order/Agreement. An arrangement under which a purchaser contracts with a supplier to provide an item(s) or a service(s) on an as-needed basis. Properly prepared, such an arrangement sets a limit on the period of time it is valid and the maximum amount of money that may be spent within a specified period.

Change Order. A written modification, addition or deletion to a purchase order or contract.

Competitive Bidding. The submissions of offers by individuals or firms competing for a contract, privilege or right to supply merchandise or services.

Commodity. An article of trade, product, or goods.

Competitive Sealed Bidding. A method of procurement that requires the following elements: Issuance of an Request for Bid with a purchase description/specifications, acceptance criteria and all contractual terms and conditions applicable to the procurement; a contemporaneous opening of bids at a pre-designated time and place; an unconditional acceptance of a bid without alteration or correction except as authorized in this Manual; and an award to the most responsive and responsible bidder who has submitted the lowest bid that meets the requirements and criteria set forth in the solicitation and by the project team.

Confirming Purchase Order. A purchase order issued to a supplier, listing goods or services and terms of an order placed verbally by a purchasing agent, or otherwise, in advance of the issuance of the usual purchase document.

Consultant Services. A type of service where an independent contractor provides expert advice or services that involve extended analyses and the exercise of discretion and independent judgment, such as financial audit firms, grant writers, program specialists and others. See also **Professional Services**.

Contract. An agreement, enforceable by law, between two or more competent parties, to perform a particular act within the law, for a consideration. Also, any type of agreement or order for the procurement of supplies, services or construction.

Debarment. A process in which a supplier or contractor is prevented from being considered for the award of contracts. If Contractor's name appears on either the Federal or the State Debarment Lists results in rejection of contractor's bid.

Discount. Generally, a supplier's deduction from the list price, or some cost-reducing condition or negotiation, such as prompt payment (i.e., 2% if payment received within 30 days).

Emergency Purchase. An immediate acquisition by a department to obtain goods or services to avoid a substantial hazard to life or property, or serious interruption of the operation of a Town department. Such action may be taken by a department when purchasing agents are not available.

Fixed Asset. A fixed asset is an item of equipment that costs \$5,000 or more and has a useful life expectancy of greater than one year.

Formal Bidding. A procurement method involving competitive sealed offers that requires: adoption of plans, specifications and working details for a specific project; formal advertising in a general circulation newspaper during a bidding process; public opening of bids at a predesignated time and place; referral of bids to the operating department ; unconditional acceptance of a bid without alteration or correction except as authorized in Town Code; award of a contract to the responsive and responsible bidder who has submitted the lowest bid that meets the requirements and criteria set forth in the invitation for bids; completion of all required contract documentation; and a Notice to Proceed is issued to the contractor.

Informal Bidding. A procurement method managed by the individual department to seek bids but does not require the same level of documentation as formal bidding.

Informal Quotation. A verbal or written solicitation for goods and services without the use of a formal competitive bid process.

Invoice. A seller's itemized document referencing order/contract number stating prices and quantities of goods and/or services delivered and sent to the Town for payment.

Living Wage. An initiative that requires private sector employers who contract with the Town to provide specified services must pay their employees a living wage as approved by the Board of Trustees and periodically modified.

Performance Bond. A contract of guarantee executed subsequent to award by a successful bidder to protect the Town from loss due to the inability to complete the contract as agreed.

Personal Property. Materials, supplies, machinery, furnishing, equipment and any other tangible article required for the conduct of business of the Town.

Personal Services. Services provided by skilled trades persons, technicians and others including facility and equipment maintenance, security services, installation of equipment and furnishings, tree trimming, janitorial, etc. Personal services agreements do not include those for public projects, consultants, engineers, architects, designers, and other professional services. Generally, specifications for personal services agreements may be specific enough so that the services can be secured through quotes and/or bids. RFPs may also be appropriate when the service requirements so justify.

Pre-Qualification. A process in which bidders/vendors/service providers are pre-qualified by responding to a solicitation to establish responsibility. This may include information regarding such factors as financial background, industry stability, capacity to perform, lines of credit, manufacturers' authorizations, relevant experience, etc. Qualified firms may then be asked to participate in a price solicitation.

Prevailing Wages. Wage rates adopted by government entities, the payment of which is required of contractors performing construction work for some designated projects.

Procurement. The process of seeking and obtaining goods and services.

Professional Services. Professional services and consultant services include services that are of an advisory nature, provide personal expertise and/or a recommended course of action, and have an end product that is basically a transmittal of information related to Town programs. Providers are selected on the basis of qualification, subject to the negotiation of fair and reasonable compensation. Classification as professional services may also require an advanced, specialized type of knowledge, expertise or training customarily acquired either by a prolonged course of study or equivalent experience such as accountants, physicians, labor consultants, investigators, attorneys, architects, surveyors, or engineers. See also **Consultant Services**.

Project. Planned work or activity that is finished over a certain period of time and intended to achieve a particular purpose.

Purchase. Any contractual arrangement or transaction involving payment; the acquisition of title to personal property; the use by rental, lease or otherwise of personal property; the provision of services by independent contract or otherwise; or any combination of the foregoing.

Purchase Order. A document prepared by the purchasing agent and provided to a supplier formally stating all terms and conditions of procurement.

Quotation. A statement of price, terms of sale, and description of goods or services offered by a supplier to a prospective purchaser, the stating of the current price of a commodity.

Request for Bids (RFB). All documents, whether attached or incorporated by reference, utilized for soliciting bids in accordance with the policies set forth in this Manual.

Request for Information (RFI). All documents, whether attached or incorporated by reference, utilized for soliciting information in accordance with the policies set forth in this Manual.

Request for Proposal (RFP). All documents, whether attached or incorporated by reference, utilized for soliciting proposals in accordance with the policies set forth in this Manual.

Request for Qualifications (RFQ). All documents, whether attached or incorporated by reference, utilized for soliciting qualifications in accordance with the policies set forth in this Manual.

Requisition. A requisition is an internal document by which a department requests Purchasing to initiate procurement.

Responsible Bidder or Offeror. A person or firm that has the capability in all respects to perform fully the contractual requirements, and the integrity and reliability to assure good faith performance.

Responsive Bidder. A person or firm that has submitted a bid that conforms in all material respects of the solicitation.

Specifications. A detailed statement of particulars prescribing dimensions, materials, performance, quality of work etc. for something to be purchased, built or installed.

Sole Source Purchase. An award for a commodity or service that can only be purchased from one supplier, usually because of its technological, specialized, or unique character.

Solicitations. Purchasing processes designed to seek and obtain goods and/or services including Request for Qualifications (RFQ), Request for Information (RFI), and Request for Proposals (RFP) and Request for Bid (RFB).

Standardization. The organized process of obtaining solutions to common problems by establishing agreement on specific quality, design, size, color, etc. The established agreement is called a standard.

Town Management. Collectively the Town Administrator, Town Clerk, Public Works Director, Police Chief, Staff Accountant and may include the Board of Trustees.

Underserved Business. A business that is at least 51 percent owned by one or more individuals who are both socially and economically underserved.

Warranty. A written guarantee of the integrity of a product and of the maker's responsibility for the repair or replacement of defective parts.



APPENDIX C: LONG-TERM DEBT



Long-term Debt

At the end of fiscal year 2023, the Town only had long-term debt transactions for the governmental activities related to compensated absences. Compensated absences made up \$25,736 of the Town's total long-term debt. Compensated absences are listed as long-term debt since they are recorded only when payment is due, and they were accrued in 2023, but will be paid out in a subsequent year (usually up to the discretion of the employee that accrued them). The Town currently has no General Obligation debt which allows the Town to use its tax revenues for providing services and programs to its Residents rather than unconditionally pledging it to pay interest and principal on debt.

Business activities and the enterprise funds encompass the debt for the Town of Paonia and includes the Sewer Plant, the One-Million Gallon Water Plant (Clock Plant), the Two-Million Gallon Water Plant (Lamborn Plant), and the improvements to the water distribution system.

The following table provides a summary of long-term debt activity.

	Outstanding Borrowings						% Change	
	Governmental Activities		Business-Type Activities		Total			
	2023	2022	2023	2022	2023	2022		
CWRPDA Loan	\$ -	\$ -	\$ 128,389	\$ 152,246	\$ 128,389	\$ 152,246	-16%	
WPA Loan	-	-	1,903,310	2,063,868	1,903,310	2,063,868	-8%	
2020 Revenue Refunding Bonds	-	-	2,058,600	2,167,100	2,058,600	2,167,100	-5%	
Lease Financing Equipment	-	-	22,514	-	22,514	-	New Debt	
Compensated Absences	17,967	21,814	7,769	-	25,736	21,814	18%	
Total	<u>17,967</u>	<u>21,814</u>	<u>4,120,582</u>	<u>4,383,214</u>	<u>4,138,549</u>	<u>4,405,028</u>	<u>-6%</u>	

The Town has no general obligation debt in the general fund, except for compensated absences, which is Paid-Time-Off for employees, that has been earned by the employee but hasn't been used before the end of a fiscal year. In 2024, the Town Administration implemented a policy to reduce long-term debt associated with compensated absences, and to ensure that employees enjoy a better work life balance by taking time off from work, up to forty (40) hours are allowed to be carried over between fiscal years.



APPENDIX D:
MONTHLY DEPARTMENTAL
SCORECARD
(PERFORMANCE MEASURES)



Introduction to the Monthly Departmental Scorecard **(Performance Measures)**

The Town has implemented a Monthly Departmental Scorecard as a key tool for tracking the progress of goals, objectives, projects, and priorities at the departmental level. This system aligns with the best practices established by the Government Finance Officers Association (GFOA) for performance measures and fosters a transparent, accountable, and results-driven approach to governance. The goal of the Monthly Departmental Scorecard is to ensure that every department's efforts are aligned with the Town's strategic objectives and that progress is continuously monitored and adapted to meet evolving needs.

Purpose of the Monthly Departmental Scorecard

The Monthly Departmental Scorecard serves multiple purposes within the Town's operations:

1. **Tracking and Reporting:** Each department head updates the scorecard monthly, providing regular updates on the status of goals, objectives, and key projects. This regular cadence ensures that departments remain focused on their priorities and progress is consistently monitored.
2. **Transparency and Accountability:** By tracking performance indicators and providing updates, the scorecard promotes transparency and accountability within each department. This process ensures that resources are being used effectively and that progress towards strategic goals is being achieved.
3. **Alignment with Strategic Goals:** The scorecard helps align departmental goals, objectives, and projects with the Town's overarching strategic plan. This ensures that all departmental efforts contribute to the Town's long-term vision and mission, promoting cohesion across all departments.

Alignment with Strategic Plan Goals

The Town's strategic plan consists of five key goals that guide all municipal operations. Each department's scorecard is designed to reflect one or more of these strategic goals, ensuring that all departmental activities are in service of the Town's broader objectives. The five strategic plan goals are:

1. **Organizational Excellence and Staff Development** - This goal emphasizes the importance of fostering a highly skilled, motivated, and well-supported workforce. Departments are encouraged to focus on professional development, training, and efficient organizational processes that contribute to operational excellence.
2. **Pristine Infrastructure and Critical Facilities** - Departments involved in infrastructure, public works, and facilities management align their objectives to maintain and improve the Town's physical assets. The scorecard tracks progress on infrastructure projects, maintenance, and long-term facility planning to ensure these critical assets remain functional and sustainable.
3. **Transparent, Secure, and Accurate Financial and Administrative Systems** - Financial departments use the scorecard to monitor the accuracy, security, and transparency of the Town's financial systems. This includes tracking budgeting processes, expenditures, revenue collection, and adherence to financial reporting standards.
4. **Communication and Records Management** - The scorecard also monitors goals related to improving communication both internally within departments and externally to the public. It tracks progress on records management, public outreach, and enhancing the accessibility of information for residents and stakeholders.
5. **Safe and Resilient Community** - Departments focused on public safety, emergency management, and community resilience align their projects with this strategic goal. The scorecard tracks initiatives aimed at reducing risk, improving safety measures, and increasing the Town's ability to respond to emergencies and adapt to challenges.

GFOA Best Practices for Performance Measurement

The Monthly Departmental Scorecard adheres to the GFOA's best practices for performance measurement, which emphasize the use of clear, measurable performance indicators. These indicators are essential in ensuring that departments can assess their effectiveness, efficiency, and alignment with the Town's strategic objectives.

Key aspects of GFOA best practices implemented within the scorecard system include:

1. **Clear and Measurable Goals:** Each department establishes specific, measurable goals tied to performance indicators that can be objectively evaluated.
2. **Data-Driven Decision Making:** Departments use data to assess performance, identify areas of improvement, and make informed decisions on resource allocation.
3. **Continuous Monitoring and Evaluation:** Monthly updates allow departments to track ongoing progress and make necessary adjustments to stay on course.
4. **Outcome-Based Measurement:** Departments focus on the results and impact of their work, ensuring that performance indicators reflect meaningful outcomes rather than just outputs.
5. **Public Transparency:** The information generated from the scorecards can be used to enhance transparency with the public, providing residents with insights into how the Town's resources are being spent and how departmental goals are being achieved.

Benefits of the Monthly Departmental Scorecard

The Monthly Departmental Scorecard system offers a number of benefits:

- **Improved Decision Making:** Regular updates provide department heads with the information needed to make informed decisions, allocate resources effectively, and adjust priorities as necessary.
- **Increased Accountability:** By making performance visible and measurable, the scorecards hold departments accountable for achieving their goals and objectives.

- **Enhanced Collaboration:** The scorecard system encourages departments to work together, as many of the Town's strategic goals require cross-departmental cooperation and shared objectives.
- **Continuous Improvement:** The ongoing assessment and adjustment process fosters a culture of continuous improvement, where departments are encouraged to learn from past performance and strive for greater efficiency and effectiveness.

The Monthly Departmental Scorecard is a critical tool for enhancing the Town's performance and alignment with its strategic objectives. By fostering transparency, accountability, and alignment with GFOA best practices, the scorecard system enables each department to contribute to the Town's broader vision and goals. With regular updates and data-driven decision-making, the Town is poised to continue its efforts toward achieving organizational excellence and delivering quality services to the community.



TOWN OF PAONIA
DEPARTMENTAL SCORE CARD

ISSUE	STATUS	ESTIMATED COST	INITIAL PROJECT DATE	CURRENT STATUS DATE	ALIGNMENT WITH STRATEGIC PLAN	DATE COMPLETED
TOWN ADMINISTRATOR'S OFFICE						
Personnel Policy and Handbook Updates	The Town recently contracted with New Focus HR to begin the process of updating personnel policies and the employee handbook. Draft is complete and under review by TA&T and Clerk. Once complete, DH's will review, and then presented to Staff for any questions.	Staff Time	7.17.23	10.12.2025	Communications and Records Management; Transparent, Secure and Accurate Financial and Administrative Systems; Organizational Excellence and Staff Development	
Ordinance for Consecutive Systems (Water Companies)/Agreements with Water Companies	At a minimum an agreement with water companies that describes expectations from the town, expectations from the water companies/subdivisions, indemnification, and insurance requirements should be considered to reduce liability to the town. Further discussion with the Water Attorney is necessary. Standardized IGA with Water Companies with clauses for maintenance and increasing bulk water rates for non-compliance/if Water Company chooses to have the town complete maintenance. Town Attorney working on Draft Agreement for Hidden Valley water company. Multiple Water Companies have requested formalized agreements with the Town. Hidden Valley has replied that they do not want to enter into a new agreement with the Town but would rather add a supplement to the agreement with the Town taking on additional responsibilities for meter reading and billing without fixing or repairing their system. Being Considered with Code Revision from Sustainable Futures. Collaborative Approach to Consecutive Systems TBD September - December. Creation of Paonia Water System Coalition, TBD August 2025. With a water attorney on staff, we can now schedule with Consecutive Water Systems for a coalition. First Meeting with Hidden Valley HOA on reasons why we need to be cautious when considering any deactivation as a consecutive system with CDPHE. HVHOA meeting complete, agreement has been drafted and submission to HVHOA is planned shortly.	Staff Time (for actual agreements there will be a fee from attorney review TBD)	7.11.23	11.22.2025	Pristine Infrastructure and Critical Facilities; Communications and Records Management	
Code Re-Write	If funded by DOLA grant, then an RFP will need to be issued to meet the competitive bid requirement. Scheduled a phone call with a separate consulting firm to get a budget figure on price for DOLA grant for 8.28.23, once budget price received, will submit to DOLA for their consideration. Received Council Approval for \$25,000 Match from DOLA Admin Grant on 9.14.23. Submission of Grant on 9.15.23. Resubmitted Grant information to DOLA on 11.22.23. RFQ will be live in 2024 after grant funding is awarded and approved. RFP will be made live on 2.5.24 RFP Consultant selection/decision being made on 4.23.2024. Work has begun on code rewrite, sustainable futures selected as consultant. Special Meeting held on 8/20/2024 for feedback from Trustees on Code Rewrite. Need to ask for extension on the project from DOLA. Consultant is awaiting completion of Comprehensive Plan to finalize code adjustments as of 1.22.2025. The Comprehensive Plan has been submitted to the consultant so that the code rewrite can restart. Updated contract submitted by consultant to the Town with additional public input sessions. consideration of contract to be at the 10.28.2025 meeting - increased expense to approx. \$75k. Met with Consultant and better defined the scope of work - awaiting feedback on the final agreement.	\$38,000	7.11.23	11.22.2025	Transparent, Secure and Accurate Financial and Administrative Systems; Communication and Records Management	
Creation of a Municipal Comprehensive Emergency Management Plan	Town staff have worked closely with a county-wide Hazard Mitigation Plan with Delta County Emergency Management and as approved by FEMA and state regulators. The Town needs a specific emergency management plan to the town for continuity of operations. This will be the winter activity for the Town Administrator after the budget is complete. Will be on list of 2026 projects to accomplish.	Staff Time	1.1.2025	10.12.2025	Organizational Excellence and Staff Development; Communications and Records Management; Safe and Resilient Community	
Sort/Dispose of Box of Outdated Bank Info	Old checks, old accounts were found in the vault that date back decades. The accounts are no longer active and the box needs to be reviewed and destroyed.	Staff Time	2/5/2025	7.18.2025	Communication and Records Management	

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

ISSUE	STATUS	ESTIMATED COST	INITIAL PROJECT DATE	CURRENT STATUS DATE	ALIGNMENT WITH STRATEGIC PLAN	DATE COMPLETED
FINANCE DEPARTMENT						
Add Community Development Module to Caselle	Board of Trustees approved a new module with Caselle for Community Development to track all permits issued by the town. Final step is building forms such as certificate of occupancy, event permits, etc. On the last step for setting this up, permit templates. Ran into Caselle issues but should be resolved now. In process of trying to reschedule when all key staff are available for training. Forms are done, waiting on property conversion. Community Development Module is up and running. Building records are being input into the system. The system records, applications, plan reviews, permits, inspections and certificates of occupancy. The Town has never had a system like this since its inception. Permits are now issued and tracked through the Caselle Community Development Module. Some issues with Caselle notifications of permits and payments connecting to permit numbers but currently being addressed by Caselle and additional Caselle training for staff underway.	≈\$20,000 with recurring annual costs (already paid, implementation is beginning)	7.1.24	10.07.2025	Transparent, Secure and Accurate Financial and Administrative Systems	
Add Purchase Order module with Caselle	With the adoption of a Purchasing Manual in September, the new process will include a three-way match requirement for purchase orders. Current purchase orders are tracked on a spreadsheet, but with the module they'll be tracked in Caselle. Requisitions/Purchase Order package has been purchased and is in initial setup. Module has been added, working implementing with the new year. First PO being made if process runs smoothly can consider project complete. Purchase order system has been implemented in Caselle. Forms for Purchase Orders had not been fully completed by Caselle, have put in a ticket with Caselle to correct error per their instructions. Caselle closed ticket though we had been discussing, believe they were confused by forms questions regarding another module. Put in a new ticket with Caselle.	≈\$3,000 with recurring annual costs (already paid, implementation is beginning)	8.1.2024	10.08.2025	Transparent, Secure and Accurate Financial and Administrative Systems	
Meter Updates in Caselle	Working with Public Works department to check meter ids, endpoints in Caselle and change as many as possible to radio read. No recent meter changes due to sever cold. Project to resume in spring. Multiple meters, end points and/or encoders have been replaced over the Spring and Summer. PW has used most all of the parts that the Town had in stock and will need to order more to make further progress on this project.	Time and Materials, each meter installation cost is ≈\$1,400	5.27.24	9.19.2025	Pristine Infrastructure and Critical Facilities; Transparent, Secure and Accurate Financial and Administrative Systems	
Documenting Accounting and Utility Processes	Recording processes for water meter read input, utility billing, red tags, disbursement approval, printing checks for approved disbursements and other departmental tasks. Major departmental duties have been documented. Checking for smaller or new processes that still might need documentation. Payroll and Permits processes identified as needing to be documented as well. Progressing on both of these. Processes are continually updated and recorded for future use of Caselle system and to ensure continuity of operations if turnover were to happen. Documentation has been completed and is being reviewed and edited by TA&T.	Staff Time	7.1.24	11.22.2025	Transparent, Secure and Accurate Financial and Administrative Systems; Communication and Records Management	
Caselle Vendor Record Clean Up	Outdated vendors need to be closed out. Make sure all current and new vendors are set up correctly and have accurate W9 information on file. Handful of vendors updated. Making slow progress around other time sensitive projects.	Staff Time	2.5.2025	4.3.2025	Transparent, Secure and Accurate Financial and Administrative Systems; Communication and Records	

TOWN OF PAONIA
DEPARTMENTAL SCORE CARD

ISSUE	STATUS	ESTIMATED COST	INITIAL PROJECT DATE	CURRENT STATUS DATE	ALIGNMENT WITH STRATEGIC PLAN	DATE COMPLETED
Caselle Implementation of Accounts Receivable Module	Working with Caselle and Town staff to set up invoices and forms. Training for staff to be scheduled with Caselle after implementation is completed. Town Administrator updated the module with Caselle and it is up and running with permissions set for appropriate staff to utilize the system. Invoices have been sent from this module, there was some errors on the Caselle set up or lack of communication amongst their staff so the delinquent notices and statements still need to be set up. Trying to schedule with needed staff/consultant from the Town and Caselle at this time. TA&T to have final review with Caselle in	\$1,050 with recurring annual costs (already paid, implementation is beginning)	11.26.2024	11.22.2025	Transparent, Secure and Accurate Financial and Administrative Systems	
Website Updates	Work with Clerks Department and Town Administrator to clean up and standardize the Town website. Progress is being made slowly around other more urgent projects. Website tracking sheet is being implmented to help track projects multiple staff are working on.	Staff Time	4.9.2025	10.08.2025	Communication and Records Management	
CLERK'S DEPARTMENT						
New SQL & Access Databases	Databases: Dog Tags (Completed and Live) - Need to update for 2025 and modify web pages for easier sorting. Completed SQL queries to sort 2024 vs 2025 for easier readability. Request to have it moved to our server has to wait until new server is aquired.	Staff Time	01.01.2024	10.08.2025	Organizational Excellence and Staff Development; Communications and Records Management; Transparent, Secure and Accurate Financial and Administrative Systems	
Create checklists for Clerk Duties	<i>Create checklists, for all permits, licensing, agenda, board meeting, record retention, new hires etc for consistancy and thoroughness. Updating as we go concurrent with the training for new Deputy Clerk - Ongoing Collaborative project in Teams with Deputy Clerk; including other Departments Heads as appropriate.</i>	Staff Time	7.19.23	10.6.2025	Organizational Excellence and Staff Development; Communication and Records Management	
New/Transfer Liquor License Packet	In process	Staff Time	10.10.24	8.22.2025	Organizational Excellence and Staff Development; Communication and Records Management	
Disaster Recovery Plan for Records - to be included in a Municipal Comprehensive Emergency Management Plan		Staff Time	10.10.24		Organizational Excellence and Staff Development; Communication and Records Management, Safe and Resilient Community	
Laserfiche implementation	<i>Clerk and Deputy Clerk had a troubleshooting session around security, permissions and retention programming. Continuing to upload documents and schedule Professional Service time with specialists to set up workflows. Still waiting to schedule training but Clerk's Office has begun uploading documents, setting up retention schedules and familiarizing themselves with the system. Several staff members are actively working in Laserfiche and files and retention schedules are being set up as needed. All digitized Human Resources files have been moved to Laserfiche.</i>	\$11,257.50 first year with \$7757.50 annual from 2026 on	10.11.24	10.06.2025	Organizational Excellence and Staff Development; Communication and Records Management; Transparent, Secure and Accurate Financial and Administrative Systems	
Registered Parliamentarian Ceritification	Still working through	Membership dues of around \$100.00	1/31/2025	10.07.2025	Organizational Excellence and Staff Development; Communication and Records Management	
Personnel File Audits and Uploads	Company property input into ADP, slowly digitising and organizing in ADP		4.3.2025	10.06.2025	Organizational Excellence and Staff Development; Pristine Infrastructure and Critical Facilities, Safe and Resilient Communities	
Update Personnel Manual	Completed first review of Draft Personnel Manual		7.29.2025	10.20.2025	Organizational Excellence and Staff Development	
PUBLIC WORKS						

TOWN OF PAONIA
DEPARTMENTAL SCORE CARD

ISSUE	STATUS	ESTIMATED COST	INITIAL PROJECT DATE	CURRENT STATUS DATE	ALIGNMENT WITH STRATEGIC PLAN	DATE COMPLETED
ADA Transition Plan	ADA report from MHAC inspection of Town Facilities is complete. PW Supervisor, Matt Taylor has begun fixing the low or no costs items. A larger discussion will be needed to acquire grant funding to update facilities to ADA compliance. Received a draft of transition plan, survey is effective as of now and will run until November. Trainings scheduled with Consultant for first week of December.	~\$30,000	8.1.23	11.22.2025	Organizational Excellence and Staff Development; Pristine Infrastructure and Critical Facilities	
Mays water availability.	Conveyance agreement with Bone Mesa for raw water coming off of Gelwick through the Town's pipe to the splitter box at Mays ON HOLD TILL FURTHER NOTICE	Staff Time (any rehabilitation will incur a cost TBD)		7.17.2024	Pristine Infrastructure and Critical Facilities;	
Construction standard update	Standards have been reviewed by Public Works. Waiting on final draft from spec - to add some changes before representing to BoT and an ordinance is drafted. Ordinance will amend construction standards in November and a Resolution will be passed in December with the new standards in place.	NTE \$21,600	2/2/2024	10.12.2025	Pristine Infrastructure and Critical Facilities;	
Finish NorthWest corner of skatepark.	Looking at options to finish the unfinished portion of the skatepark. ON HOLD UNTIL FURTHER NOTICE - Agreements with North Fork Rec need drafted and new budget season before resources are directed to the skate park. No current agreement with NFPFRD on the skate park now that substantial improvements have been made. BoT to decide whether or not this is something that they want to continue outsourcing or to bring back inhouse (if inhouse, then no agreement necessary) - TA&T preferred inhouse.	Staff Time (any construction will incur a cost TBD)		10.12.2025	Pristine Infrastructure and Critical Facilities;	
Equipment and contract bids	Public works is currently seeking quotes for pavement milling (Samuel Wade Bridge contracted), asphalt rollers. PW is reaching out to Engineers to get a scope of work on bridge repairs as of 1.1.2025- Bridge grants are available and have been sent to Mary B. Grant is currently being worked on for major bridge repairs - pillars are also in need of rehabilitation.	~\$500,000		10.12.2025	Pristine Infrastructure and Critical Facilities;	
Roof repair - Town Hall	Randy with Quality Cool Roofing Solutions inspected the job on 7/29/24. Elite Commercial Roofing will inspect the job on 8/2/24. Innovative Roofing was contacted as well with no response. Elite is the only contractor that sent a quote. It will be discussed in the 8/27/24 public meeting. Repair was put on hold until spring/summer 2025. On improvement list for FY-2026.	~\$60,000	7.29.24	10.12.2025	Pristine Infrastructure and Critical Facilities;	
Apple Valley Plumbing	Needs to be cameraed to see the extent of damage under the concrete flooring	~\$2,500		1/23/2025	Pristine Infrastructure and Critical Facilities;	
WATER DEPARTMENT						
Working on lead service line inventory	Inventory was incorrect. PW had to start almost all the way over. Fliers and door knocking to get information on people service lines. Jordan is working closely with WSP to get all addresses responses to the State	Staff Time	11/6/2023	10/24/2025	Pristine Infrastructure and Critical Facilities;	
Meter Audit	46 meter audits complete since Feb. 2024. Additional Meters have been audited in 2025, including three add'l on 11.20.2025.	Staff Time (replacements of meters TBD but ~\$1,400/meter)	11.2023	11.22.2025	Pristine Infrastructure and Critical Facilities;	

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

ISSUE	STATUS	ESTIMATED COST	INITIAL PROJECT DATE	CURRENT STATUS DATE	ALIGNMENT WITH STRATEGIC PLAN	DATE COMPLETED
WASTEWATER DEPARTMENT						
Utility Fee Study	Water and Sewer Rates need to be reviewed. 20-year cash flow analysis for water and upcoming restrictions on NPDES permit for wastewater necessitate increases in the rates for utilities. Proposed Rate increases on the Board agenda for December 12, 2023. RESPEC has been given a task order to complete a PNA for future funding in regards to the wastewater system, as part of the PNA a 20-year cash flow analysis will be completed which includes a utility fee study to cover the cost of debt financing repairs and improvements to the waste water collections and treatment systems. Put on hold until FY-2026 Budget is submitted.	~\$15,000 (\$10,000 grant funding secured)	7.14.23	10.12.2025	Transparent, secure and accurate financial and Administrative Systems	
Aerator at the lagoon failure and disassembled	PW was approved to upgrade surface aeration at 3/11/25 meeting. New Aerators are installed and operational.	~\$18,000	1.1.2025	10.12.2025	Pristine Infrastructure and Critical Facilities; Safe and Resilient Community	7.30.2025
POLICE DEPARTMENT						
Compiling possible municipal code additions, subtractions, and combinations to address shortfalls in current muni code	Additions and updated ordinances have been submitted for code rewrite.	Staff Time	5/1/2023	10/1/2025	Organizational Excellence and Staff Development; Communication and Records Management	In Progress
Reactivation of Bicycle Patrol Unit	Equipment is being evaluated/ priced. Policies are being sourced for review, Officer participation is being gauged	Donated/Repurposed Eqpt/ <\$500	8/1/2024	10/1/2025	Safe and Resilient Community	In Progress
Fan noise emanating from an exhaust fan at Paonia Care and Rehab	Sound readings are being taken with possible solutions being investigated and community members engaged.	Staff Time	8/1/2025	10/1/2025	safe and resilient community	In Progress
Verkada Security Cameras	Install date has been set as October 22/23	\$52,000	11/1/2022	10/1/2025	Safe and Resilient Community	In Progress
Patrol Car Lettering	All newer patrol cars have been lettered and updated. Only the one remaining Chevy patrol vehicle is in need of decals. Awaiting decal supplier on site quote.	<\$1000	7/30/2024	10/1/2025	Organizational Excellence and Staff Development -	In Progress
ESS Security Training	Department Staff are continuing to take the ESS trainings and work towards the 630 Point minimum point threshold	Staff Time	5/1/2023	10/1/2025	Safe and Resilient Community	Continuous
Implementation of Spillman FLEX	Waiting on arrival of laptops to install software and begin training/onboarding	\$25,121.24	3/1/2023	10/1/2025	Communications and Records management; Safe and Resilient Community	In Progress
Red Dot Sights for Service Weapons	Red dot sights have been delivered. Sights are being mounted on service weapons and training will be the next phase.	\$4,203.54	7/1/2024	10/1/2025	Safe and Resilient Community	In Progress
CDOT Revitalizing Main Streets Grant, "Safe Pathways for Paonia," 3-Points InX Grand, 4th & 5th						
Construction Timeline	An RFP must be updated for Federal requirements after receiving the RAISE Grant for \$1.88MM. Once completed, the project will go out to bid the Fall/Winter with construction scheduled to begin in Spring 2026. CM RFQ going out the week of 10.14.2025	~\$2,900,000	7.17.23	10.12.2025	Pristine Infrastructure and Critical Facilities; Safe and Resilient Community	

TOWN OF PAONIA
DEPARTMENTAL SCORE CARD

ISSUE	STATUS	ESTIMATED COST	INITIAL PROJECT DATE	CURRENT STATUS DATE	ALIGNMENT WITH STRATEGIC PLAN	DATE COMPLETED
Temporary Construction Easements	Temporary Construction Easements have been secured. There is one hold out that we will continue to attempt to get signed so that we can give the property owner a concrete driveway apron. Completed all easements have been received and cleared by CDOT.	Included in Construction Cost	1.1.2025	7.18.2025	Pristine Infrastructure and Critical Facilities; Safe and Resilient Community	7.31.2025
Funding	The Town received Safe Routes to School funding (\$872,825.00) and Revitalizing Main Streets funding (\$1,010,592.00) for a total CDOT grand award of \$1,883,417.00. The Town also received a federal BUILD (RAISE) Grant for the project for \$1,884,901.00. This brings the total grant funding for 5th and Grand Avenue to \$3,768,318 with a required Town match of \$30,182.00	Engineers Opinion of Cost: \$2,925,675.00	7.18.2025	7.18.2025	Pristine Infrastructure and Critical Facilities; Safe and Resilient Community	
Hydrogeological Study						
Wrightwater Engineering / Hydrogeological	Wrightwater initial site visit to the springs. Spent 3 days on the mountain gathering data. Brush Clearing is set for this Spring. WWE gave a presentation to the Board about the spring boxes and how we plan to gather more raw water. Study will be conducted Spring 2025. WWE engineering to continue the project with the loss of lead hydrogeologist. Underground work to begin the week of 7/21/2025. Amendment to MSA on Board agenda for 7.22.2025 for additional scope of work. Study to be received by 10.22.2025 and presented at the 10.28.2025 meeting. This will inform RFQ 2025-06 for WaterSMART.	\$197,974	7.20.23	10.12.2025	Pristine Infrastructure and Critical Facilities;	
Grant for \$25,000 Colorado River Water Conservation District Grant	Contract, COI and W-9 sent and received, have received reimbursements	Staff Time	7.20.23	1.24.2025	Pristine Infrastructure and Critical Facilities;	
Grant from Roundtable	\$25,000 awarded to Paonia for completing the Hydrogeological Study	Staff Time	7.20.23	1.24.2025	Pristine Infrastructure and Critical Facilities;	
CWCB Grant	Awarded \$147,973 towards the Hydrogeological Study. DNR grant resubmitted for reimbursement, hope to receive final draw after completion of the study.	Staff Time	7.20.23	10.12.2025	Pristine Infrastructure and Critical Facilities;	
HOUSING NEEDS ASSESSMENT						
DOLA Grant filed for SB24-174 Updates	The HNA and HAP were completed and all funding has been reimbursed for the project, there was an amount that needed to be de-obligated. After DOLA reviewed the plan for consistency with state statutes, a new law, SB24-174 needed to be included in the HNA and HAP, the Town has filed a new grant request to help complete this requirement. Awards will be decided by 11/2025. The Town asked DOLA if we could use the same consultant in the grant application, we'll most likely keep with UrbanRural Continuum. Approved for funding to meet statutory deadline. Need to publish RFO.	\$25,000 (reimbursement)	7.1.23	10.12.2025	Organizational Excellence and Staff Development; Communication and Records Management; Safe and Resilient Community	
PHASE I - WATER IMPROVEMENTS						
Proposed Alignment	Meeting held on 7.24.23 regarding Existing water line alignment & GIS Data Accuracy. Proposed alignment options to consider, avoid easements by placing the water line in road R/Ws. AC line feeding old water plant, Evaluate PRV needs. Main Line improvements are being realigned so that they follow existing rights of way along roadways in areas that they are possible to be relocated. Waiting on final draft with Trustee Hunters suggestions fixed	~\$6,000,000.00	7.24.23	3/17/2025	Pristine Infrastructure and Critical Facilities;	

TOWN OF PAONIA
DEPARTMENTAL SCORE CARD

ISSUE	STATUS	ESTIMATED COST	INITIAL PROJECT DATE	CURRENT STATUS DATE	ALIGNMENT WITH STRATEGIC PLAN	DATE COMPLETED
Easement Acquisition	May need to plan for two lines, potable and raw water, Town representative to negotiate easements (Town Administrator) once they're located. Land acquisition amounts have changed and are being finalized, if necessary at all. Nicki called County Clerk. No records of official easements. Surveyor and Engineering are working on getting the paperwork established. Easement	Included in cost associated with proposed alignment	8.1.23	1/24/2025	Pristine Infrastructure and Critical Facilities; Communication and Records Management	
File for EIAF Tier II Grant	On 7.27.23, a grant application was filed for EIAF Tier II with project number 09721. DOLA Staff accepted the application for consideration on 8.3.23. Town was awarded \$965,000 for Tank Relining.	\$965,000 (reimbursement)	7.27.23	7.18.2025	Pristine Infrastructure and Critical Facilities;	
SRF Loan Application	SRF Loan Application is being considered for FY - 2024 and is budgeted for approximately \$11MM, Application is complete and awaiting a hearing by the authority to decide whether or not the Town will be awarded funding. Project is fully funded, \$3,000,000 grant; approx. \$6.4MM in low interest loans	Staff Time	3.1.23	7.18.2025	Pristine Infrastructure and Critical Facilities;	

ACCOUNT	DESCRIPTION	December 1st 2025	
		ACTUAL	
UBB Accounts			
		CURRENT BALANCES	
x3637	Pooled Cash - 4.00% Interest Rate	\$	3,279,989.99
x0857	Conservation Trust Fund - 0.1% Interest Rate	\$	32,974.87
x3858	Grant Pass Through - 0.00% Interest Rate (May Close Account)	\$	25,025.00
x0571	Internal Grants - 0.00% Interest Rate (Needed to Receive Grants from State)	\$	99,756.24
x0733	Operating (Main Account) - 0.00% Interest Rate	\$	123,169.77
x3629	Payroll - 0.00% Interest Rate	\$	7,266.10
x2318	WWTP - 0.15% Interest Rate (Debt Reserves) CLOSED MOVED TO X0571	\$	<hr/>
	Subgroup : Total UBB Accounts	\$	3,568,181.97
ColoTrust Investment Accounts			
x8001	General Fund - 4.0855% 30-Day Yield	\$	556,677.77
	<i>\$69,500 is the TABOR reserve required by state statute</i>	\$	69,500.00
x8002	Sewer Restricted - 4.0855% 30-Day Yield	\$	523,180.40
	<i>\$100,750 must be maintained in Reserve for 2020 Revenue Refunding Bonds</i>	\$	100,750.00
x8003	Debt Reserve - 4.0855% 30-Day Yield	\$	125,719.54
x8004	Bridge Reserve - 4.0855% 30-Day Yield	\$	692,408.68
x8005	Water - 4.0855% 30-Day Yield	\$	519,130.98
	Subgroup : ColoTrust Investment Accounts	\$	2,587,367.37
		TOTAL BANK ACCOUNTS	\$3,568,181.97
		TOTAL INVESTMENT ACCOUNTS	\$2,587,367.37
Last Month Total All Accounts: \$6,168,623.09			
		TOTAL CURRENT BALANCE ALL ACCOUNTS	\$6,155,549.34

SUMMARY OF REVENUES AND EXPENDITURES
MONTHLY FUND BALANCE
FOR THE 2025 FISCAL YEAR
(Unaudited)

GENERAL FUND

	January	February	March	April	May	June	July	August	September	October	November	December
Beginning Unrestricted and Unassigned Fund Balance												
FY-2024 Audit Ending Dec. 31	\$ 752,493											
Revenues												
Taxes	\$ 66,465.97	\$ 71,289.84	\$ 267,260.16	\$ 345,484.17	\$ 456,557.14	\$ 522,562.74	\$ 558,425.99	\$ 644,148.76	\$ 804,199.63	\$ 808,196.98	\$ 879,432.38	\$ -
Licenses, Permits & Fees	2,287.00	9,238.50	12,224.85	13,793.85	18,165.72	19,880.72	21,100.22	26,187.22	31,328.47	35,191.01	36,522.01	-
Intergovernmental	5,148.02	5,148.02	17,706.48	25,086.80	31,962.56	39,031.95	40,672.73	42,634.12	65,903.52	65,903.52	71,803.90	-
Fines & Forfeitures	21,787.16	23,966.16	67,789.56	88,060.72	110,587.47	133,484.96	156,786.61	158,197.94	205,085.45	205,465.45	228,039.79	-
Miscellaneous	16,977.15	39,196.01	70,595.39	90,149.98	119,928.00	133,947.26	147,631.86	250,895.76	287,563.26	289,907.70	307,908.08	-
Expenditures												
Administration	\$ (24,176.78)	\$ (46,634.42)	\$ (71,267.74)	\$ (98,881.17)	\$ (116,747.58)	\$ (132,951.00)	\$ (155,734.36)	\$ (171,563.40)	\$ (188,215.16)	\$ (205,564.68)	\$ (233,511.25)	\$ -
Public Safety (Police)	(106,428.37)	(134,262.29)	(182,647.70)	(278,433.44)	(342,402.91)	(416,596.46)	(472,471.12)	(545,366.13)	(516,735.87)	(689,920.15)	(748,942.12)	-
Building	(54.20)	(1,845.64)	(3,248.59)	(13,951.17)	(13,965.12)	(14,495.83)	(19,150.70)	(24,435.55)	(24,450.02)	(29,227.41)	(31,707.41)	-
Streets	(17,622.71)	(28,635.58)	(45,866.35)	(64,083.92)	(75,353.60)	(91,322.09)	(127,482.07)	(139,734.68)	(139,678.15)	(154,147.28)	(167,766.37)	-
Parks	(9,974.64)	(19,500.02)	(41,279.53)	(62,397.81)	(97,054.78)	(112,855.43)	(126,290.37)	(136,835.93)	(117,610.70)	(128,197.61)	(140,868.82)	-
Total General Fund Balance	\$ 706,901.60	\$ 670,453.58	\$ 843,759.53	\$ 797,321.01	\$ 844,169.90	\$ 833,179.82	\$ 775,981.79	\$ 856,621.11	\$ 1,159,883.43	\$ 950,100.53	\$ 953,403.19	\$ -
Beginning Fund Balance												
Conservation Trust Fund												
FY-2024 Audit Ending Dec. 31	\$ 39,033.00											
YTD Revenue	\$ 6,213.82											
Total Fund Balance	\$ 45,246.82											
Beginning Fund Balance												
Sidewalk Fund												
FY-2024 Audit Ending Dec. 31	\$ 123,623.00											
YTD Revenue	\$ 27,853.02											
Total Fund Balance	\$ 151,476.02											
Beginning Fund Balance												
Street Fund												
FY-2024 Audit Ending Dec. 31	\$ 1,032,032.00											
YTD Revenue	\$ 67,745.00											
Total Fund Balance	\$ 1,099,777.00											
Restricted Fund Balance												
Emergencies (TABOR) & Bridge Reserve												
FY-2024 Audit Ending Dec. 31	\$ 298,217.00											
YTD Revenue	\$ -											
Total Fund Balance	\$ 298,217.00											

Enterprise Funds

	January	February	March	April	May	June	July	August	September	October	November	December
WATER												
Beginning Unrestricted and Unassigned Fund Balance												
FY-2024 Audit Ending Dec. 31	\$ 1,591,224											
Water Revenues												
Charges for Service	\$ 102,575.87	\$ 213,566.95	\$ 297,662.54	\$ 397,383.90	\$ 512,907.71	\$ 628,263.59	\$ 771,102.24	\$ 777,582.76	\$ 1,017,938.63	\$ 1,130,048.12	\$ 1,239,746.97	\$ -
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Sales of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Loan and Grant Funds	12,500.00	12,500.00	12,500.00	-	410,037.53	410,037.53	470,037.53	596,684.03	470,037.53	470,037.53	596,684.03	-
Water Expenditures												
Personnel	\$ (47,746.47)	\$ (62,576.65)	\$ (93,950.68)	\$ (143,027.01)	\$ (167,929.09)	\$ (199,888.48)	\$ (228,599.43)	\$ (258,487.61)	\$ (302,998.86)	\$ (326,652.85)	\$ (357,918.97)	\$ -
Operating	(12,465.92)	(30,657.38)	(155,704.80)	(213,382.90)	(230,739.33)	(245,992.22)	(405,660.42)	(417,564.49)	(422,486.81)	(522,578.28)	(532,732.28)	-
Capital Outlays	(47,966.50)	(220,402.71)	(357,945.69)	(378,636.93)	(394,104.65)	(487,792.01)	(509,470.16)	(799,587.80)	(859,934.18)	(983,929.88)	(1,582,220.47)	-
Total Water Fund	\$ 1,598,120.98	\$ 1,503,654.21	\$ 1,293,785.37	\$ 1,253,561.06	\$ 1,721,396.17	\$ 1,695,852.41	\$ 1,688,633.76	\$ 1,489,850.89	\$ 1,493,780.31	\$ 1,358,148.64	\$ 954,783.28	\$ -

	January	February	March	April	May	June	July	August	September	October	November	December
WASTE WATER (SEWER)												
Beginning Unrestricted and Unassigned Fund Balance												
FY-2024 Audit Ending Dec. 31	\$ 412,810											
	Beginning Restricted and Assigned Fund Balance											
	FY-2024 Audit Ending Dec. 31											
	\$ 720,281											
Waste Water Revenues												
Charges for Service	\$ 65,409.43	\$ 130,972.78	\$ 196,547.50	\$ 262,372.77	\$ 327,948.84	\$ 393,200.00	\$ 458,718.04	\$ 515,999.53	\$ 589,268.44	\$ 654,963.37	\$ 720,325.97	\$ -
Interest	2,775.97	2,775.97	7,991.85	10,633.94	13,360.61	13,360.61	16,004.29	26,845.34	24,419.85	24,419.85	26,845.34	-
Loan and Grant Funds	-	-	-	-	-	-	-	-	-	-	-	-
Waste Water Expenditures												
Personnel	\$ (45,718.69)	\$ (60,527.35)	\$ (91,851.24)	\$ (140,844.28)	\$ (165,703.21)	\$ (195,084.95)	\$ (223,537.55)	\$ (253,370.94)	\$ (297,795.34)	\$ (321,201.47)	\$ (351,672.37)	\$ -
Operating	(12,338.18)	(25,715.78)	(41,771.40)	(102,999.04)	(114,592.32)	(137,670.91)	(152,383.58)	(164,981.29)	(225,036.41)	(244,211.67)	(254,913.50)	-
Capital Outlays	(743.81)	(875.25)	(974.68)	(1,092.92)	(779.61)	(60,345.61)	(60,381.60)	(115,753.60)	(116,935.14)	(122,435.14)	(122,431.34)	-
Total Wastewater Fund	\$ 422,194.72	\$ 459,440.37	\$ 482,752.03	\$ 440,880.47	\$ 473,044.31	\$ 426,269.14	\$ 451,229.60	\$ 421,549.04	\$ 386,731.40	\$ 404,344.94	\$ 430,964.10	\$ -
SANITATION (GARBAGE)												
Beginning Unrestricted and Unassigned Fund Balance												
FY-2024 Audit Ending Dec. 31	\$ 258,695											
Sanitation Revenues												
Charges for Service	\$ 26,731.55	\$ 53,402.62	\$ 80,147.88	\$ 106,719.57	\$ 133,109.82	\$ 160,301.75	\$ 187,557.30	\$ 218,580.95	\$ 249,631.72	\$ 280,846.23	\$ 311,781.65	\$ -
Sanitation Expenditures												
Personnel	\$ (24,991.07)	\$ (34,238.98)	\$ (52,917.09)	\$ (82,957.40)	\$ (99,197.98)	\$ (118,130.95)	\$ (138,309.20)	\$ (158,670.32)	\$ (187,496.44)	\$ (202,417.68)	\$ (216,667.68)	\$ -
Operating	(6,920.99)	(14,507.41)	(22,837.27)	(33,455.99)	(46,026.73)	(56,776.27)	(67,665.20)	(76,364.90)	(88,172.40)	(99,642.32)	(109,833.33)	-
Capital Outlays	-	(99.44)	(8,259.33)	(8,377.58)	(8,064.26)	(8,064.26)	(8,100.25)	(8,100.25)	(11,785.77)	(11,753.71)	(11,753.71)	-
Total Sanitation Fund	\$ 253,514.49	\$ 263,251.79	\$ 254,829.19	\$ 240,623.60	\$ 238,515.85	\$ 236,025.27	\$ 232,177.65	\$ 234,140.48	\$ 220,872.11	\$ 225,727.52	\$ 232,221.93	\$ -
Sales Tax Capital Improvement Fund												
Beginning Restricted and Assigned Fund Balance												
FY-2024 Audit Ending Dec. 31	\$ 378,961											
	(\$60,192 committed to the Airport CIP)											
1% Sales Tax												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,686.58	\$ 218,356.58	\$ 218,356.58	\$ 243,980.00
CIP Expenditures												
Capital Outlays	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (71,327.31)	\$ (161,683.64)	\$ (182,010.79)	\$ -
Total Sales Tax CIP Fund	\$ 378,961.00	\$ 378,961.00	\$ 378,961.00	\$ 378,961.00	\$ 378,961.00	\$ 378,961.00	\$ 378,961.00	\$ 570,647.58	\$ 525,990.27	\$ 435,633.94	\$ 440,930.21	\$ -
Total All Bank Accounts												
	\$ 6,155,549.34											
Total All Fund Balances												
	\$ 5,387,492.55											
Variance												
Positive (Negative)	\$ 768,056.79	*										

*Variance may be related to unbooked revenue, outstanding checks, deposits in transit, unposted or misposted journal entries

ACCOUNT	DESCRIPTION	ADOPTED FY-2025 BUDGET	NOVEMBER 31ST ACTUAL	% R
General Fund				
10-31-01	PROPERTY TAXES	\$ 160,000.00	\$ 157,436.58	98%
10-31-02	S.O. AUTO TAXES	\$ 21,000.00	\$ 19,926.20	95%
10-31-03	SALES TAX - TOWN	\$ 530,000.00	\$ 488,033.35	92%
10-31-04	SALES TAX - COUNTY	\$ 130,000.00	\$ 157,576.30	121%
10-31-05	SALES TAX - STATE MARIJUANA	\$ 25,000.00	\$ 5,266.89	21%
10-31-06	CIGARETTE TAX	\$ 1,500.00	\$ 1,077.07	72%
10-31-07	FRANCHISE TAX	\$ 60,000.00	\$ 49,717.62	83%
10-31-08	PENALTY & INTEREST	\$ 500.00	\$ 398.37	80%
10-31-09	DELINQUENT TAX	\$ -	\$ -	
10-31-10	ABATEMENTS	\$ -	\$ -	
10-31-11	MARIJUANA OCCUPATIONAL TAX (Transaction Fee)	\$ 100,000.00	\$ 67,745.00	68%
(22-31-06)				
50-31-03	SALES TAX - CAPITAL IMPROVEMENT (RESTRICTED)	\$ -	\$ 243,980.00	
	Subgroup : TAXES	\$ 1,028,000.00	\$ 879,432.38	86%
General Fund				
10-32-01	LIQUOR LICENSES	\$ 4,500.00	\$ 5,141.25	114%
10-32-02	MISCELLANEOUS PERMITS	\$ 10,000.00	\$ 7,595.00	76%
10-32-03	BUILDING PERMITS	\$ 45,000.00	\$ 18,951.76	42%
10-32-04	SPECIAL REVIEWS	\$ 4,500.00	\$ 750.00	17%
10-32-05	ZONING VERIFICATION & ADMINISTRATIVE REVIEWS	\$ 500.00	\$ 700.00	140%
10-32-06	VIN INSPECTIONS	\$ 1,500.00	\$ 1,384.00	92%
10-32-07	PRE-APPLICATION MEETINGS	\$ 1,000.00	\$ -	0%
10-32-08	SHORT TERM RENTAL LICENSES	\$ 9,000.00	\$ -	0%
10-32-09	SIDEWALK FEE	\$ 30,000.00	\$ 27,853.02	93%
(26-30-01)				
10-32-10	MARIJUANA LICENSING FEE	\$ 4,500.00	\$ 2,000.00	44%
	Subgroup : LICENSES, PERMITS & FEES	\$ 80,500.00	\$ 36,522.01	45%
General Fund				
10-33-01	HIGHWAY USER TAX	\$ 46,950.00	\$ 48,142.11	103%
10-33-02	MOTOR VEHICLE - \$1.50	\$ 1,500.00	\$ 1,372.78	92%
10-33-03	MOTOR VEHICLE - \$2.50	\$ 3,500.00	\$ 3,238.39	93%
10-33-07	SEVERANCE TAX	\$ 5,000.00	\$ 3,415.20	68%
10-33-08	MINERAL LEASING	\$ 10,000.00	\$ 8,051.56	81%
10-33-09	CONSERVATION TRUST FUND	\$ 3,500.00	\$ 6,213.82	178%
(40-38-01)				
10-33-10	ROAD & BRIDGE	\$ 7,500.00	\$ 7,583.86	101%
	Subgroup : INTERGOVERNMENTAL REVENUES	\$ 74,450.00	\$ 71,803.90	96%
General Fund				
10-34-01	COURT FINES	\$ 1,000.00	\$ 897.50	90%
10-34-02	POLICE FINES	\$ 7,500.00	\$ 8,625.00	115%
10-34-03	MISCELLANEOUS FINES - BONDS	\$ 100.00	\$ 240.00	240%
10-34-04	OTHER AGENCY CONTRIBUTIONS - PD (B2B COUNTY)	\$ 200,000.00	\$ 217,794.29	109%
10-34-05	DOG TAGS	\$ 400.00	\$ 480.00	120%
10-34-06	CODE ENFORCEMENT VIOLATIONS	\$ 2,500.00	\$ -	0%
10-34-10	LAW ENFORCEMENT COST ALLOCATION	\$ -	\$ -	
10-34-50	PD GRANT	\$ -	\$ -	0%
	Subgroup : FINES AND FORFEITURES	\$ 211,500.00	\$ 228,036.79	108%

ACCOUNT	DESCRIPTION	ADOPTED FY-2025 BUDGET	NOVEMBER 31ST ACTUAL	% R
General Fund				
10-35-01	RENTS & ROYALTIES	\$ 8,500.00	\$ 29,382.23	346%
10-35-02	MOTOR FUEL TAX REFUNDS	\$ -	\$ -	
10-35-04	INTEREST INCOME	\$ 145,000.00	\$ 159,146.21	110%
10-35-05	LATE CHARGES	\$ 5,000.00	\$ 5,101.66	102%
10-35-06	OTHER INCOME	\$ 1,000.00	\$ 5,746.62	575%
10-35-07	INSURANCE PROCEEDS	\$ -	\$ 1,185.81	
10-35-09	PARK DONATIONS	\$ -	\$ -	
10-35-10	OTHER AGENCY CONTRIBUTIONS	\$ -	\$ 500.00	
10-35-13	BRIDGE RESERVE	\$ -	\$ -	
10-35-15	REFUND OF EXPENDITURES	\$ 1,000.00	\$ 9,556.87	956%
10-35-16	RESTITUTION	\$ 5,200.00	\$ 5,429.80	104%
10-35-18	SALES OF ASSETS	\$ 32,000.00	\$ 84,478.25	264%
10-35-20	GRANT REVENUE	\$ 1,260,592.00	\$ 7,380.63	1%
Subgroup : MISCELLANEOUS REVENUES		\$ 1,458,292.00	\$ 307,908.08	21%
General Fund				
10-39-99	TRANSFER REVENUE	\$ 2,022,258.00	\$ -	
Subgroup : TRANSFERS		\$ 2,022,258.00	\$ -	
General Fund				
TOTAL GENERAL FUND REVENUES		\$ 4,875,000.00	\$ 1,523,703.16	31%
TOTAL SALES TAX CAPITAL IMPROVEMENT FUND REVENUES			\$ 345,791.84	
General Fund				
NET SURPLUS (DEFICIT) - GENERAL FUND				\$ 198,907.19
SALES TAX CAPITAL IMPROVEMENT FUND - SURPLUS (DEFICIT)				\$ 213,169.63

ACCOUNT	DESCRIPTION	ADOPTED FY-2025 BUDGET	NOVEMBER 31ST ACTUAL
ADMINISTRATION	PERSONNEL SERVICES		
10-41-01	MAYOR & TRUSTEES	\$ 2,400.00	\$ 4,000.00
10-41-02	TOWN ADMINISTRATOR/CONTRACT LABOR	\$ 39,000.00	\$ 28,858.19
10-41-03	SALARIES & WAGES	\$ 75,000.00	\$ 67,158.27
10-41-04	EMPLOYER FICA	\$ 7,500.00	\$ 6,682.47
10-41-05	EMPLOYER MEDICARE	\$ 1,800.00	\$ 1,568.68
10-41-06	UNEMPLOYMENT TAX	\$ 400.00	\$ 237.62
10-41-07	INSURANCE BENEFITS	\$ 26,000.00	\$ 20,413.57
10-41-08	RETIREMENT BENEFITS	\$ 5,500.00	\$ 4,119.24
10-41-09	LIFE/DISABILITY INSURANCE	\$ 500.00	\$ -
10-41-10	WORKMEN'S COMPENSATION	\$ 1,500.00	\$ 885.83
10-41-13	OVERTIME	\$ 2,900.00	\$ 2,316.10
	Subgroup : Personnel Services	\$ 162,500.00	\$ 136,239.97
		Percent Realized	84%
ADMINISTRATION	OPERATING		
10-41-15	OFFICE SUPPLIES	\$ 2,000.00	\$ 1,737.23
10-41-16	OPERATING SUPPLIES*	\$ 2,900.00	\$ 580.98
10-41-17	POSTAGE*	\$ 1,100.00	\$ 1,253.36
10-41-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES*	\$ 56,000.00	\$ 42,445.70
10-41-21	AUDIT & BUDGET EXPENSE	\$ 5,500.00	\$ 2,884.17
10-41-22	REPAIRS & MAINTENANCE	\$ 1,500.00	\$ 500.48
10-41-23	VEHICLE EXPENSE	\$ 2,000.00	\$ 103.53
10-41-25	TOWN HALL EXPENSE	\$ 6,000.00	\$ 1,478.16
10-41-26	TRAVEL, MEETINGS, & TRAININGS	\$ 10,000.00	\$ 5,985.81
10-41-27	INSURANCE & BONDS	\$ 10,000.00	\$ 8,098.41
10-41-28	UTILITIES	\$ 5,000.00	\$ 3,526.29
10-41-29	TELEPHONE & INTERNET	\$ 2,500.00	\$ 2,500.97
10-41-30	PUBLISHING ADS	\$ 2,000.00	\$ 462.47
10-41-31	DUES & SUBSCRIPTIONS	\$ 35,000.00	\$ 16,017.69
10-41-33	DATA PROCESSING	\$ 8,000.00	\$ 2,555.16
10-41-40	MISCELLANEOUS	\$ 4,500.00	\$ 40.87
10-41-43	CULTURAL EVENTS*	\$ 400.00	\$ -
10-41-44	HUMAN SERVICES*	\$ 7,100.00	\$ 7,100.00
10-41-45	BUILDING INSPECTOR	\$ -	\$ -
	Subgroup : Operating Expenditures	\$ 161,500.00	\$ 97,271.28
		Percent Realized	60%
ADMINISTRATION	CAPITAL OUTLAY & TRANSFERS		
10-41-73	BUILDING IMPROVEMENTS	\$ 18,000.00	\$ 4,021.00
10-41-74	MACHINERY & EQUIPMENT	\$ 18,000.00	\$ 10,029.52
10-41-75	GRANT PROJECTS	\$ -	\$ -
10-41-78	GRANT PROJECT - CODE REVISION	\$ -	\$ -
10-41-90	TREASURER'S FEE*	\$ 11,100.00	\$ 10,643.77
10-41-99	TRANSFERS	\$ -	\$ -
	Subgroup : CAPITAL OUTLAY	\$ 47,100.00	\$ 24,694.29
*Transfers between line items within this fund (total budget for Admin. Reduced by \$10,000 & transferred to PD)		TOTAL \$ 371,100.00	\$ 233,511.25
		Percent Realized	63%

ACCOUNT	DESCRIPTION	ADOPTED FY-2025 BUDGET	NOVEMBER 31ST ACTUAL
LAW ENFORCEMENT	PERSONNEL SERVICES		
10-42-02	CONTRACT LABOR (JUDGE)	\$ 6,600.00	\$ 6,050.00
10-42-03	SALARIES & WAGES	\$ 465,000.00	\$ 433,294.90
10-42-04	EMPLOYER FICA*	\$ 10,000.00	\$ 3,526.32
10-42-05	EMPLOYER MEDICARE	\$ 7,500.00	\$ 6,320.97
10-42-06	UNEMPLOYMENT TAX	\$ 1,100.00	\$ 893.75
10-42-07	INSURANCE BENEFITS	\$ 75,000.00	\$ 71,762.90
10-42-08	RETIREMENT BENEFITS	\$ 12,000.00	\$ 9,933.14
10-42-09	LIFE/DISABILITY INSURANCE	\$ 1,500.00	\$ -
10-42-10	WORKMEN'S COMPENSATION	\$ 14,400.00	\$ 11,423.12
10-42-11	FPPA PENSION	\$ 44,000.00	\$ 39,551.54
10-42-12	FPPA D&D*	\$ 14,500.00	\$ 14,654.40
10-42-13	OVERTIME	\$ 20,000.00	\$ 11,833.79
	Subgroup : Personnel Services	\$ 671,600.00	\$ 609,244.83
		Percent Realized	91%
LAW ENFORCEMENT	OPERATING		
10-42-15	OFFICE SUPPLIES*	\$ 1,000.00	\$ 736.75
10-42-16	OPERATING SUPPLIES	\$ 7,500.00	\$ 3,067.68
10-42-17	POSTAGE	\$ 500.00	\$ 243.63
10-42-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES*	\$ 6,500.00	\$ 12,029.26
10-42-22	REPAIRS & MAINTENANCE	\$ 1,500.00	\$ 710.22
10-42-23	VEHICLE EXPENSE (Budgeted Amounts Need to go to 42-20 to cover overages there)	\$ 23,500.00	\$ 17,036.24
10-42-26	TRAVEL, MEETINGS, & TRAININGS	\$ 5,000.00	\$ 2,456.70
10-42-27	INSURANCE & BONDS	\$ 56,000.00	\$ 56,407.92
10-42-28	UTILITIES	\$ 2,500.00	\$ 2,438.93
10-42-29	TELEPHONE & INTERNET*	\$ 4,500.00	\$ 6,087.68
10-42-30	PUBLISHING ADS*	\$ 100.00	\$ 56.69
10-42-31	DUES & SUBSCRIPTIONS	\$ 7,000.00	\$ 5,328.19
10-42-33	DATA PROCESSING*	\$ 2,400.00	\$ 1,914.26
10-42-42	CONTRACT SERVICES*	\$ 30,000.00	\$ 29,904.78
10-42-44	HUMAN SERVICES	\$ 2,000.00	\$ 1,278.36
	Subgroup : Operating Expenditures	\$ 150,000.00	\$ 139,697.29
		Percent Realized	93%
LAW ENFORCEMENT	CAPITAL OUTLAY & TRANSFERS		
10-42-73	BUILDING IMPROVEMENTS	\$ 7,000.00	\$ 250.00
10-42-74	MACHINERY & EQUIPMENT	\$ 30,475.00	\$ 7,761.89
	Subgroup : CAPITAL OUTLAY	\$ 37,475.00	\$ 8,011.89
*Transfers between line items within this fund (received \$10,000 from Admin. for Contract Svcs. Shortfall from Motorola)		TOTAL \$ 859,075.00	\$ 748,942.12
		Percent Realized	87%

ACCOUNT	DESCRIPTION	ADOPTED FY-2025 BUDGET	NOVEMBER 31ST ACTUAL
BUILDING PERSONNEL SERVICES			
10-43-01	MAYOR & TRUSTEES	\$ -	\$ -
10-43-02	CONTRACT LABOR	\$ -	\$ -
10-43-03	SALARIES & WAGES	\$ -	\$ -
10-43-04	EMPLOYER FICA	\$ -	\$ -
10-43-05	EMPLOYER MEDICARE	\$ -	\$ -
10-43-06	UNEMPLOYMENT TAX	\$ -	\$ -
10-43-07	INSURANCE BENEFITS	\$ -	\$ -
10-43-08	RETIREMENT BENEFITS	\$ -	\$ -
10-43-09	LIFE/DISABILITY INSURANCE	\$ -	\$ -
10-43-10	WORKMEN'S COMPENSATION	\$ -	\$ -
10-43-13	OVERTIME	\$ -	\$ -
Subgroup : Personnel Services		\$ -	\$ -
Percent Realized 0%			
BUILDING OPERATING			
10-43-15	OFFICE SUPPLIES*	\$ 75.00	\$ 53.50
10-43-16	OPERATING SUPPLIES	\$ -	\$ 10.78
10-43-17	POSTAGE	\$ -	\$ -
10-43-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES*	\$ 44,000.00	\$ 30,800.00
10-43-22	REPAIRS & MAINTENANCE	\$ -	\$ -
10-43-23	VEHICLE EXPENSE	\$ -	\$ -
10-43-26	TRAVEL, MEETINGS & TRAININGS*	\$ 75.00	\$ 69.00
10-43-27	INSURANCE & BONDS	\$ -	\$ -
10-43-28	UTILITIES	\$ -	\$ -
10-43-29	TELEPHONE & INTERNET	\$ -	\$ -
10-43-30	PUBLISHING ADS*	\$ 100.00	\$ 96.52
10-43-31	DUES & SUBSCRIPTIONS*	\$ 700.00	\$ 677.61
10-43-33	DATA PROCESSING	\$ -	\$ -
10-43-40	MISCELLANEOUS	\$ -	\$ -
10-43-43	CULTURAL EVENTS	\$ -	\$ -
10-43-44	HUMAN SERVICES	\$ -	\$ -
Subgroup : Operating Expenditures		\$ 44,950.00	\$ 31,707.41
Percent Realized 71%			
BUILDING CAPITAL OUTLAY & TRANSFERS			
10-43-73	BUILDING IMPROVEMENTS	\$ 5,000.00	\$ -
10-43-74	MACHINERY & EQUIPMENT	\$ 50.00	\$ 13.00
Subgroup : CAPITAL OUTLAY		\$ 5,050.00	\$ 13.00
TOTAL \$ 50,000.00 \$ 31,707.41			
Percent Realized 63%			

*Transfers between line items within this fund

ACCOUNT	DESCRIPTION	ADOPTED FY-2025 BUDGET	NOVEMBER 31ST ACTUAL
STREETS	PERSONNEL SERVICES		
10-45-02	CONTRACT LABOR	\$ -	\$ -
10-45-03	SALARIES & WAGES*	\$ 93,500.00	\$ 73,883.62
10-45-04	EMPLOYER FICA	\$ 6,500.00	\$ 4,544.59
10-45-05	EMPLOYER MEDICARE	\$ 1,500.00	\$ 1,062.87
10-45-06	UNEMPLOYMENT TAX	\$ 300.00	\$ 146.57
10-45-07	INSURANCE BENEFITS	\$ 19,500.00	\$ 11,532.05
10-45-08	RETIREMENT BENEFITS	\$ 5,500.00	\$ 3,181.14
10-45-09	LIFE/DISABILITY INSURANCE	\$ 500.00	\$ -
10-45-10	WORKMEN'S COMPENSATION	\$ 5,500.00	\$ 6,239.33
10-45-13	OVERTIME	\$ 3,500.00	\$ 1,443.36
	Subgroup : Personnel Services	\$ 136,300.00	\$ 102,033.53
		Percent Realized	75%
STREETS	OPERATING		
10-45-15	OFFICE SUPPLIES*	\$ 700.00	\$ 230.78
10-45-16	OPERATING SUPPLIES	\$ 4,500.00	\$ 6,079.68
10-45-17	POSTAGE	\$ -	\$ -
10-45-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 25,000.00	\$ 15,820.71
10-45-21	AUDIT & BUDGET EXPENSE	\$ 1,500.00	\$ 1,584.16
10-45-22	REPAIRS & MAINTENANCE	\$ 15,000.00	\$ 10,522.50
10-45-23	VEHICLE EXPENSE*	\$ 7,000.00	\$ 6,911.17
10-45-24	RENTALS	\$ -	\$ -
10-45-25	SHOP EXPENSE*	\$ 10,000.00	\$ 8,471.20
10-45-26	TRAVEL, MEETINGS & TRAININGS	\$ 1,500.00	\$ 651.50
10-45-27	INSURANCE & BONDS	\$ 3,800.00	\$ 2,713.09
10-45-28	UTILITIES	\$ 15,000.00	\$ 8,439.58
10-45-29	TELEPHONE & INTERNET	\$ 1,500.00	\$ 1,041.15
10-45-30	PUBLISHING ADS	\$ 500.00	\$ 4.68
10-45-31	DUES & SUBSCRIPTIONS	\$ 3,500.00	\$ 1,193.70
10-45-32	FEES & PERMITS	\$ -	\$ -
10-45-33	DATA PROCESSING	\$ 1,250.00	\$ -
10-45-40	MISCELLANEOUS	\$ 1,000.00	\$ 14.24
10-45-42	SNOW REMOVAL	\$ 15,000.00	\$ 4,054.70
10-45-43	CULTURAL EVENTS	\$ -	\$ -
10-45-44	HUMAN SERVICES	\$ -	\$ -
10-45-45	BUILDING INSPECTOR	\$ -	\$ -
	Subgroup : Operating Expenditures	\$ 106,750.00	\$ 67,732.84
		Percent Realized	63%
STREETS	CAPITAL OUTLAY & TRANSFERS		
10-45-70	CAPITAL OUTLAY	\$ -	\$ 75,446.97
10-45-72	CAPITAL OUTLAY 5TH ST REALIGNMENT	\$ 2,827,675.00	\$ 20,337.33
10-45-73	BUILDING IMPROVEMENTS*	\$ 500.00	\$ 131.92
10-45-74	MACHINERY & EQUIPMENT	\$ 20,000.00	\$ 10,926.07
10-45-75	GRANT PROJECTS	\$ 325,000.00	\$ -
10-45-90	TREASURER'S FEE	\$ -	\$ -
10-45-99	TRANSFERS	\$ -	\$ -
	Subgroup : CAPITAL OUTLAY	\$ 3,173,175.00	\$ 106,842.29
	TOTAL	\$ 3,416,225.00	\$ 169,766.37
	TOTAL LESS 5TH ST REALIGNMENT	\$ 588,550.00	\$ 276,608.66
		Percent Realized	47%

*Transfers between line items within this fund

ACCOUNT	DESCRIPTION	ADOPTED FY-2025 BUDGET	NOVEMBER 31ST ACTUAL
PARKS	PERSONNEL SERVICES		
10-46-02	CONTRACT LABOR	\$ -	\$ -
10-46-03	SALARIES & WAGES*	\$ 59,200.00	\$ 57,598.01
10-46-04	EMPLOYER FICA	\$ 5,500.00	\$ 3,544.95
10-46-05	EMPLOYER MEDICARE	\$ 1,500.00	\$ 829.06
10-46-06	UNEMPLOYMENT TAX	\$ 200.00	\$ 114.34
10-46-07	INSURANCE BENEFITS	\$ 16,500.00	\$ 9,155.58
10-46-08	RETIREMENT BENEFITS	\$ 4,800.00	\$ 2,363.68
10-46-09	LIFE/DISABILITY INSURANCE	\$ 400.00	\$ -
10-46-10	WORKMEN'S COMPENSATION	\$ 3,000.00	\$ 2,488.94
10-46-13	OVERTIME	\$ 3,000.00	\$ 1,365.01
	Subgroup : Personnel Services	\$ 94,100.00	\$ 77,459.57
		Percent Realized	82%
PARKS	OPERATING		
10-46-15	OFFICE SUPPLIES	\$ 200.00	\$ 102.46
10-46-16	OPERATING SUPPLIES	\$ 4,500.00	\$ 3,104.19
10-46-17	POSTAGE	\$ 100.00	\$ -
10-46-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES*	\$ 2,000.00	\$ 1,230.00
10-46-21	AUDIT & BUDGET EXPENSE	\$ 2,500.00	\$ 1,584.16
10-46-22	REPAIRS & MAINTENANCE*	\$ 34,000.00	\$ 32,267.10
10-46-23	VEHICLE EXPENSE	\$ 4,500.00	\$ 5,236.55
10-46-24	RENTALS	\$ 3,000.00	\$ 85.00
10-46-25	SHOP EXPENSE*	\$ 2,400.00	\$ 2,296.17
10-46-26	TRAVEL, MEETINGS & TRAININGS	\$ 500.00	\$ 202.00
10-46-27	INSURANCE & BONDS	\$ 6,500.00	\$ 3,204.36
10-46-28	UTILITIES	\$ 7,500.00	\$ 7,785.63
10-46-29	TELEPHONE & INTERNET*	\$ 1,500.00	\$ 1,069.89
10-46-30	PUBLISHING ADS	\$ -	\$ -
10-46-31	DUES & SUBSCRIPTIONS	\$ 3,000.00	\$ 2,241.74
10-46-32	FEES & PERMITS	\$ 500.00	\$ -
10-46-33	DATA PROCESSING	\$ -	\$ -
10-46-40	MISCELLANEOUS	\$ 1,500.00	\$ -
10-46-42	CONTRACT SERVICES*	\$ 1,000.00	\$ 2,500.00
10-46-43	CULTURAL EVENTS	\$ -	\$ -
10-46-44	HUMAN SERVICES*	\$ 500.00	\$ 500.00
10-46-45	BUILDING INSPECTOR	\$ -	\$ -
	Subgroup : Operating Expenditures	\$ 75,700.00	\$ 63,409.25
		Percent Realized	84%
PARKS	CAPITAL OUTLAY & TRANSFERS		
10-46-70	CAPITAL OUTLAY	\$ -	\$ 1,437.61
10-46-73	BUILDING IMPROVEMENTS*	\$ 34,000.00	\$ 33,469.02
10-46-74	MACHINERY & EQUIPMENT*	\$ 5,800.00	\$ 7,542.69
10-46-75	GRANT PROJECTS	\$ 2,500.00	\$ -
10-46-90	TREASURER'S FEE	\$ -	\$ -
10-46-99	TRANSFERS	\$ -	\$ -
	Subgroup : CAPITAL OUTLAY	\$ 42,300.00	\$ 42,449.32
		Percent Realized	100%
	TOTAL	\$ 212,100.00	\$ 140,868.82
		Percent Realized	66%

*Transfers between line items within this fund

ACCOUNT	DESCRIPTION	ADOPTED FY-2025 BUDGET	NOVEMBER 31ST ACTUAL
WATER			
<i>* Revenue is dependent upon utility rate increases</i>			
	WATER UTILITY REVENUE		
60-36-01*	WATER CHARGES	\$ 905,000.00	\$ 847,879.77
60-36-02*	WATER CHARGES - USAGE	\$ 368,000.00	\$ 320,414.01
60-36-03	SALES & SERVICES	\$ 500.00	\$ 870.00
60-36-04	STANDBY TAP FEES	\$ 55,000.00	\$ 49,288.80
60-36-05	BULK WATER	\$ 15,000.00	\$ 12,596.55
60-36-06	RECONNECT FEES & PENALTIES	\$ -	\$ -
60-36-07	WATER TAPS	\$ -	\$ -
60-36-08	TAPS FEES ASSIGNED FOR STORAGE	\$ -	\$ -
60-36-09	PENALTIES	\$ 5,500.00	\$ 7,026.02
60-36-10	INTEREST	\$ 12,500.00	\$ -
60-36-12	RENTS	\$ 1,000.00	\$ 1,000.00
60-36-13	MISCELLANEOUS REVENUE	\$ 500.00	\$ 671.82
60-36-15	SALE/DISPOSAL OF ASSETS	\$ 2,500.00	\$ -
60-36-20	PASS THROUGH FUNDS	\$ -	\$ -
60-36-21	DOLA PASS THROUGH REVENUE	\$ -	\$ -
60-36-22	WPA PASS THROUGH REVENUE	\$ -	\$ -
60-36-23	DWRF GRANT (PRINCIPAL LOAN FORGIVENESS)	\$ -	\$ -
60-36-24	DOLA URS PASS THROUGH REVENUE	\$ -	\$ -
60-36-25	LOAN FUNDS	\$ 5,000,000.00	\$ -
60-36-28	WATERSMART GRANT REVENUE	\$ 250,000.00	\$ -
60-36-30	GRANT FUNDS	\$ 1,002,500.00	\$ 596,684.03
60-36-31	CAPITAL CONTRIBUTIONS	\$ -	\$ -
	Subgroup : Total Revenue¹	\$ 7,618,000.00	\$ 1,836,431.00
	Percent Realized		24%
WATER			
<i>¹ Budget Revenues differ from 20-year cashflow analysis, budget is in whole numbers, cashflow is to the penny</i>			
	WATER UTILITY PERSONNEL SERVICES		
60-50-02	TRUSTEE/ADMIN SALARIES	\$ 40,500.00	\$ 42,151.60
60-50-03	SALARIES & WAGES	\$ 262,000.00	\$ 223,795.99
60-50-04	EMPLOYER FICA	\$ 20,000.00	\$ 16,364.04
60-50-05	EMPLOYER MEDICARE	\$ 4,750.00	\$ 3,827.10
60-50-06	UNEMPLOYMENT TAX	\$ 700.00	\$ 527.88
60-50-07	INSURANCE BENEFITS	\$ 60,000.00	\$ 48,315.04
60-50-08	RETIREMENT BENEFITS	\$ 15,500.00	\$ 11,939.31
60-50-09	LIFE/DISABILITY INSURANCE	\$ 1,000.00	\$ -
60-50-10	WORKMEN'S COMPENSATION	\$ 5,750.00	\$ 2,024.42
60-50-13	OVERTIME	\$ 15,000.00	\$ 8,973.59
	Subgroup : Personnel Services	\$ 425,200.00	\$ 357,918.97
	Percent Realized		84%
WATER			
	WATER UTILITY OPERATING EXPENSES		
60-50-14	CHEMICALS	\$ 25,000.00	\$ 11,235.58
60-50-15	OFFICE SUPPLIES	\$ 2,500.00	\$ 1,926.22
60-50-16	OPERATING SUPPLIES	\$ 20,000.00	\$ 5,315.20
60-50-17	POSTAGE	\$ 4,000.00	\$ 2,743.99
60-50-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES*	\$ 272,000.00	\$ 88,613.72
60-50-21	AUDIT & BUDGET EXPENSE	\$ 15,000.00	\$ 9,052.51
60-50-22	REPAIRS & MAINTENANCE	\$ 50,000.00	\$ 7,832.99
60-50-23	VEHICLE EXPENSE*	\$ 10,000.00	\$ 8,789.78
60-50-24	RENTALS	\$ 1,500.00	\$ 1,143.75
60-50-25	SHOP EXPENSE	\$ 6,500.00	\$ 1,733.22
60-50-26	TRAVEL, MEETINGS & TRAININGS	\$ 3,000.00	\$ 3,097.21
60-50-27	INSURANCE & BONDS	\$ 17,000.00	\$ 17,672.77
60-50-28	UTILITIES	\$ 27,000.00	\$ 19,355.43
60-50-29	TELEPHONE & INTERNET	\$ 8,000.00	\$ 7,118.55

ACCOUNT	DESCRIPTION	ADOPTED FY-2025 BUDGET	NOVEMBER 31ST ACTUAL
WATER			
WATER UTILITY OPERATING EXPENSES			
60-50-30	PUBLISHING ADS	\$ 1,000.00	\$ 234.72
60-50-31	DUES & SUBSCRIPTIONS	\$ 21,500.00	\$ 12,727.01
60-50-32	FEES & PERMITS	\$ 2,500.00	\$ 849.60
60-50-33	DATA PROCESSING	\$ 10,500.00	\$ 3,828.50
60-50-40	MISCELLANEOUS*	\$ 11,000.00	\$ 11,029.25
60-50-41	WRITEOFF - UNCOLLECTABLE*	\$ 1,500.00	\$ 1,044.99
60-50-42	CONTRACT SERVICES	\$ 15,000.00	\$ 2,675.48
60-50-44	NORRIS RETIREMENT	\$ 7,500.00	\$ 6,160.00
60-50-50	WATER POWER AUTHORITY LOAN*	\$ 220,000.00	\$ 277,181.49
60-50-51	DRINKING WATER REVOLVING FUND	\$ -	\$ -
60-50-52	FCNB INTERIM FINANCING	\$ -	\$ -
60-50-54	DEBT SERVICE	\$ -	\$ -
60-50-55	LOAN PRINCIPAL*	\$ 38,500.00	\$ 21,677.44
60-50-56	LOAN INTEREST	\$ 25,000.00	\$ 22,928.46
60-50-60	WATER STORAGE EXPENDITURE	\$ -	\$ -
	Subgroup : Water Operating Expenditures	\$815,500.00	\$ 534,732.28
	Percent Realized		66%
WATER			
WATER UTILITY CAPITAL OUTLAY & TRANSFERS			
60-50-69	RAW WATER METERING	\$ 150,000.00	\$ 51,106.83
60-50-70	CAPITAL OUTLAY	\$ 111,000.00	\$ 21,000.00
60-50-71	PASS THROUGH ACCOUNT	\$ -	\$ -
60-50-72	WATER TANK RELINNING	\$ 1,883,000.00	\$ 1,333,373.06
60-50-73	WEST LOOP IMPROVEMENT PROJECT	\$ 3,000,000.00	\$ 83,395.50
60-50-74	WATERSMART GRANT	\$ 335,000.00	\$ -
60-50-75	GRANT PROJECTS	\$ 100,000.00	\$ 90,639.09
60-50-76	BUILDING IMPROVEMENTS*	\$ 500.00	\$ 190.85
60-50-77	MACHINERY & EQUIPMENT	\$ 20,000.00	\$ 2,515.14
60-50-99	TRANSFERS	\$ -	\$ -
	Subgroup : Water Capital Outlay & Transfers	\$ 5,599,500.00	\$ 1,582,220.47
	Percent Realized		28%
WATER			
WATER UTILITY DEPRECIATION			
60-59-99	DEPRECIATION	\$ 7,000.00	\$ -
	Subgroup : Water Depreciation	\$ 7,000.00	\$ -
	Percent Realized		0%
WATER FUND			
TOTAL REVENUES	\$ 7,618,000.00		\$ 1,836,431.00
TOTAL EXPENDITURES	\$ 6,847,200.00		\$ 2,474,871.72
	Percent Realized		36%
NET INCOME (LOSS) - Water Utility	\$ 770,800.00	\$ (638,440.72)	

ACCOUNT	DESCRIPTION	ADOPTED 25 BUDGET	FY	NOVEMBER 31ST ACTUAL
WASTEWATER				
WASTEWATER UTILITY REVENUE				
70-37-01	SEWER BASE CHARGE	\$ 785,000.00	\$ 720,046.50	
70-37-04	SEWER TAPS	\$ 5,000.00	\$ -	
70-37-05	SEWER RENTAL PROPERTY	\$ -	\$ -	
70-37-07	SALES & SERVICE	\$ -	\$ -	
70-37-08	PASS THROUGH FUNDS	\$ -	\$ -	
70-37-09	INTEREST INCOME	\$ 25,000.00	\$ 26,845.34	
70-37-10	WWTP PAYBACK FUND	\$ -	\$ -	
70-37-11	WWTP PAYBACK INTEREST	\$ -	\$ -	
70-37-12	RENTS	\$ -	\$ -	
70-37-13	GRANT REVENUE	\$ 10,000.00	\$ -	
70-37-14	MISCELLANEOUS REVENUE	\$ 5,500.00	\$ 279.47	
Subgroup : Total Revenue		\$ 830,500.00	\$ 747,171.31	
Percent Realized				
90%				
WASTEWATER				
WASTEWATER UTILITY PERSONNEL SERVICES				
70-51-02	TRUSTEE/ADMIN SALARIES	\$ 40,500.00	\$ 42,151.60	
70-51-03	SALARIES & WAGES	\$ 256,000.00	\$ 220,186.62	
70-51-04	EMPLOYER FICA	\$ 20,000.00	\$ 16,138.33	
70-51-05	EMPLOYER MEDICARE	\$ 4,500.00	\$ 3,774.28	
70-51-06	UNEMPLOYMENT TAX	\$ 750.00	\$ 520.60	
70-51-07	INSURANCE BENEFITS	\$ 58,000.00	\$ 46,727.29	
70-51-08	RETIREMENT BENEFITS	\$ 15,500.00	\$ 11,755.82	
70-51-09	LIFE/DISABILITY INSURANCE	\$ 1,000.00	\$ -	
70-51-10	WORKMEN'S COMPENSATION	\$ 5,500.00	\$ 1,612.10	
70-51-11	OVERTIME	\$ 15,000.00	\$ 8,805.73	
Subgroup : Personnel Services		\$ 416,750.00	\$ 351,672.37	
Percent Realized				
84%				
WASTEWATER				
WASTEWATER UTILITY OPERATING EXPENSES				
70-51-15	OFFICE SUPPLIES	\$ 1,000.00	\$ 661.18	
70-51-16	OPERATING SUPPLIES	\$ 12,000.00	\$ 12,721.00	
70-51-17	POSTAGE	\$ 4,000.00	\$ 2,372.32	
70-51-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 57,500.00	\$ 53,313.18	
70-51-21	AUDIT & BUDGET EXPENSE	\$ 15,000.00	\$ 9,052.50	
70-51-22	REPAIRS & MAINTENANCE	\$ 44,500.00	\$ 4,034.92	
70-51-23	VEHICLE EXPENSE*	\$ 6,500.00	\$ 8,873.30	
70-51-24	RENTALS*	\$ 1,500.00	\$ 3,844.71	
70-51-25	SHOP EXPENSE	\$ 5,500.00	\$ 1,723.83	
70-51-26	TRAVEL, MEETINGS & TRAININGS	\$ 2,000.00	\$ 2,101.85	
70-51-27	INSURANCE & BONDS*	\$ 7,500.00	\$ 13,652.14	
70-51-28	UTILITIES	\$ 40,000.00	\$ 33,086.39	
70-51-29	TELEPHONE & INTERNET	\$ 10,000.00	\$ 3,134.04	
70-51-30	PUBLISHING ADS	\$ 500.00	\$ 73.51	
70-51-31	DUES & SUBSCRIPTIONS	\$ 15,750.00	\$ 10,612.99	
70-51-32	FEES & PERMITS	\$ 3,500.00	\$ 2,778.93	
70-51-33	DATA PROCESSING	\$ 5,500.00	\$ 3,828.50	
70-51-40	MISCELLANEOUS	\$ 5,000.00	\$ 5,000.00	
70-51-41	WRITEOFF - UNCOLLECTABLE*	\$ -	\$ 125.71	
70-51-42	CONTRACT SERVICES	\$ 8,000.00	\$ 1,500.00	
70-51-43	GAUGING STATION	\$ 7,000.00	\$ -	
70-51-44	NORRIS RETIREMENT	\$ 6,500.00	\$ 6,160.00	
70-51-50	DOLA PRINCIPAL & INTEREST	\$ -	\$ -	
70-51-51	RURAL DEVELOPMENT PRINCIPAL & INTEREST	\$ 100,000.00	\$ 76,262.50	
70-51-52	WWTP PAYBACK FUND EXPENDITURES	\$ -	\$ -	
70-51-53	ISSUANCE COSTS	\$ -	\$ -	
70-51-54	DEBT RESERVE	\$ 24,000.00	\$ -	
Subgroup : Operating Expenses		\$ 382,750.00	\$ 254,913.50	
Percent Realized				
67%				

ACCOUNT	DESCRIPTION	ADOPTED FY-25 BUDGET	NOVEMBER 31ST ACTUAL
WASTEWATER			
WASTEWATER UTILITY CAPITAL OUTLAY & TRANSFERS			
70-51-70	CAPITAL OUTLAY	\$ 5,500.00	\$ 5,500.00
70-51-71	PASS THROUGH FUNDS	\$ -	\$ -
70-51-72	ASSET REPLACEMENT RESERVE	\$ -	\$ -
70-51-73	PASS THROUGH OPERATING	\$ -	\$ 32.00
70-51-75	GRANT PROJECTS	\$ 10,000.00	\$ -
70-51-76	BUILDING IMPROVEMENTS	\$ -	\$ -
70-51-77	MACHINERY & EQUIPMENT*	\$ -	\$ 116,899.34
70-51-99	TRANSFERS	\$ -	\$ -
Subgroup : Wastewater Capital Outlay & Transfers		\$ 15,500.00	\$ 122,431.34
Percent Realized			790%
WASTEWATER			
WASTEWATER UTILITY DEPRECIATION			
70-59-99	DEPRECIATION	\$ 150.00	\$ -
Subgroup : Wastewater Depreciation		\$ 150.00	\$ -
WASTEWATER FUND			
TOTAL REVENUES	\$ 830,500.00		\$ 747,171.31
TOTAL EXPENDITURES	\$ 815,150.00		\$ 729,017.21
Percent Realized			89%
NET INCOME (LOSS) - Wastewater Utility		\$ 15,350.00	\$ 18,154.10

ACCOUNT	DESCRIPTION	ADOPTED FY-25 BUDGET	NOVEMBER 31ST ACTUAL
SANITATION			
SANITATION REVENUE			
80-30-02	TRASH CHARGES**	\$ 320,000.00	\$ 310,269.23
80-30-03	BULK TRASH CHARGE	\$ 2,500.00	\$ 1,512.42
80-30-04	TIRE PICK UP	\$ -	\$ -
	Subgroup : Total Revenue	\$ 322,500.00	\$ 311,781.65
**Rate Increase effective for September Bill		Percent Realized	97%
SANITATION			
SANITATION PERSONNEL SERVICES			
80-52-02	CONTRACT/ADMIN SALARIES*	\$ 9,000.00	\$ 5,881.59
80-52-03	SALARIES & WAGES*	\$ 139,000.00	\$ 156,169.87
80-52-04	EMPLOYER FICA	\$ 9,500.00	\$ 9,950.79
80-52-05	EMPLOYER MEDICARE	\$ 2,500.00	\$ 2,327.21
80-52-06	UNEMPLOYMENT TAX	\$ 400.00	\$ 321.00
80-52-07	INSURANCE BENEFITS*	\$ 30,500.00	\$ 26,210.91
80-52-08	RETIREMENT BENEFITS	\$ 7,500.00	\$ 6,466.97
80-52-09	LIFE/DISABILITY INSURANCE	\$ 500.00	\$ -
80-52-10	WORKMEN'S COMPENSATION	\$ 5,500.00	\$ 4,885.46
80-52-11	OVERTIME	\$ 5,000.00	\$ 4,453.88
	Subgroup : Personnel Services	\$ 209,400.00	\$ 216,667.68
Percent Realized			103%
SANITATION			
SANITATION OPERATING EXPENSES			
80-52-15	OFFICE SUPPLIES	\$ 500.00	\$ 850.29
80-52-16	OPERATING SUPPLIES	\$ 1,000.00	\$ 1,159.20
80-52-17	POSTAGE	\$ 2,000.00	\$ 2,095.34
80-52-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 12,000.00	\$ 16,927.78
80-52-21	AUDIT & BUDGET EXPENSE*	\$ 5,000.00	\$ 4,252.50
80-52-22	REPAIRS & MAINTENANCE*	\$ 3,000.00	\$ 3,052.24
80-52-23	VEHICLE EXPENSE	\$ 13,500.00	\$ 14,448.72
80-52-24	RENTALS	\$ 500.00	\$ 32.00
80-52-25	SHOP EXPENSE	\$ 2,500.00	\$ 1,827.44
80-52-26	TRAVEL, MEETINGS & TRAININGS	\$ 2,000.00	\$ 2,232.34
80-52-27	INSURANCE & BONDS*	\$ 9,500.00	\$ 11,997.29
80-52-28	UTILITIES	\$ 2,000.00	\$ 1,446.76
80-52-29	TELEPHONE & INTERNET	\$ 2,200.00	\$ 2,867.27
80-52-30	PUBLISHING ADS	\$ 500.00	\$ 77.47
80-52-31	DUES & SUBSCRIPTIONS	\$ 7,800.00	\$ 8,436.28
80-52-32	FEES & PERMITS	\$ 500.00	\$ 47.53
80-52-33	DATA PROCESSING*	\$ 4,100.00	\$ 3,828.48
80-52-40	MISCELLANEOUS	\$ 500.00	\$ -
80-52-41	WRITEOFF - UNCOLLECTABLE	\$ -	\$ -
80-52-42	LANDFILL FEES	\$ 39,000.00	\$ 34,254.40
80-52-43	CLEAN UP DAYS	\$ -	\$ -
	Subgroup : Operating Expenses	\$ 108,100.00	\$ 109,833.33
Percent Realized			102%
SANITATION			
SANITATION CAPITAL OUTLAY & TRANSFERS			
80-52-70	CAPITAL OUTLAY	\$ -	\$ -
80-52-71	PASS THROUGH FUNDS	\$ -	\$ -
80-52-75	GRANT PROJECTS	\$ -	\$ -
80-52-76	BUILDING IMPROVEMENTS	\$ -	\$ -
80-52-77	MACHINERY & EQUIPMENT*	\$ 2,400.00	\$ 11,753.71
80-52-99	TRANSFERS	\$ -	\$ -
	Subgroup : Sanitation Capital Outlay & Transfers	\$ 2,400.00	\$ 11,753.71
Percent Realized			
SANITATION			
SANITATION DEPRECIATION			
80-59-99	DEPRECIATION	\$ -	\$ -
	Subgroup : Sanitation Depreciation	\$ -	\$ -
Percent Realized			
SANITATION FUND			
TOTAL REVENUES	\$ 322,500.00		\$ 311,781.65
TOTAL EXPENDITURES	\$ 319,900.00		\$ 338,254.72
Percent Realized			106%
NET INCOME (LOSS) - Sanitation Utility		\$ (26,473.07)	

ACCOUNT	DESCRIPTION	ADOPTED FY-25 BUDGET	NOVEMBER 31ST ACTUAL
NFV AIRPORT			
NFV AIRPORT REVENUE			
50-31-06	AIRPORT REVENUE	\$ 7,650.00	\$ 4,462.50
50-31-15	TRANSFER FROM GENERAL FUND RESERVE	\$ 72,350.00	\$ -
50-31-16	CAPITAL IMPROVEMENT FUND - AIRPORT GRANTS	\$ -	\$ -
	Subgroup : Total Revenue	\$ 80,000.00	\$ 4,462.50
		Percent Realized	6%
NFV AIRPORT			
NFV AIRPORT CAPITAL OUTLAY & TRANSFERS			
50-32-70	CAPITAL OUTLAY	\$ 80,000.00	\$ -
50-52-71	PASS THROUGH FUNDS	\$ -	\$ -
50-52-75	GRANT PROJECTS	\$ -	\$ -
50-52-76	BUILDING IMPROVEMENTS	\$ -	\$ -
50-52-77	MACHINERY & EQUIPMENT	\$ -	\$ -
50-52-99	TRANSFERS	\$ -	\$ -
	Subgroup : NFV Capital Outlay & Transfers	\$ 80,000.00	\$ -
		Percent Realized	0%
NFV AIRPORT			
NFV AIRPORT DEPRECIATION			
50-59-99	DEPRECIATION	\$ -	\$ -
	Subgroup : NFV Depreciation	\$ -	\$ -
		Percent Realized	0%
NFV AIRPORT			
TOTAL REVENUES	\$ 80,000.00		\$ 4,462.50
TOTAL EXPENDITURES	\$ 80,000.00		\$ 0.00
		Percent Realized	0%
NET INCOME (LOSS) - NFV CAPITAL IMPROVEMENT FUND			
			\$ 4,462.50