



TOWN OF PAONIA
214 GRAND AVENUE
REGULAR TOWN BOARD MEETING AGENDA
TUESDAY, SEPTEMBER 24, 2024 6:30 PM
ZOOM LINK: [HTTPS://US02WEB.ZOOM.US/J/84313235772](https://us02web.zoom.us/j/84313235772)

Public Participation: Must raise hand and be recognized by the Mayor, come to the podium and state your name and the street on which you live. Time limit is 3 minutes, one time per item. Direct all comments to the Mayor. No responses will be made by staff or Board during the meeting. No derogatory or demeaning statements or public displays. Please be respectful.

Roll Call

Approval of Agenda

Announcements

Appreciations - Trustee Swartz

Public Comment

Any topic not included under Actions & Presentations; 3-minute time limit.

Consent Agenda

[August 20, 2024 Special Meeting Minutes](#)
 August 27, 2024 Regular Meeting Minutes
 September 10, 2024 Regular Meeting Minutes
 September 17, 2024 Special Meeting Minutes

[SEP 2024-13 The Learning Council](#)
[SEP 2024-14 Paonia Players](#)

[Disbursements](#)

Staff Reports

[Departmental Scorecard](#)

Actions & Presentations

Public comments must be related to the agenda item, 3-minute time limit.

[Agenda](#) Item #1 - Board Appointment to Vacant Trustee Seat

[Agenda](#) Item #2: Consideration of Approval of Letter of Support for the Wilder Bunch - Ben Graves

[Agenda](#) Item #3 - Presentation of the FY-2023 Audit by Hinkle PC - Jim Hinkle

[Agenda](#) Item #4 Elsewhere Studios Donation Request through The Learning Council

[Agenda](#) Item #5: Consideration of Approval of Water Tank Land Purchase

Mayor & Trustee Reports

[Public](#) Safety Committee Report-

- Consideration of Approval of Directing Staff to Draft a New OHV Ordinance.

Adjournment

AS ADOPTED BY:
TOWN OF PAONIA, COLORADO
RESOLUTION NO. 2017-10 – Amended May 22, 2018

I. RULES OF PROCEDURE

Section 1. Schedule of Meetings. Regular Board of Trustees meetings shall be held on the second and fourth Tuesdays of each month, except on legal holidays, or as re-scheduled or amended and posted on the agenda prior to the scheduled meeting.

Section 2. Officiating Officer. The meetings of the Board of Trustees shall be conducted by the Mayor or, in the Mayor's absence, the Mayor Pro-Tem. The Town Clerk or a designee of the Board shall record the minutes of the meetings.

Section 3. Time of Meetings. Regular meetings of the Board of Trustees shall begin at 6:30 p.m. or as scheduled and posted on the agenda. Board Members shall be called to order by the Mayor. The meetings shall open with the presiding officer leading the Board in the Pledge of Allegiance. The Town Clerk shall then proceed to call the roll, note the absences and announce whether a quorum is present. Regular Meetings are scheduled for three hours, and shall be adjourned at 9:30 p.m., unless a majority of the Board votes in the affirmative to extend the meeting, by a specific amount of time.

Section 4. Schedule of Business. If a quorum is present, the Board of Trustees shall proceed with the business before it, which shall be conducted in the following manner. Note that all provided times are estimated:

- (a) Roll Call - (5 minutes)
- (b) Approval of Agenda - (5 minutes)
- (c) Announcements (5 minutes)
- (d) Recognition of Visitors and Guests (10 minutes)
- (e) Consent Agenda including Approval of Prior Meeting Minutes (10 minutes)
- (f) Mayor's Report (10 minutes)
- (g) Staff Reports: (15 minutes)
 - (1) Town Administrator's Report
 - (2) Public Works Reports
 - (3) Police Report
 - (4) Treasurer Report
- (h) Unfinished Business (45 minutes)
- (i) New Business (45 minutes)
- (j) Disbursements (15 minutes)
- (k) Committee Reports (15 minutes)
- (l) Adjournment

* This schedule of business is subject to change and amendment.

Section 5. Priority and Order of Business. Questions relative to the priority of business and order shall be decided by the Mayor without debate, subject in all cases to an appeal to the Board of Trustees.

Section 6. Conduct of Board Members. Town Board Members shall treat other Board Members and the public in a civil and polite manner and shall comply with the Standards of Conduct for Elected Officials of the Town. Board Members shall address Town Staff and the Mayor by his/her title, other Board Members by the title of Trustee or the appropriate honorific (i.e.: Mr., Mrs. or Ms.), and members of the public by the appropriate honorific. Subject to the Mayor's discretion, Board Members shall be limited to speaking two times when debating an item on the agenda. Making a motion, asking a question or making a suggestion are not counted as speaking in a debate.

Section 7. Presentations to the Board. Items on the agenda presented by individuals, businesses or other organizations shall be given up to 5 minutes to make a presentation. On certain issues, presenters may be given more time, as determined by the Mayor and Town Staff. After the presentation, Trustees shall be given the opportunity to ask questions.

Section 8. Public Comment. After discussion of an agenda item by the Board of Trustees has concluded, the Mayor shall open the floor for comment from members of the public, who shall be allowed the opportunity to comment or ask questions on the agenda item. Each member of the public wishing to address the Town Board shall be recognized by the presiding officer before speaking. Members of the public shall speak from the podium, stating their name, the address of their residence and any group they are representing prior to making comment or asking a question. Comments shall be directed to the Mayor or presiding officer, not to an individual Trustee or Town employee. Comments or questions should be confined to the agenda item or issue(s) under discussion. The speaker should offer factual information and refrain from obscene language and personal attacks.

Section 9. Unacceptable Behavior. Disruptive behavior shall result in expulsion from the meeting.

Section 10. Posting of Rules of Procedure for Paonia Board of Trustees Meetings. These rules of procedure shall be provided in the Town Hall meeting room for each Board of Trustees meeting so that all attendees know how the meeting will be conducted.

II. CONSENT AGENDA

Section 1. Use of Consent Agenda. The Mayor, working with Town Staff, shall place items on the Consent Agenda. By using a Consent Agenda, the Board has consented to the consideration of certain items as a group under one motion. Should a Consent Agenda be used at a meeting, an appropriate amount of discussion time will be allowed to review any item upon request.

Section 2. General Guidelines. Items for consent are those which usually do not require discussion or explanation prior to action by the Board, are non-controversial and/or similar in content, or are those items which have already been discussed or explained and do not require further discussion or explanation. Such agenda items may include ministerial tasks such as, but not limited to, approval of previous meeting minutes, approval of staff reports, addressing routine correspondence, approval of liquor licenses renewals and approval or extension of other Town licenses. Minor changes in the minutes such as non-material Scribner errors may be made without removing the minutes from the Consent Agenda. Should any Trustee feel there is a material error in the minutes, they should request the minutes be removed from the Consent Agenda for Board discussion.

Section 3. Removal of Item from Consent Agenda. One or more items may be removed from the Consent Agenda by a timely request of any Trustee. A request is timely if made prior to the vote on the Consent Agenda. The request does not require a second or a vote by the Board. An item removed from the Consent Agenda will then be discussed and acted on separately either immediately following the consideration of the Consent Agenda or placed later on the agenda, at the discretion of the Board.

III. EXECUTIVE SESSION

Section 1. An executive session may only be called at a regular or special Board meeting where official action may be taken by the Board, not at a work session of the Board. To convene an executive session, the Board shall announce to the public in the open meeting the topic to be discussed in the executive session, including specific citation to the statute authorizing the Board to meet in an executive session and identifying the particular matter to be discussed “in as much detail as possible without compromising the purpose for which the executive session is authorized.” In the event the Board plans to discuss more than one of the authorized topics in the executive session, each should be announced, cited and described. Following the announcement of the intent to convene an executive session, a motion must then be made and seconded. In order to go into executive session, there must be the affirmative vote of two thirds (2/3) of Members of the Board.

Section 2. During executive session, minutes or notes of the deliberations should not be taken. Since meeting minutes are subject to inspection under the Colorado Open Records Act, the keeping of minutes would defeat the private nature of executive session. In addition, the deliberations carried out during executive session should not be discussed outside of that session or with individuals not participating in the session. The contents of an executive session are to remain confidential unless a majority of the Trustees vote to disclose the contents of the executive session.

Section 3. Once the deliberations have taken place in executive session, the Board should reconvene in regular session to take any formal action decided upon during the executive session. If you have questions regarding the wording of the motion or whether any other information should be disclosed on the record, it is essential for you to consult with the Town Attorney on these matters.

IV. SUBJECT TO AMENDMENT

Section 1. Deviations. The Board may deviate from the procedures set forth in this Resolution, if, in its sole discretion, such deviation is necessary under the circumstances.

Section 2. Amendment. The Board may amend these Rules of Procedures Policy from time to time.

Minutes
Special Town Board Meeting
Town of Paonia, Colorado
August 20, 2024

RECORD OF PROCEEDINGS

Mayor Smith calls the meeting to order at 6:30PM

Roll Call

PRESENT

Mayor Paige Smith

Mayor Pro-Tem John Valentine

Trustee Rick Stelter

Trustee Lucy Hunter

Trustee Kathy Swartz (Arrives after Roll Call)

ABSENT

Trustee Walter Czech

Approval of Agenda

Trustee Hunter makes a motion, seconded by Trustee Stelter, to accept the agenda.

The motion carries unanimously.

Actions & Presentations

Executive Session for a conference with the Water Attorney, Sherry Coloia for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) regarding the Town's Code Revision and water regulations.

Mayor Pro-Tem Valentine makes a motion. seconded by Trustee Stelter, to enter into Executive Session for a conference with the Water Attorney, Sherry Coloia, for the purposes of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) regarding the Town's Code Revision and water regulations.

The motion carries unanimously.

Executive Session starts at 6:01 pm

Executive Session ends at 7:11pm

Participants in the Executive Session include Mayor Smith, Mayor Pro-Tem Valentine, Trustee Stelter, Trustee Swartz, Trustee Hunter, Administrator Wynn, Leslie Klusmire and Sherry Coloia.

No concerns were noted.

Discussion and Guidance for the Code Rewrite with Leslie Klusmire, Sustainable Solutions

Discussion includes council/manager form of government, liability, statutory job descriptions vs today, franchise removal from Code, resolution vs ordinance, definitions, Supreme Court defines variance, waiver, moratorium, ZBoA and Planning Commission rolled into one, sequencing, Tree Board reports to the Board, Ethics for Board in the Code, cleaning up funds in the Code, sanitation enterprise fund, enterprise- doesn't need voter approval to get loans, nuisances, natural yards rules, owner of record, water and sewer utilities rewritten, tap enforcement, out of town user code, annexation with water rights, Chapter 16: Land Use Regulation, Formula business regulations - not allowed, need design standards instead, Dark Skies regulations, Process for adoption, best practices for update/ maintenance.

Update on Comprehensive (Master) Plan and Timeline

Adjournment

The meeting adjourns at 8:16PM.

Samira M Vetter, Town Clerk

Paige Smith, Mayor

Minutes
Regular Town Board Meeting
Town of Paonia, Colorado
August 27, 2024

RECORD OF PROCEEDINGS

Public Participation: Must raise hand and be recognized by the Mayor, come to the podium and state your name and the street on which you live. Time limit is 3 minutes, one time per item. Direct all comments to the Mayor. No responses will be made by staff or Board during the meeting. No derogatory or demeaning statements or public displays. Please be respectful.

Mayor Smith calls the meeting to order at 6:30 PM.

Roll Call

PRESENT
Mayor Paige Smith
Mayor Pro-Tem Valentine
Trustee Rick Stelter
Trustee Kathy Swartz
Trustee Walter Czech (Zoom)
Trustee Lucy Hunter

Approval of Agenda

Trustee Hunter makes a motion, seconded by Trustee Stelter, to approve the agenda with the minutes removed from the Consent Agenda.

The motion carries unanimously.

Announcements

Appreciations - Trustee Swartz

Public Comment

Any topic not included under Actions & Presentations; 3-minute time limit.

Consent Agenda

Trustee Stelter makes a motion, seconded by Trustee Hunter, to approve the Consent Agenda.

The motion carries unanimously.

Staff Reports

Departmental Scorecard

Actions & Presentations

Public comments must be related to the agenda item, 3-minute time limit.

Agenda Item #1 Services Update Presentation - Jenni Neil, Manager of HopeWest for Delta County

Agenda Item #2 Consideration of Western Slope Conservation Center's Letter of Support for the Gunnison Outdoor Resources Protection Act

Trustee Hunter makes a motion, seconded by Trustee Stelter, to approve Western Slope Conservation Center's letter of support for the Gunnison Outdoor Resources Protection Act.

Voting Aye: Mayor Pro-Tem Valentine, Trustee Stelter, Trustee Czech, Trustee Hunter

Recused: Trustee Swartz

Agenda Item #3 Consideration of Letter of Support and Partial Funding for the Western Slope Conservation Center for the Wildfire Ready Watersheds

Trustee Hunter makes a motion, seconded by Trustee Stelter to approve a Letter of Support for the Wildfire Ready Action Plan and commit the Town to participating with any requirements of the grant through the Colorado Water Conservation Board and funding up to \$5000.

Voting Aye: Mayor Pro-Tem Valentine, Trustee Stelter, Trustee Czech, Trustee Hunter

Recused: Trustee Swartz

Agenda Item #4 Consideration of the Town Administrator's Resignation Letter

Trustee Stelter makes a motion, seconded by Trustee Hunter, to reject Town Administrator Wynn's letter of resignation.

The motion carries unanimously.

Agenda Item #5 Resolution 2024-12 Declaring a Vacancy on the Board of Trustees

Public Comment-

B. Brunner: comments against

M. Bachran: comments in favor

S. Watson: comments about which process used

L. Howe: comments in favor

Trustee Stelter makes a motion, seconded by Trustee Hunter to approve Resolution 2024-12 declaring a vacancy on the Board of Trustees.

The motion carries unanimously.

Agenda Item #6 Mayoral Appointment of a Trustee to the Planning Commission

Trustee Hunter is appointed to the Planning Commission in the interim.

Agenda Item #7 Public Hearing on Special Use Review for The Learning Council's 'The Hearth' to be used as a Commercial Recreational Space.

Trustee Hunter recuses herself since the applicants are clients and leaves the room.

Public Hearing opens at 7:14PM

Clerk Vetter verifies that proper notice has been given.

Public Comment:

No public comment is given

Public Hearing closes at 7:21PM

Trustee Swartz makes a motion, seconded by Trustee Stelter to approve SRV 2024-03 since they received a favorable recommendation from the Planning Commission and special use does not adversely affect the life, health, safety and welfare of the existing core commercial area, that the special use substantially conforms to the Comprehensive Plan and that the proposed use meets the review criteria and performance standards as required, with the4 following condition: that the Learning Council enters into an agreement with the Town or other potential private parking lots for any required off-street parking.

The motion carries unanimously.

Agenda Item #8 PH- Hunter- 325 Grand Ave

Trustee Hunter recuses herself from this hearing.

Trustee Swartz is conflicted about recusing due to living 3 houses away but after receiving advice from the Town Attorney, she invokes the exemption in order to maintain a quorum.

Public Hearing opens 7:28PM

Clerk Vetter verifies that proper notification was made.

Public Comment

Charles Stuart - comments in favor

David Marek- comments in favor

Marsha Brezonick- comments in favor

Public Hearing closes at 8:16PM

Trustee Swartz makes a motion, seconded by Trustee Czech, to approve SRV 2024-04 because it does not adversely affect the public health, safety and welfare of the existing Core Commercial area, that the Special Use substantially conforms to the Comprehensive (Master) Plan, and that the proposed use meets the review criteria and performance standards as required.

Voting Yea: Trustee Swartz, Trustee Czech

Voting Nay: Mayor Smith, Mayor Pro-Tem Valentine, Trustee Stelter

Recused: Trustee Hunter

Trustee Stelter makes a motion, seconded by Mayor Pro-Tem Valentine, to deny SRV 2024-04 because the Special Use doesn't meet the criteria and performance standards required for considering a Special Use Review.

Aye: Mayor Pro-Tem Valentine, Trustee Stelter, Trustee Czech

Nay: Trustee Swartz

The motion carries.

Trustee Stelter makes a motion, seconded by Mayor Pro-Tem Valentine, to take a five-minute recess.

The motion carries unanimously.

Agenda Item #9 SEP 2024-13- The Learning Council- 2nd Annual Picklefest at Apple Valley Park

Trustee Stelter makes a motion, seconded by Trustee Hunter, to approve SEP 2024-13 except for the Special Event Liquor License.

The motion carries unanimously.

Agenda Item #10 SEP 2024-12 Colorado Grand

Trustee Stelter recuses himself from voting on this agenda item.

Trustee Hunter makes a motions, seconded by Mayor Pro-Tem Valentine, to approve SEP 2024-12.

Voting Aye: Mayor Pro-Tem Valentine, Trustee Czech, Trustee Swartz and Trustee Hunter.

The motion carries.

Agenda Item #11 Consideration of CIP Phase I - Waterline Design Amendment Change Order #1

Trustee Stelter makes a motion, seconded by Trustee Hunter to approve Water Capital Improvement Plan Phase One Waterline Design Amendment Change Order #1

The motion carries unanimously.

Agenda Item #12 Consideration of Change Order #3 for the 5th & Grand Realignment (Safe Pathways for Paonia) Project

Trustee Hunter makes a motion, Seconded by Trustee Stelter, to approve Change Order #3 for the 5th and Grand Realignment Project Design for \$14,000 for a total not to exceed contract price of \$197,734.

The motion carries unanimously.

Agenda Item #13 Consideration of Geotechnical Engineering for NFVA

Trustee Swartz makes a motion, seconded by Trustee Hunter, to approve directing the Town Administrator to engage with the County's consultant to begin Geotechnical Engineering for the airport apron rehabilitation project for an amount not to exceed \$34,500 and dependent upon the County approving \$11,500.

The motion carries unanimously.

Agenda Item #14 Discuss a grants administrator position

Trustee Swartz makes a motion, seconded by Trustee Hunter to approve a grants administrator position, not to exceed \$10,000 at \$50 per hour for grant writing and administration.

The motion carries unanimously.

Agenda Item #15 Consideration of Approval of the Intergovernmental Agreement with Delta County for the November Election

Trustee Stelter makes a motion, seconded by Mayor Pro-Tem Valentine, to approve the Intergovernmental Agreement with Delta County for the November Election.

The motion carries unanimously.

Agenda Item #16 Consideration of Task Order for Wastewater (Sewer) Collections System Project Needs Assessment with RESPEC

Trustee Stelter makes a motion, seconded by Trustee Swartz, to approve a new task order with RESPEC to produce a Project Needs Assessment Report for the Sewer System in an amount not to exceed \$40,000.

The motion carries unanimously.

Agenda Item #17 Consideration of Purchasing a Graco LineLazer V3900 HP Paint Striper

Trustee Swartz makes a motion, seconded by Trustee Hunter, to approve the purchase of a Graco LineLazer V3900 HP Paint Striper with a not to exceed price of \$14,000.

The motion carries unanimously.

Mayor Pro-Tem Valentine makes a motion, seconded by Trustee Stelter, to extend the meeting by 20 minutes to 9:50PM.

The motion carries unanimously.

Agenda Item #18 Consideration of Purchasing a UTV/Side by Side

Trustee Stelter makes a motion, seconded by Trustee Hunter to approve the purchase two UTV/Side by Sides, not to exceed the budgeted \$40,000.

The motion carries unanimously.

Agenda Item #19 Consideration of Requesting and Extension from DOLA for EIAF A0232 Grant for Comprehensive (Master) Plan Update

Trustee Swartz makes a motion, seconded by Mayor Pro-Tem Valentine to direct staff to request an extension from DOLA for EIAF A0232 Grant for the Comprehensive (Master) Plan Update, with a Plan adoption date of February 28, 2025.

The motion carries unanimously.

Mayor & Trustee Reports

Adjournment

The meeting adjourns at 9:34 PM.

Samira M Vetter, Town Clerk

Paige Smith, Mayor

DRAFT

Minutes
Regular Town Board Meeting
Town of Paonia, Colorado
September 10, 2024

RECORD OF PROCEEDINGS

Public Participation: Must raise hand and be recognized by the Mayor, come to the podium and state your name and the street on which you live. Time limit is 3 minutes, one time per item. Direct all comments to the Mayor. No responses will be made by staff or Board during the meeting. No derogatory or demeaning statements or public displays. Please be respectful.

Mayor Smith calls the meeting to order at 6:30PM.

Roll Call

PRESENT

- Mayor Paige Smith
- Mayor Pro-Tem John Valentine (Zoom)
- Trustee Rick Stelter
- Trustee Kathy Swartz
- Trustee Walter Czech
- Trustee Lucy Hunter

Approval of Agenda

Trustee Hunter makes a motion, seconded by Trustee Swartz to remove the minutes from the consent agenda.

The motion carries unanimously.

Trustee Hunter makes a motion, seconded by Trustee Stelter, to approve the agenda.

The motion carries unanimously.

Announcements

Trustee Swartz reads appreciations that she received from Arbol Market.

Public Comment

Any topic not included under Actions & Presentations; 3-minute time limit.

J. Holvoet: Comments on water taps

J. Schwartz: Comments parking lease.

M. Neiremberger: comments on Constitution.

S. Stahley: comments on speed limits.

Consent Agenda

Trustee Stelter makes a motion, seconded by Trustee Hunter, to approve the Consent Agenda.

The motion carries unanimously.

Staff Reports

Chief Laiminger provides highlights for the police dept.

Town Administrator Wynn goes over the Audit Transmittal Letter and MD&A with the Board of Trustees.

Actions & Presentations

Public comments must be related to the agenda item, 3-minute time limit.

Agenda Item #1: Consideration of the Board of Trustee's Directing the Public Safety Committee to Investigate ORVs within Town of Paonia

Public Comment:

M. Durlin: Comments against.

M. Neirumberger: comments for.

Trustee Stelter makes a motion, seconded by Trustee Swartz to direct the Public Safety Committee to investigate the use of ORV's within the Town of Paonia town limits.

The motion carries unanimously.

Agenda Item #2: Consideration of Pro/Con Statements for Ballot Issue - Sidewalk Fees

Public Comment

S. Watson: comments on the sidewalk fee.

Trustee Hunter makes a motion, seconded by Trustee Stelter to direct staff to make Pro/Con statements and schedule a special meeting for September 17 at 6:30PM.

The motion carries unanimously.

Agenda Item #3: Consideration of Directing the Town Attorney Drafting Resolution or Ordinance for Trustee Email Addresses and Use of Town Owned Devices for Trustees and/or Citizen Commissioner/ZBoA members

Trustee Swartz makes a motion, seconded by Trustee Stelter to direct the Town Attorney and the Town Administrator to create a Resolution requiring all Trustees and citizen committee members to use Town-issued email addresses.

The motion carries unanimously.

Trustee Hunter makes a motion, seconded by Trustee Stelter to instruct Town Staff and Town attorney to include a policy stating that the Town does not provide electronic devices for Trustees, Planning Commission, Zoning Board of Adjustment or Tree Board members.

The motion carries unanimously.

Agenda Item #4: Banner Fee (and Ordinance?) and \$500 deposit for street closures added to Fee Resolution 21-2023

Trustee Hunter makes a motion, seconded by Trustee Swartz to direct staff to draft an ordinance regarding banner permits.

The motion carries unanimously.

Trustee Hunter makes a motion, seconded by Trustee Stelter to revise the fee schedule Resolution to include street closure deposit.

The motion carries unanimously.

Mayor & Trustee Reports

Adjournment

The meeting adjourns at 8:25 PM.

Samira M Vetter, Town Clerk

Paige Smith, Mayor

Minutes
Special Town Board Meeting
Town of Paonia, Colorado
September 17, 2024

RECORD OF PROCEEDINGS

Mayor Smith calls the meeting to order at 6:30 pm

Roll Call

PRESENT

- Mayor Paige Smith
- Mayor Pro-Tem John Valentine
- Trustee Rick Stelter
- Trustee Kathy Swartz
- Trustee Walter Czech
- Trustee Lucy Hunter

Approval of Agenda

Trustee Hunter makes a motion, seconded by Trustee Stelter, to approve the agenda.

The motion carries unanimously.

Actions & Presentations

Agenda Item #1 Resolution 2024-13 Endorsing WaterSMART Planning and Project Design Grant

Town Administrator Wynn gives background on the need for the resolution.

Trustee Swartz makes a motion, seconded by Trustee Hunter, to approve Resolution 2024-13 Endorsing WaterSMART Planning and Project Design Grant.

The motion carries unanimously.

Agenda Item #2 Ordinance 2024-03 Establishing a Finance Purchasing & Procurement Policy

Town Administrator Stefen Wynn provides background on the Ordinance.

Trustee Hunter makes a motion, seconded by Mayor Pro-Tem Valentine, to adopt Ordinance 2024-03 Establishing a Finance Purchasing & Procurement Policy.

The motion carries unanimously.

Agenda Item #3 Resolution 2024-14 Adopting a Purchasing and Procurement Policy Manual

Trustee Czech makes a motion, seconded by Trustee Stelter, to approve Resolution 2024-14 Adopting a Purchasing and Procurement Policy Manual.

The motion carries unanimously.

Adjournment

The meeting adjourns at 6:46 PM

Samira M Vetter, Town Clerk

Paige Smith, Mayor

DRAFT



**TOWN OF PAONIA
BOARD OF TRUSTEES MEETING
STAFF REPORT**

| | |
|------------------------|-------------------------------------------------------------------------------------------------------|
| AGENDA ITEM: | Special Event Permit for The Learning Council and 2nd Annual Picklefest. |
| SUBMITTED BY: | Samira Vetter, Town Clerk |
| DATE: | September 24, 2024 |
| BACKGROUND: | The Special Event Liquor License has now been noticed. All fees and legal requirements have been met. |
| BUDGET: | Liquor Fees \$50.00 |
| RECOMMENDATION: | To approve SEP 2024-13 Special Event Liquor License |
| ATTACHMENT: | Special Event Liquor License for Picklefest. |

Town of Paonia Park/Event Registration Application

This form is intended for events over 100 people using public property. The Town of Paonia encourages the use of its parks for the pleasure of its citizens, and reminds applicants to consider impacts on neighbors living adjacent to these public areas so we may all continue to enjoy our parks!

*Please contact the Town office should there be any questions in filling out this form. The Town office is open from 8:00a to 4:30p Monday through Friday.
Thank you~*

Applicant Name: Calla Rose Ostrander

Organization: The Learning Council

Mailing Address: PO. Box 1744 Paonia CO 81428

Telephone Number: (970) 201-3134

Event Manager (if different than Applicant): _____

Event Manager Telephone: _____

Event Manager E-Mail: callarose@gmail.com

Please describe the event: _____

This is the 2nd annual Picklefest cohosted w/ the North Fork Recreation District. There is a pickleball tournament, food vendors, a bar, small stage + a pickle contest.

Event Date(s): _____ Event Hours: _____

Event Date(s): Oct 19th 2024 Event Hours: 7am - 7pm

Event Date(s): _____ Event Hours: _____

Event Date(s): _____ Event Hours: _____

Which park do you want to use?

Town Park – 700 Fourth Street
 Green space including shelters and gazebo
 Football Field area
 Apple Valley Park – 45 Pan American Avenue
 Poulos Park – 221 Grand Avenue (*no commercial activity allowed*)

Will there be alcohol?

No
 Yes, but we are not selling it.
 An On-Premise Liquor Application is required.
 Yes, and we would like to sell it.
 We are a non-profit and submitted From DR-8439 Application for a Special Event Permit and any associated forms required.
 On an attached piece of paper is the Alcohol Mitigation Plan.

Will there be vendors?

No
 Yes
 A list of vendors is being provided to the Town for tax compliance.
 We have contacted the Department of Revenue to work out how taxes will be submitted for the event; either electronically or manually.
 Vendors will be notified that tax compliance will be monitored.
 Chalk or tape are permitted to define vendor boundaries on the grass.

Are you having a parade? Do you need a street closed?

No
 Yes. Attached is the street closure request form noting the day, hours and route information.

Do you have any special requests? (ie - gate openings at certain times?)

No
 Yes _____

Pricing:

Half Day (6 Hours or less) \$ **100.00/day**
 Includes: 3 dumpsters and up to 5 vendors
 Date Submitted _____ Amount _____

Full Day (6+ Hours until 10:00p) \$ **175.00/day**
 Includes: 3 dumpsters and up to 10 vendors
 Date Submitted _____ Amount 175.00

Multi-Day Rate (3+ consecutive days) \$ **150.00/day**
 Includes: 3 dumpsters and up to 10 vendors
 Date Submitted _____ Amount _____

Additional Vendors (More than 10) \$ **5.00/ea**
 Date Submitted _____ Amount _____

Trash: The Town will provide 3 dumpsters. If the event requires more, it is the responsibility of the applicant to contract with a local agency for additional services. Compostable ware is strongly encouraged from all vendors and event managers. Styrofoam not permitted.
 Date Submitted _____ Amount _____

Any additional fees submitted (street closure, liquor licensing, etc):
 Type: _____ \$ _____
 _____ \$ _____
 _____ \$ _____
 _____ \$ _____
 Date Submitted _____ Amount _____

Recycling: Should the event provide recycling, a \$50 credit shall be applied. \$ 50

TOTAL FEES SUBMITTED \$ 125.00

All fees must be submitted no less than thirty (30) days before the first date of the event.

Other items submitted for consideration: *(On an attached piece(s) of paper)*

- Communication Contacts
- Liability Insurance
(\$1,000,000 minimum AND the Town of Paonia needs to be listed as an additional insured)
- Medical Plan *(ie - How do you plan on addressing a person who is injured at the event?)*
- Parking Plan *(ie-Staff versus Visitor parking)*
- Safety Plan *(ie - How would you deal with a natural emergency or a tree limb falling?)*
- Security Plan *(ie - Vendor security, controlling alcohol, etc)*

Promotion:

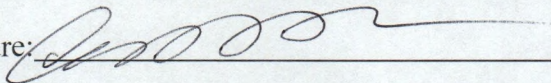
The Town is willing to promote your event by posting submitted material on the Town website, the Town of Paonia Facebook page, via e-mail to people who are on the Town's subscribed list, and/or a poster placed in the Town Hall entryway.

Any material to be promoted must be submitted no less than thirty (30) days before the first day of the event. Material shall only be promoted once for each avenue noted above.

The undersigned agrees to restore the park to pre-event condition, safety standards will be observed at all times, no glass will be brought into the park and all fees submitted are non-refundable, even if the event is canceled.


Signed and submitted this 23rd day of July, 2024.

Printed Name: Calla Rose Osterlander

Signature: 

- No less than one week before the event, a meeting **must** be scheduled with the Public Works Director, Parks Maintenance, Town Clerk and the Police Chief, or designees to finalize all plans and coordinate last minute items.
Date of Pre-Event Meeting: Oct 6th 2024
- Application is deemed complete and is accepted. Employee Initials _____
- Application requires Board of Trustee Approval.
Hearing Date: _____

Comments: _____



The Learning Council
education, creativity, & life skills
PO Box 1744 Paonia, CO 81428 970-433-5852

Parking Plan for Pickle Fest 2024

Participants can park in the park's lot, along the street on Pan American and in the parking lot of the US Forest Service, which will be empty on the weekend. We have permission from USFS.

At the entrance to the parking lot will be a volunteer who can direct overflow parking. We also share parking areas with registrants to the athletic event and via social media beforehand.

We are encouraging walking, bicycling and carpooling for locals through social media and a prize drawing for those who leave their automobile at home.



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Security Plan For Pickle Fest 2024

Vendors will be responsible for the security of their booths. North Fork Recreation will be responsible for its booth and sign in area for the athletic event.

There will be a volunteer team for the setup and breakdown of the event. Members of this team will be present throughout the day to provide links to public security, monitor safe behavior, direct parking, enforce regulations and oversee the event. Team lead for event management for Pickle Fest is Calla Rose Ostrander

Food and vendor booths will be set up between 8-10am the day of and taken down by 8:30pm



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The 2024 Pickle Fest will be held Oct 19th 2024

The Health Contact for this event is Alicia Michelsen. She can be reached by phone or text at 970-433-5852 or by email at Alicia@thelearningcouncil.org. The North Fork Recreation District will provide medical attention to the athletic area.

Alicia is certified in CPR and Emergency First Aid. She will be the first point of contact if a medical emergency occurs. We will also utilize local resources such as the North Fork Ambulance and Paonia Police if necessary. We will have a comprehensive first aid kit at the event.

If a person is injured at this event and it is safe to move them, we will move the person to a centrally located place away from the activity, where medical professionals can assist the person until an ambulance arrives.

We will have communication with the Health and Safety team through cell phones. If necessary, we will utilize West Elk Clinic for minor medical problems and triage.

We are planning for the safety of our participants and strongly feel that an ounce of prevention is worth a pound of cure, so we will be doing our best to provide a safe environment at Apple Valley Park. We will be sure to include clear pathways to move people through and access for emergency vehicles. We plan to space vendors 12 feet apart from each other to ensure clear pathways.

We will host a meeting for our volunteer safety team prior to Pickle Fest and the safety team will remain in contact and accessible throughout the event.

Application for a Special Events Permit

PAID
 JUL 23 2024
 TOWN OF PAONIA

In order to qualify for a Special Events Permit, You **Must Be a Qualifying Organization Per 44-5-102 C.R.S. and One of the Following (See back for details.)**

- | | | |
|------------------------------------|-------------------------------------------------------------|---------------------------------------------------------------|
| <input type="checkbox"/> Social | <input type="checkbox"/> Athletic | <input checked="" type="checkbox"/> Philanthropic Institution |
| <input type="checkbox"/> Fraternal | <input type="checkbox"/> Chartered Branch, Lodge or Chapter | <input type="checkbox"/> Political Candidate |
| <input type="checkbox"/> Patriotic | <input type="checkbox"/> National Organization or Society | <input type="checkbox"/> Municipality Owned Arts Facilities |
| <input type="checkbox"/> Political | <input type="checkbox"/> Religious Institution | |

LIAB Type of Special Event Applicant is Applying for:

2110 Malt, Vinous And Spirituous Liquor \$25.00 Per Day

2170 Fermented Malt Beverage \$10.00 Per Day

DO NOT WRITE IN THIS SPACE

Liquor Permit Number

1. Name of Applicant Organization or Political Candidate State Sales Tax Number (Required)

The Learning Council *30858151-0000*

| | |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| 2. Mailing Address of Organization or Political Candidate (include street, city/town and ZIP) | 3. Address of Place to Have Special Event (include street, city/town and ZIP) |
| <i>The Learning Council P.O. Box 1744 Paonia, CO 81428</i> | <i>Apple Valley Park, 45 Pan American Ave Paonia, CO 81428</i> |

4. Authorized Representative of Qualifying Organization or Political Candidate Date of Birth Phone Number

Alicia Michalson *3/12/74* *(970) 433-5852*

Authorized Representative's Mailing Address (if different than address provided in Question 2.)

5. Event Manager Date of Birth Phone Number

Patrick McCarroll + Calla Rose Ostrander *4/12/183* *970 201 3134*

Event Manager Home Address (Street, City, State, ZIP) Email Address of Event Manager

1200 3rd St, #1, Paonia CO 81428 *callarose@gmail.com*

6. Has Applicant Organization or Political Candidate been Issued a Special Event Permit this Calendar Year? 7. Is the premises for which your event is to be held currently licensed under the Colorado Liquor or Beer codes?

No Yes How many days? *25 (no liquor)* No Yes License Number _____

8. Does the Applicant Have Possession or Written Permission for the Use of The Premises to be Licensed? Yes No

List Below the Exact Date(s) for Which Application is Being Made for Permit

| Date | Hours | From | To | Date | Hours | From | To | Date | Hours | From | To | Date | Hours | From | To |
|--------------------|-------|------------|----|------|-------|------|----|------|-------|------|----|------|-------|------|----|
| <i>Oct 19 2024</i> | | <i>7am</i> | | | | | | | | | | | | | |
| | | <i>7</i> | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |

Oath of Applicant

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

Signature *Alicia* Title *CEO* Date *7/9/24*

Report and Approval of Local Licensing Authority (City or County)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 44, Article 5, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

Local Licensing Authority (City or County) City County Telephone Number of City/County Clerk

Signature _____ Title _____ Date _____

DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

| Liability Information | | | |
|------------------------|----------------|------------|-------|
| License Account Number | Liability Date | State | Total |
| | | -750 (999) | \$. |

Application Information and Checklist

The following supporting documents must be attached to this application for a permit to be issued:

- Appropriate fee.
- Diagram of the area to be licensed (not larger than 8 1/2" X 11" reflecting bars, walls, partitions, ingress, egress and dimensions. **Note:** If the event is to be held outside, please submit evidence of intended control, i.e., fencing, ropes, barriers, etc.
- Copy of deed, lease, or written permission of owner for use of the premises.
- Certificate of good corporate standing (NONPROFIT) issued by Secretary of State within last two years; **or**
- If not incorporated, a NONPROFIT charter; **or**
- If a political Candidate, attach copies of reports and statements that were filed with the Secretary of State.

- Application must first be submitted to the Local Licensing Authority (city or county) at least thirty (30) days prior to the event.
- Public notice of the proposed event and procedure for protesting issuance of the permit shall be conspicuously posted at the proposed location for at least (10) days before approval of the permit by Local Licensing Authority. (44-5-106 C.R.S.)
- State Licensing Authority must be notified of approved applications by Local Licensing Authorities within ten (10) days of approval.
- Check payable to the Colorado Department Of Revenue

Qualifications for Special Events Permit

(44-5-102 C.R.S.)

A Special Event Permit issued under this article may be issued to an organization, whether or not presently licensed under Articles 4 and 3 of this title, which has been incorporated under the laws of this state for the purpose of a social, fraternal, patriotic, political or athletic nature, and not for pecuniary gain or which is a regularly chartered branch, lodge or chapter of a national organization or society organized for such purposes and being non profit in nature, or which is a regularly established religious or philanthropic institution, and to any political candidate who has filed the necessary reports and statements with the Secretary of State pursuant to Article 45 of Title 1, C.R.S. A Special Event permit may be issued to any municipality owning arts facilities at which productions or performances of an artistic or cultural nature are presented for use at such facilities.



Imagery ©2024 Maxar Technologies, Map data ©2024 Google 50 ft



Imagery ©2024 Maxar Technologies, Map data ©2024 Google 50 ft

Application for a Special Events Permit

In order to qualify for a Special Events Permit, You **Must Be Nonprofit** and **One of the Following** (See back for details.)

| | | |
|------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|
| <input type="checkbox"/> Social | <input type="checkbox"/> Athletic | <input type="checkbox"/> Philanthropic Institution |
| <input type="checkbox"/> Fraternal | <input type="checkbox"/> Chartered Branch, Lodge Or Chapter | <input type="checkbox"/> Political Candidate |
| <input type="checkbox"/> Patriotic | <input type="checkbox"/> Of A National Organization Or Society | <input type="checkbox"/> Municipality Owning Arts Facilities |
| <input type="checkbox"/> Political | <input type="checkbox"/> Religious Institution | |

| | |
|---------------------------------------------------------------------------------------------|-----------------------------------|
| LIAB Type of Special Event Applicant is Applying for: | DO NOT WRITE IN THIS SPACE |
| 2110 <input checked="" type="checkbox"/> Malt, Vinous And Spirituous Liquor \$50.00 Per Day | Liquor Permit Number |
| 2170 <input type="checkbox"/> Fermented Malt Beverage \$10.00 Per Day | |

| | |
|-----------------------------------------------------------------------------------|-----------------------------------|
| 1. Name of Applicant Organization or Political Candidate <i>Paonia Players</i> | State Sales Tax Number (Required) |
|-----------------------------------------------------------------------------------|-----------------------------------|

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| 2. Mailing Address of Organization or Political Candidate (include street, city/town and ZIP) <i>P.O. Box 1196 Paonia, CO 81428</i> | 3. Address of Place to Have Special Event (include street, city/town and ZIP) <i>The Hearth 138 Grand Ave Paonia, CO 81428</i> |
|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|

| | | | |
|--------------------------------------------------------------------------|---------------|-----------------------------------------|---------------------|
| Name | Date of Birth | Home Address (Street, City, State, ZIP) | Phone Number |
| 4. Pres./Sec'y of Org. or Political Candidate <i>Christophe Jospe</i> | | | <i>585-794-1094</i> |

| | | | |
|--------------------------------------------|------------------------|----------------------------------------------------|-------------------------------------|
| 5. Event Manager <i>Merrily Talbott</i> | Date <i>4/27/08</i> | Address <i>325 N Fork Ave, Paonia, CO 81428</i> | Phone Number <i>970-361-1540</i> |
|--------------------------------------------|------------------------|----------------------------------------------------|-------------------------------------|

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| 6. Has Applicant Organization or Political Candidate been Issued a Special Event Permit this Calendar Year? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES HOW MANY DAYS? _____ | 7. Is premises now licensed under state liquor or beer code? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES TO WHOM? _____ |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|

8. Does the Applicant Have Possession or Written Permission for the Use of The Premises to be Licensed? Yes No

List Below the Exact Date(s) for Which Application is Being Made for Permit

| Date | Hours | From | To | Date | Hours | From | To | Date | Hours | From | To | Date | Hours | From | To |
|----------------|-------|---------------|----------------|------|-------|------|----|------|-------|------|----|------|-------|------|----|
| <i>10/5/24</i> | | | | | | | | | | | | | | | |
| | | <i>7 P.m.</i> | <i>10 P.m.</i> | | | | | | | | | | | | |

Oath of Applicant

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

| | | |
|-------------------------------------|--------------------------|-----------------------|
| Signature <i>Merrily Talbott</i> | Title <i>Director</i> | Date <i>9/6/24</i> |
|-------------------------------------|--------------------------|-----------------------|

Report and Approval of Local Licensing Authority (City or County)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 44, Article 5, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

| | | |
|--------------------------------------------|------------------------------------------------------------------|---------------------------------------|
| Local Licensing Authority (City or County) | <input type="checkbox"/> City <input type="checkbox"/> County | Telephone Number of City/County Clerk |
|--------------------------------------------|------------------------------------------------------------------|---------------------------------------|

| | | |
|-----------|-------|------|
| Signature | Title | Date |
|-----------|-------|------|

DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

| Liability Information | | | |
|------------------------|----------------|------------|-------|
| License Account Number | Liability Date | State | Total |
| | | -750 (999) | \$. |

Paonia Players Cabaret Night at the Hearth
October 5, 2024

Safety plan:

See attached Safety Plan provided by the Hearth

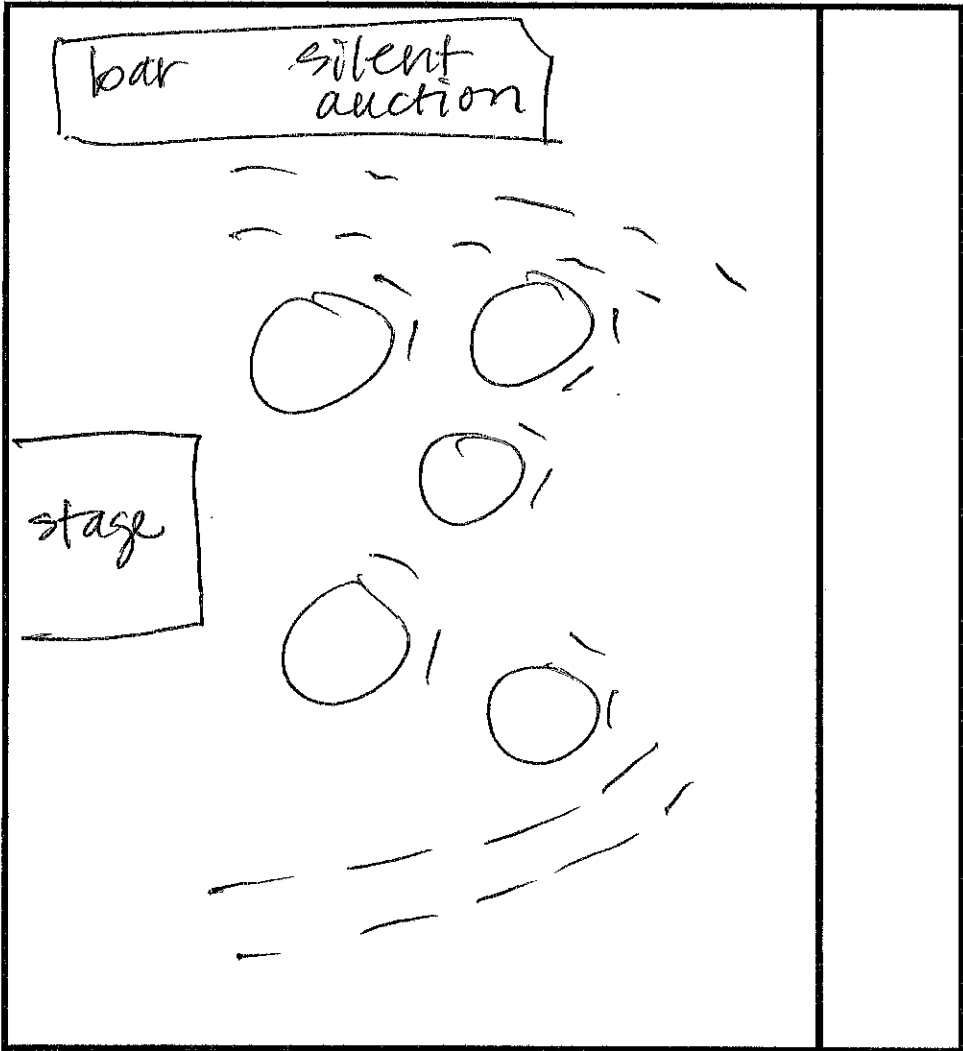
Paonia Players board members and volunteers will screen attendees—they should all be ticket-holders to this fundraising event.

In the event of an emergency, all participants should be able to exit the building from the front and/or back doors. A first aid kit will be on hand.

Alcohol control plan:

Anyone purchasing and/or consuming alcohol will be asked for identification to prove they are of legal drinking age. One of our volunteers has TIPS training and will be present to supervise alcohol sales.

Map of the space:



The Hearth has three exits: front door ice cream shop door and back door. The back door goes to the alley which to the North has the Paonia Police Department about ½ block away.

In the case of an unsafe event documentation is key.

Documentation: Our team will be taking the following notes if our attendees face harassment:

Who Made the threat?

Where was the threat made?

Was the threat toward a specific individual or the group?

Was the threat reported to law enforcement?

What was the law enforcement agency's response to you regarding the threat?

Alicia has had multiple conversations with the Paonia Police as well as the Delta PD. They are aware of possible safety issues. The number for dispatch is 970-874-2015 **PPD number: (970) 527-4822**

Crowd Formation to Enforce Safety: If there is a sign of danger or slurs being said we will create a human barrier around at risk populations including LGBTQ folx, youth, and elders. This will be facilitated through announcements. Members of D.C. CARES. will be attending as members of our safety team and will help move the crowd accordingly. Use your voice to alert the team to potential dangers. Move at risk populations away from dangerous situations.

Rivera Sun sent this info on Parasol Patrol we can get some ideas here

<https://parasolpatrol.org/>

Peace keeping: We will send forward DC CARES and TLC folks who have some skills with restorative justice and deescalation to talk with disruptive people. Best to have a buddy system approach to this type of confrontation with two or more engaging in conversations with disruptive people. Also good for a third person to move other participants away from rabble rousers.

<https://www.crisisprevention.com/Blog/CPI-s-Top-10-De-Escalation-Tips-Revisited>

Safety team will stay alert to what is happening both outside of the event as well as with in the event. It is always best to find another person for support if there is a suspicious person or activity. Always document what has happened.

In the event of a disturbance:

If something occurs during an event, please follow the listed procedure:

- 1) Two folks from our safety team will both encounter the person causing the disturbance
- 2) The safety team will escort this person out of the building and onto the sidewalk on Grand Avenue while the other team members keep an eye on the event.
- 3) Outside the building, the two team members will direct the person to leave the premises. If the disturbance continues, the safety team will call the Paonia Police Department at [\(970\) 527-4822](tel:(970)527-4822) or call 911

More Documentation for Safety Concerns:

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Paonia Players

is a

Nonprofit Corporation

formed or registered on 02/15/2023 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20231175013 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 09/04/2024 that have been posted, and by documents delivered to this office electronically through 09/05/2024 @ 14:42:47 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 09/05/2024 @ 14:42:47 in accordance with applicable law. This certificate is assigned Confirmation Number 16361406 .



Jena Griswold

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

Town of Paonia
PO Box 480
214 Grand Avenue
Paonia CO 81428-0460

(970) 527-4101

Receipt No: 2.004621

Sep 10, 2024

Paonia Players

| | | |
|---------------------------------------------------|---------------|-------|
| Previous Balance: | | .00 |
| Licenses & Permits - Special Event Liquor License | | 50.00 |
| <hr/> | | |
| Total: | | 50.00 |
| <hr/> | | |
| Check | Check No: 204 | 50.00 |
| Total Applied: | | 50.00 |
| <hr/> | | |
| Change Tendered: | | .00 |
| <hr/> | | |

09/10/2024 9:19 AM

AS SmY

| Vendor | Vendor Name | Invoice Number | Description | Invoice Date | Net Invoice Amount | Voided | GL Account and Title | GL Period Date |
|-------------------------------|------------------------|----------------|---------------------------|--------------|-----------------------|--------|--------------------------------|----------------|
| All Copy Products Inc | | | | | | | | |
| 1268 | All Copy Products Inc | 5031333676 | COPIER - ADMIN | 09/11/2024 | 99.44 | | 10-41-25 TOWN HALL EXPENSE | 09/30/2024 |
| 1268 | All Copy Products Inc | 5031333676 | COPIER - WATER | 09/11/2024 | 99.44 | | 60-50-25 SHOP EXPENSE | 09/30/2024 |
| 1268 | All Copy Products Inc | 5031333676 | COPIER - WASTEWATER | 09/11/2024 | 99.44 | | 70-51-25 SHOP EXPENSE | 09/30/2024 |
| 1268 | All Copy Products Inc | 5031333676 | COPIER - SANITATION | 09/11/2024 | 99.42 | | 80-52-25 SHOP EXPENSE | 09/30/2024 |
| Total All Copy Products Inc: | | | | | 397.74 | | | |
| AMAZON BUSINESS | | | | | | | | |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | RECORDS FOLDERS | 09/01/2024 | 39.99 | | 10-41-15 OFFICE SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | COLOR STOCK PAPER | 09/01/2024 | 31.98 | | 10-41-15 OFFICE SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | COUNTERFEIT BILL DETECTOR | 09/01/2024 | 17.98 | | 10-41-15 OFFICE SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | EXANDING FILE FOLDERS | 09/01/2024 | 20.78 | | 10-41-15 OFFICE SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | ROBERT'S RULES BOOKS | 09/01/2024 | 39.95 | | 10-41-15 OFFICE SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | 5GL BUCKET OF ASPHALT BON | 09/01/2024 | 115.00 | | 10-45-25 SHOP EXPENSE | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | HAND TOWEL ROLLS | 09/01/2024 | 156.92 | | 10-46-16 OPERATING SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | FLOOR SQUEEGEE | 09/01/2024 | 27.03 | | 60-50-25 SHOP EXPENSE | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | SAFETY GLASSES | 09/01/2024 | 37.97 | | 60-50-25 SHOP EXPENSE | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | SAFETY GLASSES | 09/01/2024 | 37.98 | | 70-51-25 SHOP EXPENSE | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | WATERPROOF WORK GLOVES | 09/01/2024 | 73.80 | | 80-52-25 SHOP EXPENSE | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | IN & OUT BOARD | 09/01/2024 | 39.87 | | 10-41-15 OFFICE SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | TOILET PAPER | 09/01/2024 | 37.18 | | 10-42-16 OPERATING SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | PAPER TOWELS | 09/01/2024 | 43.49 | | 10-41-16 OPERATING SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | PUSH PINS | 09/01/2024 | 7.99 | | 10-41-15 OFFICE SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | CABLE FLOOR COVERS | 09/01/2024 | 56.18 | | 10-41-15 OFFICE SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | DISINFECTING WIPES | 09/01/2024 | 22.58 | | 10-41-16 OPERATING SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | SHREDDER OIL | 09/01/2024 | 18.96 | | 10-41-16 OPERATING SUPPLIES | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | POSTAGE | 09/01/2024 | 37.33 | | 10-41-17 POSTAGE | 09/30/2024 |
| 1341 | AMAZON BUSINESS | 1V4J-33M6-JK | SHIPPING CREDITS | 09/01/2024 | 23.35- | | 10-41-17 POSTAGE | 09/30/2024 |
| Total AMAZON BUSINESS: | | | | | 839.61 | | | |
| Caselle, Inc | | | | | | | | |
| 21 | Caselle, Inc | 135379 | SUPPORT & MAINTENANCE FO | 09/01/2024 | 353.75 | | 10-41-31 DUES & SUBSCRIPTIONS | 09/30/2024 |
| 21 | Caselle, Inc | 135379 | SUPPORT & MAINTENANCE FO | 09/01/2024 | 353.75 | | 60-50-31 DUES & SUBSCRIPTIONS | 09/30/2024 |
| 21 | Caselle, Inc | 135379 | SUPPORT & MAINTENANCE FO | 09/01/2024 | 353.75 | | 70-51-31 DUES & SUBSCRIPTIONS | 09/30/2024 |
| 21 | Caselle, Inc | 135379 | SUPPORT & MAINTENANCE FO | 09/01/2024 | 353.75 | | 80-52-31 DUES & SUBSCRIPTIONS | 09/30/2024 |
| Total Caselle, Inc: | | | | | 1,415.00 | | | |
| Cedar Creek Supply LLC | | | | | | | | |
| 1284 | Cedar Creek Supply LLC | INV-0423 | LAGOON TREATMENT | 09/11/2024 | 580.00 | | 70-51-22 REPAIRS & MAINTENANCE | 09/30/2024 |

| Vendor | Vendor Name | Invoice Number | Description | Invoice Date | Net Invoice Amount | Voided | GL Account and Title | GL Period Date |
|------------------------------------------|-------------------------------|----------------|----------------------------|--------------|--------------------|--------|----------------------------------|----------------|
| Total Cedar Creek Supply LLC: | | | | | 580.00 | | | |
| City Of Grand Junction | | | | | | | | |
| 673 | City Of Grand Junction | 2024-0007349 | Lab TeSTING FOR AUGUST 202 | 08/31/2024 | 131.00 | | 70-51-20 LEGAL, ENGINEERING & PR | 09/30/2024 |
| Total City Of Grand Junction: | | | | | 131.00 | | | |
| Colorado State Forest Service | | | | | | | | |
| 309 | Colorado State Forest Service | 91863 | TOWN PARK TREE INVENTORY | 09/12/2024 | 702.50 | | 10-45-20 LEGAL, ENGINEERING & PR | 09/30/2024 |
| 309 | Colorado State Forest Service | 91863 | TOWN PARK TREE INVENTORY | 09/12/2024 | 702.50 | | 10-46-20 LEGAL, ENGINEERING & PR | 09/30/2024 |
| Total Colorado State Forest Service: | | | | | 1,405.00 | | | |
| Column Software PBC | | | | | | | | |
| 1183 | Column Software PBC | 8DFD59D8-007 | CUSTOM NOTICE FOR DCI0005 | 09/06/2024 | 16.12 | | 10-41-30 PUBLISHING & ADS | 09/30/2024 |
| 1183 | Column Software PBC | 8DFD59D8-007 | CUSTOM NOTICE FOR DCI0005 | 09/17/2024 | 115.20 | | 10-41-30 PUBLISHING & ADS | 09/30/2024 |
| Total Column Software PBC: | | | | | 131.32 | | | |
| COUNTRY'S TIRE & AUTO SERVICE | | | | | | | | |
| 1340 | COUNTRY'S TIRE & AUTO SERV | 11103 | STEERING TIRES FOR TRASH T | 08/08/2024 | 1,399.28 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| Total COUNTRY'S TIRE & AUTO SERVICE: | | | | | 1,399.28 | | | |
| Delta County Landfill | | | | | | | | |
| 56 | Delta County Landfill | 428175 | Landfill Fee | 09/03/2024 | 298.75 | | 80-52-42 LANDFILL FEES | 09/30/2024 |
| 56 | Delta County Landfill | 428421 | Landfill Fee | 09/06/2024 | 541.00 | | 80-52-42 LANDFILL FEES | 09/30/2024 |
| 56 | Delta County Landfill | 428611 | Landfill Fee | 09/09/2024 | 237.00 | | 80-52-42 LANDFILL FEES | 09/30/2024 |
| 56 | Delta County Landfill | 428902 | Landfill Fee | 09/13/2024 | 602.75 | | 80-52-42 LANDFILL FEES | 09/30/2024 |
| 56 | Delta County Landfill | 429074 | Landfill Fee | 09/16/2024 | 311.25 | | 80-52-42 LANDFILL FEES | 09/30/2024 |
| Total Delta County Landfill: | | | | | 1,990.75 | | | |
| Delta Montrose Electric Assn. | | | | | | | | |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 320012500 | 08/12/2024 | 692.16 | | 10-45-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 3200690300 | 08/12/2024 | 233.49 | | 10-41-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 3200690300 | 08/12/2024 | 233.50 | | 10-42-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 3140305400 | 08/12/2024 | 367.11 | | 10-46-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 3140308201 | 08/12/2024 | 167.37 | | 10-46-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill: 3140124001 | 08/12/2024 | 144.59 | | 10-45-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill: 3180027500 | 08/12/2024 | 31.80 | | 10-45-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 3180027500 | 08/12/2024 | 31.81 | | 60-50-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 3180027500 | 08/12/2024 | 31.81 | | 70-51-28 UTILITIES | 09/30/2024 |

| Vendor | Vendor Name | Invoice Number | Description | Invoice Date | Net Invoice Amount | Voided | GL Account and Title | GL Period Date |
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| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 3180027500 | 08/12/2024 | 31.81 | | 80-52-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 3120200000 | 08/12/2024 | 73.36 | | 10-46-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 20992900 | 08/12/2024 | 56.07 | | 10-46-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 3140015008 | 08/12/2024 | 49.44 | | 10-46-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 9805013000 | 08/12/2024 | 30.50 | | 10-46-28 UTILITIES | 09/30/2024 |
| 43 | Delta Montrose Electric Assn. | MULTIPLE-081 | Electric Bill 20886100 | 08/12/2024 | 2,308.93 | | 70-51-28 UTILITIES | 09/30/2024 |
| Total Delta Montrose Electric Assn.: | | | | | 4,483.75 | | | |
| Dependable Lumber, Inc. | | | | | | | | |
| 46 | Dependable Lumber, Inc. | 2408-052154 | PAINT/RUST KIT | 08/30/2024 | 25.98 | | 10-46-25 SHOP EXPENSE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-052482 | DRILL BITS, PINS, WASHERS F | 09/03/2024 | 27.48 | | 60-50-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-052482 | DRILL BITS, PINS, WASHERS F | 09/03/2024 | 27.48 | | 70-51-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-052482 | DRILL BITS, PINS, WASHERS F | 09/03/2024 | 13.73 | | 10-45-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-052657 | Batteries & TAPPAING SCREWS | 09/04/2024 | 26.48 | | 10-46-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-052742 | SUPER GLUE FOR FENCE CAP | 09/04/2024 | 4.29 | | 10-46-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-052862 | PADLOCK FOR POWER BOX AT | 09/05/2024 | 18.49 | | 10-46-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-053470 | CUT OFF WHEELS | 09/09/2024 | 7.98 | | 10-46-25 SHOP EXPENSE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-053683 | PADLOCK | 09/10/2024 | 27.99 | | 80-52-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-053684 | ONE SIDED KEY | 09/10/2024 | 4.98 | | 80-52-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 46 | Dependable Lumber, Inc. | 2409-054176 | KNEEPAD FOR METER AUDITS | 09/12/2024 | 45.99 | | 60-50-25 SHOP EXPENSE | 09/30/2024 |
| Total Dependable Lumber, Inc.: | | | | | 230.87 | | | |
| Empower Trust Company LLC | | | | | | | | |
| 1190 | Empower Trust Company LLC | P09062024 | Retirement Plan PPE | 09/06/2024 | 3,334.06 | | 10-0220 RETIREMENT PLAN | 09/30/2024 |
| Total Empower Trust Company LLC: | | | | | 3,334.06 | | | |
| Fire & Police Pension Assn. | | | | | | | | |
| 63 | Fire & Police Pension Assn. | PPE08302024 | Payroll Ending 08/30/2024 | 09/09/2024 | 3,191.58 | | 10-0219 FPPA | 09/30/2024 |
| 63 | Fire & Police Pension Assn. | PPE08302024 | Payroll Ending 08/30/2024 | 09/09/2024 | 522.26 | | 10-42-12 FPPA D&D | 09/30/2024 |
| Total Fire & Police Pension Assn.: | | | | | 3,713.84 | | | |
| Gury's Inc | | | | | | | | |
| 1269 | Gury's Inc | 24-1014 | GRACO V3900 HP LINELAZER - | 09/18/2024 | 13,426.99 | | 10-45-74 MACHINERY & EQUIPMENT | 09/30/2024 |
| Total Gury's Inc: | | | | | 13,426.99 | | | |
| Mail Services, LLC. | | | | | | | | |
| 645 | Mail Services, LLC. | 1952730 | Postage | 09/09/2024 | 34.57 | | 60-50-17 POSTAGE | 09/30/2024 |
| 645 | Mail Services, LLC. | 1952730 | Postage | 09/09/2024 | 33.55 | | 70-51-17 POSTAGE | 09/30/2024 |
| 645 | Mail Services, LLC. | 1952730 | Postage | 09/09/2024 | 33.55 | | 80-52-17 POSTAGE | 09/30/2024 |

| Vendor | Vendor Name | Invoice Number | Description | Invoice Date | Net Invoice Amount | Voided | GL Account and Title | GL Period Date |
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| 645 | Mail Services, LLC. | 1953265 | Postage | 09/09/2024 | 197.62 | | 60-50-17 POSTAGE | 09/30/2024 |
| 645 | Mail Services, LLC. | 1953265 | Postage | 09/09/2024 | 191.81 | | 70-51-17 POSTAGE | 09/30/2024 |
| 645 | Mail Services, LLC. | 1953265 | Postage | 09/09/2024 | 191.80 | | 80-52-17 POSTAGE | 09/30/2024 |
| Total Mail Services, LLC.: | | | | | 682.90 | | | |
| Mesa County Public Health Regional Lab | | | | | | | | |
| 763 | Mesa County Public Health Regio | 11272 | LAB TESTING 413 DELTA | 09/05/2024 | 25.00 | | 70-51-20 LEGAL, ENGINEERING & PR | 09/30/2024 |
| 763 | Mesa County Public Health Regio | 11289 | LAB TESTING 233 NIAGRA AVE. | 09/05/2024 | 25.00 | | 70-51-20 LEGAL, ENGINEERING & PR | 09/30/2024 |
| Total Mesa County Public Health Regional Lab: | | | | | 50.00 | | | |
| NAPA - Paonia Auto Parts | | | | | | | | |
| 122 | NAPA - Paonia Auto Parts | 414744 | LAWN MOWER BELT | 09/03/2024 | 29.59 | | 10-46-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 122 | NAPA - Paonia Auto Parts | 414746 | RECEIVER TUBE ADAPTER | 09/03/2024 | 29.42 | | 60-50-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 122 | NAPA - Paonia Auto Parts | 414746 | RECEIVER TUBE ADAPTER | 09/03/2024 | 29.42 | | 70-51-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 122 | NAPA - Paonia Auto Parts | 414746 | RECEIVER TUBE ADAPTER | 09/03/2024 | 14.72 | | 10-45-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 122 | NAPA - Paonia Auto Parts | 414976 | HUBCAP WINDOW KIT | 09/09/2024 | 28.02 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 122 | NAPA - Paonia Auto Parts | 415008 | PADDED TIE DOWNS | 09/10/2024 | 51.12 | | 60-50-16 OPERATING SUPPLIES | 09/30/2024 |
| 122 | NAPA - Paonia Auto Parts | 415008 | PADDED TIE DOWNS | 09/10/2024 | 51.12 | | 70-51-16 OPERATING SUPPLIES | 09/30/2024 |
| 122 | NAPA - Paonia Auto Parts | 415008 | PADDED TIE DOWNS | 09/10/2024 | 25.56 | | 10-45-16 OPERATING SUPPLIES | 09/30/2024 |
| Total NAPA - Paonia Auto Parts: | | | | | 258.97 | | | |
| North Fork Service (Reedy's) | | | | | | | | |
| 141 | North Fork Service (Reedy's) | 960657 | WATER FUEL | 08/01/2024 | 24.40 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960657 | STREETS FUEL | 08/01/2024 | 24.40 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960657 | PARKS FUEL | 08/01/2024 | 24.40 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960657 | SANITATION FUEL | 08/01/2024 | 24.40 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960657 | WASTEWATER FUEL | 08/01/2024 | 24.40 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960658 | Fuel - AJO445 | 08/01/2024 | 50.13 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960659 | Fuel - AJO439 | 08/01/2024 | 45.25 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960660 | Fuel - DJA546 | 08/01/2024 | 101.00 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960661 | WATER FUEL | 08/05/2024 | 21.45 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960661 | STREETS FUEL | 08/05/2024 | 21.45 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960661 | PARKS FUEL | 08/05/2024 | 21.45 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960661 | SANITATION FUEL | 08/05/2024 | 21.45 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960661 | WASTEWATER FUEL | 08/05/2024 | 21.45 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960662 | Fuel - JOY069 | 08/05/2024 | 45.25 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960663 | WATER FUEL | 08/06/2024 | 15.26 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960663 | STREETS FUEL | 08/06/2024 | 15.26 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960663 | PARKS FUEL | 08/06/2024 | 15.26 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960663 | SANITATION FUEL | 08/06/2024 | 15.26 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960663 | WASTEWATER FUEL | 08/06/2024 | 15.26 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |

| Vendor | Vendor Name | Invoice Number | Description | Invoice Date | Net Invoice Amount | Voided | GL Account and Title | GL Period Date |
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| 141 | North Fork Service (Reedy's) | 960664 | Fuel - AJO439 | 08/06/2024 | 26.50 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960665 | Fuel - AJO440 | 08/06/2024 | 27.50 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960666 | WATER FUEL | 08/07/2024 | 27.80 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960666 | STREETS FUEL | 08/07/2024 | 27.80 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960666 | PARKS FUEL | 08/07/2024 | 27.80 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960666 | SANITATION FUEL | 08/07/2024 | 27.80 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960666 | WASTEWATER FUEL | 08/07/2024 | 27.80 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960667 | WATER FUEL | 08/08/2024 | 19.46 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960667 | STREETS FUEL | 08/08/2024 | 19.46 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960667 | PARKS FUEL | 08/08/2024 | 19.46 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960667 | SANITATION FUEL | 08/08/2024 | 19.46 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960667 | WASTEWATER FUEL | 08/08/2024 | 19.46 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960668 | Fuel - AJO439 | 08/09/2024 | 35.00 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960669 | WATER FUEL | 08/12/2024 | 22.45 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960669 | STREETS FUEL | 08/12/2024 | 22.45 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960669 | PARKS FUEL | 08/12/2024 | 22.45 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960669 | SANITATION FUEL | 08/12/2024 | 22.45 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960669 | WASTEWATER FUEL | 08/12/2024 | 22.45 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960670 | POLICE TIRE REPAIR | 08/12/2024 | 20.00 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960670 | F150 TIRE REPAIR | 08/12/2024 | 64.57 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960670 | F150 TIRE REPAIR | 08/12/2024 | 64.58 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960671 | Fuel - POLICE 546 | 08/12/2024 | 106.70 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960672 | WATER FUEL | 08/13/2024 | 5.32 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960672 | STREETS FUEL | 08/13/2024 | 5.32 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960672 | PARKS FUEL | 08/13/2024 | 5.32 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960672 | SANITATION FUEL | 08/13/2024 | 5.32 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960672 | WASTEWATER FUEL | 08/13/2024 | 5.33 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960673 | WATER FUEL | 08/15/2024 | 14.00 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960673 | STREETS FUEL | 08/15/2024 | 14.00 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960673 | PARKS FUEL | 08/15/2024 | 14.00 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960673 | SANITATION FUEL | 08/15/2024 | 14.00 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960673 | WASTEWATER FUEL | 08/15/2024 | 14.00 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960674 | Fuel AND TIRE REPAIR FOR AJ | 08/15/2024 | 68.55 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960675 | Fuel - JOY069 | 08/19/2024 | 46.75 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960676 | Fuel - JOY440 | 08/20/2024 | 36.70 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960677 | WATER FUEL | 08/20/2024 | 3.84 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960677 | STREETS FUEL | 08/20/2024 | 3.84 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960677 | PARKS FUEL | 08/20/2024 | 3.84 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960677 | SANITATION FUEL | 08/20/2024 | 3.84 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960677 | WASTEWATER FUEL | 08/20/2024 | 3.83 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960678 | Fuel - DGA546 | 08/20/2024 | 57.87 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960679 | Fuel - AJO439 | 08/20/2024 | 40.70 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960680 | WATER FUEL | 08/20/2024 | 22.70 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960680 | STREETS FUEL | 08/20/2024 | 22.70 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |

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| 141 | North Fork Service (Reedy's) | 960680 | PARKS FUEL | 08/20/2024 | 22.70 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960680 | SANITATION FUEL | 08/20/2024 | 22.70 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960680 | WASTEWATER FUEL | 08/20/2024 | 22.71 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960681 | WATER FUEL | 08/22/2024 | 21.46 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960681 | STREETS FUEL | 08/22/2024 | 21.46 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960681 | PARKS FUEL | 08/22/2024 | 21.46 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960681 | SANITATION FUEL | 08/22/2024 | 21.46 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960681 | WASTEWATER FUEL | 08/22/2024 | 21.47 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960682 | WATER FUEL | 08/22/2024 | 15.67 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960682 | STREETS FUEL | 08/22/2024 | 15.67 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960682 | PARKS FUEL | 08/22/2024 | 15.67 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960682 | SANITATION FUEL | 08/22/2024 | 15.67 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960682 | WASTEWATER FUEL | 08/22/2024 | 15.67 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960683 | Fuel - AJO439 | 08/22/2024 | 32.20 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960684 | WATER FUEL | 08/22/2024 | 26.58 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960684 | STREETS FUEL | 08/22/2024 | 26.58 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960684 | PARKS FUEL | 08/22/2024 | 26.58 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960684 | SANITATION FUEL | 08/22/2024 | 26.58 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960684 | WASTEWATER FUEL | 08/22/2024 | 26.60 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960685 | Fuel - AJO445 | 08/23/2024 | 44.05 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960686 | WATER FUEL | 08/26/2024 | 19.40 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960686 | STREETS FUEL | 08/26/2024 | 19.40 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960686 | PARKS FUEL | 08/26/2024 | 19.40 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960686 | SANITATION FUEL | 08/26/2024 | 19.40 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960686 | WASTEWATER FUEL | 08/26/2024 | 19.40 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960687 | WATER FUEL | 08/27/2024 | 16.13 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960687 | STREETS FUEL | 08/27/2024 | 16.13 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960687 | PARKS FUEL | 08/27/2024 | 16.13 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960687 | SANITATION FUEL | 08/27/2024 | 16.13 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960687 | WASTEWATER FUEL | 08/27/2024 | 16.13 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960688 | Fuel - AJO439 | 08/27/2024 | 25.00 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960689 | WATER FUEL | 08/29/2024 | 14.37 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960689 | STREETS FUEL | 08/29/2024 | 14.37 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960689 | PARKS FUEL | 08/29/2024 | 14.37 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960689 | SANITATION FUEL | 08/29/2024 | 14.37 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960689 | WASTEWATER FUEL | 08/29/2024 | 14.38 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960690 | Fuel - AJO439 | 08/29/2024 | 34.40 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960691 | Fuel - AJO445 | 08/29/2024 | 38.50 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960692 | Fuel - DGA546 | 08/29/2024 | 79.65 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960693 | WATER FUEL | 08/30/2024 | 9.86 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960693 | STREETS FUEL | 08/30/2024 | 9.86 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960693 | PARKS FUEL | 08/30/2024 | 9.86 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960693 | SANITATION FUEL | 08/30/2024 | 9.86 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960693 | WASTEWATER FUEL | 08/30/2024 | 9.86 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |

| Vendor | Vendor Name | Invoice Number | Description | Invoice Date | Net Invoice Amount | Voided | GL Account and Title | GL Period Date |
|------------------------------------------|-------------------------------|----------------|------------------------------|--------------|--------------------|--------|--------------------------------|----------------|
| 141 | North Fork Service (Reedy's) | 960694 | WATER FUEL | 08/30/2024 | 20.86 | | 60-50-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960694 | STREETS FUEL | 08/30/2024 | 20.86 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960694 | PARKS FUEL | 08/30/2024 | 20.86 | | 10-46-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960694 | SANITATION FUEL | 08/30/2024 | 20.86 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960694 | WASTEWATER FUEL | 08/30/2024 | 20.87 | | 70-51-23 VEHICLE EXPENSE | 09/30/2024 |
| 141 | North Fork Service (Reedy's) | 960695 | Fuel - JOY069 | 08/31/2024 | 37.10 | | 10-42-23 VEHICLE EXPENSE | 09/30/2024 |
| Total North Fork Service (Reedy's): | | | | | 2,733.06 | | | |
| Paonia Farm & Home Supply Inc | | | | | | | | |
| 125 | Paonia Farm & Home Supply Inc | 200192 | WALL PLATE AND FILL VALVE KI | 08/30/2024 | 19.98 | | 10-42-15 OFFICE SUPPLES | 09/30/2024 |
| 125 | Paonia Farm & Home Supply Inc | 200439 | SPRAY PAINT | 09/03/2024 | 7.99 | | 80-52-15 OFFICE SUPPLIES | 09/30/2024 |
| 125 | Paonia Farm & Home Supply Inc | 201026 | PVC COUPLING | 09/09/2024 | 8.76 | | 10-46-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| Total Paonia Farm & Home Supply Inc: | | | | | 36.73 | | | |
| Rhinehart Oil Co. | | | | | | | | |
| 1224 | Rhinehart Oil Co. | 92014CT | FUEL | 08/31/2024 | 603.71 | | 80-52-23 VEHICLE EXPENSE | 09/30/2024 |
| Total Rhinehart Oil Co.: | | | | | 603.71 | | | |
| Robert's Enterprises Inc | | | | | | | | |
| 145 | Robert's Enterprises Inc | 106160004535 | Trash SERVICES FOR 14432 & 1 | 09/09/2024 | 110.00 | | 80-52-02 CONTRACT LABOR | 09/30/2024 |
| Total Robert's Enterprises Inc: | | | | | 110.00 | | | |
| Roop Excavating LLC | | | | | | | | |
| 931 | Roop Excavating LLC | R24-355 | PIPE BEDDING CRUSHED ROC | 09/13/2024 | 120.00 | | 60-50-16 OPERATING SUPPLIES | 09/30/2024 |
| 931 | Roop Excavating LLC | R24-355 | PIPE BEDDING CRUSHED ROC | 09/13/2024 | 120.00 | | 70-51-16 OPERATING SUPPLIES | 09/30/2024 |
| 931 | Roop Excavating LLC | R24-355 | ROADBASE, ROCK, COLD PATC | 09/13/2024 | 540.00 | | 10-46-16 OPERATING SUPPLIES | 09/30/2024 |
| Total Roop Excavating LLC: | | | | | 780.00 | | | |
| Southwestern Systems, Inc | | | | | | | | |
| 152 | Southwestern Systems, Inc | 203383 | Jet Clean & VACCUM AT SEWER | 09/06/2024 | 1,425.00 | | 70-51-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| 152 | Southwestern Systems, Inc | 203384 | 2024 PREVENTATIVE MAINT. OF | 09/11/2024 | 12,739.60 | | 70-51-22 REPAIRS & MAINTENANCE | 09/30/2024 |
| Total Southwestern Systems, Inc: | | | | | 14,164.60 | | | |
| TDS Telecom | | | | | | | | |
| 156 | TDS Telecom | 970-527-4642- | Telephone+Internet FOR SEWER | 09/10/2024 | 232.83 | | 70-51-28 UTILITIES | 09/30/2024 |
| Total TDS Telecom: | | | | | 232.83 | | | |

| Vendor | Vendor Name | Invoice Number | Description | Invoice Date | Net Invoice Amount | Voided | GL Account and Title | GL Period Date |
|-----------------------------------------|------------------------------|----------------|--------------------------|--------------|--------------------|--------|----------------------------------|----------------|
| The UPS Store #5734 | | | | | | | | |
| 1256 | The UPS Store #5734 | 1Z1W8V57152 | SHIPPING COSTS | 09/03/2024 | 149.47 | | 60-50-17 POSTAGE | 09/30/2024 |
| Total The UPS Store #5734: | | | | | 149.47 | | | |
| U.S. Tractor & Harvest, Inc. | | | | | | | | |
| 709 | U.S. Tractor & Harvest, Inc. | P24466 | BROOM ATTACHMENT FOR SKI | 09/05/2024 | 94.04 | | 10-45-23 VEHICLE EXPENSE | 09/30/2024 |
| Total U.S. Tractor & Harvest, Inc.: | | | | | 94.04 | | | |
| Wain, Simon | | | | | | | | |
| 1064 | Wain, Simon | 003 | BROKEN BRANCH REMOVAL O | 09/10/2024 | 1,000.00 | | 10-45-20 LEGAL, ENGINEERING & PR | 09/30/2024 |
| Total Wain, Simon: | | | | | 1,000.00 | | | |
| Grand Totals: | | | | | 54,375.52 | | | |

Board Meeting Date: _____

Town Administrator: _____

Finance Committee/Mayor: _____

Finance Committee/Trustee: _____

Trustees: _____

Date Reviewed: _____

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

| ISSUE | STATUS | ESTIMATED COST | INITIAL PROJECT DATE | CURRENT STATUS DATE | DATE COMPLETED |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------|---------------------|----------------|
| TOWN ADMINISTRATOR'S OFFICE | | | | | |
| CDOT Revitalizing Main Streets Grant, "Safe Pathways for Paonia," 3-Points InX Grand, 4th & 5th | SGM CO #1 Forthcoming adding scope of work for GeoTech Eng. Svcs., and MOT plan to design set & Striping Plan, and Adding Add'l. meetings to Project Admin. as req. by CDOT. (Odisea didn't include in original design). CO #1 approved at the 8.22.23 Board Meeting. CO #1 was executed and submitted to SGM on 8.28.23. CDOT approved RMS Grant, R/W acquired from School Board and design is being finalized for construction. CDOT & SGM informed the Town that construction is likely in Spring 2025 and the estimated probable cost of construction is \$2.5MM. Meeting held with affected property owners in July 2024. FOR Meeting with CDOT held on 8/7/2024, cost now \$2.9MM | | 7.14.23 | 8.23.2024 | |
| Policy Reviews: Purchasing, Internal Controls, and Personnel, Credit Card Policy | These processes and policies will be a product to be worked on during 2024. Purchasing, Internal Controls estimated completion 5/30/2024; Personnel estimated completion 12/30/2024. Credit Card policy is ready for 7.23.2024 agenda. Purchasing Policy with Internal Controls complete in Purchasing Manual ready for Board Consideration on 9/10/2024. Personnel Policy review to take place in December. Purchasing, credit card and related financial policies have been adopted and completed. Next month personnel policy updates will have its own line item | | 7.17.23 | 8.23.2024 | 9.17.2024 |
| 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 | | 7.11.23 | 8.23.2024 | |
| 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. | | 7.11.23 | 8.23.2024 | |

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

| ISSUE | STATUS | ESTIMATED COST | INITIAL PROJECT DATE | CURRENT STATUS DATE | DATE COMPLETED |
|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------|---------------------|----------------|
| Chase ink Credit Account | Submitted a letter to Chase Card Services to get control of the online banking account for the Chase ink Credit Card. Would like to see if any cashback rewards have been earned, and if so, where are they. Continue to get control of Chase Bank Credit Cards - will need to travel to Telluride and visit Chase Banker in person. Form has been signed by former finance director and signed by myself and sent to Chase Bank for final approval. Awaiting Chase Banks response. Chase Bank denied the change of ownership and awaiting for further action. | | 7.28.23 | 7.19.2024 | |
| Special Event Process and Applications | Improve the process and include the recent ordinance for street closures in the application process. This also includes the process for park reservations. Expected completion date: 12/31/2024 | | 8.1.23 | 4.23.2024 | |
| 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. | | 7.1.24 | 9.20.2024 | |
| Consider Adding 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. | | 8.1.2024 | 9.20.2024 | |
| 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. | | 5.27.24 | 7.17.24 | |
| 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. | | 7.1.24 | 7.17.24 | |
| Caselle Budget Tools for Department Heads | Working on setting up budget review and creation tools for department heads within Caselle Connect Online. Once set up Department Heads will be able to access and view their current budget, funds and line items specific to their department from their town devices. As of 8/1/2024, this is live and Department Heads are able to see their budget/actuals as items are booked to the GL. | | 7.16.24 | 8.23.2024 | |
| ClearGov Intergration with Caselle | Both platforms have been in use for some time but have not been intergrated. | | 7.17.24 | 7.17.24 | |

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

| ISSUE | STATUS | ESTIMATED COST | INITIAL PROJECT DATE | CURRENT STATUS DATE | DATE COMPLETED |
|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------|---------------------|----------------|
| CLERK'S DEPARTMENT | | | | | |
| Equipment Surplus | Followed up on this item so Surplus can be looked at | | 7.19.23 | 1.30.24 | |
| Records Management System Development and Implementation | Subscribed to NAGARA (National Association of Government Archives & Records) for training and best practices of developing records management | \$285/year for 3 user accounts | | 1.29.24 | |
| Records and vault reorganization, retention compliance | Actively going through, starting new organization process and logging- goes slow due to time constraints | Staff Time | 8.15.23 | 1.30.24 | |
| Point & Pay/ Caselle Integration | Completed soft launch for testing on 7.8.2024. Verification of post-back vs. account credits vs. bank deposit reconciliation all balanced. Re-Activated online payments 7.29.2024 after successfully being used almost 30 days of payments with various individuals' online payments. All reconciliation since 7.8.2024 is good per Michelle Duran of Prof. Mgmt. Solutions...reported 8.9.2024. Point & Pay issues all addressed and resolved. | Point and Pay Absorbed Costs + Staff Time | 2.15.23 | 08.09.24 | 08.09.24 |
| New SQL & Access Databases | Databases: Dog Tags (in progress - completed SQL db build, active web pages for listing & adding new tags completed.), Tickets (planning stage - tables build in SQL db), Payment Arrangements (planning stage). | Staff Time | 01.01.2024 | 08.09.2024 | |
| Create checklists for Clerk Duties | Create checklists, for all permits, licensing, agenda, board meeting, record retention, new hires etc for consistency and thoroughness. Updating as we go concurrent with the training for new Deputy Clerk - Ongoing | Staff Time | 7.19.23 | 1.29.24 | |
| MuniDocs clean- up & catch up | Still in process as time permits, This has also become the landing place for Board Committee Agenda's and minutes | | 9.14.23 | 03.20.24 | |
| Process new Retail Marijuana license | License conditionally approved by Board pending Tax Bond, sign design compliance and final building permit approval. Administrator and Clerk have worked with RMJ license holders on bond and sign process and Clerk has sent letter of conditional approval to the MED. | Revenue \$5000.00 | 11.15.23 | 03.22.24 | |
| Minor Subdivision | 1.23.24 @ 6:30 pm Approved with Conditions | | 11.22.23 | 1.23.24 | |
| CIRSA Audit | Coordinating with Dept Heads to fix deficiencies | Staff time | 5.9.24 | 6.4.24 | |

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

| ISSUE | STATUS | ESTIMATED COST | INITIAL PROJECT DATE | CURRENT STATUS DATE | DATE COMPLETED |
|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------|---------------------|----------------|
| Fiona's Bartique Liquor License | State approval recieved. Local license cleared to be issued as soon as final building inspection is complete and Clerk gets to walk through. | Revenue | 5.22.24 | 7.30.24 | |
| PUBLIC WORKS DEPARTMENT | | | | | |
| ADA Transition Plan | Discussed at Department Head Meeting, will need to begin to evaluate crossings throughout intersections in Town. Will add this to fulcrum and add notes in GIS about intersections in compliance and intersections that need to be brought into compliance with ADA standards. Working with Town Administrator to accomplish a true plan. Need to know if current sidewalk ramps are grandfathered in? So far one street crossing and one alleyway are not compliant | | 8.1.23 | 7.29.24 | |
| Replacing brick on Archway at Town Hall | Job in progress | | 8.1.23 | 8.21.24 | |
| Add cornering mirror at Pan American and Rio Grande | Initial mirror blew down in wind storm. Need to re-order a larger mirror | | 8.8.23 | 7.29.24 | |
| Working on lead service line inventory | Collecting and analyzing historical records. 25% complete.Had a meetign with a vendor that specializes in the new L&C regulations. They can help with testing and software to report to the state | | 11/6/2023 | 7.29.24 | |
| 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 | | | 7.17.2024 | |
| Construction standard update | Need to update construction standards for utility,road, street,and sidewalks. Respec is going to update construction standards. Regular scheduled meetings with Jordan, Derek, Cory and Nicki with Repec to go page by page through standards to correct and update. ~85% through the standards packet. Currently working on Wastewater standards | | 2/2/2024 | 8.21.24 | |
| Finish NorthWest corner of skatepark. | Looking at options to finish the unfinished portion of the skatepark. | | | 7.17.2024 | |
| Equipment and contract bids | Public works is currently seeking quotes for pavement milling (Samuel Wade Bridge contracted), asphalt rollers, jet vac combos, and a generator/welder unit, and Paint Striper (may utilize safe routes to parks grant for purchase) and SxS | | | 8.21.24 | |

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

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|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------|---------------------|----------------|
| 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 | | 7.29.24 | 8.21.24 | |
| F-150 Recall | Received official recall letter for the 2014 F-150 recalls for Output Speed Sensor. An unintended downshift into 1st gear. | | 7/1/2024 | 7.29.24 | |
| Apple Valley Plumbing | Needs to be cameraed to see the extent of damage under the concrete flooring | | | 7.29.24 | |
| Purchase and install Signs (speed and stop). | Signs ordered and will be installed once we receive them. Signs received and in process of being installed. Half of the stop signs have been delivered. | | 1.4.2024 | 8.21.24 | |

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

| ISSUE | STATUS | ESTIMATED COST | INITIAL PROJECT DATE | CURRENT STATUS DATE | DATE COMPLETED |
|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------|---------------------|----------------|
| WATER DEPARTMENT | | | | | |
| CDPHE Free Assistance Program for Lead Service Lince Replacement | Applied today for the program with Cory and Stefen as PoC. Will evaluate this program in FY-2024. Sunrise Engineering has been helping us through this process. | | 8.1.23 | 11.24.23 | |
| Replace meters at Burges & Lamborn Mesa Water Companies | Burges Vault in process of repair and Lamborn Mesa meter replacement will begin soon. Final cost for completing these projects need to be submitted to the Town Administrator and Finance for appropriate accounts receivable. | | 8.3.23 | 11.24.23 | |
| Mays Meetering. | Raw Water at the Mays Springs is being metered. Data is being sent to Brian Mitchem. This is before the split to Bone Mesa. | | | | |
| Mays Cleanup / Spring site Cleanup | Clearing trees and brush at Mays along the springs so that tree roots don't get into the pipes. Wrightwater will need specific areas on the springs cleared and cleaned up. Awaiting drawings for their needs. | | | | |
| Lead and Copper samples / Survey | Bi-annual | | | | |
| Finding and addressing water loss issues and low pressure events | We have had 5 waterline repairs in the month of May. | | | | |
| Wrightwater Engineering / Hydrogeological | Wrightwater initial site visit to the springs. Spent 3 days on the mountain gathering data. Currently discussing if brush clearing can be done before the winter season. | | | 8.21.24 | |
| 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. | | 7.14.23 | 11.24.23 | |
| NPDES Contact Update | Stefen needs to be added as the Executive/Administrative contact for the NPDES Permit. All Correspondence regarding NPDES Permit needs to go to Town Hall Attention: Stefen Wynn, Town Administrator. Follow-up needed to make sure that this is properly completed. | | 8.1.23 | 11.24.23 | |
| Aerator at the lagoon for pond 1 failed. Replacement ordered | Replacement ordered and installed. The anchor line was replaced. However, when the line broke the electrical cable pulled out of the box and needs to be inspected by a professional | | | 8.21.24 | |

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

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|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------|---------------------|----------------|
| POLICE DEPARTMENT | | | | | |
| Compiling possible municipal code additions, subtractions, and combinations to adress shortfalls in current muni code | The department is looking at approximately five (5) code updates/ replacements/new codes to be added by the end of the year. | | 5/1/2023 | 3/1/2024 | In Progress |
| Reactivation of Bicylce Patrol Unit | Equipment is being priced and sourced. Policies are being reviewed, | Donated/Repurposed Eqpt/ <\$500 | 8/1/2024 | 8/22/2024 | In Progress |
| Reviewing possible municipal code fee/fine updates to adress shortfalls in current muni code | Reaching out to other like sized or surrounding muniaplities to compile fee and fine amounts. | UNK | 4/1/2023 | 3/1/2024 | In Progress |
| Police Service Tech office space | Work continues to replace one exterior hallway door and a service door for the new service tech office. | \$1,500 | 2/1/2024 | 7/15/2024 | In Progress |
| Left hand turns into parking spaces on Grand Avenue | Possible solutions are being researched to include high viz signage, directionally adjusted signs, painting/stripping, foot/bike patrol enforcement options. | UNK | 4/1/2024 | 7/15/2024 | In Progress |
| Patrol Car Lettering | Patrol cars are scheduled for decal updates the week of August 26th. | <\$1000 | 7/30/2024 | 8/22/2024 | In Progress |
| ESS Security Training | Department Staff are continuing to take the ESS trainings and work towards the 630 Point minimum point threshold | Patrol Function | 5/1/2023 | 7/15/2024 | Continuous |
| Implementation of Spillman FLEX | Working with DCSO on acquiring database access for two officers. | \$25,121.24 | 3/1/2023 | 7/15/2024 | In Progress |
| Employee appraisal/review | Packets are completed and beeing reviewed by Admin staff. | Admin/patrol function | 1/1/2024 | 7/15/2024 | In Progress |
| Code Enforcement for weeds/junk//trash | Letters are being sent via mail and some are being in-person via uniformed officer. | Patrol Officer hourly rates | 5/1/2024 | 7/15/2024 | Continuous |
| CDOT Revitalizing Main Streets Grant, "Safe Pathways for Paonia," 3-Points InX Grand, 4th & 5th | | | | | |
| Water Department Water Line Verification | Water Line under InX may need replaced if it's steel or iron. Cost will be internal labor to replace it, and needs coordinated with final contractor - WD to verify pipe under roadway. Verified that the pipe was replaced with plastic, but the fire hydrant that it connects to is almost 40 years old and time to be replaced. It will | | 7.17.23 | 11.24.23 | |
| Construction Timeline | Construction is estimated to begin in Late-Spring - Mid-Summer of FY-2024. | \$1,032,000.00 | 7.17.23 | 11.24.23 | |

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

| ISSUE | STATUS | ESTIMATED COST | INITIAL PROJECT DATE | CURRENT STATUS DATE | DATE COMPLETED |
|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------|---------------------|----------------|
| Hydrogeological Study | | | | | |
| Grant for \$25,000 Colorado River Water Conservation District Grant | Contract, COI and W-9 sent and received | | 7.20.23 | 11.24.23 | |
| Grant from Roundtable | \$25,000 awarded to Paonia for completing the Hydrogeological Study | | 7.20.23 | 11.24.23 | |
| CWCB Grant | Awarded \$147,973 towards the Hydrogeological Study | | 7.20.23 | 11.24.23 | |
| RFP Available on Bidnet | RFP for completing the study is live on bidnet and consultants have been direct solicited. | | 11.1.23 | 11.24.23 | |
| HOUSING NEEDS ASSESSMENT | | | | | |
| Housing Needs Assessment | Final HNA and Housing Action Plan has been accepted by the Plan Commission and Board of Trustees and will be included in the DRAFT of the Master (Comprehensive) Plan. | | 5.1.23 | 11.24.23 | |
| DOLA IHOP Reimbursement | 3rd Quarter FY-23 reimbursement request submitted and \$32,348.25 will be sent to the Town from DOLA. 4th Quarter FY-23 reimbursement will be submitted and the final reimbursement amount will be requested. | | 7.1.23 | 11.24.23 | |

**TOWN OF PAONIA
DEPARTMENTAL SCORE CARD**

| ISSUE | STATUS | ESTIMATED COST | INITIAL PROJECT DATE | CURRENT STATUS DATE | DATE COMPLETED |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------|---------------------|----------------|
| MASTER PLAN | | | | | |
| Met with Phoenix Rising Resources | On 1.5.2024, met with Phoenix Rising Resources Principal to go over expectations and a timeline to finish the project. | | 5.1.23 | 1.19.24 | |
| Timeline | 1/17 PC Meeting with Status Update; 1/22 Survey Questions from Consultant for Publication; 1/23 Status Update for BoT; 2/2 Staff Meeting with Consultant; 2/27 Status Update for BoT; 2/28 FLUM Meeting PH at PC; 3/1 Staff Meeting with Consultant; 3/13 Draft Element Presentation PH at PC Meeting for Infrastructure; 3/26 Status Update for BoT; 3/29 Staff Meeting with Consultant; 4/3 Draft Element Presentation PH at PC for Transportation, Governance & Community Participation; 4/23 Status Update for BoT; 4/26 Staff Meeting with Consultant; 5/1 Draft Element Presentation PH at PC for Growth Framework, Economic Development, Parks, Recreation & Trails; 5/28 Status Update for BoT; 6/5 Final Presentation PH for Adoption at PC; 6/18 PH Final Adoption by BoT | \$52,395.00 | 1.19.23 | 1.19.23 | |
| DOLA Planning Grant | Reimbursement for work already completed will be submitted during week of 11.27.23 | | 5.1.23 | 11.24.23 | |
| 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. | | 7.24.23 | 11.24.23 | |
| 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. | | 8.1.23 | 11.24.23 | |
| Items Needed from Town Staff | As built for PVC Loop; Exhibit of consecutive systems; photos of PRV 7; 8 & 9 (Jordan provided on 7/25 to Respec); Inventory meters to be replaced along the alignment. All items needed from Town Staff have been provided, including the 20-year cash flow analysis for the Project Needs Assessment. | | 7.25.23 | 11.24.23 | |
| 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. | \$ 965,000.00 | 7.27.23 | 11.24.23 | |
| Project Needs Assessment | Has been completed and submitted to CDPHE for consideration. Staff, consultants and Mayor Bachran completed various pieces of the PNA, and this is a monumental step towards project funding for DWSRF. | | 3.1.23 | 11.24.23 | |

TOWN OF PAONIA
DEPARTMENTAL SCORE CARD

| ISSUE | STATUS | ESTIMATED COST | INITIAL PROJECT DATE | CURRENT STATUS DATE | DATE COMPLETED |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------|----------------------|---------------------|----------------|
| SRF Loan Application | SRF Loan Application is being considered for FY - 2024 and is budgeted for approximately \$7.3MM | | 3.1.23 | 11.24.23 | |
| American leak detection survey,Jeremiah working on it | O rd , dry gulch, and lone cabin east loop still need surveyed. | | 4.1.23 | 12.12.23 | |
| | | | | | |

TOWN OF PAONIA

NOTIFICATION OF INTEREST IN SERVING ON VARIOUS COMMITTEES & BOARDS

EVERY FEW YEARS THE BOARD OF TRUSTEES FOR THE TOWN OF PAONIA ADVERTISE TO RECRUIT EXISTING BOARD MEMBERS WHO HAVE TERMS DUE TO EXPIRE AND INTERESTED VOLUNTEERS WILLING TO FILL VACANCIES ON VARIOUS BOARDS.

PLEASE LIST THE COMMITTEE THAT YOU ARE INTERESTED IN SERVING ON AND INDICATE IF YOU ARE A CURRENT MEMBER OR INTERESTED IN FILLING A VACANCY ON THIS BOARD OR COMMITTEE. THIS FORM IS TO MAKE IT EASIER FOR ALL PERSONS INTERESTED IN SERVING ON BOARDS.

DATE: 9/5/24

NAME OF COMMITTEE/BOARD: Board of Trustees

ARE YOU A CURRENT COMMITTEE/BOARD MEMBER? LIST YOUR NAME AND WHICH BOARD YOU ARE CURRENTLY ON AND IF YOU ARE INTERESTED IN CONTINUING SERVICE FOR NEW TERM:

NAME (PLEASE PRINT)

PLANNING & ZONING COMMISSION TREE BOARD VOLUNTEER
ZONING BOARD OF ADJUSTMENTS/APPEALS ADVISORY WATER COMMITTEE

ARE YOU INTERESTED IN SERVING ON BOARD/COMMITTEE: NAME OF PERSON INTERESTED IN BEING CONSIDERED FOR APPOINTMENT ON BOARD:

Michael Heck

NAME (PLEASE PRINT)

315 Poplar Ave., Paonia, CO. 81428 Ph. 970-527-5464

ADDRESS: CONTACT PHONE:

Mike rano1990@gmail.com

E-MAIL:

NOTES: (INCLUDE LETTER OF INTEREST LISTING YOUR INTERESTS, KNOWLEDGE & SKILLS YOU FEEL WILL BENEFIT THE TOWN)

Michael Heck

SIGNATURE

RECEIVED
AUG 29 2024

August 29, 2024

Paonia Town Council
Town of Paonia
POB 460
214 Grand Ave.
Paonia, Co. 81428
970.527.4101

Michael (Mike) Heck
POB 456
315 Poplar Ave.
Paonia, Co 81428
970.527.5464

Dear Council Members,

I, Mike, would like to apply for the open seat on the Town Council for Paonia. I have lived in the valley for over 30 years, 18 years farming on Stewart Mesa and 12 years on Poplar Ave. after retirement. Prior to my joining the USA Peace Corps, I farmed in Iowa and served on many state boards. While farming here in the valley I also sat on several boards, LESA (Land Evaluation & Site Assessment), RMAVV (now known as CAVE - Colorado Association of Viticulture and Enology), the Mosquito Board and on Delta County Weed Commission. One of my proudest moments was the signing of a state bill for Colorado, eliminating sales tax on farming equipment. I had done the research on the issue. Our Representative from Montrose presented the bill and our Democratic Governor Romer signed the bill into effect. Moving here from Iowa and overseas, I realized that all states east of Colorado had eliminated sales tax on farming equipment while all states west of Colorado subsidize farming in one way or another.

Also being on 2 water boards, I know that I have a good understanding of the water issues here in the valley. Always willing to compromise on town issues when necessary. I would not be willing to serve on the town's Planning Board but other Boards are of interest and will be gone for the month of February 2025.

Thanks for your consideration,

Mike Heck



**TOWN OF PAONIA
BOARD OF TRUSTEES MEETING
STAFF REPORT**

| | |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AGENDA ITEM: | Agenda Item: Consideration of Appointing an Interested Applicant to the Vacant Seat on the Board of Trustees |
| SUBMITTED BY: | Samira Vetter, Town Clerk |
| DATE: | September 24, 2024 |
| BACKGROUND: | <p>The process the Board has used in the past is:</p> <ul style="list-style-type: none"> • The sitting Board agree on 2 or 3 questions for all applicants to answer. • Each Trustee casts one vote on a piece of paper that also includes their own name. • The Town Clerk collects the votes and reads them out loud, including whose vote it is. • The Applicant with the most votes gets appointed, the Mayor voting in a tie. |
| BUDGET: | N/A |
| RECOMMENDATION: | |
| ATTACHMENT: | Board of Trustees applications and Letters of Interest for the Vacant Seat. |



Dear Mayor Smith and Town of Paonia Trustees-

I am writing to request a letter of support for Nature Connection's Wilder Bunch application to the CPW non-motorized trail maintenance and stewardship grant program. This is our teen crew that maintains the Paonia River Park and will soon be maintaining trails on Jumbo Mountain.

The CPW grant program is one of the only state funds directly administered to non-profits, trail advocacy groups and municipal governments to maintain hiking, biking and other non-motorized trails. Since 2020, Nature Connection has been successful in this highly competitive grant program. The grant committee scores us really highly because we have demonstrated success in two major goal areas:

- 1) Provide new trail development and preventative maintenance on hiking/biking/accessible trails that directly impact the lives of children, families and seniors in Delta County
- 2) Provide job-readiness skills and outdoor industry career development for teens from diverse backgrounds in Delta County

In 2024 CPW has funded us at approx. \$75k/year which covers 10-12 weeks of youth salaries (10 students x 30hrs/week) and full time supervisor salary ~\$25k + benefits. The CPW grant funds can only be used on salaries and contracted work (env. surveys, excavator rental.) For 2025, we plan to work up to 2 weeks in the Paonia River Park and an additional 2 weeks on Jumbo Mountain trails. Both of these trail areas provide recreational amenities to residents of the Town and have ample public support in recent Recreation and Master Planning efforts. This crew can be utilized on any non-motorized recreation trail and we would coordinate with Public Works on assisting with maintenance or construction of other walking paths in Apple Valley or Town Park as needed.

Part of this grant requires a cash match from each municipality. I believe another reason we have been successful in this highly competitive program is because we have cash contributions from our municipal partners.

We are coming up on the grant deadline for 2025 funding (Oct. 1st.) We are looking again for support from the Town of Paonia. This crew is the only paid maintenance on the Paonia River Park, which includes properties owned by the Town, school district and WSCC. Since 2020, each municipality (City of Delta, NF Rec, Delta County, Town of Paonia) has contributed between \$2500-\$5000/ year. The school district though our GOCO grant contributes my salary and benefits (.25 FTE as project

Our mission is to break down the barriers to getting outside for youth and families in our community

**Visit us: www.thenatureconnection.net
397 Miners Way Hotchkiss, CO 81419 (970) 872 -5910**

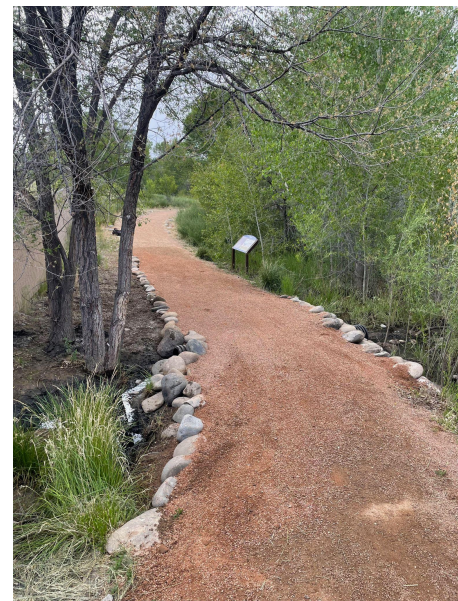


manager) and the district covers all of our administrative overhead including liability insurance for all workers, vehicles, and programs.

With the support funding each municipality we purchase tools, fuel, construction supplies (gravel, wood, etc,) and transportation for students to/from the job site.

Attached is a sample letter of support and some photos from 2024. We like to show in our letter of support the cash or in-kind commitments, however if budgeting is happening at a later date- we can include in the letter that the cash contribution is TBD. I would like to have a support letter from the Town by Oct. 1st.

Thank you for your support,
Ben Graves
and the Wilder Bunch Crew



Our mission is to break down the barriers to getting outside for youth and families in our community

**Visit us: www.thenatureconnection.net
397 Miners Way Hotchkiss, CO 81419 (970) 872 -5910**

DATE

Trails Grant Committee
Colorado Parks and Wildlife: State Trails Program
13787 S. Hwy 85
Littleton, CO 80125

To Whom It May Concern,

On behalf of the Town of Paonia we are proud to submit this letter to Colorado Parks and Wildlife in support of the Nature Connection’s Wilder Bunch Stewardship Crew. Paonia is located at the heart of the North Fork Valley. Surrounding the town are unlimited opportunities for outdoor recreation - from world class hunting and fishing to mountain biking on Jumbo Mountain and cross country skiing on the Grand Mesa. Unfortunately, our town has few accessible trails or beginner-friendly recreation opportunities located close to town and our schools.

To address the growing need for accessible recreation in our community, our town has supported the Nature Connection and the Western Slope Conservation Center (WSSC), in expanding and maintaining the Paonia River Park Trail System along the North Fork of the Gunnison. This ADA accessible soft-surface trail crosses WSSC, Town and Paonia K8 School property and provides the only public access to the river in Paonia. Enhancing and maintaining this valuable trail project has received ample public support in multiple master plans including the Paonia in Motion Recreation Plan and the Delta County Trails and Recreation Master Plan. The Wilder Bunch Crew has been essential in the initial construction, expansion and maintenance since 2018. In 2023, historic flooding eroded almost 1000 ft of river bank on Town property. The Wilder Bunch, with support from our Town, WSSC volunteers and donations from the community was able to repair and reroute the trail.

Recently, our local BLM office approved an ambitious Travel Management Plan for Jumbo Mountain, which is accessible from many neighborhoods in Paonia. This plan calls for major reroutes of “social trails” in order to make them accessible to beginners, seniors and children as well as more sustainable for wildlife and the erodible soils. While not directly within Town limits, the Jumbo Mountain trails are extremely important to the quality of life of Paonia residents and economic diversity of our community. One of our parks, Apple Valley Park, has been designated by the BLM as the official public trailhead and we are planning with partner organizations how to manage the influx of new recreationalists and increase use by Town residents.

The Town of Paonia does not have any dedicated trail maintenance or recreation staff and our Public Works department is overburdened with maintaining our aging water, sewer and street infrastructure. It is our hope that this grant will not only help us provide safe and accessible trails, but also ease the burden so our Town staff can continue to focus on the many parks, fields and playgrounds that our community depends on for wellness and recreation.

We are confident in The Nature Connection’s ability to manage this grant. As a show of our commitment, the Town of Paonia will provide a cash contribution (TBD) toward trail crew supplies and/or materials.

Thank you for supporting our community!

Sincerely,



Annual Comprehensive Financial Report

For the Year ending December 31, 2023



Town of Paonia, Colorado

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Town of Paonia, Colorado
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December 31, 2023
(Continued)

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9/10/2024

To the Mayor, Board of Trustees, and the Residents of the Town of Paonia:

The statutes of the State of Colorado require local governments to publish the results of their annual audit and a comprehensive report of financial statements. The report must conform to generally accepted accounting principles (GAAP), and the accounting requirements established by the Governmental Accounting Standards Board (GASB). The Town of Paonia must have its financial statements audited by a firm of licensed certified public accountants. The Town hired Hinkle & Company, P.C. in 2023 to complete the FY-2022 Audit through FY-2026.

The Town's management is responsible for the preparation and fair public presentation of its financial statements, in accordance with accounting principles generally accepted within the United States, and for the design, implementation, and maintenance of internal controls that are relevant to such presentations, free from material misstatements due to fraud and error. The Town utilizes the assistance of a third-party accounting firm throughout the year to ensure accuracy in financial statements and to assist with internal controls functions.

Pursuant to these requirements, we hereby issue the annual comprehensive financial report of the Town of Paonia, Colorado for the fiscal year ended December 31, 2023.

The Annual Comprehensive Financial Report (ACFR) is presented in six sections:

1. The **Independent Auditor's Report**, which includes general information about the audit as provided by the Town's independent licensed certified public accountants, Hinkle and Company, P.C. The 2023 independent audit resulted in an unqualified audit opinion, with no findings or recommendations.
2. The **Management's Discussion and Analysis (MD&A)**, which includes an analysis of the Town's financial performance for both governmental activities and business-type activities (enterprise funds such as water, wastewater, and trash). The MD&A also includes discussions on compliance, risks such as long-term debt, and investments in capital assets such as infrastructure, buildings, and equipment. Management has established a comprehensive internal-control system that is meant to protect both the Town's assets from loss, theft, or misuse, which provides a foundation for making the representations in this report. This section should be read in conjunction with this Transmittal Letter.
3. The **Basic Financial Statements** include the report from the Town's external, independent auditors, and the basic financial statements. These documents include the government-wide

financial statements comprised of the Statement of Net Position, the Statement of Activities, and the accompanying notes to the financial statements. This section also includes the fund financial statements including the governmental funds financial statements, the proprietary funds financial statements, and the combined individual funds financial statements for the nonmajor governmental and proprietary funds and the internal service funds.

4. The **Required Supplementary Information** includes Required supplementary information, other than the MD&A, which is comprised of the General Fund budget to the actual schedule and information about the Town’s defined benefit retirement plans. This section also includes information about Special Revenue Funds like the Sales Tax Improvement Fund, Conservation Trust Fund, and the Street Fund.
5. The **Supplementary Information** includes information about nonmajor governmental funds, which includes Statements of Revenues, Expenditures, and Changes in Fund Balance. The section also includes Budgetary Comparison Schedules for the Sidewalk fund, and the water, sewer, and trash funds.
6. The **Compliance Section** contains a report summarizing the Town’s Local Highway Finance Report.

This report consists of management’s representations concerning the finances of the Town of Paonia, Colorado. Consequently, management retains full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management has established and continues to improve a comprehensive internal control framework that is designed to both protect the Town’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town of Paonia’s financial statements in conformity with generally accepted accounting principles (GAAP). Management has designed the Town of Paonia’s internal controls framework to provide *reasonable*, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert, to the best of our knowledge and belief, that this financial report is complete and reliable in all material respects.

The Town of Paonia’s financial statements have been audited by Hinkle and Company, PC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended December 31, 2023, are free of material misstatement presented in accordance with United States GAAP and accounting requirements established by the Governmental Accounting Standards Board (GASB). The audit involved examining, on a test-basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation.

The independent auditor gave an unmodified and unqualified opinion, with no findings or recommendations for correction for the Town’s fiscal year 2023 financial statements. As a result, we can provide reasonable assurance that the financial information contained in this report is complete, reliable, and accurate. The independent auditor’s report was presented before this transmittal letter, and stated, “in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Town as of December 31, 2023, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.”

PROFILE OF THE TOWN OF PAONIA, COLORADO

Introduction

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. As of the 2020 decennial census, the population for the Town of Paonia was 1,447.

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 Town Board provides strategic leadership, goal setting and policy-making authority, and appoints the Town Administrator who serves as the Chief Executive Officer of the administrative branch and is responsible for the day-to-day management operations of the Town, and for providing financial and technical support to ensure equitable, efficient, and effective implementation of government services to our Residents.

Services Provided

The Town provides a full range of public services, including a Police Department, Municipal Utilities (water, wastewater, and trash), Infrastructure (drainage, streets, public buildings, airport, and sidewalks), and Cultural and Recreational programs (parks and recreation activities). The Town oversees land-use, infrastructure, and permitting for development, facility maintenance, and provides a forum for community discussion through bi-monthly Board meetings that are open to the general public.

Other governmental services are provided through various agencies and special districts that includes fire protection through the Paonia Volunteer Fire Department (Delta County FPD#2); North Fork EMS; the North Fork Pool, Parks, and Recreation District; the Paonia Public Library, a branch office of the Delta County Library District; and two Cemetery Districts.

Inclusion of a Component Unit

Management includes component units in the reporting entity in conformance with GAAP. The financial statements include all funds that make up the legal entity of the *primary government*, namely the Town, as well as organizations for which the Town is financially responsible. The Town also participates in a joint venture with Delta County. The Paonia Municipal Airport is jointly owned by the Town of Paonia and Delta County and operates under an intergovernmental agreement signed by both parties.

Summary of Budget Process

The annual budget serves as the foundation for the Town’s financial planning and control. All departments of the Town are required to submit requests to the Town Administrator and Treasurer in August of each year for the following year’s budget. The Town Administrator then uses those requests to develop the proposed budget, typically presented to the Board of Trustees in September/October. The Board of Trustees is required to hold a public hearing prior to the final adoption of the budget. Pursuant to Colorado Revised

Statutes, the Board of Trustees shall adopt a final budget in a timely manner prior to the start of the ensuring budget/fiscal year. Annual appropriations must also be adopted.

The appropriation resolutions are prepared and adopted by fund. The Town Administrator and Treasurer may make transfers of appropriations within a department or fund. Transfers of appropriations between funds and additional appropriations require additional approval from the Board of Trustees and is completed through the budget amendment procedures as established by Colorado Statutes.

Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented **on page 42 of** the Financial Statements of this report and is included in the Required Supplementary Information section. For all other budgeted funds, these comparisons are presented in the Supplementary Information subsection, which starts **on page 44**.

Factors Affecting Financial Condition

The information presented in the financial statements is best understood when it is considered from a broader perspective of the environment within which the Town of Paonia operates.

Local Economy: The events of the year 2020 had a significant lingering influence on the costs of goods and services within Delta County and Paonia. The impact from 2020 caused an increase to the costs of goods and services that is expected to become the new normal. Prior to the year 2020, Paonia was still recovering from the closure of several mines, which it relied on for mineral leasing revenue and for high paying jobs. Paonia has been qualified by the State of Colorado as a Disadvantaged Community, which allows for priority access to supplemental funding such as grants and low-interest loans.

Inflation of prices for goods and services is another challenging and lasting impact of the global pandemic with a direct impact on the local, regional, and national economies. Increases in interest rates have led to a positive increase in investments that the Town has with ColoTrust, but also an increase in the cost of normal goods and services required for day-to-day operations.

In 2019, the Town experienced a catastrophic water loss that began on February 14, 2019. The Town could not service any of its Residents or out of town water customers. As a result, a referendum vote was passed on January 7, 2020, that instituted a water moratorium on the sale of new water taps into the system (Water Moratorium). The water loss exposed neglected infrastructure in most of the Town’s utility services, most of which is well over its useful life. The Town began heavily investing in its infrastructure in FY-2023 and will continue to do so over the next decade.

The water moratorium has effectively stopped any growth of new residential or commercial developments within the Town and has placed a constraint on the local economy. To effectively budget and plan for debt-funding improvements to the water infrastructure, rates will have to increase. The Board of Trustees recognized that rate increases were necessary to qualify for State-Revolving Fund Loans and implemented a 5-year step plan to increase water rates beginning in FY-2024. It is expected that once conditions of the moratorium are met, and the Town grasps the capacity of its natural resources for sustainable development, these limiting factors may be reduced.

The Town is a major cultural destination due to its inclusion in state programs for viticulture and creative districts. During Summer months, the Town enjoys a significant increase in tourism due to events sponsored by the North Fork Valley Creative Coalition such as *Pickin’ in the Park* and the *Mountain Harvest Festival*. Paonia also hosts several other festivals, including: the Paonia Cherry Days Festival, Top ‘O the Rockies, BMW Rally, and the Colorado Grand, car tour.

Financial Information

The General Fund unrestricted balance increased \$155,701 in 2023, but the Business-Type (Utility Enterprise) Activities unrestricted balance decreased \$112,672, which is indicative of investment in infrastructure. The Business-Type Activities saw an increase of \$593,000 in Capital Assets, mostly due to investment in the Wastewater (Sewer) Collections system.

Internal Control: The Town’s management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB), the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA). The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

The Town utilizes a financial accounting system that includes a system of internal accounting controls. Such controls have been designed and are continually being reevaluated to provide reasonable, but not absolute assurance.

Budgeting Control: The Town also maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget as approved by the Board of Trustees. Activities of all funds are included in the annual appropriated budget. The level of budgetary control, the level at which expenditures cannot legally exceed the appropriated amount, is established at the fund level. However, budgetary accounting is maintained on a line-item basis.

Long-Term Financial Planning: To continue the Town’s historic investment in capital assets, the Town recognized that the cost of doing business has also increased. At the close of 2023, the Board of Trustees adopted Resolution 2022-14 increasing the basic rate of the Trash Utility. The Town also passed Resolution 2023-20 increasing the water rates and charges for all users for the next five years. The Board of Trustees also increased wastewater/sewer rates through Ordinance 2023-07 in anticipation of future discharge limitations and to begin building reserves for planned collections and treatment systems improvements. The Town will continue to evaluate the cost of improvements to its enterprise activities and will review rates annually to ensure that capital needs are financed.

Debt Management: The ratio of net general bonded debt to assess valuation and the amount of general bonded debt per capita are useful indicators of the Town’s debt position to municipal management, Residents, and investors. Although the Town has debt related to refunding revenue bonds in the wastewater utility, the Town does not have any general obligation debt outstanding and has not pledged the use of all available resources for long-term debt.

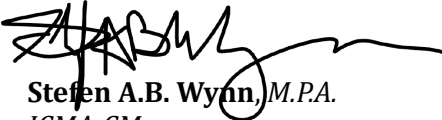
Major Initiatives: The Town continues to work toward financial sustainability. In 2023, as well as in the 2022 budget, major initiatives are set forth to take the Town into the future. Infrastructure maintenance, improvement and replacement is a priority for the Town, and building fund balance in all funds remains a top priority. Recognizing the value of Town employees continues to be an important aspect of the budgeting process, and Trustees have decided to invest in staff. The Town also continues to prioritize customer service and Resident engagement.

Other Information

Independent Audit: The Town receives an annual audit of the “books”, accounts, financial records, and transactions of all administrative departments of the Town by an independent certified public accountancy firm, selected by the Board of Trustees. This requirement has been complied with and the independent auditors’ report by Hinkle & Company, P.C., has been included in this report.

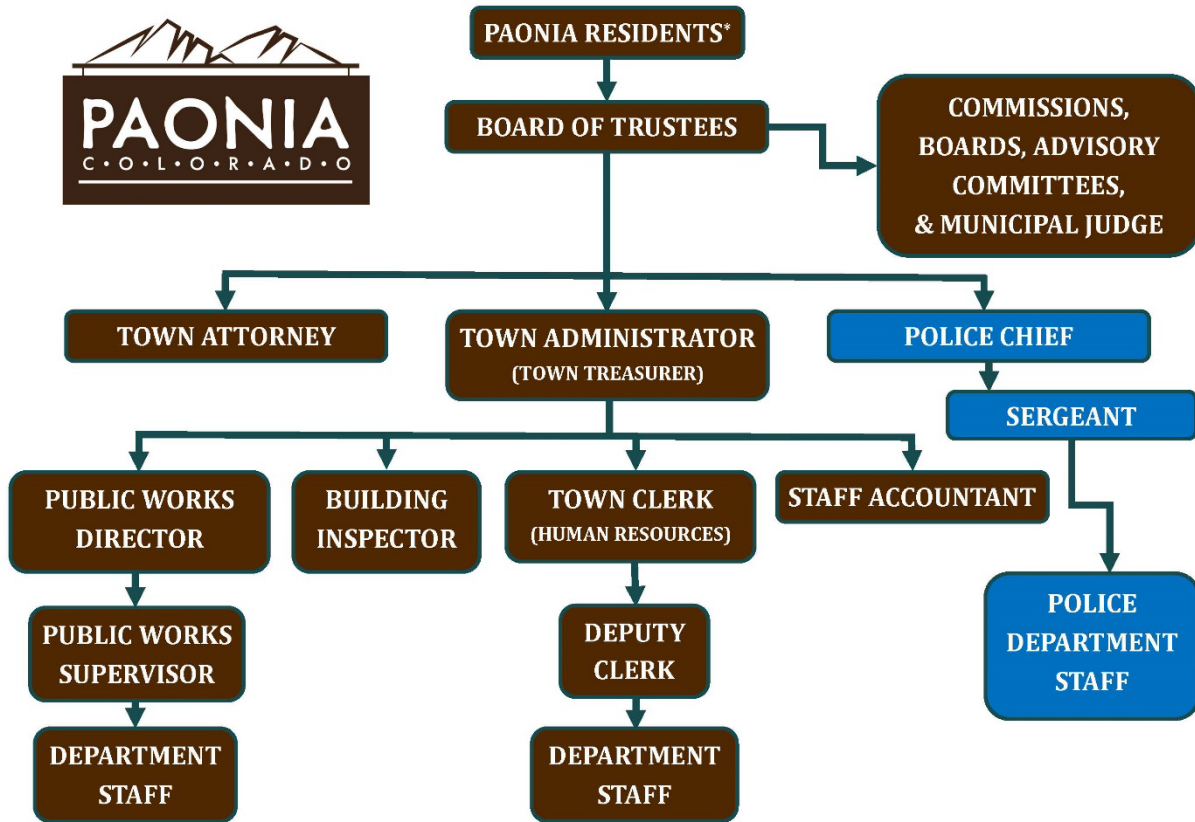
Acknowledgements: Preparing this report could not have been accomplished without the dedication of employees in Town Hall. Each staff member in the Administration Department, and the staff of our bookkeeping consultant has my earnest appreciation for the contributions made in the preparation of this report. I would also like to express my appreciation to Hinkle and Company, P.C., the firm that serves as our external auditors. We would also like to thank the members of the Board of Trustees, the Board of Trustees Finance Committee, whose efforts are integral to ensuring adequate internal controls, and the Residents of the Town of Paonia for their interest and support in planning and conducting the financial operations of the Town in a responsible, transparent, and continuously improving manner. Without the team effort, these financial statements and this report may not have ever been completed.

In Public Service,



Stephen A.B. Wynn, M.P.A.
ICMA-CM
Paonia Town Administrator/Treasurer

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.

Town of Paonia, Colorado
List of Elected and Appointed Officials
As of December 31, 2023

Elected Officials – Board of Trustees

| | |
|-----------------|---------------|
| Mary Bachran | Mayor |
| Dave Knutson | Mayor Pro-Tem |
| Rick Stelter | Trustee |
| John Valentine | Trustee |
| Paige Smith | Trustee |
| Morgan MacInnis | Trustee |
| Kathy Swartz | Trustee |

Board Appointed Officials

| | |
|--------------------|------------------------------|
| Stefen Wynn | Town Administrator/Treasurer |
| Samira Vetter | Town Clerk |
| Nick Cotton – Baez | Town Attorney |
| Julie Huffman | Municipal Judge |

Department Directors

| | |
|----------------|-----------------------|
| Cory Heiniger | Public Works Director |
| Matt Laiminger | Paonia Police Chief |



Honorable Mayor and Members of the Board of Trustees
 Town of Paonia, Colorado
 Paonia, Colorado

We have audited the financial statements of the Town of Paonia, Colorado (the Town) as of and for the year ended December 31, 2023 and have issued our report thereon dated August 21, 2024. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards

As communicated in our engagement letter dated May 30, 2024, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, as part of our audit, we considered the Town’s internal control over financial reporting and compliance solely for the purpose of designing our audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the internal control or on compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Office Locations:
 Colorado Springs, CO
 Denver, CO
 Frisco, CO
 Tulsa, OK

We applied certain limited procedures to the required supplementary information (RSI). However, we did not audit the RSI and do not express an opinion or provide any assurance on the RSI. With respect to the supplementary information accompanying the financial statements, we performed procedures to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing the information has not changed from the prior year, and the information is appropriate and complete in relation to our audit of the financial statements.

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 750 W. Hampden Avenue,
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 Englewood,
 Colorado 80110
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 FAX: 303.796.1001
 www.HinkleCPAs.com

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. A summary of the significant accounting policies adopted by the Town is included in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year, except as discussed in the following paragraph. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the significant estimates in determining that they are reasonable in relation to the financial statements as a whole.

Corrected and Uncorrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. We did not have any uncorrected adjustments.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule summarizes the financial statement adjustments we identified as a result of our audit procedures, were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Difficulties Encountered in Performing the Audit

We encountered no difficulties dealing with management during the audit process.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated August 21, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation



involves the application of an accounting principle to the Town's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to contact us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Town's auditors. However, these discussions occurred in the normal course of our professional relationship and the responses were not a condition to our retention.

Conclusion

This report is intended solely for the information and use of the Honorable Mayor and Members of the Board of Trustees and management of the Town of Paonia, Colorado and is not intended to be, and should not be, used by anyone other than these specified parties.

Hick & Company, PC

Englewood, Colorado
August 21, 2024



Client: **PAO5010 - Paonia, Town of**
 Engagement: **AUD 2023 - Town of Paonia, Colorado**
 Period Ending: **12/31/2023**
 Trial Balance: **02-01 - Government Fund Trial Balance**
 Workpaper: **04-01 - AJEs**
 Fund Level: **All**
 Index: **All**

| Account | Description | Debit | Credit |
|-------------------------------------------------------------------------------|--------------------------------|---------------------|---------------------|
| Adjusting Journal Entries | | | |
| Adjusting Journal Entries JE # 101 | | | |
| Record Biz asset activity | | | |
| 0161-60 | CIP | 81,787.00 | |
| 0164-70 | COLLECT SYSTEM | 754,167.00 | |
| 59-90-60 | DEPRECIATION | 298,677.00 | |
| 59-90-70 | DEPRECIATION | 124,652.00 | |
| 59-90-80 | DEPRECIATION | 18,207.00 | |
| 0173-60 | ACCUMULATED DEPRECIATION | | 298,677.00 |
| 0173-70 | ACCUMULATED DEPRECIATION | | 124,652.00 |
| 0173-80 | ACCUMULATED DEPRECIATION | | 18,207.00 |
| 50-20-60 | LEGAL, ENGINEERING & PROF SVCS | | 81,787.00 |
| 51-22-70 | REPAIRS & MAINTENANCE | | 754,167.00 |
| 0172-80 | EQUIPMENT | | |
| 0280-80 | FUND BALANCE | | |
| Total | | 1,277,490.00 | 1,277,490.00 |
| Adjusting Journal Entries JE # 102 | | | |
| To adjust inventory | | | |
| 50-16-60 | OPERATING SUPPLIES | 10,599.00 | |
| 51-16-70 | OPERATING SUPPLIES | 1,453.00 | |
| 0150-70 | INVENTORY OF SUPPLIES | | 1,453.00 |
| 0152-60 | INVENTORY OF SUPPLIES | | 10,599.00 |
| Total | | 12,052.00 | 12,052.00 |
| Adjusting Journal Entries JE # 103 | | | |
| To post immaterial PBC as a PPA for 2022 F250 vehicle placed in service.(PBC) | | | |
| 0172-80 | EQUIPMENT | | |
| 0280-80 | FUND BALANCE | | |
| Total | | 0.00 | 0.00 |
| Adjusting Journal Entries JE # 104 | | | |
| to record transfer as PBC (PBC) | | | |
| 0100-22 | CASH IN COMBINED CASH FUND | 538,000.00 | |
| 45-99-10 | TRANSFERS | 192,000.00 | |
| 70-99-50 | Transfers | 346,000.00 | |
| 0100-10 | CASH IN COMBINED CASH FUND | | 192,000.00 |
| 0100-50 | CASH IN COMBINED CASH FUND | | 346,000.00 |
| 45-99-22 | TRANSFERS | | 192,000.00 |
| 45-99-22 | TRANSFERS | | 346,000.00 |
| Total | | 1,076,000.00 | 1,076,000.00 |
| Adjusting Journal Entries JE # 105 | | | |
| To record addition of FA in Governmental funds (PBC) | | | |
| 0186-01 | PARK, LAND & STRUCTURES | 37,752.00 | |
| 46-22-01 | Capitalized Expenses | | 37,752.00 |
| Total | | 37,752.00 | 37,752.00 |

Adjusting Journal Entries JE # 106

To adjust for rounding

| | |
|--------------|----------------------|
| 60-04-01 | COMPENSATED ABSENCES |
| 0280-01 | FUND BALANCE |
| Total | |

| | |
|-------------|-------------|
| 4.00 | 4.00 |
| <u>4.00</u> | <u>4.00</u> |

Town of Paonia, Colorado
Financial Statements
with Independent Auditor's Report
December 31, 2023





Independent Auditor’s Report

Honorable Mayor and Members of the Board of Trustees
Town of Paonia, Colorado
Paonia, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities and each major fund of the Town of Paonia, Colorado (the Town) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the Town as of December 31, 2023, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Town’s management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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Denver, CO
Frisco, CO
Tulsa, OK

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Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
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Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hick & Company, PC

Englewood, Colorado
August 21, 2024



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Paonia, we offer readers of the Town of Paonia's Financial Statements this narrative overview and analysis of the financial activities and performance of the Town of Paonia for Fiscal Year ended December 31, 2023. The Town's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. We encourage readers to consider the information presented here in conjunction with additional information provided in the financial statements.

Financial Highlights

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$16,877,664 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$11,625,096 include property, plant(s), equipment, and infrastructure such as roads, bridges, sidewalks, distribution and collections systems, and similar items, net accumulated depreciation, and reduced for outstanding debt related to the purchase of construction of capital assets.
 - (2) Net position of \$796,616 are restricted by constraints imposed from outside the Town such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted, unreserved net position of \$4,455,952 represents the portion available to maintain the Town's continuing obligations to Residents and creditors.
- The Town's governmental funds, comprised of the General Fund, Sales Tax Capital Improvement Fund, and Non-Major Funds, reported total ending fund balance of \$2,804,139 this year. This compares to the prior year ending fund balance of \$2,471,248 showing an increase of \$332,891 during the current year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$909,507 or 51% of total General Fund expenditures and other financing uses; unassigned fund balance for the Sales Tax Capital Improvement Fund was \$90,084 or 298% of total Sales Tax Capital Improvement Fund expenditures and other financing uses; and the unassigned fund balance for Non-Major Funds was \$1,054,556 or 527% of total Non-Major Funds expenditures and other financing uses.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Town's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Town also includes in this report

additional information to supplement the basic financial statements. Comparative data is presented where available.

Government-wide Financial Statements

The Town's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Town's overall financial status. Financial reporting at this level uses a perspective like that found in the private sector with its basis in accrual accounting and elimination of reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all the Town's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. Evaluation of the overall health of the Town would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of the Town's infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the Town's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Town's distinct activities or functions on revenues provided by the Town's taxpayers. Both government-wide financial statements distinguish governmental activities of the Town that are principally supported by sales tax and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, parks and recreation, and community services (building & zoning). Business-type activities include the water and sewer systems, and solid waste.

The government-wide financial statements are presented on pages 4 through 5 of the Financial Statements included with this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Town uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Town's most significant funds rather than the Town as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The Town has two kinds of funds:

Governmental Funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Town's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual

financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-range view, comparisons between these two perspectives may provide insight into the long-range impact of short-range financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 6 through 9 of the Financial Statements included with this report. Individual fund information for nonmajor governmental funds is found in combining statements in the supplementary section of this report.

Proprietary Funds are reported in the fund financial statements and generally report services for which the Town charges a fee. The town maintains one type of proprietary fund. *Enterprise Funds* are used to report the same functions presented in business-type activities in the government-wide financial statements. The Town uses enterprise funds for its water and sewer systems, and sanitation (trash).

The basic enterprise fund financial statements are presented on pages 10 through 13 of the Financial Statements included with this report. There are no nonmajor enterprise funds, but if there were, individual fund information for nonmajor enterprise funds are found in the combining statements of the supplementary section of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 13 of the Financial Statements included with this report.

Required Supplementary Information

In addition to the basic financial statements, this report also presents certain required supplementary information (RSI) on the Town's budgetary comparison schedule for the general fund; Schedule of Revenues, Expenditures and Changes in Fund Balance for the Sales Tax Capital Improvement Fund; Schedule of Revenues, Expenditures and Changes in Fund Balance for the Conservation Trust Fund; and the Schedule of Revenues, Expenditures and Changes in Fund Balance for the Street Capital Improvement Fund. These statements and schedules demonstrate compliance with the Town's adopted and final revised budget. The required supplementary information is on pages 37 to 41 of the Financial Statements included with this report.

Supplementary Information

As discussed, the Town reports major funds in the basic financial statements. Combining and individual statements and schedules for nonmajor funds can be found in the supplementary section of the Financial Statements included with this report beginning on page 42 and ending on page 48.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's assets and deferred outflows of resources at fiscal year-end 2023 exceeded liabilities and deferred inflows of resources by \$16,877,664, a 3.26% increase over fiscal year-end 2022. The following table on the next page provides a summary of the Town's net position.

| | Statement of Net Position | | | | | |
|---------------------------------------------|----------------------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Assets: | | | | | | |
| Current and other assets | \$ 3,356,167 | \$ 3,160,323 | \$ 2,693,549 | \$ 2,777,776 | \$ 6,049,716 | \$ 5,938,099 |
| Capital assets | <u>3,029,174</u> | <u>3,192,071</u> | <u>12,163,997</u> | <u>11,739,207</u> | <u>15,193,171</u> | <u>14,931,278</u> |
| Total assets | <u>6,385,341</u> | <u>6,352,394</u> | <u>14,857,546</u> | <u>14,516,983</u> | <u>21,242,887</u> | <u>20,869,377</u> |
| Deferred Outflows of Resources | | | | | | |
| Related to Pensions | <u>73,573</u> | <u>70,002</u> | - | - | <u>73,573</u> | <u>70,002</u> |
| Total Deferred Outflows of Resources | <u>73,573</u> | <u>70,002</u> | - | - | <u>73,573</u> | <u>70,002</u> |
| Liabilities: | | | | | | |
| Other Liabilities | 410,266 | 395,648 | 261,898 | 268,111 | 672,164 | 663,759 |
| Long-term Liabilities | <u>7,982</u> | <u>17,967</u> | <u>3,518,703</u> | <u>3,694,766</u> | <u>3,526,685</u> | <u>3,712,733</u> |
| Total Liabilities | <u>418,248</u> | <u>413,615</u> | <u>3,780,601</u> | <u>3,962,877</u> | <u>4,198,849</u> | <u>4,376,492</u> |
| Deferred inflows of resources | | | | | | |
| Property taxes | 159,967 | 146,513 | - | - | 159,967 | 146,513 |
| Deferred inflows of resources | - | - | - | - | - | - |
| Related to pensions deferred inflows | <u>79,980</u> | <u>80,902</u> | - | - | <u>79,980</u> | <u>80,902</u> |
| Total deferred inflows of resources | <u>239,947</u> | <u>227,415</u> | - | - | <u>239,947</u> | <u>227,415</u> |
| Net Position: | | | | | | |
| Net investments | | | | | | |
| in capital assets | 2,979,802 | 3,116,199 | 8,645,294 | 8,052,297 | 11,625,096 | 11,168,496 |
| Restricted | 113,420 | 113,371 | 683,196 | 648,538 | 796,616 | 761,909 |
| Unrestricted | <u>2,707,497</u> | <u>2,551,796</u> | <u>1,748,455</u> | <u>1,861,127</u> | <u>4,455,952</u> | <u>4,412,923</u> |
| Total net position | <u>\$ 5,800,719</u> | <u>\$ 5,781,366</u> | <u>\$11,076,945</u> | <u>\$10,561,962</u> | <u>\$16,877,664</u> | <u>\$16,343,328</u> |

By far the largest portion of the Town's net position, 69%, reflects its investment in capital assets, including infrastructure, less any related debt used to acquire those assets that are still outstanding. The Town of Paonia uses these capital assets to provide services to Residents; consequently, these assets are not available for future spending. Although the Town of Paonia's investment in its capital assets is reported net of related debt, it should be noted that the funds needed to pay the annual debt service must

be provided from other sources (service fees, utility rate increases, etc.), since the capital assets themselves cannot be used to pay the debt.

At the end of the current fiscal year, the Town of Paonia is able to report positive balances in the government as a whole, as well as for both its governmental activities and business-type activities.

All activities and functions of the Town showed positive growth. Net position increased \$19,353 for governmental activities, and for business-type activities the net position increased \$514,983. The Town's overall financial position improved during fiscal year 2023.

The following table provides a summary of the Town's changes in net position:

| | Summary of Changes in Net Position | | | | | |
|------------------------|-------------------------------------------|-------------------------|---------------------------------|--------------------------|--------------------------|--------------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Revenues: | | | | | | |
| Program: | | | | | | |
| Charges for services | \$ 229,726 | \$ 193,574 | \$ 2,350,966 | \$ 1,880,970 | \$ 2,580,692 | \$ 2,074,544 |
| Operating Grants | 19,285 | 49,866 | 137,798 | 184,616 | 157,083 | 234,482 |
| Capital Grants | - | - | - | - | - | - |
| General: | | | | | | |
| Taxes | 1,639,806 | 1,783,051 | - | - | 1,639,806 | 1,783,051 |
| Other | 246,084 | 120,769 | 34,888 | 27,479 | 280,972 | 148,248 |
| Total revenues | <u>2,134,901</u> | <u>2,147,260</u> | <u>2,523,652</u> | <u>2,093,065</u> | <u>4,658,553</u> | <u>4,240,325</u> |
| Program Expenses: | | | | | | |
| General Government | 606,514 | 343,138 | - | - | 606,514 | 343,138 |
| Public Safety | 861,951 | 507,341 | - | - | 861,951 | 507,341 |
| Public Works | 492,596 | 300,175 | - | - | 492,596 | 300,175 |
| Culture and Recreation | 154,487 | 164,329 | - | - | 154,487 | 164,329 |
| Water Operations | - | - | 1,123,494 | 1,077,484 | 1,123,494 | 1,077,484 |
| Sewer Operations | - | - | 582,910 | 409,659 | 582,910 | 409,659 |
| Trash | - | - | 302,265 | 278,871 | 302,265 | 278,871 |
| Total Expenses | <u>2,115,548</u> | <u>1,314,983</u> | <u>2,008,669</u> | <u>1,766,014</u> | <u>4,124,217</u> | <u>3,080,997</u> |
| Excess | 19,353 | 832,277 | 514,983 | 327,051 | 534,336 | 1,159,328 |
| Transfers | - | (35,997) | - | 35,997 | - | - |
| Change in Net Position | 19,353 | 796,280 | 514,983 | 363,048 | 534,336 | 1,159,328 |
| Beginning Net Position | <u>5,781,366</u> | <u>4,985,086</u> | <u>10,561,962</u> | <u>10,198,914</u> | <u>16,343,328</u> | <u>15,184,000</u> |
| Ending Net Position | <u><u>5,800,719</u></u> | <u><u>5,781,366</u></u> | <u><u>11,076,945</u></u> | <u><u>10,561,962</u></u> | <u><u>16,877,664</u></u> | <u><u>16,343,328</u></u> |

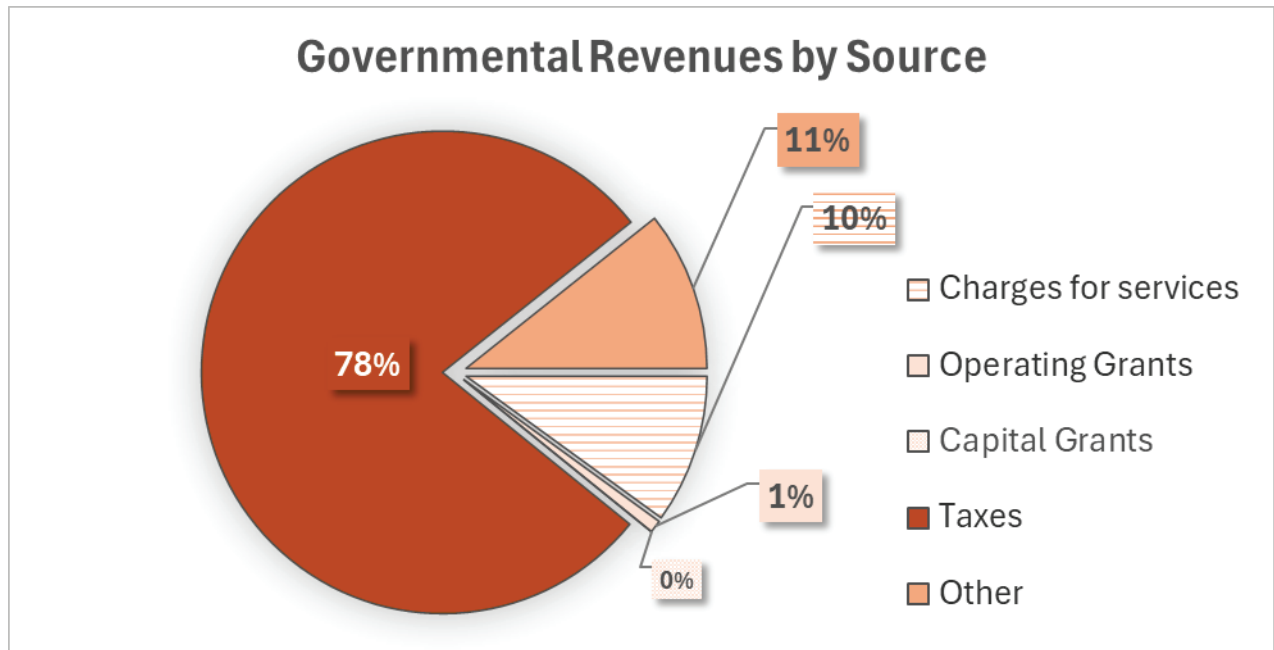
GOVERNMENTAL REVENUES

The Town is heavily reliant on ad valorem (property), sales, use, and occupational taxes to support governmental operations. Town sales and use taxes account for 77% of the revenues for governmental activities. This is a decrease of 7.5% over fiscal year 2022 and may be the result of certain economic factors that affected the Western Slope of Colorado such as the closure of Highway 133 due to washout.

In fiscal year 2023, the Town saw a decrease in tourism over 2022 with access to major annual tourism events significantly hampered by highway closures, and in turn caused less sales tax revenue to be generated. However, because of the Town's healthy financial position, management has been able to earn \$165,348 in interest earnings to support governmental activities related to the Federal Reserve raising interest rates in 2022. This is an increase of 545% over the interest income for governmental activities in fiscal year 2022, which was \$25,604. Management for the Town also invested and earned interest in its business-type activities and earned \$34,746 at fiscal year-end 2023, which is an increase of 208% over year end for fiscal year 2022, which was \$11,264.

The total interest earnings between governmental activities and business-type activities of \$200,094 is an increase of \$163,226 from the interest earnings of fiscal year 2022, which was \$36,868. Program revenues covered 11% of governmental operating expenses in 2023, which is a 27% decrease of charges for services (program revenues) from 2022, which was 15%. This means that the Town relied more heavily on taxes and other revenues to cover the expenses of providing primary government services in fiscal year 2023 than it did in fiscal year 2022. The government's taxpayers and the Town's other general revenues funded the balance of the governmental activities such as services offered from public safety and parks and recreation. As a result, the general economy and local businesses have a major impact on the Town's revenue streams. Program revenues for fiscal year 2022 covered 4.55% more of governmental operating expenses than that of fiscal year 2021.

The graph below shows governmental revenues by source:



GOVERNMENTAL FUNCTIONAL EXPENSES

Public safety comprises 40.7% of the Town’s total expenses, which is an increase from 2022. The increase to Public Safety spending is due to the department being fully staffed. Culture (Parks) and Recreation make up 7.3% of the Town’s total governmental activities expenses. General Government, comprised of Administration, Clerk, Building, Finance and Community Development functions, make up 28.7% of the Town’s total governmental activities expenses. Public Works make up 23.3% of the Town’s total governmental activities expenses. While most expense categories were similar to fiscal year 2022, Public Safety, General Government and Public Works all changed significantly, due to being fully staffed through most of the fiscal year.

The overall increase in expenses was 61% over the prior fiscal year. In 2023, the efforts to return to and improve regular operations along with staffing changes, including payouts for terminations, hiring additional staff, and paying for consultancies for various functions are likely causes of the increase.

The following table presents the cost of each of the Town’s programs, including the net costs (e.g. total cost less revenues generated by the activities). The net costs show the financial burden that was placed on the Town’s taxpayers by each of these functions. Page 9 of the financial statements describes the Town’s Statement of Activities for fiscal year 2023, and should be read to understand this section.

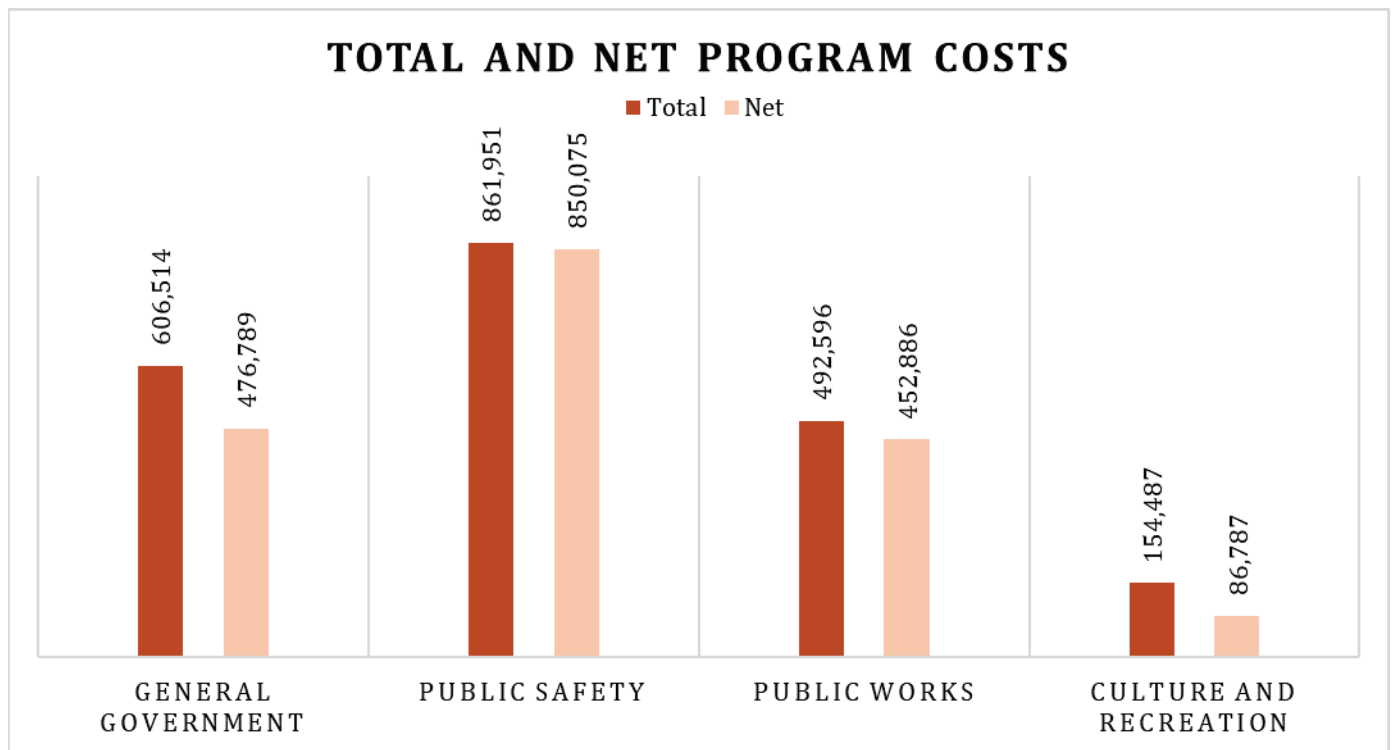
Governmental Activities

| | <u>Total Cost of Services</u> | <u>Percentage of Total</u> | <u>Net Cost of Services</u> | <u>Percentage of Total</u> |
|------------------------|-----------------------------------|--------------------------------|---------------------------------|--------------------------------|
| General Government | \$ 606,514 | 28.7% | \$ 476,789 | 25.5% |
| Public Safety | 861,951 | 40.7% | 850,075 | 45.5% |
| Public Works | 492,596 | 23.3% | 452,886 | 24.3% |
| Culture and Recreation | 154,487 | 7.3% | 86,787 | 4.6% |
| Total | <u><u>\$ 2,115,548</u></u> | <u><u>100.0%</u></u> | <u><u>\$ 1,866,537</u></u> | <u><u>100.0%</u></u> |

The Culture and Recreation function has the best cost recovery of 43.8%, due mostly to utilizing the Conservation Trust Fund for improvements, repairs and maintenance of the robust parks and trail network that the Town enjoys. The General Government function has the second-best cost recovery at 21% as shown in the chart on the next page as well as visualized in the graph below it. Permit fees and application fees are set to recover most of the expenses associated with community development, building and licensing services. The Town received operating grants to help reduce the cost of providing services for both Public Works and Public Safety in fiscal year 2023. While these program revenues can vary in any given year, the corresponding acquisition of assets does not appear as a program expense. For that reason, program revenues can fluctuate dramatically from year to year depending on the amount of capital grants and contributions received.

**Governmental Activities
 Cost Recovery**

| | <u>Total Cost of Services</u> | <u>Program Revenues</u> | <u>Net Cost of Services</u> | <u>Percent Recovered</u> |
|------------------------|-----------------------------------|-----------------------------|---------------------------------|------------------------------|
| General Government | \$ (606,514) | \$ 129,725 | \$ (476,789) | 21.4% |
| Public Safety | (861,951) | 11,876 | (850,075) | 1.4% |
| Public Works | (482,596) | 39,710 | (442,886) | 8.2% |
| Culture and Recreation | <u>(154,487)</u> | <u>67,700</u> | <u>(86,787)</u> | 43.8% |
| Total | <u><u>\$(2,105,548)</u></u> | <u><u>\$ 249,011</u></u> | <u><u>\$(1,856,537)</u></u> | <u><u>11.8%</u></u> |



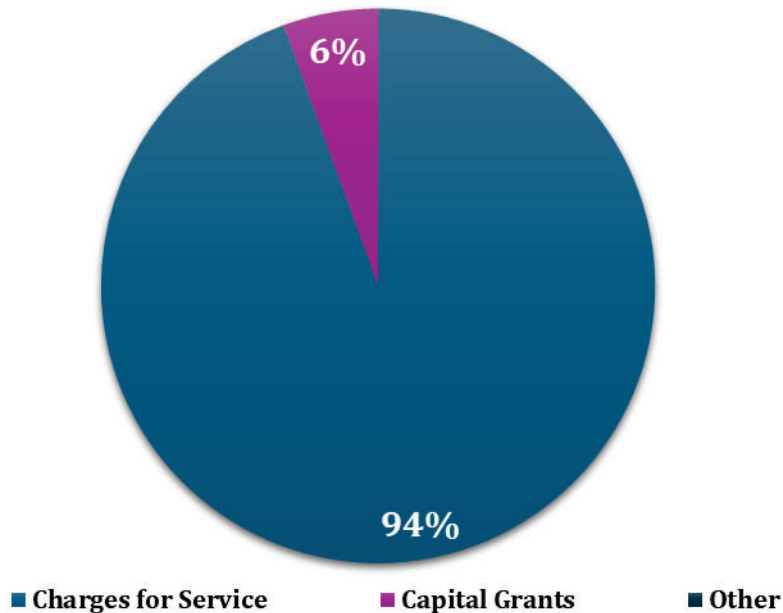
BUSINESS – TYPE ACTIVITIES

For the year ending December 31, 2023, the Town reported all enterprise funds as major funds. Business-type activities increased the Town's net position by \$514,983. Key elements of business-type (enterprise) activities net position are as follows:

The operating revenues for all the enterprise funds were 20% greater than fiscal year 2022, due to Resolution 2022-15 raising water rates, Resolution 2022-14 raising garbage rates, and Ordinance 2022-08 raising Wastewater Rates. Operating expenses for all enterprise funds were 15% more than in fiscal year 2022. Within the total business-type activities of the Town, these activities reported an operating income of \$566,169 compared to an operating income of \$400,197 for the prior year. Non-operating expenses decreased by \$3,378 over fiscal year 2022. Capital contributions for 2023 were \$100. Capital contributions include tap fees, developer contributions of capital assets, and capital grants.

The graph below shows that the business-type activities rely on fees to pay operating costs. This is stark in contrast to the governmental activities.

Business-Type Revenue by Source

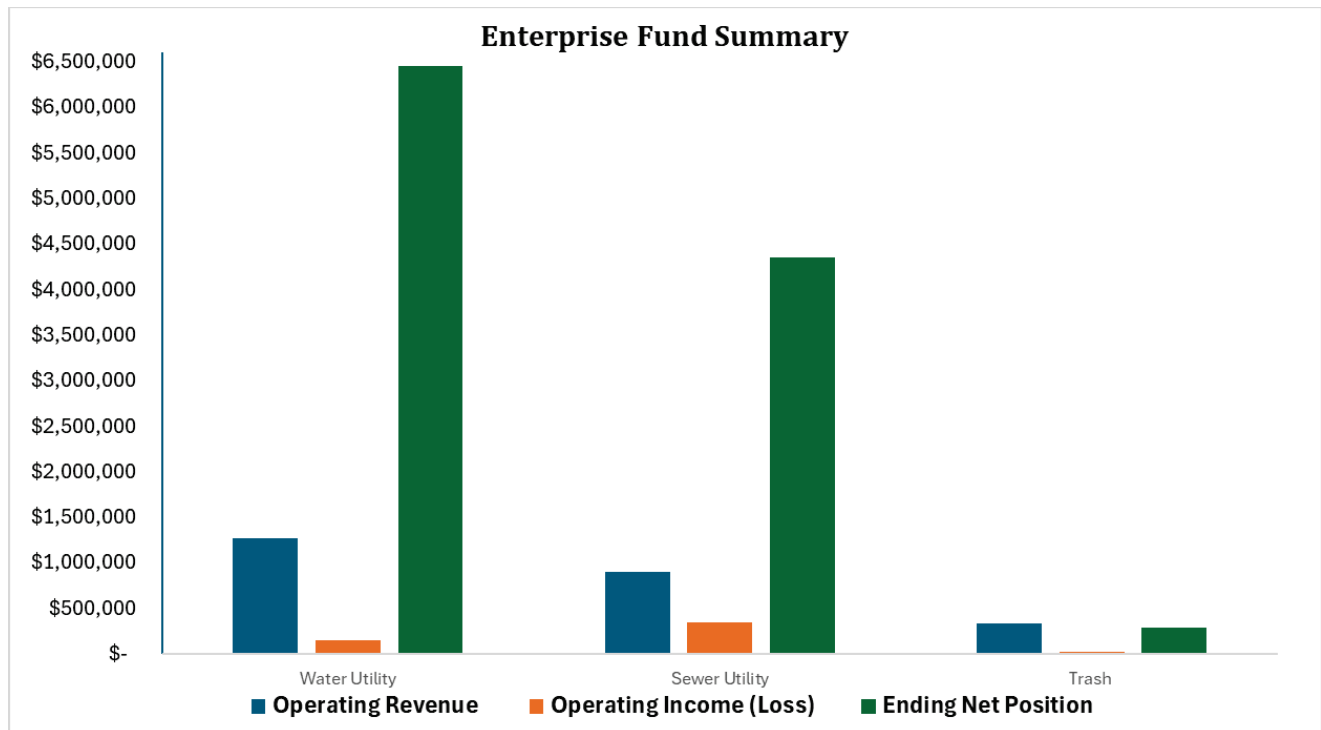


The water utility accounts for approximately 51% of operating revenues and 56% of operating expenses. This utility reported a net increase in net position of \$146,173. The water utility had an operating income of \$199,905 and \$100 in capital contributions. The water utility had a 1% decrease in revenues and an increase of 3.5% in operating expenses, which is attributed to higher expenditures on professional services such as design engineering for the First Phase of the Water Capital Improvement Plan.

For the sewer utility fund, operating expenses increased 51% over the prior year. Operating revenues saw an increase of 64% over the prior year. Net operating income for 2023 was \$343,126 in comparison to \$178,370 in 2022.

Trash made up 13% of operating revenues for all enterprise funds compared to 16% of operating expenses. Net operating income for 2023 was \$23,138, which is a redirection from 2022 when the fund experienced a loss of operating income (\$29,334). The ending net position of \$279,599 brings the Trash Fund to a better ending position than both 2022 and 2021. This fund has corrected course and is experiencing an increase in net position that brings it closer to ending position for the end of fiscal year 2020.

The graph below shows the relative size of the funds that make up the Enterprise Funds (Business-Type Activities):



Financial Analysis of the Town’s Funds

Governmental Funds

As mentioned earlier, governmental funds are reported in the fund statements with a focus on short-term, inflow and outflow of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. Governmental funds reported ending fund balances of \$2,804,139. Approximately, \$749,992 of the year-end total governmental fund balance is restricted, committed, or assigned fund balance.

The total ending fund balances of governmental funds show an increase of \$332,891 over the prior year. This increase is primarily the result of transfers from the General Fund and the Sales Tax and Capital Improvement Fund into the Non-Major Funds. The transfers are most likely due to projects that were not completed during the year and are expected to be complete in fiscal year 2024.

Major Governmental Funds

The General Fund:

The General Fund is the Town's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance decreased by \$252,800 after two years of increases, \$463,510 in fiscal year 2022, and \$417,214 in fiscal year 2021. The decrease in the General Fund's fund balance is primarily due to several unplanned expenditures including hiring an interim administrator consulting firm, hiring a new administrator, hiring a third-party bookkeeper, and accrued time payouts for terminations.

Total revenues for 2023 were \$1,709,015 an increase of \$50,525 or 3% over 2022. All tax revenues decreased in 2023 compared to 2022. Due to the Town's healthy financial position and the Federal Reserve raising interest rates in late 2022, the Town's investments saw a significant increase in investment income. The remaining revenue sources were comparable with the prior year.

Expenditures for 2023 were \$1,769,815, an increase of 48% over fiscal year 2022. This reflects an effort to hire key management employees and fully-staff departments within the Town, as well as hiring third-party consultancies to assist with financial management and interim management.

General government expenditures increased 87% overall when compared to the previous year. Again, this was due to the hiring of third-party consultants for both financial bookkeeping and interim management.

Total public safety actual expenditures saw a 26% increase in spending over the previous year. This is primarily due to the efforts of management to provide new equipment that promotes officer safety and hiring more employees to become fully staffed.

Public works expenditures increased 47% as compared to fiscal year 2022, and Culture and Recreation expenditures increased 22% over 2022. These increases in expenditures are largely due to hiring efforts and investing in tools and equipment necessary for Public Works to perform their functions.

The general fund transferred \$192,000 to non-major funds, and the Sales Tax Capital Improvement Fund transferred \$346,000 to Non-Major Funds. This amount varies based on available resources in any given year and Town staff's capacity to administer additional projects.

The Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

Budgetary Highlights

The General Fund – The Fiscal Year 2023 Budget had one amendment, Resolution 2023-18. The amendment increased the appropriation in the General Fund by \$200,000 due to lower than anticipated revenue, and within the Wastewater/Sewer Fund by \$1,200,000 due to unexpected, emergency repairs. The final fiscal year 2023 budget included \$2,035,213 in expected revenues, the actual revenues for fiscal year 2023 were \$1,709,015 for a negative variance of \$326,198.

Investment earnings increased significantly from original estimates because of higher than anticipated interest rates and the increase in revenues resulting in more funds to invest.

The final general fund budget for expenditures had a favorable variance of \$105,252, due to amending the general fund budget and pulling cash from reserves to make up the deficit from lost sales tax revenue.

Capital Assets and Debt Administration

Capital Assets

The Town’s net investments in capital assets, for governmental and business-type activities as of December 31, 2023, depreciated to \$2,979,802 (governmental activities) which is 4% less than in 2022, and increased to \$8,645,294 (business-type activities) which is 7% more than 2022.

The following table provides a summary of capital asset activity:

| | Capital Assets | | | | | |
|----------------------------------|-------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Non-Depreciable Assets: | | | | | | |
| Land and Water Rights | \$ 246,481 | \$ 246,481 | \$ 834,157 | \$ 834,157 | \$ 1,080,638 | \$ 1,080,638 |
| Improvements/CIP | - | - | 81,787 | - | 81,787 | - |
| Total Non-Depreciable | 246,481 | 246,481 | 915,944 | 834,157 | 1,162,425 | 1,080,638 |
| Depreciable Assets: | | | | | | |
| Buildings | 703,646 | 703,646 | - | - | 703,646 | 703,646 |
| Improvements (not buildings) | 585,541 | 547,789 | - | - | 585,541 | 547,789 |
| Infrastructure | 3,152,517 | 3,152,517 | - | - | 3,152,517 | 3,152,517 |
| Equipment | 1,042,874 | 1,042,874 | - | - | 1,042,874 | 1,042,874 |
| Distribution Systems | - | - | 4,187,566 | 4,187,566 | 4,187,566 | 4,187,566 |
| Collection Systems | - | - | 1,679,685 | 925,517 | 1,679,685 | 925,517 |
| Vehicles and Equipment | - | - | 535,816 | 535,816 | 535,816 | 535,816 |
| Treatment Plant | - | - | 12,175,799 | 12,175,799 | 12,175,799 | 12,175,799 |
| Software | - | - | 22,514 | - | 22,514 | - |
| Total Depreciable Assets | 5,484,578 | 5,446,826 | 18,601,380 | 17,824,698 | 24,085,958 | 23,271,524 |
| Less accumulated depreciation | (2,701,885) | (2,501,236) | (7,353,327) | (6,911,792) | (10,055,212) | (9,413,028) |
| Percentage Depreciated | 49% | 40% | 40% | 47% | 41% | 46% |
| Total Capital Assets, Net | \$ 3,029,174.00 | \$ 3,192,071.00 | \$12,163,997.00 | \$11,747,063.00 | \$15,193,171.00 | \$14,939,134.00 |

On December 31, 2023, the depreciable capital assets for governmental activities were 49% depreciated. This is 9% higher than in fiscal year 2022 and is due to lack of investment in existing buildings such as Town Hall and the Public Works Annex. This comparison indicates that the Town needs to invest in repairs and improvements to existing facilities or invest in new buildings to stay at a comparable rate to depreciation. Experiencing multiple years of depreciation outpacing investment in assets is a negative indicator and will need to be corrected.

With the Town's business-type activities, 40% of the depreciable capital assets were depreciated on December 31, 2023, comparable to 47% on December 31, 2022. This is a positive indicator that the Town is investing in its business-type activities and that investment is outpacing depreciation. However, most of the improvements were related to emergency repairs to the town's Wastewater Collections system, and ought to be planned instead of waiting until critical failure.

Overall, the Town's capital assets are depreciated at 41%, which is less than 2022 and demonstrates the Town's continuing investment in capital.

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 | 17,967 | 21,814 | 4,120,582 | 4,383,214 | 4,138,549 | 4,405,028 | -6% |

See note 5 for additional information about the Town's long-term debt.

Economic Conditions and Next Year's Budget

Financially, 2023 showed decreases over previous years. Sales and Use, and occupational taxes, which are economic indicators for tourism and spending, decreased by 7.5% over fiscal year 2022. The loss of sales and use tax is most likely due to Highway 133 being closed during the peak of tourism season which reduced the amount of traffic through Town.

The Town is a certified Creative District for the state of Colorado and has developed into a regional tourism destination. The Town hosts music and festivals in its largest park that brings many people from around the state to visit. The Town benefits from optimal growing conditions for organic farms and is recognized as a viticultural destination by the state. Maintaining these certifications and designations is paramount to continuing to grow the Town's economy. Industry in Town changed significantly during the early 2000's due to coal mine closures, and the Town successfully utilized the North Fork Valley to reinvent its industry for organic farming and winemaking.

A serious issue facing residents in Paonia is the lack of affordable housing options, which is exacerbated by a lack of year-round jobs due to the seasonally dependent industries of the Town. The Town also enacted a water moratorium in 2020 with certain criteria that must be met in order lift it. The moratorium has limited growth and is a contributing factor for the lack of affordable housing. The 2024 budget was prepared with these conditions in mind, while continuing to fund services for residents and visitors alike.

Contacting the Town's Financial Management

This financial report is designed to provide a general overview of the Town's finances and fiscal health, compliance with finance-related laws and regulations, and demonstrate the Town's commitment to public accountability and transparency. If you have questions about this report or would like to request additional information, please contact the Town Administrator and Treasurer, 214 Grand Avenue, Paonia, CO 81428.



Basic Financial Statements

Town of Paonia, Colorado
Statement of Net Position
December 31, 2023

| | Primary Government | | |
|--------------------------------------------------------|----------------------------|-----------------------------|----------------------|
| | Governmental Activities | Business-Type Activities | Total |
| Assets | | | |
| Cash and cash equivalents | \$ 2,347,613 | \$ 1,531,648 | \$ 3,879,261 |
| Cash and cash equivalents - restricted | 631,028 | 683,196 | 1,314,224 |
| Property Taxes Receivable | 159,967 | - | 159,967 |
| Accounts Receivable, net | 159,952 | 360,475 | 520,427 |
| Due from other governments | 57,607 | - | 57,607 |
| Inventories | - | 118,230 | 118,230 |
| Capital Assets, <i>not being depreciated</i> | 246,481 | 915,944 | 1,162,425 |
| Capital Assets, <i>net of accumulated depreciation</i> | <u>2,782,693</u> | <u>11,248,053</u> | <u>14,030,746</u> |
| Total Assets | <u>6,385,341</u> | <u>14,857,546</u> | <u>21,242,887</u> |
| Deferred Outflows of Resources | | | |
| Deferred Outflows Due to Pensions | <u>73,573</u> | <u>-</u> | <u>73,573</u> |
| Liabilities | | | |
| Accounts Payable | 42,188 | 27,048 | 69,236 |
| Accrued Payroll Liabilities | 29,873 | 21,620 | 51,493 |
| Accrued interest payable | - | 28,614 | 28,614 |
| Unearned Revenue | 320,000 | 184,616 | 504,616 |
| Net Pension Liability | 18,205 | - | 18,205 |
| Noncurrent Liabilities | | | |
| Due Within One Year | 798 | 216,804 | 217,602 |
| Due in More Than One Year | <u>7,184</u> | <u>3,301,899</u> | <u>3,309,083</u> |
| Total Liabilities | <u>418,248</u> | <u>3,780,601</u> | <u>4,198,849</u> |
| Deferred Inflows of Resources | | | |
| Deferred Inflows Due to Pensions | 79,980 | - | 79,980 |
| Unavailable Revenue - Property Taxes | <u>159,967</u> | <u>-</u> | <u>159,967</u> |
| Total Deferred inflows of resources | <u>239,947</u> | <u>-</u> | <u>239,947</u> |
| Net Position | | | |
| Net Investment in Capital Assets | 2,979,802 | 8,645,294 | 11,625,096 |
| Restricted for: | | | |
| Emergencies (TABOR) | 53,228 | - | 53,228 |
| Debt Service | - | 683,196 | 683,196 |
| Streets Improvements | 60,192 | - | 60,192 |
| Unrestricted, unreserved | <u>2,707,497</u> | <u>1,748,455</u> | <u>4,455,952</u> |
| Total Net Position | <u>\$ 5,800,719</u> | <u>\$ 11,076,945</u> | <u>\$ 16,877,664</u> |

See Notes to the Financial Statements.

Town of Paonia, Colorado
Statement of Activities
For the Year Ended December 31, 2023

| Functions/Programs | Expenses | Program Revenues | | Net (Expense) Revenue and Change in Net Position | | |
|---------------------------------------------|---------------------|----------------------|------------------------------------|--------------------------------------------------|--------------------------|----------------------|
| | | Charges for Services | Operating Grants and Contributions | Primary Government | | |
| | | | | Governmental Activities | Business-Type Activities | Total |
| Primary Government | | | | | | |
| Governmental Activities | | | | | | |
| General Government | \$ 606,514 | \$ 129,725 | \$ - | \$ (476,789) | \$ - | \$ (476,789) |
| Public Safety | 861,951 | 3,631 | 8,245 | (850,075) | - | (850,075) |
| Public Works | 492,596 | 28,670 | 11,040 | (452,886) | - | (452,886) |
| Culture and Recreation | 154,487 | 67,700 | - | (86,787) | - | (86,787) |
| Total Governmental Activities | 2,115,548 | 229,726 | 19,285 | (1,866,537) | - | (1,866,537) |
| Business-Type Activities | | | | | | |
| Water Operations | 1,123,494 | 1,269,525 | - | - | 146,031 | 146,031 |
| Sewer Operations | 582,910 | 756,038 | 137,798 | - | 310,926 | 310,926 |
| Trash Water | 302,265 | 325,403 | - | - | 23,138 | 23,138 |
| Total Business-Type Activities | 2,008,669 | 2,350,966 | 137,798 | - | 480,095 | 480,095 |
| Total Primary Government | \$ 4,124,217 | \$ 2,580,692 | \$ 157,083 | (1,866,537) | 480,095 | (1,386,442) |
| General Revenues | | | | | | |
| Taxes | | | | | | |
| Property | | | | 172,050 | - | 172,050 |
| Specific ownership | | | | 24,006 | - | 24,006 |
| General sales | | | | 1,233,964 | - | 1,233,964 |
| Franchise | | | | 110,218 | - | 110,218 |
| Occupancy | | | | 97,330 | - | 97,330 |
| Other | | | | 2,238 | - | 2,238 |
| Investment Income | | | | 165,348 | 34,746 | 200,094 |
| Capital Contributions - Tap Fees | | | | - | 100 | 100 |
| Proceeds from the Sale of Assets | | | | - | 42 | 42 |
| Misc. | | | | 80,736 | - | 80,736 |
| Total General Revenues and Transfers | | | | 1,885,890 | 34,888 | 1,920,778 |
| Change in Net Position | | | | 19,353 | 514,983 | 534,336 |
| Net Position, Beginning of year | | | | 5,781,366 | 10,561,962 | 16,343,328 |
| Net Position, End of year | | | | \$ 5,800,719 | \$ 11,076,945 | \$ 16,877,664 |

See Notes to the Financial Statements.

Town of Paonia, Colorado
 Balance Sheet
 Governmental Funds
 December 31, 2023

| | Major Funds | | | Total |
|-----------------------------------------------------------------------|---------------------|---------------------------------------------|---------------------|---------------------|
| | General Fund | Sales Tax Capital Improvement Fund | Non-Major Funds | |
| Assets | | | | |
| Cash and cash equivalents | | | | |
| Unrestricted | \$ 795,169 | \$ 500,524 | \$ 1,051,920 | \$ 2,347,613 |
| Restricted | 631,028 | - | - | 631,028 |
| Accounts receivable | 157,316 | - | - | 157,316 |
| Taxes receivable | - | - | 2,636 | 2,636 |
| Property taxes receivable | 159,967 | - | - | 159,967 |
| Due from other governments | - | 57,607 | - | 57,607 |
| | <u>1,743,480</u> | <u>558,131</u> | <u>1,054,556</u> | <u>3,356,167</u> |
| Total Assets | <u>\$ 1,743,480</u> | <u>\$ 558,131</u> | <u>\$ 1,054,556</u> | <u>\$ 3,356,167</u> |
| Liabilities | | | | |
| Accounts Payable | \$ 42,188 | \$ - | \$ - | \$ 42,188 |
| Accrued payroll | 29,873 | - | - | 29,873 |
| Unearned Revenue | 320,000 | - | - | 320,000 |
| | <u>392,061</u> | <u>-</u> | <u>-</u> | <u>392,061</u> |
| Total Liabilities | <u>392,061</u> | <u>-</u> | <u>-</u> | <u>392,061</u> |
| Deferred Inflows of Resources | | | | |
| Property Taxes | 159,967 | - | - | 159,967 |
| | <u>159,967</u> | <u>-</u> | <u>-</u> | <u>159,967</u> |
| Fund Balance | | | | |
| Restricted for: | | | | |
| Emergencies (TABOR) | 53,228 | - | - | 53,228 |
| Airport Capital Improvements | - | 60,192 | - | 60,192 |
| Committed | | | | |
| Bridge reserve | 228,717 | - | - | 228,717 |
| Capital Acquisition | - | 407,855 | - | 407,855 |
| Unassigned | 909,507 | 90,084 | 1,054,556 | 2,054,147 |
| | <u>1,191,452</u> | <u>558,131</u> | <u>1,054,556</u> | <u>2,804,139</u> |
| Total Fund Balance | <u>1,191,452</u> | <u>558,131</u> | <u>1,054,556</u> | <u>2,804,139</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance | <u>\$ 1,743,480</u> | <u>\$ 558,131</u> | <u>\$ 1,054,556</u> | <u>\$ 3,356,167</u> |

See Notes to the Financial Statements.

Town of Paonia, Colorado
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Governmental Funds
 For the Year Ended December 31, 2023

| | Major Funds | | | Total |
|------------------------------------------------------|---------------------|------------------------------------------|---------------------|---------------------|
| | General Fund | Sales Tax Capital Improvement Fund | Non-Major Funds | |
| Revenues | | | | |
| Taxes | \$ 1,269,394 | \$ 270,043 | \$ 100,369 | \$ 1,639,806 |
| Licenses and Permits | 48,285 | - | 32,726 | 81,011 |
| Intergovernmental | 142,037 | 15,087 | - | 157,124 |
| Investment Income | 165,337 | - | - | 165,337 |
| Fines and Forfeitures | 10,876 | - | - | 10,876 |
| Miscellaneous | 73,086 | 7,650 | 10 | 80,746 |
| Total Revenues | <u>1,709,015</u> | <u>292,780</u> | <u>133,105</u> | <u>2,134,900</u> |
| Expenditures | | | | |
| Current | | | | |
| General Government | 591,474 | - | - | 591,474 |
| Public Safety | 676,742 | - | - | 676,742 |
| Public Works | 296,187 | - | - | 296,187 |
| Culture and Recreation | 167,662 | - | 2,000 | 169,662 |
| Capital Outlay | 37,750 | 30,194 | - | 67,944 |
| Total Expenditures | <u>1,769,815</u> | <u>30,194</u> | <u>2,000</u> | <u>1,802,009</u> |
| Excess Revenues Over (Under) Expenditures | <u>(60,800)</u> | <u>262,586</u> | <u>131,105</u> | <u>332,891</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers Out | <u>(192,000)</u> | <u>(346,000)</u> | <u>538,000</u> | <u>-</u> |
| Other Financing Sources (Uses) | <u>(192,000)</u> | <u>(346,000)</u> | <u>538,000</u> | <u>-</u> |
| Net Change in Fund Balance | (252,800) | (83,414) | 669,105 | 332,891 |
| Fund Balance, Beginning of year | <u>1,444,252</u> | <u>641,545</u> | <u>385,451</u> | <u>2,471,248</u> |
| Fund Balance, End of year | <u>\$ 1,191,452</u> | <u>\$ 558,131</u> | <u>\$ 1,054,556</u> | <u>\$ 2,804,139</u> |

See Notes to the Financial Statements.

Town of Paonia, Colorado
Reconciliation of Balance Sheet of the Governmental Funds
to the Statement of Net Position
December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Total Fund Balance of Governmental Funds | \$ 2,804,139 |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds. | 3,029,174 |
| Pension assets and deferred outflows are not current, therefore, are not reported in governmental funds: | |
| Net Pension Asset (Liability) | (18,205) |
| Deferred Outflows, Pensions | 73,573 |
| Deferred Inflows, Pensions | (79,980) |
| Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds. | |
| Accrued compensated absences | <u>(7,982)</u> |
| Total Net Position of Governmental Activities | <u>\$ 5,800,719</u> |

Town of Paonia, Colorado
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

| | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------------------------|
| Net Change in Fund Balance of Governmental Funds | \$ | 332,891 |
| Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities. | | |
| Capital outlays | | 37,752 |
| Depreciation expense | | (200,649) |
| Revenues received after the period of availability are recognized as deferred revenue in the funds statements, but as revenues in the Statement of Activities | | |
| | | 2,215 |
| FPPA Pension liabilities reported in governmental funds as expenditures when contributions are made. However, for governmental activities those costs are reflected as liabilities when incurred. | | |
| Compensated Absences | | 7,770 |
| Net Pension Asset (Liability) | | (165,119) |
| Deferred Outflows, Pensions | | 3,571 |
| Deferred Inflows, Pensions | | 922 |
| | | 922 |
| Change in Net Position of Governmental Activities | \$ | <u><u>19,353</u></u> |

See Notes to the Financial Statements.

Town of Paonia, Colorado
Statement of Net Position
Proprietary Fund
December 31, 2023

| | Water | Sewer | Trash | Total |
|-----------------------------------------------------------|---------------------|---------------------|-------------------|----------------------|
| Current Assets | | | | |
| Cash and Investments | \$ 1,212,543 | \$ 168,908 | \$ 150,197 | \$ 1,531,648 |
| Restricted Cash and investments | - | 683,196 | - | 683,196 |
| Accounts Receivable | 124,083 | 206,944 | 29,448 | 360,475 |
| Leased Asset - Software | 22,514 | - | - | 22,514 |
| Inventory | 107,313 | 10,917 | - | 118,230 |
| Total Current Assets | 1,466,453 | 1,069,965 | 179,645 | 2,716,063 |
| Noncurrent Assets | | | | |
| Capital Assets, <i>Not being depreciated</i> | 351,564 | 564,380 | - | 915,944 |
| Capital Assets, <i>Net of accumulated depreciation</i> | 6,861,702 | 4,279,622 | 106,729 | 11,248,053 |
| Total Noncurrent Assets | 7,213,266 | 4,844,002 | 106,729 | 12,163,997 |
| Total Assets | 8,679,719 | 5,913,967 | 286,374 | 14,880,060 |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts Payable | 18,758 | 4,827 | 3,463 | 27,048 |
| Accrued interest payable | 17,364 | 11,250 | - | 28,614 |
| Accrued Liabilities | 9,487 | 9,502 | 2,631 | 21,620 |
| Unearned grant revenues | 184,616 | - | - | 184,616 |
| Lease Liability | 22,514 | - | - | 22,514 |
| Current Portion of Noncurrent Liabilities | 161,382 | 55,354 | 68 | 216,804 |
| Total Current Liabilities | 414,121 | 80,933 | 6,162 | 501,216 |
| Noncurrent Liabilities | | | | |
| Notes and bonds payable | 1,812,691 | 1,488,595 | 613 | 3,301,899 |
| Total Noncurrent Liabilities | 1,812,691 | 1,488,595 | 613 | 3,301,899 |
| Total Liabilities | 2,226,812 | 1,569,528 | 6,775 | 3,803,115 |
| Net Position | | | | |
| Net Investment in Capital Assets | 5,239,193 | 3,300,053 | 106,048 | 8,645,294 |
| Restricted for Debt Service | - | 114,575 | - | 114,575 |
| Restricted for Maintenance | - | 568,621 | - | 568,621 |
| Unrestricted | 1,213,714 | 361,190 | 173,551 | 1,748,455 |
| Total Net Position | \$ 6,452,907 | \$ 4,344,439 | \$ 279,599 | \$ 11,076,945 |

See Notes to the Financial Statements.

Town of Paonia, Colorado
 Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Fund
 For the Year Ended December 31, 2023

| | Water | Sewer | Trash | Total |
|----------------------------------------------|--------------|--------------|------------|---------------|
| Operating Revenues | | | | |
| Charges for Services | \$ 1,269,525 | \$ 756,038 | \$ 325,403 | \$ 2,350,966 |
| Grant Revenue | - | 137,798 | - | 137,798 |
| Miscellaneous | 42 | - | - | 42 |
| | 1,269,567 | 893,836 | 325,403 | 2,488,806 |
| Operating Expenses | | | | |
| Personnel expenses | 375,208 | 200,601 | 206,514 | 782,323 |
| Contractual service | 33,439 | - | 41,143 | 74,582 |
| Professional fees | 103,820 | 54,267 | 4,952 | 163,039 |
| Utilities | 27,240 | 42,672 | 2,631 | 72,543 |
| Repairs and maintenance | 104,860 | 71,164 | 731 | 176,755 |
| Other supplies and expense | 96,629 | 47,380 | 21,332 | 165,341 |
| Insurance claims and expense | 29,789 | 9,974 | 6,755 | 46,518 |
| Depreciation | 298,677 | 124,652 | 18,207 | 441,536 |
| | 1,069,662 | 550,710 | 302,265 | 1,922,637 |
| Net Operating Income | 199,905 | 343,126 | 23,138 | 566,169 |
| Non-Operating Revenues (Expenses) | | | | |
| Interest Income | - | 34,746 | - | 34,746 |
| Interest Expense | (53,832) | (32,200) | - | (86,032) |
| Net Income (Loss) Before Contributed Capital | 146,073 | 345,672 | 23,138 | 514,883 |
| Contributed Capital and Transfers | | | | |
| System Development Fees | 100 | - | - | 100 |
| Total Capital Contributions and Transfers | 100 | - | - | 100 |
| Change in Net Position | 146,173 | 345,672 | 23,138 | 514,983 |
| Net Position, Beginning of year | 6,306,734 | 3,998,767 | 256,461 | 10,561,962 |
| Net Position, End of year | \$ 6,452,907 | \$ 4,344,439 | \$ 279,599 | \$ 11,076,945 |

See Notes to the Financial Statements.

Town of Paonia, Colorado
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2023

| | Water | Sewer | Trash | Total |
|---------------------------------------------------------------------------------------------|---------------------|-------------------|-------------------|---------------------|
| Cash Flows From Operating Activities | | | | |
| Cash Received from Customers | \$ 1,269,525 | \$ 756,038 | \$ 325,403 | \$ 2,350,966 |
| Cash Received from Others | (31,178) | 137,798 | (5,374) | 101,246 |
| Cash Paid to Suppliers | (476,565) | (415,734) | (127,444) | (1,019,743) |
| Cash Paid to Employees | (284,118) | (161,549) | (159,949) | (605,616) |
| Net Cash Provided by Operating Activities | <u>477,664</u> | <u>316,553</u> | <u>32,636</u> | <u>826,853</u> |
| Cash Flows From Capital and Related Financing Activities | | | | |
| System Development Fees | 100 | - | - | 100 |
| Acquisition and Construction of Capital Assets | (59,274) | (754,168) | - | (813,442) |
| Debt Principal Payments | (176,935) | (51,925) | - | (228,860) |
| Debt Interest Payments | (53,832) | (32,200) | - | (86,032) |
| Net Cash Used by Capital and Related Financing Activities | <u>(289,941)</u> | <u>(838,293)</u> | <u>-</u> | <u>(1,128,234)</u> |
| Cash Flows From Investing Activities | | | | |
| Interest received | - | 34,746 | - | 34,746 |
| Net Cash Used by Capital and Related Financing Activities | <u>-</u> | <u>34,746</u> | <u>-</u> | <u>34,746</u> |
| Net Change in Cash and Cash Equivalents | 187,723 | (486,994) | 32,636 | (266,635) |
| Cash and Cash Equivalents, Beginning of year | <u>1,024,820</u> | <u>1,339,098</u> | <u>117,561</u> | <u>2,481,479</u> |
| Cash and Cash Equivalents, End of year | <u>\$ 1,212,543</u> | <u>\$ 852,104</u> | <u>\$ 150,197</u> | <u>\$ 2,214,844</u> |
| Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities: | | | | |
| Net Operating Income | \$ 199,905 | \$ 343,126 | \$ 23,138 | \$ 566,169 |
| Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities | | | | |
| Depreciation Expense | 298,677 | 124,652 | 18,207 | 441,536 |
| Changes in Assets and Liabilities Related to Operations | | | | |
| Accounts Receivable | (31,220) | (157,866) | (5,374) | (194,460) |
| Inventory | 10,599 | 1,453 | - | 12,052 |
| Accounts Payable | 215 | (2,235) | (1,607) | (3,627) |
| Accrued Expenses | (512) | 7,423 | (1,728) | 5,183 |
| Net Cash Provided by Operating Activities | <u>\$ 477,664</u> | <u>\$ 316,553</u> | <u>\$ 32,636</u> | <u>\$ 826,853</u> |

See Notes to the Financial Statements.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies

The Town of Paonia (the Town) is a statutory municipality with a Major Board of Trustees form of government with six trustees and one separately elected mayor serving as elected Town Board Trustees (The Town Board) members. The Town administrator is a hired contact position of the Town.

The Town's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Reporting Entity

In accordance with governmental accounting standards, the Town has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on the application of these criteria, the Town does not include additional organizations in its reporting entity.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position reports all financial, capital and debt resources of the Town. The difference between assets, liabilities and deferred inflows of the Town is net position.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of the given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Fund Financial Statements

Following the government-wide financial statements are separate financial statements for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

Fund Accounting

The Town uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with self-balancing accounts. Governmental resources are allocated to and accounted for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town has all three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use, and balances of the Town's expendable financial resources and the related liabilities (except those accounted for in the proprietary fund) are accounted for through governmental funds. The measurement focus is on determination of and changes in financial position, rather than on net income.

The following are the Town's governmental major funds:

The General Fund - used to account for all financial resources except those required to be accounted for in another fund and is the general operating fund of the Town.

The Sales Tax Capital Improvement Fund - accounts for the Town's additional sales tax that is to be used for capital improvements.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental Funds (Continued)

The following funds are considered nonmajor governmental funds:

The Conservation Trust Fund - accounts for State of Colorado lottery funds to be used for parks and recreation services and capital investments.

The Street Capital Improvement Fund - accounts for funds committed by the Board of Trustees to be used for street construction from Highway Users tax and impact fees.

The Sidewalk Fund - accounts for the Town's sidewalk fees that are to be used for sidewalk repairs and maintenance.

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

The Town reports the following major enterprise fund business-type activities.

Water, Sewer and Trash Funds - accounts for all operations of the Town's water, sewer, and trash services. They are primarily financed by user charges.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

Cash and Investments

The Town considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. State statutes and Town policy authorize the Town to invest in obligations of the United States or any agency thereof, time deposit certificates, and repurchase agreements. The Pension Trust Funds are also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership (excluding any debt of the Town itself), and individual insurance policies.

Receivables

The Town uses the allowance method for recognizing the uncollectable delinquent accounts receivable. At December 31, 2023, no allowance has been established, as all amounts are considered collectible. Each October, any utility bills more than 60 days old are certified to the County Treasurer for collection with the property taxes to be collected the following year.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by governmental units until the subsequent year. In accordance with GAAP, the assessed, but uncollected, property taxes for calendar year 2023 have been recorded as receivable and as deferred revenue. Property taxes are billed and collected by Delta County, Colorado and distributed to the municipalities and special districts within the county the month after collection.

Inventories

Water parts are valued at market values based on current pricing.

Interfund Receivables and Payables

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses) in the governmental funds and transfers in (out) in the proprietary funds.

Transactions between the Town's various funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to the Town government.

Activity between funds that is representative of borrowing/lending arrangements outstanding at the end of the fiscal year is referred to as either "due to/due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

In the process of aggregating data for the statement of net position and the statement of activities some amounts reported on interfund activity and balances in the funds have been eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activity's column.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item qualifying for this category: the collective deferred outflows related to the Town's net pension obligation. Pension contributions made after the measurement date, and the net difference between projected and actual earnings will be recognized as a change of the net pension liability or asset in future periods.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Outflows and Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town has two types of items that qualify for reporting in this category. Unavailable revenue from property taxes, reported in the governmental balance sheet are deferred and recognized as an inflow from resources in the period that the amounts become available. Collective deferred inflows related to the Town’s net pension obligation are reported on the Statement of Net Position and are amortized over the average service lives of participants.

Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Purchased or constructed assets are recorded at historical cost where historical records are available or estimated historical costs where no historical records exist. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset’s life is not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital assets (excluding land, water rights, construction in progress and capital assets held for other government) are depreciated using the straight-line method over the following estimated useful lives:

| | |
|----------------------------|---------------|
| Water and Sewer Systems | 15 - 40 years |
| Buildings and Improvements | 25 - 40 years |
| Equipment and Vehicles | 5 - 10 years |
| Infrastructure | 15 - 40 years |

Compensated Absences

Vacation, sick leave, and compensatory time are accrued as earned. Accumulated unpaid vacation, compensatory time, and vested sick leave amounts are recorded in the government-wide financial statements by fund. The Town’s personnel policy imposes limits on the maximum accrual of accumulated vacation time and sick leave. Upon termination, accrued unpaid vacation and compensatory time will be paid to the employee. Accrued sick leave has a cash value upon termination only if the employee has at least five years of full-time service with the Town at termination. Accrued compensated absences are liquidated by the fund that incurred the liability during the employee’s employment. A liability for vested, accrued leave time is reported in the governmental funds only if the amounts due at year end have matured.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Town's defined benefit pension plan and additions to/deductions from the fiduciary net position of the Town's defined benefit pension plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt is reported as a liability in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

In the government-wide and proprietary fund financial statements, net position is displayed in three components as follows:

Net Investment in Capital Assets - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted - This consists of a net position legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted - This consists of net position not meeting the definition of "restricted" or "invested in capital assets, net of related debt."

When an expense is incurred for purposes for which restricted and unrestricted net position is available, the Town's policy is to apply restricted net position first.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balance Classification

The following fund balance classifications describe the relative strength of the spending constraints placed on a government's fund balance and purposes for which resources can be used:

Nonspendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Restricted fund balance - amounts constrained to specific purposes stipulated by external resource providers (such as grantor, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers.

Committed fund balance - amounts constrained to specific purposes stipulated by a government itself, determined by formal action by the Board of Trustees to be reported as committed, amounts cannot be used for any other purpose unless changed by the Board of Trustees.

Assigned fund balance - amounts the Town intends to use for a specific purpose as expressed by management.

Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Town Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution or ordinance. Each December the budget is adopted by resolution for the coming year. A fund balance commitment is indicated in the budget by the use of reserves. The budget document will also identify the budgeted use of any restricted funds planned in the budget.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Town Council has provided otherwise in its commitment or assignment actions.

Use of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Subsequent Events

The Town has evaluated subsequent events through August 21, 2024, the date the financial statements were available to be issued.

Note 2: Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- In October, the Town staff submits to the Town Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15, the budget is legally enacted through passage of an ordinance.
- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.
- Budgets are legally adopted for all funds of the Town. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the Enterprise Fund is presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

Note 3: Cash Deposits and Investments

The Town's investment policy conforms to the investment policy guidelines set forth by the State of Colorado. The Town's investment policy sets the primary objectives of investments activities to be safety, liquidity, and yield, in that order. The policy sets a conservative, "prudent person" approach to investment purchases and management of the overall portfolio. The Town's Volunteer Firefighters Pension Trust is managed by the Fire and Police Pension Association of Colorado in accordance with State statute.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 3: Cash Deposits and Investments (Continued)

At year end, the Town had the following deposits and investments as reported in the financial statements:

| | | |
|-------------------------------|----|------------------|
| Petty Cash | \$ | 225 |
| Cash held by County Treasurer | | 123,871 |
| Bank deposits | | 2,709,200 |
| Certificates of deposit | | 475,296 |
| Colotrust | | 1,884,893 |
| Total | \$ | <u>5,193,485</u> |

Deposits

Cash and investments are reflected in the statement of net position as follows:

| | | |
|---------------------------------|----|------------------|
| Cash and Investments | \$ | 3,879,261 |
| Restricted Cash and Investments | | <u>1,314,224</u> |
| Total | \$ | <u>5,193,485</u> |

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible depositories. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held in trust for all of its local government depositors as a group with a market value of at least 102% of the uninsured deposits. The State Regulatory Commission for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

As of December 31, 2023, the Town had deposits of \$3,184,496. Depositor's insurance (FDIC) covers \$250,000 of this amount; the balance is covered by PDPA.

Investments

The Town's investment policy lists the authorized investment types as defined by Colorado statutes. Authorized investments include direct obligations of the United States, obligations of U.S. government agencies, general or revenue obligations of any state of the United States, any territory, or political subdivision of any state, qualified bankers' acceptances, commercial paper, certificates of participation, repurchase agreements, qualified local government investment pool, money market funds, qualified corporate or bank debt, and certain guaranteed investment contracts. The Town held no such investments at December 31, 2023.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Trustees. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 3: Cash Deposits and Investments (Continued)

Investments (Continued)

State statutes specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following.

- Obligations of the United States & certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

Local Government Investment Pool - At December 31, 2023, the Town had \$1,884,893 (fair value) invested in COLOTRUST, an investment vehicle established by State statute for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating COLOTRUST. COLOTRUST operates similar to money market funds and each share is equal in value to \$1.00. COLOTRUST is rated AAAM by Standard and Poor's. Investments are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

The Town had the following investments at December 31, 2023:

| Investment Type | Rating | Total | Less than 1 year | 1 to 5 years |
|---------------------------------------------------------|-----------|---------------------|------------------|---------------------|
| Colorado Liquid Government Asset Trust (ColoTrust Plus) | No Rating | \$ 1,884,893 | \$ - | \$ 1,884,893 |
| Certificates of deposit | No Rating | 475,296 | - | 475,296 |
| U.S. Treasury Securities | | <u>\$ 2,360,189</u> | <u>\$ -</u> | <u>\$ 2,360,189</u> |

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk the Town requires that U.S. Agency Securities have the highest possible rating. Colorado statutes establish standards for local government investment pools and the Town requires the investment pool to maintain the highest possible rating.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 3: Cash Deposits and Investments (Continued)

Investments (Continued)

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. State statute limits investments in U.S. Agency Securities to a maximum five-year maturity. The Town seeks to minimize interest rate risk by:

- Structuring investments to meet ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
- Structuring investments to have staggered maturities of less than five years.

Note 4: Capital Assets

Capital assets activity for the year ended December 31, 2023 is summarized below:

| Governmental Activities | Balance 12/31/2022 | Additions | Deletions | Balance 12/31/2023 |
|-------------------------------------------------|-----------------------|---------------------|-------------|-----------------------|
| Capital Assets Not Being Depreciated | | | | |
| Land and Improvements | \$ 246,481 | \$ - | \$ - | \$ 246,481 |
| Total Capital Assets Not Being Depreciated | <u>246,481</u> | <u>-</u> | <u>-</u> | <u>246,481</u> |
| Capital Assets Being Depreciated | | | | |
| Buildings | 703,646 | - | - | 703,646 |
| Improvements other than Buildings | 547,789 | 37,752 | - | 585,541 |
| Infrastructure | 3,152,517 | - | - | 3,152,517 |
| Equipment | 1,042,874 | - | - | 1,042,874 |
| Total Capital Assets Being Depreciated | <u>5,446,826</u> | <u>37,752</u> | <u>-</u> | <u>5,484,578</u> |
| Less Accumulated Depreciation for | | | | |
| Buildings | (424,138) | (20,169) | - | (444,307) |
| Improvements other than Buildings | (324,784) | (18,693) | - | (343,477) |
| Infrastructure | (985,542) | (92,891) | - | (1,078,433) |
| Equipment | (766,772) | (68,896) | - | (835,668) |
| Total Accumulated Depreciation | <u>(2,501,236)</u> | <u>(200,649)</u> | <u>-</u> | <u>(2,701,885)</u> |
| Total Capital Assets Being Depreciated, Net | <u>2,945,590</u> | <u>(162,897)</u> | <u>-</u> | <u>2,782,693</u> |
| Government Type Activities, Capital Assets, Net | <u>\$ 3,192,071</u> | <u>\$ (162,897)</u> | <u>\$ -</u> | <u>\$ 3,029,174</u> |

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 4: Capital Assets (Continued)

Capital assets Business-Type activity for the year ended December 31, 2023 is summarized below:

| Business Type Activities | Balance 12/31/2022 | Additions | Deletions | Balance 12/31/2023 |
|------------------------------------------------------|-----------------------|-------------------|-------------|-----------------------|
| Capital Assets Not Being Depreciated | \$ 834,157 | \$ - | \$ - | \$ 834,157 |
| Land & water rights | - | 81,787 | - | 81,787 |
| CIP | 834,157 | - | - | 915,944 |
| Total Capital Assets Not Depreciated | 834,157 | - | - | 915,944 |
| | | | | |
| Capital Assets Being Depreciated | | | | |
| Distribution systems | 4,187,566 | - | - | 4,187,566 |
| Collection system | 925,517 | 754,168 | - | 1,679,685 |
| Vehicles and equipment | 535,816 | - | - | 535,816 |
| Treatment plant | 12,175,799 | - | - | 12,175,799 |
| Software | - | 22,514 | - | 22,514 |
| Less Accumulated depreciation | (6,911,792) | (441,535) | - | (7,353,327) |
| Total Capital Assets Being Depreciated | 10,912,906 | 335,147 | - | 11,248,053 |
| | | | | |
| Total Capital Assets Being Depreciated, Net | 10,912,906 | 335,147 | - | 11,248,053 |
| | | | | |
| Business Type Activities, Capital Assets, Net | \$ 11,747,063 | \$ 335,147 | \$ - | \$ 12,163,997 |

Depreciation expense was charged to functions/programs of the Town as follows:

| Governmental Activities | |
|--------------------------------|-------------------|
| General Government | \$ 25,024 |
| Public Safety | 24,583 |
| Public Works | 128,465 |
| Culture and Recreation | 22,577 |
| | |
| Total | \$ 200,649 |

Note 5: Long-Term Debt

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2023.

| Governmental Activities | Balance 12/31/2022 | Additions | Deletions | Balance 12/31/2023 | Due Within One Year |
|--------------------------------|-----------------------|-------------|-------------------|-----------------------|------------------------|
| Compensated Absences | \$ 17,967 | - | (9,985) | \$ 7,982 | \$ 798 |
| | | | | | |
| Total | \$ 17,967 | \$ - | \$ (9,985) | \$ 7,982 | \$ 798 |

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 5: Long-Term Debt (Continued)

Business-type Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2023.

| Business-Type Activities | Balance 12/31/22 | Additions | Deletions | Balance 12/31/23 | Due Within One Year |
|---------------------------------------|---------------------|-------------|---------------------|---------------------|------------------------|
| Revenue - refunding bonds | \$ 1,550,000 | \$ - | \$ (50,000) | \$ 1,500,000 | \$ 55,000 |
| Premium - refunding bonds | 42,330 | - | (1,925) | 40,405 | - |
| Loan-WPA | 1,944,668 | - | (132,275) | 1,812,393 | 139,725 |
| Premium-WPA | 14,936 | - | (1,211) | 13,725 | - |
| Loan CWRPDA | 142,832 | - | (20,935) | 121,897 | 21,303 |
| Lease Financing Agreement | - | 22,514 | - | 22,514 | - |
| Compensated Absences | - | 7,769 | - | 7,769 | 776 |
| Total Business-Type Activities | \$ 3,694,766 | \$ - | \$ (206,346) | \$ 3,518,703 | \$ 216,804 |

CWRPDA Loan

The Town has a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA), which originally enabled the Town to borrow up to \$448,200 at 1.75% interest annually, with payments of \$23,343 per year. The purpose of the loan was for upgrades to the lower water treatment plant. The project was completed in 2011, and the Town is no longer able to draw on the loan agreement. The Town pledged its net revenue from the operation of the water utility for repayment of the loan in the amount of approximately \$338,000 through 2029. Pledged revenues received during 2023 were \$23,343. The proportion of the pledged revenue to total related revenues is not estimable because annual total fees collected fluctuate. The Town is required to provide rates and charges in order to maintain coverage of 110% of the debt service due on the governmental agency bond coming due in each calendar year, and to maintain an operation and maintenance reserve in an amount equal to three months of operating costs.

As of December 31, 2023, the Town borrowed \$395,969, of which the Town has made principal payments of \$253,137. Principal and interest payments for the years following December 31, 2023 are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|-------------------|-----------------|-------------------|
| 2024 | \$ 21,303 | \$ 2,040 | \$ 23,343 |
| 2025 | 21,677 | 1,666 | 23,343 |
| 2026 | 22,058 | 1,285 | 23,343 |
| 2027 | 22,446 | 897 | 23,343 |
| 2028 | 22,841 | 503 | 23,344 |
| 2029 | 11,572 | 101 | 11,673 |
| | \$ 121,897 | \$ 6,492 | \$ 128,389 |

Town of Paonia, Colorado
 Notes to Financial Statements
 December 31, 2023

Note 5: Long-Term Debt (Continued)

Business-type Activities (Continued)

WPA Loan

The Town has a Water Power Authority (WPA) loan agreement with CWRPDA for \$2,996,494 at 2.08% interest annually, with twice yearly payments ranging from about \$83,000 to \$91,000. The purpose of the loan is for improvements and the expansion of the existing water treatment facilities and distribution system. The Town pledged its net revenue from the operation of the water and sewer utility for repayment of the loan in the amount of approximately \$3,728,185 through 2035. Pledge revenues received during 2023 were \$191,222. The proportion of the pledged revenue to total related revenues is not estimable because annual total fees collected fluctuate. The Town is required to provide rates and charges in order to maintain coverage of 110% of the debt service due on the governmental agency bond coming due in each calendar year, and to maintain an operation and maintenance reserve in an amount equal to three months of operating expense, excluding depreciation of the water and sewer utility system, as set forth in the annual budget.

The loan balance includes a premium of \$25,431, which is amortized over the life of the loan on a straight-line basis. Yearly amortization is \$1,211. The remaining premium balance is \$13,725 as of December 31, 2023. At no time should the budget reserve be greater than \$1,250,000. Principal and interest payments for the years following December 31, 2023 are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|---------------------|------------------|---------------------|
| 2024 | \$ 133,651 | 13,850 | 147,501 |
| 2025 | 135,025 | 12,800 | 147,825 |
| 2026 | 137,088 | 11,750 | 148,838 |
| 2027 | 138,806 | 10,700 | 149,506 |
| 2028 | 174,492 | 26,517 | 201,009 |
| 2029-2033 | 734,345 | 7,650 | 741,995 |
| 2034-2035 | 358,986 | 7,650 | 366,636 |
| | <u>\$ 1,812,393</u> | <u>\$ 90,917</u> | <u>\$ 1,903,310</u> |

2020 Revenue Refunding Bonds

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

Town of Paonia, Colorado
 Notes to Financial Statements
 December 31, 2023

Note 5: Long-Term Debt (Continued)

Business-type Activities (Continued)

2020 Revenue Refunding Bonds (Continued)

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

The Bonds were issued with a premium of \$46,180 which is amortized on a straight-line basis through the life of the bonds (24 years) and recognized as interest expense. Annual amortization is \$1,925. Principal and interest payments for the years following December 31, 2023 are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|---------------------|-------------------|---------------------|
| 2024 | \$ 55,000 | \$ 45,000 | \$ 100,000 |
| 2025 | 55,000 | 43,350 | 98,350 |
| 2026 | 55,000 | 41,700 | 96,700 |
| 2027 | 60,000 | 40,050 | 100,050 |
| 2028 | 60,000 | 38,250 | 98,250 |
| 2029-2033 | 190,000 | 165,300 | 355,300 |
| 2034-2038 | 440,000 | 121,650 | 561,650 |
| 2039-2043 | 250,000 | 62,250 | 312,250 |
| 2044 | 335,000 | 1,050 | 336,050 |
| | <u>\$ 1,500,000</u> | <u>\$ 558,600</u> | <u>\$ 2,058,600</u> |

Line of Credit

The Town had a \$200,000 working-capital line of credit with an interest rate of 1.35% and a maturity date of September 2023. As of December 31, 2023, there was a \$0.00 outstanding balance on the line of credit.

Note 6: Employee Retirement Plans

Deferred Compensation Plan

All employees are eligible to participate in a deferred compensation plan that was created in accordance with the Internal Revenue Code section 457 (the Deferred Compensation Plan). The Deferred Compensation Plan, which is administered by CCOERA, permits participants to defer a portion of their salary until future years. All compensation deferred under the Deferred Compensation Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or fights are to be held in trust for the exclusive benefit of the participants and their beneficiaries. Compensation deferred under the Deferred Compensation Plan is not available to employees until termination, retirement, death, or unforeseeable emergency.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 6: Employee Retirement Plans (Continued)

Deferred Compensation Plan (Continued)

Participants may elect to defer any percentage of their annual compensation, provided that the total annual contribution does not exceed limitations established by the Internal Revenue Service. The Town does not contribute to the Deferred Compensation Plan.

The individual participants determine investment decisions within the Deferred Compensation Plan and, therefore, the Deferred Compensation Plan's investment concentration varies between participants.

CCOERA is also the Trustee of the Deferred Compensation Plan and, accordingly, the Town has no liability for losses under the plan. Consequently, the Deferred Compensation Plan is not part of the Town's financial statements.

FPPA Statewide Defined Benefit Plan

Plan Description: The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan. The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Description of Benefits: A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 6: Employee Retirement Plans (Continued)

FPPA Statewide Defined Benefit Plan (Continued)

Contributions: The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers are contributing at the rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2023.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 20 percent of base salary through 2014. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014-member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2023 for a total combined member and employer contribution rate of 24 percent in 2023.

The contribution rate for members and employers of affiliated social security employers is 4 percent of base salary for a total contribution rate of 8 percent through 2014. Per the 2014 member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2015 through 2023 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2023.

The Town’s contributions to the SWDB Plan for the year ended December 31, 2023, were \$32,996, equal to the required contributions.

The Town and eligible employees are required to contribute to the SWH Plan at rates established by the Town Council. However, the amount allocated to the defined benefit component is set annually by the FPPA Board of Directors, which currently must be at least 8% of base salary for the employee and the employer.

The Town no longer has active participants in the SWH Plan.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the Town reported a net pension liability (asset) of \$((18,205)) representing its proportionate share of the net pension asset of the SWDB.

Town of Paonia, Colorado
 Notes to Financial Statements
 December 31, 2023

Note 6: Employee Retirement Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The net pension liability was measured on December 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation at January 1, 2023. The Town’s proportion of the net pension asset was based on a projection of the Town’s contributions to the plans for the calendar year ended December 31, 2023, relative to the projected contributions of all participating employers.

At December 31, 2023, the Town’s proportion of the SWDB Plan was 0.02710922%, which was an increase of 0.002209% from its proportion measured on December 31, 2022.

For the year ended December 31, 2023, the Town recognized pension expense (Benefit) for the SWDB plan of \$(16,554).

At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Statewide Defined Benefit Plan | | |
| Differences between expected and actual experience | \$ 31,724 | \$ 1,876 |
| Net difference between projected and actual earnings on plan investments | 43,375 | - |
| Changes in assumptions and other inputs | 18,873 | - |
| Changes in proportion | 1,841 | 78,104 |
| Contributions subsequent to the measurement date | (22,240) | - |
| Total | \$ 73,573 | \$ 79,980 |

Town contributions to the SWDB plan subsequent to the measurement date were \$(45,442) and will be recognized as an increase or decrease to the net pension (asset) liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows.

| Year Ended December 31, | Amount |
|-------------------------|------------|
| 2024 | \$ (2,801) |
| 2025 | 3,968 |
| 2026 | 13,577 |
| 2027 | (6,631) |
| 2028 | 2,396 |
| Thereafter | 5,324 |
| Total | \$ 15,833 |

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 6: Employee Retirement Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions - The actuarial valuation at January 1, 2023, determined the total pension liability using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

| | |
|--------------------------------------|----------------------------|
| Actuarial Method | Entry Age Normal |
| Amortization Method | Level % of Payroll, Open |
| Amortization Period | 30 Years |
| Asset Valuation Method | 5-Year Smoothed Fair Value |
| Long-term Investment Rate of Return* | 7.5% |
| Projected Salary Increases | 4.25% - 11.25% |
| Cost of Living Adjustments (COLA) | 0.0% |
| Includes Inflation at | 2.5% |

Mortality rates were based on the RP-2014 Mortality Table for Blue Collar Employees projected with Scale BB, using a 55% multiplier for off-duty mortality. The RP-2014 Mortality Table for Blue Collar Employees was used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants were used. For post-retirement members ages 55 through 64, a blend of the previous tables was used.

The current actuarial methods and assumptions were adopted by the FPPA Board of Directors for first use in the actuarial valuation as of January 1, 2016, based upon the actuary's unchanged analysis and recommendations from the 2015 Experience Study.

Town of Paonia, Colorado
 Notes to Financial Statements
 December 31, 2023

Note 6: Employee Retirement Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2023, are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Rate of Return</u> |
|---------------------|--------------------------|------------------------------------------|
| Global Equity | 35% | 8.93% |
| Equity Long/Short | 6% | 7.47% |
| Private Markets | 34% | 10.31% |
| Fixed Income Rates | 10% | 5.45% |
| Fixed Income Credit | 5% | 6.90% |
| Absolute Return | 9% | 6.49% |
| Cash | 1% | 3.92% |
| | <u>100%</u> | |

Discount Rate - The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates in the FPPA Board of Director’s funding policy, which establishes the contractually required rates under State statutes. Based on this assumption, the Plans’ fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate at the prior measurement date was 7.5%.

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate - The following presents the Town’s proportionate share of the net pension (asset) liability calculated using the discount rate of 7.0%, as well as the Town’s proportionate share of the net pension (asset) liability if it were calculated using a discount that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate, as follows:

| | 1% Decrease (6.0%) | Current Discount Rate (7.0%) | 1% Increase (8.0%) |
|----------------------------------------------------------------------|-----------------------|------------------------------------|-----------------------|
| Town's proportionate share of the SWDB net pension (asset) liability | \$ 125,505 | \$ 18,205 | \$ (70,674) |

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 6: Employee Retirement Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Pension Plan Fiduciary Net Position - Detailed information about the Plans' fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

Note 7: Public Entity Risk Pool

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity, and the Town does not approve budgets, nor does it have the ability to significantly affect the operations of the entity.

CIRSA's operations are funded by contributions from member governments. Coverage is provided in the amount of \$500,000 per claim or occurrence for property damage, \$600,000 per claim or occurrence for liability, and \$150,000 per claim or occurrence for crime. CIRSA has also acquired additional excess coverage from outside sources. While the Town may be liable for any losses in excess of this coverage, the Town does not anticipate losses at December 31, 2023. No settlements of claims against the Town in the last three years have exceeded the Town's coverage.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 7: Public Entity Risk Pool (Continued)

Surpluses or deficits realized by CIRSA for any given year are subject to change for such reasons as interest earnings on invested amounts for those years and funds, re-estimation of losses for those years and funds, and credits or distributions from surplus for those years and funds. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The board of directors may credit member municipalities' future contributions in the event of a surplus. Although it has never occurred, CIRSA member municipalities are subject to a supplemental assessment in the event of a deficiency.

For 2023, the Town's deductible for property and liability claims per occurrence is \$1,000 for each. The auto liability deductible and the auto physical damage deductible are both \$1,000 per occurrence.

The Town carries no deductible for workers Compensation coverage. CIRSA's coverage for workers' compensation claims are the Colorado statutory limits of \$500,000 per occurrence and \$1,000,000 for employer liability.

The Town also carries accident medical insurance coverage for volunteers through CIRSA. This provides a medical coverage for a minor injury a volunteer receives when serving the Town in a volunteer Town such as a community service worker, volunteer trail work, or volunteer coaching for recreation. Coverage is \$15,000 per occurrence with a \$25 deductible.

Note 8: Commitments and Contingencies

Litigation/Legal Claims

The Town may be a defendant in lawsuits pertaining to matters which are incidental to performing routine governmental and other functions. Based on the current status of any legal proceedings, it is the opinion of management that they will not have a material effect on the Town's financial position.

Federal and State Grants and Financial Sources

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the Town's financial position.

Town of Paonia, Colorado
Notes to Financial Statements
December 31, 2023

Note 8: Commitments and Contingencies (Continued)

TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government. Any revenues earned in excess of the fiscal year spending limit must be refunded in the next fiscal year, unless voters approve retention of such excess revenue.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used to declare emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved \$53,228, which is the approximate required reserve at December 31, 2023.

The Town's voters approved the following ballot issue on November 6, 2001.

Excluding ad valorem property taxes and rates, and without creating any new taxes, increasing any tax rate, or adding any new taxes of any kind, shall the Town be permitted to collect, retain, and spend, for the fiscal year of 2001 and for each and every year thereafter, the full proceeds of the Town's taxes, grants and other revenues for expenditure on lawful municipal purposes, notwithstanding any State of Colorado restrictions on spending including the restrictions of Article X, Section 20 of the Constitution of the State of Colorado, and that these shall each constitute a voter approval revenue change.

The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

Required Supplementary Information

Town of Paonia, Colorado
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2023

| | Original and Final Budget | Actual | Variance <i>Positive</i> <i>(Negative)</i> |
|------------------------------------------------------|---------------------------------|---------------------|--------------------------------------------------|
| Revenues | | | |
| Taxes | | | |
| General property taxes | \$ 146,913 | \$ 169,011 | \$ 22,098 |
| Specific ownership taxes | 23,550 | 24,006 | 456 |
| Sales tax - town | 599,400 | 540,123 | (59,277) |
| Sales tax - county | 198,942 | 423,798 | 224,856 |
| Franchise taxes | 49,910 | 110,218 | 60,308 |
| Cigarette taxes | 1,350 | 1,860 | 510 |
| Delinquent taxes | 15 | 378 | 363 |
| Licenses and Permits | 69,175 | 48,285 | (20,890) |
| Intergovernmental | 239,580 | 142,037 | (97,543) |
| Charges for Services | 88,668 | - | (88,668) |
| Grants | 553,350 | - | (553,350) |
| Investment Income | 27,800 | 165,337 | 137,537 |
| Fines and Forfeitures | 27,550 | 10,876 | (16,674) |
| Miscellaneous | 9,010 | 73,086 | 64,076 |
| | <u>2,035,213</u> | <u>1,709,015</u> | <u>(326,198)</u> |
| Total Revenues | | | |
| Expenditures | | | |
| Current | | | |
| General Government | 688,722 | 629,224 | 59,498 |
| Public Safety | 731,109 | 676,742 | 54,367 |
| Public Works | 395,164 | 296,187 | 98,977 |
| Community Service | 194,270 | 167,662 | 26,608 |
| | <u>2,009,265</u> | <u>1,769,815</u> | <u>239,450</u> |
| Total Expenditures | | | |
| Excess Revenues Over (Under) Expenditures | 25,948 | (60,800) | (86,748) |
| Other Financing Sources (Uses) | | | |
| Transfers Out | - | (192,000) | 192,000 |
| Other Financing Sources (Uses) | | | |
| Net Change in Fund Balance | 25,948 | (252,800) | 105,252 |
| Fund Balance, Beginning of year | <u>1,444,252</u> | <u>1,444,252</u> | <u>-</u> |
| Fund Balance, End of year | <u>\$ 1,470,200</u> | <u>\$ 1,191,452</u> | <u>\$ 105,252</u> |

See Accompanying Independent Auditor's Report.

Town of Paonia, Colorado
 Budgetary Comparison Schedule
 Sales Tax Capital Improvement Fund
 For the Year Ended December 31, 2023

| | Original and Final Budget | Actual | Variance <i>Positive</i> <i>(Negative)</i> |
|------------------------------------------------------|---------------------------------|------------|--------------------------------------------------|
| Revenues | | | |
| Sales tax | \$ 299,700 | \$ 285,130 | \$ (14,570) |
| Miscellaneous | 32,650 | 7,650 | (25,000) |
| Total Revenues | 332,350 | 292,780 | (39,570) |
| Expenditures | | | |
| Capital Outlay | 614,719 | 30,194 | 584,525 |
| Total Expenditures | 614,719 | 30,194 | 584,525 |
| Excess Revenues Over (Under) Expenditures | (282,369) | 262,586 | (624,095) |
| Other Financing Uses | | | |
| Transfers (out) | 346,000 | (346,000) | (692,000) |
| Net Change in Fund Balance | 63,631 | (83,414) | (147,045) |
| Fund Balance, <i>Beginning of year</i> | 641,545 | 641,545 | - |
| Fund Balance, <i>End of year</i> | \$ 705,176 | \$ 558,131 | \$ (147,045) |

See Accompanying Independent Auditor's Report.

Town of Paonia, Colorado
 Budgetary Comparison Schedule
 Conservation Trust Fund
 For the Year Ended December 31, 2023

| | Original and Final Budget | Actual | Variance <i>Positive</i> <i>(Negative)</i> |
|------------------------------------------------------|---------------------------------|-----------|--------------------------------------------------|
| Revenues | | | |
| Taxes | \$ 9,250 | \$ 3,039 | \$ (6,211) |
| Interest income | - | 10 | 10 |
| | 9,250 | 3,049 | (6,201) |
| Total Revenues | 9,250 | 3,049 | (6,201) |
| Expenditures | | | |
| Parks | - | 2,000 | (2,000) |
| | - | 2,000 | (2,000) |
| Total Expenditures | - | 2,000 | (2,000) |
| Excess Revenues Over (Under) Expenditures | 9,250 | 1,049 | (8,201) |
| Other Financing Sources (Uses) | | | |
| Transfers Out | - | 100 | 100 |
| Other Financing Sources (Uses) | - | 100 | 100 |
| Net Change in Fund Balance | 9,250 | 1,149 | (8,101) |
| Fund Balance, Beginning of year | 17,332 | 21,581 | 4,249 |
| Fund Balance, End of year | \$ 26,582 | \$ 22,730 | \$ (3,852) |

See Accompanying Independent Auditor's Report.

Town of Paonia, Colorado
 Budgetary Comparison Schedule
 Street Fund
 For the Year Ended December 31, 2023

| | Original and Final Budget | Actual | Variance <i>Positive</i> <i>(Negative)</i> |
|------------------------------------------------------|---------------------------------|------------|--------------------------------------------------|
| Revenues | | | |
| Highway users tax | \$ 49,916 | \$ 97,330 | \$ 47,414 |
| Fees | 994,161 | 2,600 | (991,561) |
| Total Revenues | 1,044,077 | 99,930 | (944,147) |
| Expenditures | | | |
| Streets | - | - | |
| Capital outlay | 1,835,153 | - | 1,835,153 |
| Total Expenditures | 1,835,153 | - | 1,835,153 |
| Excess Revenues Over (Under) Expenditures | (791,076) | 99,930 | (2,779,300) |
| Other Financing Sources (Uses) | | | |
| Transfers In | 538,000 | 538,000 | - |
| Net Change in Fund Balance | (253,076) | 637,930 | 891,006 |
| Fund Balance, Beginning of year | 141,777 | 300,552 | 158,775 |
| Fund Balance, End of year | \$ (111,299) | \$ 938,482 | \$ 1,049,781 |

See Accompanying Independent Auditor's Report.

Town of Paonia, Colorado
Notes to Required Supplementary Information
December 31, 2023

Note 1: Stewardship, Compliance, and Accountability

Budgets

Budgets are legally adopted for all funds of the Town. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis, whereby capital outlay and debt principal are budgeted as expenditures.

The Town follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the Town Board a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Board.
- All appropriations lapse at year end.

Supplementary Information

Town of Paonia, Colorado
 Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2023

| | Street Fund | Conservation Trust Fund | Sidewalk Fund | Total |
|---------------------------------------------------------------------------|----------------|-------------------------------|------------------|--------------|
| Assets | | | | |
| Cash and cash equivalents | | | | |
| Unrestricted | \$ 938,482 | \$ 22,730 | \$ 90,708 | \$ 1,051,920 |
| Taxes receivable | - | - | 2,636 | 2,636 |
| Total Assets | \$ 938,482 | \$ 22,730 | \$ 93,344 | \$ 1,054,556 |
| Liabilities | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - |
| Total Liabilities | - | - | - | - |
| Fund Balance | | | | |
| Unassigned | 938,482 | 22,730 | 93,344 | 1,054,556 |
| Total Fund Balance | 938,482 | 22,730 | 93,344 | 1,054,556 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance | \$ 938,482 | \$ 22,730 | \$ 93,344 | \$ 1,054,556 |

See Accompanying Independent Auditor's Report.

Town of Paonia, Colorado
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2023

| | Street Fund | Conservation Trust Fund | Sidewalk Fund | Total |
|----------------------------------------|-------------------|-------------------------------|------------------|---------------------|
| Revenues | | | | |
| Taxes | \$ 97,330 | \$ 3,039 | \$ - | \$ 100,369 |
| Licenses | 2,600 | - | 30,126 | 32,726 |
| Miscellaneous | - | 10 | - | 10 |
| Total Revenues | <u>99,930</u> | <u>3,049</u> | <u>30,126</u> | <u>133,105</u> |
| Expenditures | | | | |
| Current | | | | |
| Culture and Recreation | - | 2,000 | - | 2,000 |
| Total Expenditures | <u>-</u> | <u>2,000</u> | <u>-</u> | <u>2,000</u> |
| Excess Revenues Over | 99,930 | 1,049 | 30,126 | 131,105 |
| Other Financing Sources (Uses) | | | | |
| Transfers In | <u>538,000</u> | <u>-</u> | <u>-</u> | <u>538,000</u> |
| Net Change in Fund Balance | 637,930 | 1,049 | 30,126 | 669,105 |
| Fund Balance, Beginning of year | <u>300,552</u> | <u>21,681</u> | <u>63,218</u> | <u>385,451</u> |
| Fund Balance, End of year | <u>\$ 938,482</u> | <u>\$ 22,730</u> | <u>\$ 93,344</u> | <u>\$ 1,054,556</u> |

Town of Paonia, Colorado
 Budgetary Comparison Schedule
 Sidewalk Fund
 For the Year Ended December 31, 2023

| | Original and Final Budget | Actual | | Variance <i>Positive</i> <i>(Negative)</i> |
|----------------------------------------|---------------------------------|-----------|----|--------------------------------------------------|
| Revenues | | | | |
| Sidewalk revenue | \$ 31,068 | \$ 30,126 | \$ | (942) |
| Total Revenues | 31,068 | 30,126 | | (942) |
| Expenditures | | | | |
| Sidewalk | 13,750 | - | | 13,750 |
| Capital Outlay | 80,589 | - | | 80,589 |
| Total Expenditures | 94,339 | - | | 94,339 |
| Net Change in Fund Balance | (63,271) | 30,126 | | 93,397 |
| Fund Balance, Beginning of year | 33,042 | 63,218 | | 30,176 |
| Fund Balance, End of year | \$ (30,229) | \$ 93,344 | \$ | 123,573 |

Town of Paonia, Colorado
Budgetary Comparison Schedule
Water Fund
For the Year Ended December 31, 2023

| | Original and Final Budget | Actual | Variance <i>Positive</i> <i>(Negative)</i> |
|-----------------------------------------|---------------------------------|------------------|--------------------------------------------------|
| Revenues | | | |
| Water charges | \$ 1,344,074 | \$ 1,184,660 | \$ (159,414) |
| Sales and service | 2,000 | 725 | (1,275) |
| Water tank | 8,100 | 15,710 | 7,610 |
| Standby tap fees | 58,955 | 61,305 | 2,350 |
| Penalties | 4,525 | 7,125 | 2,600 |
| Rents | 1,000 | - | (1,000) |
| Grants | 1,119,233 | - | (1,119,233) |
| Miscellaneous revenue | - | 142 | 142 |
| | <u>2,537,887</u> | <u>1,269,667</u> | <u>(1,268,220)</u> |
| Expenses | | | |
| Salaries and wages | 284,782 | 284,118 | 664 |
| Employee benefits | 96,884 | 76,530 | 20,354 |
| John Norris retirement | 13,440 | 14,560 | (1,120) |
| Supplies | 44,641 | 36,378 | 8,263 |
| Legal and engineering | 31,000 | 93,389 | (62,389) |
| Repairs and maintenance | 241,753 | 104,860 | 136,893 |
| Professional fees | 13,000 | 10,431 | 2,569 |
| Telephone | 4,776 | 2,170 | 2,606 |
| Postage | 5,160 | 3,091 | 2,069 |
| Travel and meetings | 2,500 | 1,216 | 1,284 |
| Insurance and bonds | 28,612 | 29,789 | (1,177) |
| Utilities | 30,250 | 27,240 | 3,010 |
| Vehicle expense | 9,000 | 6,932 | 2,068 |
| Dues and subscriptions | 20,670 | 18,592 | 2,078 |
| Shop expense | 18,000 | 9,546 | 8,454 |
| Miscellaneous | 29,378 | 33,609 | (4,231) |
| Fees and permits | 10,635 | 8,312 | 2,323 |
| Drinking water revolving funds | 23,345 | 10,222 | 13,123 |
| Capital projects | 1,393,948 | 38,711 | 1,355,237 |
| | <u>2,301,774</u> | <u>809,696</u> | <u>1,492,078</u> |
| Total Expenses | | | |
| | <u>236,113</u> | <u>459,971</u> | <u>223,858</u> |
| Net Operating Income | | | |
| | <u>236,113</u> | <u>459,971</u> | <u>223,858</u> |
| Nonoperating Revenues (Expenses) | | | |
| Debt Service Principal | (192,500) | (153,210) | 39,290 |
| Interest Expense | 495 | (53,832) | (54,327) |
| | <u>(192,005)</u> | <u>(207,042)</u> | <u>(15,037)</u> |
| Total Nonoperating Revenues (Expenses) | | | |
| | <u>(192,005)</u> | <u>(207,042)</u> | <u>(15,037)</u> |
| Change in Net Position, | | | |
| <i>Budgetary Basis</i> | <u>\$ 44,108</u> | <u>252,929</u> | <u>\$ 208,821</u> |

(Continued)

See Accompanying Independent Auditor's Report.

Town of Paonia, Colorado
Budgetary Comparison Schedule
Water Fund
For the Year Ended December 31, 2023
(Continued)

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|----------------------------------------------------------|---------------------------------|-------------------|------------------------------------|
| Change in Net Position, <i>Budgetary Basis</i> | \$ <u>44,108</u> | \$ 252,929 | \$ <u>208,821</u> |
| Reconciliation to GAAP Basis | | | |
| Debt Service Principal | | 153,210 | |
| Capital Outlay | | 38,711 | |
| Depreciation | | <u>(298,677)</u> | |
| Change in Net Position, GAAP Basis | | \$ <u>146,173</u> | |

See Accompanying Independent Auditor's Report.

Town of Paonia, Colorado
Budgetary Comparison Schedule
Sewer Fund
For the Year Ended December 31, 2023

| | Original and Final Budget | Actual | Variance <i>Positive</i> <i>(Negative)</i> |
|-------------------------------------------|---------------------------------|------------|--------------------------------------------------|
| Revenues | | | |
| Sewer charges | \$ 769,660 | \$ 756,038 | \$ (13,622) |
| Grant Revenue | - | 137,798 | 137,798 |
| | 769,660 | 893,836 | 124,176 |
| Expenses | | | |
| Salaries and wages | 165,240 | 161,549 | 3,691 |
| Employee benefits | 59,418 | 39,052 | 20,366 |
| Supplies | 16,074 | 12,848 | 3,226 |
| Legal and engineering | 1,000 | 35,498 | (34,498) |
| Repairs and maintenance | 519,580 | 71,164 | 448,416 |
| Professional fees | 5,000 | 18,769 | (13,769) |
| Telephone | 1,968 | 1,775 | 193 |
| Postage | 2,700 | 1,670 | 1,030 |
| Travel and meetings | 2,500 | 965 | 1,535 |
| Insurance and bonds | 11,846 | 9,974 | 1,872 |
| Utilities | 39,725 | 42,672 | (2,947) |
| Vehicle expense | 10,840 | 6,181 | 4,659 |
| Dues and subscriptions | 572 | 5,913 | (5,341) |
| Shop Expense | 4,225 | 7,029 | (2,804) |
| Fees and permits | 6,495 | 5,281 | 1,214 |
| Gauging station | 4,100 | 4,517 | (417) |
| Capital projects | 100,000 | 125,738 | (25,738) |
| Miscellaneous | 129,311 | 1,201 | 128,110 |
| Total Expenses | 1,080,594 | 551,796 | 528,798 |
| Net Operating Income | (310,934) | 342,040 | 652,974 |
| Nonoperating Revenues (Expenses) | | | |
| Debt Service Principal | 76,425 | 50,000 | (26,425) |
| Interest Expense | (32,200) | (32,200) | - |
| Interest Income | 20,760 | 34,746 | 13,986 |
| Total Nonoperating Revenues (Expenses) | 64,985 | 52,546 | (12,439) |
| <i>Budgetary Basis</i> | \$ (245,949) | 394,586 | \$ 640,535 |
| Reconciliation to GAAP Basis | | | |
| Debt Service Principal | | (50,000) | |
| Capital Outlay | | 125,738 | |
| Depreciation | | (124,652) | |
| Change in Net Position, GAAP Basis | | \$ 345,672 | |

See Accompanying Independent Auditor's Report.

Town of Paonia, Colorado
 Budgetary Comparison Schedule
 Trash Fund
 For the Year Ended December 31, 2023

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|-------------------------------------------|---------------------------------|------------|------------------------------------|
| Revenues | | | |
| Garbage charges | \$ 332,835 | \$ 325,403 | \$ (7,432) |
| Total Revenue | 332,835 | 325,403 | (7,432) |
| Expenses | | | |
| Salaries and wages | 176,250 | 159,949 | 16,301 |
| Employee benefits | 55,517 | 46,565 | 8,952 |
| Supplies | 2,226 | 2,308 | (82) |
| Legal and engineering | - | 2,095 | (2,095) |
| Repairs and maintenance | 375 | 731 | (356) |
| Professional fees | 4,000 | 2,857 | 1,143 |
| Telephone | 480 | 284 | 196 |
| Postage | 1,525 | 1,015 | 510 |
| Insurance and bonds | 7,481 | 6,755 | 726 |
| Utilities | 2,727 | 2,631 | 96 |
| Vehicle expense | 21,434 | 14,512 | 6,922 |
| Shop Expense | 1,874 | 2,250 | (376) |
| Landfill fees | 38,220 | 41,143 | (2,923) |
| Miscellaneous | 20,726 | 963 | 19,763 |
| Total Expenses | 332,835 | 284,058 | 48,777 |
| Net Income (Loss) Before | | | |
| <i>Budgetary Basis</i> | \$ - | 41,345 | \$ 41,345 |
| Reconciliation to GAAP Basis | | | |
| Depreciation | | (18,207) | |
| Change in Net Position, GAAP Basis | | \$ 23,138 | |

See Accompanying Independent Auditor's Report.

State Compliance

The public report burden for this information collection is estimated to average 380 hours annually.

OMB No. 2125-0032

| | |
|-------------------------------------|------------------------------------------------------------|
| LOCAL HIGHWAY FINANCE REPORT | STATE: COLORADO YEAR ENDING (mm/yy): 12/23 |
|-------------------------------------|------------------------------------------------------------|

| | |
|--------------------------------------------------------------------|------------------------------------------------------------------|
| This Information From The Records Of: The Town of Paonia | Prepared By: Stefen Wynn, Town Administrator/Treasurer |
|--------------------------------------------------------------------|------------------------------------------------------------------|

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

| ITEM | A. Local Motor-Fuel Taxes | B. Local Motor-Vehicle Taxes | C. Receipts from State Highway-User Taxes | D. Receipts from Federal Highway Administration |
|----------------------------------------------|---------------------------|------------------------------|-------------------------------------------|-------------------------------------------------|
| 1. Total receipts available | | | | |
| 2. Minus amount used for collection expenses | | | | |
| 3. Minus amount used for nonhighway purposes | | | | |
| 4. Minus amount used for mass transit | | | | |
| 5. Remainder used for highway purposes | | | | |

| II. RECEIPTS FOR ROAD AND STREET PURPOSES | | III. EXPENDITURES FOR ROAD AND STREET PURPOSES | |
|-------------------------------------------------------------|--------------|--------------------------------------------------|---------------|
| ITEM | AMOUNT | ITEM | AMOUNT |
| A. Receipts from local sources: | | A. Local highway expenditures: | |
| 1. Local highway-user taxes | | 1. Capital outlay (from page 2) | \$ 59,154.47 |
| a. Motor Fuel (from Item I.A.5.) | | 2. Maintenance: | \$ 38,156.72 |
| b. Motor Vehicle (from Item I.B.5.) | | 3. Road and street services: | |
| c. Total (a.+b.) | | a. Traffic control operations | \$ 17,489.55 |
| 2. General fund appropriations | \$ - | b. Snow and ice removal | \$ 12,734.57 |
| 3. Other local imposts (from page 2) | \$ 18,795.68 | c. Other | \$ - |
| 4. Miscellaneous local receipts (from page 2) | \$ - | d. Total (a. through c.) | \$ 30,224.12 |
| 5. Transfers from toll facilities | \$ - | 4. General administration & miscellaneous | \$ 163,030.29 |
| 6. Proceeds of sale of bonds and notes: | | 5. Highway law enforcement and safety | \$ - |
| a. Bonds - Original Issues | \$ - | 6. Total (1 through 5) | \$ 290,565.60 |
| b. Bonds - Refunding Issues | \$ - | B. Debt service on local obligations: | |
| c. Notes | \$ - | 1. Bonds: | |
| d. Total (a. + b. + c.) | \$ - | a. Interest | \$ - |
| 7. Total (1 through 6) | \$ 18,795.68 | b. Redemption | \$ - |
| 3. Private Contributions | \$ - | c. Total (a. + b.) | \$ - |
| C. Receipts from State government (from page 2) | \$ 52,746.44 | 2. Notes: | |
| D. Receipts from Federal Government (from page 2) | \$ - | a. Interest | \$ - |
| E. Total receipts (A.7 + B + C + D) | \$ 71,542.12 | b. Redemption | \$ - |
| | | c. Total (a. + b.) | \$ - |
| | | 3. Total (1.c + 2.c) | \$ - |
| | | C. Payments to State for highways | \$ - |
| | | D. Payments to toll facilities | \$ - |
| | | E. Total expenditures (A.6 + B.3 + C + D) | \$ 290,565.60 |

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

| | Opening Debt | Amount Issued | Redemptions | Closing Debt |
|------------------------------|--------------|---------------|-------------|--------------|
| A. Bonds (Total) | | | | \$ - |
| 1. Bonds (Refunding Portion) | | | | \$ - |
| B. Notes (Total) | | | | \$ - |

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

| | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|--|----------------------|-------------------|------------------------|-------------------|-------------------|
| | \$ 1,069,678.56 | \$ 71,542.12 | \$ 290,565.60 | \$ 850,655.08 | \$ - |

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
 YEAR ENDING (mm/yy):
 12/23

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

| ITEM | AMOUNT | ITEM | AMOUNT |
|-----------------------------------|--------------|-------------------------------------------|--------|
| A.3. Other local imposts: | | A.4. Miscellaneous local receipts: | |
| a. Property Taxes and Assessments | \$ - | a. Interest on investments | \$ - |
| b. Other local imposts: | | b. Traffic Fines & Penalties | \$ - |
| 1. Sales Taxes | \$ 18,795.68 | c. Parking Garage Fees | \$ - |
| 2. Infrastructure & Impact Fees | \$ - | d. Parking Meter Fees | \$ - |
| 3. Liens | \$ - | e. Sale of Surplus Property | \$ - |
| 4. Licenses | \$ - | f. Charges for Services | \$ - |
| 5. Specific Ownership &/or Other | \$ - | g. Other Misc. Receipts | \$ - |
| 6. Total (1. through 5.) | \$ 18,795.68 | h. Other | \$ - |
| c. Total (a. + b.) | \$ 18,795.68 | i. Total (a. through h.) | \$ - |
| <i>(Carry forward to page 1)</i> | | <i>(Carry forward to page 1)</i> | |

| ITEM | AMOUNT | ITEM | AMOUNT |
|------------------------------------------|--------------|--------------------------------------------|--------|
| C. Receipts from State Government | | D. Receipts from Federal Government | |
| 1. Highway-user taxes (from Item I.C.5.) | \$ 52,746.44 | 1. FHWA (from Item I.D.5.) | |
| 2. State general funds | | 2. Other Federal agencies: | |
| 3. Other State funds: | | a. Forest Service | \$ - |
| a. State bond proceeds | | b. FEMA | \$ - |
| b. Project Match | \$ - | c. HUD | \$ - |
| c. Motor Vehicle Registrations | \$ - | d. Federal Transit Administration | \$ - |
| d. DOLA Grant | \$ - | e. U.S. Corps of Engineers | \$ - |
| e. Other | \$ - | f. Other Federal ARPA | \$ - |
| f. Total (a. through e.) | \$ - | g. Total (a. through f.) | \$ - |
| 4. Total (1. + 2. + 3.f) | \$ 52,746.44 | 3. Total (1. + 2.g) | \$ - |
| <i>(Carry forward to page 1)</i> | | <i>(Carry forward to page 1)</i> | |

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

| | ON NATIONAL HIGHWAY SYSTEM (a) | OFF NATIONAL HIGHWAY SYSTEM (b) | TOTAL (c) |
|-----------------------------------------------------|--------------------------------|---------------------------------|--------------|
| A.1. Capital outlay: | | | |
| a. Right-Of-Way Costs | \$ - | \$ - | \$ - |
| b. Engineering Costs | \$ - | \$ 59,154.47 | \$ 59,154.47 |
| c. Construction: | | | |
| (1). New Facilities | \$ - | \$ - | \$ - |
| (2). Capacity Improvements | \$ - | \$ - | \$ - |
| (3). System Preservation | \$ - | \$ - | \$ - |
| (4). System Enhancement And Operation | \$ - | \$ - | \$ - |
| (5). Total Construction (1)+(2)+(3)+(4) | \$ - | \$ - | \$ - |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4) | \$ - | \$ 59,154.47 | \$ 59,154.47 |
| <i>(Carry forward to page 1)</i> | | | |

Notes and Comments:



**TOWN OF PAONIA
BOARD OF TRUSTEES MEETING
STAFF REPORT**

| | |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AGENDA ITEM: | Agenda Item #4 Elsewhere Studios Donation Request through The Learning Council |
| SUBMITTED BY: | Stefen Wynn, Town Administrator/Treasurer |
| DATE: | 9.20.2024 |
| BACKGROUND: | Elsewhere Studios, a for profit corporation, installed 'The Art Wall' at the Southern Alley on Third Street between Main and Grand Avenues. The art wall project was a collaboration between Elsewhere Studios, The Learning Council, the North Fork Valley Creative Coalition, and over 100 volunteers. The Learning Council has collaborated with a small group of residents called, "Friends of the Wall" who are committed to seeing the art wall repaired, completed and preserved through ongoing maintenance activities. They're requesting \$3,000 and have started a capital campaign to raise monies for the proposed project. The Town of Paonia has historically given funding to non-profit organizations that provide services for different residents throughout the community. As staff, an immediate issue that needs to be addressed is that the donation will go towards improving a private business' building, which will undoubtedly increase its value. While the artwork on the wall is a service for the community, it is not formally a dedicated public space. Staff are unaware of Town funding going towards other murals throughout Town on private buildings, while they may have received certain public agency funds, staff have found no evidence that they were funded by a donation from the Town. Any decision to donate towards the project is not something that Staff can approve without Board of Trustees' consideration. |
| BUDGET: | If the Board were to approve an amount towards the artwork, it would need to be budgeted in the 2025 Budget. |
| RECOMMENDATION: | Staff have no recommendation. |
| ATTACHMENT: | Attachment A: Elsewhere Studios Donation Request through the Learning Council Attachment B: Elsewhere Studios, LLC Attachment C: Save the Wall Campaign Flyer |

• Town of Paonia • Charitable Donations Application

Please have a representative appear before the Board of Trustees to answer questions.

Name of Organization The Learning Council

Mailing address PO Box 1744, Paonia, CO 81428

Contact person Alicia Michelson

Phone (s) 970 433 5852 E-Mail: Alicia@thelearningcouncil.org

Purpose of organization Enriching community through education, art, advocacy, food, agriculture and wellness for all.

When was your organization formed? _____

Are you registered as a non-profit? Yes
(Attach copy of non-profit status)

If not, what is your status? _____

Briefly state the nature of your request, including a specific amount of money if applicable, and how it benefits the citizens of Paonia. (Use back of sheet or attach other explanatory material you might think useful.)

See Attached

Signature of person applying Alicia Michelson

Date of application 16 September 2024

Paonia Charitable Trust Request

We are requesting a donation of \$3000 to help repair and finish the Art Wall in the alley next to Elsewhere Studios.

The Art Wall is one of the most notable visual sites in Paonia. Visitors encounter it when first entering town and it leaves an indelible impression. has become a landmark, a point of reference for locals and newcomers alike, woven into the fabric of the town. The Art wall is being eroded and is currently compromised by the impacts of mother nature. It is in dire need of both maintenance and the finishing touches to the original construction.

It is a valuable asset to the Town of Paonia, which is a Creative District designated by the state of Colorado - a public art piece that needs to be preserved.

The original Art Wall project was a collaboration between Elsewhere Studios, The Learning Council, North Fork Valley Creative Coalition, and over 100 community volunteers. During its production, children worked side by side with grandmothers, real estate agents worked alongside artists. Volunteers from every walk of life devoted many hours of labor to design and construct this organic and unique artistic vision. We are asking the public to come together once again to preserve the legacy of what has become a community focal point.

The Learning Council has teamed with Friends of the Wall, a small group of citizens committed to seeing the wall preserved, to organize and raise funds for this project. In addition to this request for funds from the Town of Paonia, we have initiated a Go Fund Me fundraiser.

A donation from the Town of Paonia Charitable Fund would help us to begin Phase I this fall.

Full Project Proposal for Completion and Restoration of Alley Art Wall

Introduction

The Art Wall at Elsewhere Studios is one of the most notable visual sites in Paonia - on the edge of a public street and alley, it attracts visitors and tourists. People encounter it when first entering town and it leaves an indelible impression. A stunning evocation of Michelangelo's Birth of Man sweeps into a chrysalis that births a butterfly, which surrenders to somber memento mori in honor of the deceased. Eyes blink from the wall and a giant snake edges a bench. This grand vision of the arc of life has become a landmark, a point of reference for locals and newcomers alike, woven into the fabric of the town. It is a valuable asset to the North Fork Valley Creative District, a public art place that needs to be preserved.

During its production, children worked side by side with grandmothers, real estate agents worked alongside artists. Volunteers from every walk of life devoted many hours of labor to design and construct this organic and unique artistic vision. We are asking the public to come together once again to preserve the legacy of what has become a community focal point.

The Art wall is being eroded and is currently compromised by the impacts of mother nature. It is in dire need of both maintenance and the finishing touches to the original construction.

Background/History

Elsewhere Studios and the North Fork Valley Creative Coalition hosted the first 'Village Building Convergence' (VBC) in Paonia June, July, and August of 2013. VBC began in Portland OR 20 years ago, where the community cooperative engagement has resulted in such things as community gardens, alternative structures like benches and kiosks, and painted intersections and murals. The goal of VBC is to bring neighbors together to meet and get to know each other, and to plan and work together to carry out projects to improve, beautify, and make more user-friendly the places they live - to transform spaces into places, places which create a sense of communal stewardship and lived connection. For this project, the community came together to help build a wall in the alley-way next to Elsewhere Studios. Citizens were inspired to come outside and work together to transform the alley into a place, while being educated on through workshops on building with natural materials (cob, strawbale, and palettes), and to participate in an array of workshops in the garden and beyond. This created communal stewardship of the space and allowed them to take the building and other knowledge into their own lives.

The project was led by a core group of educators, builders, carpenters, permaculture, logicians, fundraisers, outreach professionals and artists.

Willow Windgood, owner of the property and one of the founders of the Elsewhere Studios residency program, which operated in the building until 2024, is committed to supporting and keeping the Art Wall a community project into the future.

"I want the wall to keep inspiring all who come through this town with what's possible when our hands come together as a community, we can create anything.."

Need:

The Wall has lasted well considering that it was never completed and has had no maintenance for the last 6 years. That being said, it is in need of much TLC to survive into the future.

Timeline/Schedule

Phase 1 (\$4600)

October - November 2024 ~ Wall repair

- Small tree removal
- Remove wall from large tree to give space for growth
- Build back in with natural plaster, and fill in space around large tree with flexible material
- Repairing natural plaster around the main tree, as well as other damaged areas.
- Artful Aging Mosaic Workshop open to the community - New mosaic pieces along bottom of the wall adding to the image and dynamic of the Wall.
- Volunteer patching and repair of damaged mosaic areas.

Phase 2

Summer 2025 (\$5400)

- Finish fascia and soffit around the whole wall.
- Finish Drip edge around whole wall
- Finish plaster and color - whole wall
- Design and build roof to protect the south cobb wall Buddha entrance
- Install LED lighting under Wall Facia and place Boulders to protect wall from car traffic

Ongoing Maintenance (bi annual)

- Coloring of the surface layer with lime paint
- Patching any cracks or broken areas
- Roof checking and caretaking

Phase 3 (in 5 years - \$5000)

Replace main roof with dragon armor finish)

Funding:

- Grants
- Fundraisers
- Donations/Go Fund Me

Cincinnati Service Center
CINCINNATI OH 45999-0038

In reply refer to: 0256583634
Nov. 02, 2020 LTR 4168C 0
84-1377794 000000 00

151

00016828
BODC: TE

THE LEARNING COUNCIL
% ALICIA MICHELSEN
PO BOX 1744
PAONIA CO 81428-1744

040876

Employer ID number: 84-1377794
Form 990 required: N

Dear THE LEARNING COUNCIL:

We're responding to your request dated Oct. 26, 2020, about your tax-exempt status.

We issued you a determination letter in October, 1998, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(03).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m.,



Summary

For this Record...

Filing history and documents

Trade names

Get a certificate of good standing

File a form

Subscribe to email notification

Unsubscribe from email notification

Subscribe to text notification

Unsubscribe from text notification

Business Home

Business Information

Business Search

FAQs, Glossary and Information

| Details | | | |
|-----------------------------------------|---------------------------------------------|-----------------------|---------------------------|
| Name | Elsewhere Studios | | |
| Status | Good Standing | Formation date | 09/15/2010 |
| ID number | 20101513035 | Form | Limited Liability Company |
| Periodic report month | September | Jurisdiction | Colorado |
| Principal office street address | 107 3rd St, Paonia, CO 81428, United States | | |
| Principal office mailing address | 107 3rd St, Paonia, CO 81428, United States | | |

| Registered Agent | |
|------------------------|--------------------------------------------------------|
| Name | Willow Mannan |
| Street address | 16505 Farmers Mine Rd, Paonia, CO 81428, United States |
| Mailing address | 16505 Farmers Mine Rd, Paonia, CO 81428, United States |

[Filing history and documents](#)

[Trade names](#)

[Get a certificate of good standing](#)

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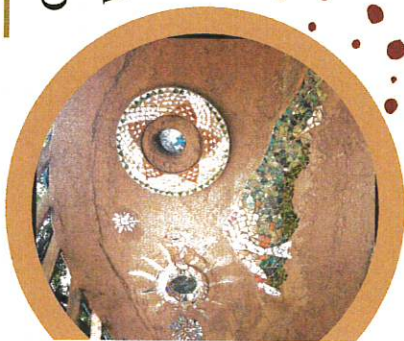
[Back](#)

FRIENDS OF THE WALL

PARTNERS:
THE LEARNING COUNCIL
NFV CREATIVE COALITION

Organizing Team:

- Willow Windgood
- Karen Good
- Lauren Zicardi
- Skye Riggs



HOW TO GET INVOLVED



Donations

Mail cash or check

P.O. box 142 Paonia, Co 81428

Scan QR CODE to Donate Go Fund Me

Materials donations

Tradesmen hours

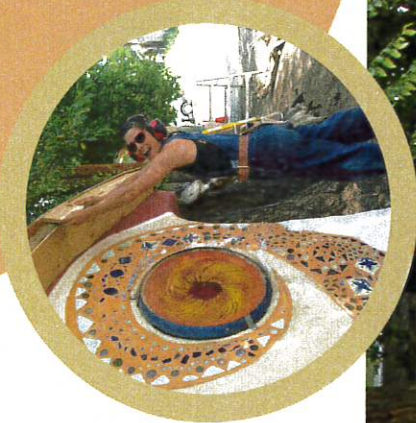
Volunteers & Organization



Questions? Want to Volunteer?
Please text: Willow 970.201.1294

Save THE WALL

Please join us to repair and complete the Art Wall in the alley between Elsewhere and Rio Bravo



INTRODUCTION

The Art Wall at Elsewhere Studios is one of the most notable visual sites in Paonia - it attracts visitors and tourists leaving an indelible impression. A stunning evocation of Michelangelo's Birth of Man sweeps into a chrysalis that births a butterfly, which surrenders to somber memento mori in honor of the deceased. Eyes blink from the wall and a giant snake edges a bench.



During its production, children helped along side grandmothers, real estate agents, artists and more. Volunteers from every walk of life devoted many hours of labor to design and construct this organic and unique artistic vision.

We are asking the public to come together once again to preserve the legacy of what has become a community focal point.

BACKGROUND & HISTORY

The Art Wall was originally constructed in the summer of 2013 during the first Village Building Convergence, sponsored by Elsewhere Studios and the NFV Creative Coalition. Over 100 community members turned out to work together while being educated on natural building and materials (cob, strawbale, and palettes).

In 2018 The Learning Council joined forces to bring about the second phase of construction and work parties. The project was led by a core group of educators, builders, carpenters, permaculturalists, logicians, fundraisers, outreach professionals and artists.

TIMELINE/SCHEDULE

Phase 1 (\$4600) October - November 2024

Wall repair, Remove small tree, Remove wall from large tree. Build back in with natural plaster. Fill in space around large tree.

- Repair natural plaster around main tree, and other damaged areas. Artful Aging Mosaic Workshop. Open to the community, Patching & repair of damaged mosaic areas.



Phase 2 (\$5400) Summer 2025

- Finish fascia, soffit, and drip edge; plaster coat & color. Design and build roof to protect the south cob wall Buddha entrance. Install LED lighting under Wall Facia and place Boulders to protect from car traffic.

Phase 3 (\$5000)

- Replace whole main roof; Ongoing Maintenance (biannual -volunteer base), Coloring of the surface layer with lime paint. Patching cracks & broken areas. Roof checking & caretaking.

This grand vision of the arc of life has

become a landmark, a point of reference for locals and newcomers alike, woven into the fabric of the town. The Art Wall is being eroded and is currently compromised by the impacts of mother nature. It is in dire need of both maintenance and the finishing touches to the original construction. It is an asset to the North Fork Valley Creative District, a public art piece that needs to be preserved.





Needlerock Mountain Realty
Liz Heidrick
Ph:
Fax:

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CBS4-8-24) (Mandatory 8-24)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

CONTRACT TO BUY AND SELL REAL ESTATE (LAND)

Property with No Residences)
 Property with Residences-Residential Addendum Attached)

Date: 9/5/2024

AGREEMENT

1. **AGREEMENT.** Buyer agrees to buy and Seller agrees to sell the Property described below on the terms and conditions set forth in this contract (Contract).

2. **PARTIES AND PROPERTY.**

2.1. **Buyer.** Town of Paonia (Buyer) will take title to the Property described below as

Joint Tenants Tenants In Common Other .

2.2. **No Assignability.** This Contract **IS NOT** assignable by Buyer unless otherwise specified in **Additional Provisions.**

2.3. **Seller.** Mount Lamborn Ranches (Seller) is the current owner of the Property described below.

2.4. **Property.** The Property is the following legally described real estate in the County of Delta, Colorado (insert legal description):

Exhibit A legal description and boundary survey shall be attached.

known as: TBD Roeber, Paonia, CO 81428

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto and all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

2.5. **Inclusions.** The Purchase Price includes the following items (Inclusions):

2.5.1. **Inclusions.** The following items, whether fixtures or personal property, are included in the Purchase Price unless excluded under **Exclusions:**

n/a

If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

2.5.2. **Encumbered Inclusions.** Any Inclusions owned by Seller (e.g., owned solar panels) must be conveyed at Closing by Seller free and clear of all taxes (except personal property and general real estate taxes for the year of Closing), liens and encumbrances, except:

n/a

Buyer Will Will Not assume the debt and obligations on the Encumbered Inclusions subject to Buyer's review under §10.6. (Encumbered Inclusion Documents) and Buyer's receipt of written approval by such lender before Closing. If Buyer does not receive such approval this Contract terminates.

2.5.3. **Personal Property Conveyance.** Conveyance of all personal property will be by bill of sale

57 or other applicable legal instrument.

58 **2.5.4. Leased Items.** The following personal property is currently leased to Seller which will be
59 transferred to Buyer at Closing (Leased Items):

60 n/a

61 Buyer **Will** **Will Not** assume Seller's debt and obligations under such leases for the Leased Items
62 subject to Buyer's review under §10.6. (Leased Items Documents) and Buyer's receipt of written approval by
63 such lender before Closing. If Buyer does not receive such approval this Contract terminates.

64 **2.5.5. Solar Power Plan.** If the box is checked, Seller has entered into a solar power purchase
65 agreement, regardless of the name or title, to authorize a third-party to operate and maintain a photovoltaic
66 system on the Property and provide electricity (Solar Power Plan) that will remain in effect after Closing. Buyer

67 **Will** **Will Not** assume Seller's obligations under such Solar Power Plan subject to Buyer's review under
68 §10.6. (Solar Power Plan) and Buyer's receipt of written approval by the third-party before Closing. If Buyer
69 does not receive such approval this Contract terminates.

70 **2.6. Exclusions.** The following items are excluded (Exclusions):

71 n/a

72 **2.7. Water Rights, Well Rights, Water and Sewer Taps.**

73 **2.7.1. Deeded Water Rights.** The following legally described water rights:

74 n/a

75 Any deeded water rights will be conveyed by a good and sufficient n/a deed at Closing.

76 **2.7.2. Other Rights Relating to Water.** The following rights relating to water not included in §§
77 2.7.1., 2.7.3., 2.7.4. and 2.7.5., will be transferred to Buyer at Closing:

78 n/a

79 **2.7.3. Well Rights.** Seller agrees to supply required information to Buyer about the well. Buyer
80 understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well"
81 used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership
82 form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in
83 the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for
84 the well and pay the cost of registration. If no person will be providing a closing service in connection with the
85 transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is n/a.

86 **2.7.4. Water Stock.** The water stock to be transferred at Closing are as follows:

87 n/a

88 **2.7.5. Water and Sewer Taps.** The parties agree that water and sewer taps listed below for the
89 Property are being conveyed as part of the Purchase Price as follows:

90 n/a

91 **If any water or sewer taps are included in the sale, Buyer is advised to obtain, from the provider,**
92 **written confirmation of the amount remaining to be paid, if any, time and other restrictions for transfer**
93 **and use of the taps.**

94 **2.7.6. Conveyance.** If Buyer is to receive any rights to water pursuant to § 2.7.2. (Other Rights
95 Relating to Water), § 2.7.3. (Well Rights), § 2.7.4. (Water Stock), or § 2.7.5. (Water and Sewer Taps), Seller
96 agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

97 **2.7.7. Water Rights Review.** Buyer has a Right to Terminate if examination of the Water Rights is
98 unsatisfactory to Buyer on or before the **Water Rights Examination Deadline**.

99 **2.8. Growing Crops.** With respect to growing crops, Seller and Buyer agree as follows:

100 n/a

101 **3. DATES, DEADLINES AND APPLICABILITY.**

102 **3.1. Dates and Deadlines.**

| Item No. | Reference | Event | Date or Deadline |
|----------|-----------|------------------------------------|------------------|
| 1 | § 3 | Time of Day Deadline | <u>n/a</u> |
| 2 | § 4 | Alternative Earnest Money Deadline | <u>n/a</u> |

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| | | | Title | |
|-----|----|------|-------------------------------------------------------------------------|---------------------------|
| 116 | | | | |
| 117 | 3 | § 8 | Record Title Deadline (and Tax Certificate) | <i>n/a</i> |
| 118 | 4 | § 8 | Record Title Objection Deadline | <i>n/a</i> |
| 119 | | | | |
| 120 | 5 | § 8 | Off-Record Title Deadline | <i>n/a</i> |
| 121 | 6 | § 8 | Off-Record Title Objection Deadline | <i>n/a</i> |
| 122 | | | | |
| 123 | 7 | § 8 | Title Resolution Deadline | <i>n/a</i> |
| 124 | | | | |
| 125 | 8 | § 8 | Third Party Right to Purchase/Approve Deadline | <i>n/a</i> |
| 126 | | | | |
| 127 | | | Owners' Association | |
| 128 | 9 | § 7 | Association Documents Deadline | <i>n/a</i> |
| 129 | | | | |
| 130 | 10 | § 7 | Association Documents Termination Deadline | <i>n/a</i> |
| 131 | | | | |
| 132 | | | Seller's Disclosures | |
| 133 | 11 | § 10 | Seller's Property Disclosure Deadline | <i>n/a</i> |
| 134 | | | | |
| 135 | 12 | § 10 | Lead-Based Paint Disclosure Deadline (if Residential Addendum attached) | <i>n/a</i> |
| 136 | | | | |
| 137 | | | Loan and Credit | |
| 138 | 13 | § 5 | New Loan Application Deadline | <i>n/a</i> |
| 139 | | | | |
| 140 | 14 | § 5 | New Loan Terms Deadline | <i>n/a</i> |
| 141 | 15 | § 5 | New Loan Availability Deadline | <i>n/a</i> |
| 142 | | | | |
| 143 | 16 | § 5 | Buyer's Credit Information Deadline | <i>n/a</i> |
| 144 | | | | |
| 145 | 17 | § 5 | Disapproval of Buyer's Credit Information Deadline | <i>n/a</i> |
| 146 | | | | |
| 147 | 18 | § 5 | Existing Loan Deadline | <i>n/a</i> |
| 148 | 19 | § 5 | Existing Loan Termination Deadline | <i>n/a</i> |
| 149 | 20 | § 5 | Loan Transfer Approval Deadline | <i>n/a</i> |
| 150 | | | | |
| 151 | 21 | § 4 | Seller or Private Financing Deadline | <i>n/a</i> |
| 152 | | | | |
| 153 | | | Appraisal | |
| 154 | 22 | § 6 | Appraisal Deadline | <i>n/a</i> |
| 155 | 23 | § 6 | Appraisal Objection Deadline | <i>n/a</i> |
| 156 | 24 | § 6 | Appraisal Resolution Deadline | <i>n/a</i> |
| 157 | | | | |
| 158 | | | Survey | |
| 159 | 25 | § 9 | New ILC or New Survey Deadline | <i>9/12/2024</i> Thursday |
| 160 | 26 | § 9 | New ILC or New Survey Objection Deadline | <i>9/20/2024</i> Friday |
| 161 | | | | |
| 162 | 27 | § 9 | New ILC or New Survey Resolution Deadline | <i>9/27/2024</i> Friday |
| 163 | | | | |
| 164 | | | Inspection and Due diligence | |
| 165 | | | | |
| 166 | 28 | § 2 | Water Rights Examination Deadline | <i>n/a</i> |
| 167 | 29 | § 8 | Mineral Rights Examination Deadline | <i>n/a</i> |
| 168 | | | | |
| 169 | 30 | § 10 | Inspection Termination Deadline | <i>n/a</i> |
| 170 | 31 | § 10 | Inspection Objection Deadline | <i>n/a</i> |
| 171 | 32 | § 10 | Inspection Resolution Deadline | <i>n/a</i> |
| 172 | | | | |
| 173 | | | | |

| | | | | |
|-----|----|------------|--------------------------------------------------------------------------|---------------------------------------------------|
| 174 | 33 | § 10 | Property Insurance Termination Deadline | <i>n/a</i> |
| 175 | 34 | § 10 | Due Diligence Documents Delivery Deadline | <i>n/a</i> |
| 176 | | | | |
| 177 | 35 | § 10 | Due Diligence Documents Objection Deadline | <i>n/a</i> |
| 178 | | | | |
| 179 | 36 | § 10 | Due Diligence Documents Resolution Deadline | <i>n/a</i> |
| 180 | | | | |
| 181 | 37 | § 10 | Environmental Inspection Termination Deadline | <i>n/a</i> |
| 182 | | | | |
| 183 | 38 | § 10 | ADA Evaluation Termination Deadline | <i>n/a</i> |
| 184 | | | | |
| 185 | 39 | § 10 | Conditional Sale Deadline | <i>n/a</i> |
| 186 | | | | |
| 187 | 40 | § 10 | Lead-Based Paint Termination Deadline (if Residential Addendum attached) | <i>n/a</i> |
| 188 | | | | |
| 189 | 41 | § 11 | Estoppel Statements Deadline | <i>n/a</i> |
| 190 | 42 | § 11 | Estoppel Statements Termination Deadline | <i>n/a</i> |
| 191 | | | | |
| 192 | | | Closing and Possession | |
| 193 | | | | |
| 194 | 43 | § 12 | Closing Date | <i>10/4/2024 or sooner if possible</i> Friday |
| 195 | | | | |
| 196 | 44 | § 17 | Possession Date | <i>10/4/2024 or sooner upon closing</i> Friday |
| 197 | | | | |
| 198 | 45 | § 17 | Possession Time | <i>n/a</i> |
| 199 | 46 | § 27 | Acceptance Deadline Date | <i>9/13/2024</i> Friday |
| 200 | 47 | § 27 | Acceptance Deadline Time | <i>8:00PM</i> |
| 201 | | | | |
| 202 | 48 | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> |
| 203 | 49 | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> |
| 204 | | | | |

205 **3.2. Applicability of Terms.** If any deadline blank in § 3.1. (Dates and Deadlines) is left blank or
 206 completed with "N/A", or the word "Deleted," such deadline is not applicable and the corresponding provision
 207 containing the deadline is deleted. Any box checked in this Contract means the corresponding provision
 208 applies. If no box is checked in a provision that contains a selection of "None", such provision means that
 209 "None" applies.

210
 211 The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have
 212 signed this Contract. The abbreviation "N/A" as used in this Contract means not applicable.

213 **3.3. Day; Computation of Period of Days; Deadlines.**

214 **3.3.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m.,
 215 United States Mountain Time (Standard or Daylight Savings, as applicable). Except however, if a **Time of Day**
 216 **Deadline** is specified in § 3.1. (Dates and Deadlines), all Objection Deadlines, Resolution Deadlines,
 217 Examination Deadlines and Termination Deadlines will end on the specified deadline date at the time of day
 218 specified in the **Time of Day Deadline**, United States Mountain Time. If **Time of Day Deadline** is left blank or
 219 "N/A" the deadlines will expire at 11:59 p.m., United States Mountain Time.

220
 221 **3.3.2. Computation of Period of Days.** In computing a period of days (e.g., three days after
 222 MEC), when the ending date is not specified, the first day is excluded and the last day is included.

223 **3.3.3. Deadlines.** If any deadline falls on a Saturday, Sunday or federal or Colorado state holiday
 224 (Holiday), such deadline **Will** **Will Not** be extended to the next day that is not a Saturday, Sunday or
 225 Holiday. Should neither box be checked, the deadline will not be extended.

226
 227 **4. PURCHASE PRICE AND TERMS.**

228
 229 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as
 230 follows:

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| | | | | |
|--|--|--|--|--|
| | | | | |
|--|--|--|--|--|

| Item No. | Reference | Item | Amount | Amount |
|----------|-----------|--------------------|-------------|-------------|
| 1 | § 4.1. | Purchase Price | \$ 5,000.00 | |
| 2 | § 4.3. | Earnest Money | | \$ |
| 3 | § 4.5. | New Loan | | \$ |
| 4 | § 4.6. | Assumption Balance | | \$ |
| 5 | § 4.7. | Private Financing | | \$ |
| 6 | § 4.7. | Seller Financing | | \$ |
| 7 | n/a | n/a | | \$ |
| 8 | n/a | n/a | | \$ |
| 9 | § 4.4. | Cash at Closing | | \$ 5,000.00 |
| 10 | | Total | \$ 5,000.00 | \$ 5,000.00 |

247 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$n/a (Seller Concession). The Seller
 248 Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed
 249 by the Buyer's lender and is included in the Closing Statement or Closing Disclosure at Closing. Examples of
 250 allowable items to be paid for by the Seller Concession include, but are not limited to: Buyer's closing costs,
 251 loan discount points, loan origination fees, prepaid items and any other fee, cost, charge, expense or
 252 expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer elsewhere in
 253 this Contract.

254 **4.3. Earnest Money.** The Earnest Money set forth in this Section, in the form of a check or wire, will
 255 be payable to and held by Title Company of Choice (Earnest Money Holder), in its trust account, on behalf
 256 of both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless
 257 the parties mutually agree to an **Alternative Earnest Money Deadline** for its payment. The parties authorize
 258 delivery of the Earnest Money deposit to the company conducting the Closing (Closing Company), if any, at or
 259 before Closing. In the event Earnest Money Holder has agreed to have interest on Earnest Money deposits
 260 transferred to a fund established for the purpose of providing affordable housing to Colorado residents, Seller
 261 and Buyer acknowledge and agree that any interest accruing on the Earnest Money deposited with the
 262 Earnest Money Holder in this transaction will be transferred to such fund.

263 **4.3.1. Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money, if
 264 other than at the time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

265 **4.3.2. Disposition of Earnest Money.** If Buyer has a Right to Terminate and timely terminates,
 266 Buyer is entitled to the return of Earnest Money as provided in this Contract. If this Contract is terminated as
 267 set forth in § 24 and, except as provided in § 23 (Earnest Money Dispute), if the Earnest Money has not
 268 already been returned following receipt of a Notice to Terminate, Seller agrees to execute and return to Buyer
 269 or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three
 270 days of Seller's receipt of such form. If Seller is entitled to the Earnest Money, and, except as provided in § 23
 271 (Earnest Money Dispute), if the Earnest Money has not already been paid to Seller, following receipt of an
 272 Earnest Money Release form, Buyer agrees to execute and return to Seller or Broker working with Seller,
 273 written mutual instructions (e.g., Earnest Money Release form), within three days of Buyer's receipt.

274 **4.3.2.1. Seller Failure to Timely Return Earnest Money.** If Seller fails to timely execute and
 275 return the Earnest Money Release Form, or other written mutual instructions, Seller is in default and liable to
 276 Buyer as set forth in "If Seller is in Default", § 20.2. and § 21, unless Seller is entitled to the Earnest Money
 277 due to a Buyer default.

278 **4.3.2.2. Buyer Failure to Timely Release Earnest Money.** If Buyer fails to timely execute
 279 and return the Earnest Money Release Form, or other written mutual instructions, Buyer is in default and liable
 280 to Seller as set forth in "If Buyer is in Default, § 20.1. and § 21, unless Buyer is entitled to the Earnest Money
 281 due to a Seller Default.

282 **4.4. Form of Funds; Time of Payment; Available Funds.**

283 **4.4.1. Good Funds.** All amounts payable by the parties at Closing, including any loan proceeds,
 284 Cash at Closing and closing costs, must be in funds that comply with all applicable Colorado laws, including
 285 electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good Funds).
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4.4.2. Time of Payment. All funds, including the Purchase Price to be paid by Buyer, must be paid before or at Closing or as otherwise agreed in writing between the parties to allow disbursement by Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT.**

4.4.3. Available Funds. Buyer represents that Buyer, as of the date of this Contract, **Does** **Does Not** have funds that are immediately verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.

- 4.5. New Loan.** (Omitted as inapplicable)
- 4.6. Assumption.** (Omitted as inapplicable)
- 4.7. Seller or Private Financing.** (Omitted as inapplicable)

TRANSACTION PROVISIONS

5. FINANCING CONDITIONS AND OBLIGATIONS. (Omitted as inapplicable)

- 5.3. Credit Information.** (Omitted as inapplicable)
- 5.4. Existing Loan Review.** (Omitted as inapplicable)

6. APPRAISAL PROVISIONS.

6.1. Appraisal Definition. An "Appraisal" is an opinion of value prepared by a licensed or certified appraiser, engaged on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised Value). The Appraisal may also set forth certain lender requirements, replacements, removals or repairs necessary on or to the Property as a condition for the Property to be valued at the Appraised Value.

6.2. Appraised Value. The applicable appraisal provision set forth below applies to the respective loan type set forth in § 4.5.3., or if a cash transaction (i.e., no financing), § 6.2.1. applies.

6.2.1. Conventional/Other. Buyer has the right to obtain an Appraisal. If the Appraised Value is less than the Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline** Buyer may, on or before **Appraisal Objection Deadline**:

6.2.1.1. Notice to Terminate. Notify Seller in writing, pursuant to § 24.1., that this Contract is terminated; or

6.2.1.2. Appraisal Objection. Deliver to Seller a written objection accompanied by either a copy of the Appraisal or written notice from lender that confirms the Appraised Value is less than the Purchase Price (Lender Verification).

6.2.1.3. Appraisal Resolution. If an Appraisal Objection is received by Seller, on or before **Appraisal Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Appraisal Resolution Deadline**, this Contract will terminate on the **Appraisal Resolution Deadline**, unless Seller receives Buyer's written withdrawal of the Appraisal Objection before such termination, (i.e., on or before expiration of **Appraisal Resolution Deadline**).

6.3. Lender Property Requirements. If the lender imposes any written requirements, replacements, removals or repairs, including any specified in the Appraisal (Lender Property Requirements) to be made to the Property (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract, this Contract terminates on the earlier of three days following Seller's receipt of the Lender Property Requirements, or Closing, unless prior to termination: (1) the parties enter into a written agreement to satisfy the Lender Property Requirements; (2) the Lender Property Requirements have been completed; or (3) the satisfaction of the Lender Property Requirements is waived in writing by Buyer.

6.4. Cost of Appraisal. Cost of the Appraisal to be obtained after the date of this Contract must be timely paid by **Buyer** **Seller**. The cost of the Appraisal may include any and all fees paid to the appraiser, appraisal management company, lender's agent or all three.

7. OWNERS' ASSOCIATIONS. This Section is applicable if the Property is located within one or more Common Interest Communities and subject to one or more declarations (Association).

7.1. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY.

348 THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS'
 349 ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND
 350 REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND
 351 REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY,
 352 INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES
 353 NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND
 354 POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND
 355 REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE
 356 PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF
 357 THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY
 358 WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL
 359 OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE
 360 DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF THE
 361 ASSOCIATION.
 362

363 **7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association
 364 Documents (defined below), at Seller's expense, on or before **Association Documents Deadline**. Seller
 365 authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's
 366 obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association
 367 Documents, regardless of who provides such documents.

368 **7.3. Association Documents.** Association documents (Association Documents) consist of the
 369 following:

370 **7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of organization,
 371 operating agreements, rules and regulations, party wall agreements and the Association's responsible
 372 governance policies adopted under § 38-33.3-209.5, C.R.S.;

373 **7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive boards' or
 374 managers' meetings; such minutes include those provided under the most current annual disclosure required
 375 under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the minutes
 376 disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent minutes, if
 377 any (§§ 7.3.1. and 7.3.2., collectively, Governing Documents); and

378 **7.3.3.** List of all Association insurance policies as provided in the Association's last Annual
 379 Disclosure, including, but not limited to, property, general liability, association director and officer professional
 380 liability and fidelity policies. The list must include the company names, policy limits, policy deductibles,
 381 additional named insureds and expiration dates of the policies listed (Association Insurance Documents);

382 **7.3.4.** A list by unit type of the Association's assessments, including both regular and special
 383 assessments as disclosed in the Association's last Annual Disclosure;

384 **7.3.5.** The Association's most recent financial documents which consist of: (1) the Association's
 385 operating budget for the current fiscal year, (2) the Association's most recent annual financial statements,
 386 including any amounts held in reserve for the fiscal year immediately preceding the Association's last Annual
 387 Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list of the
 388 fees and charges (regardless of name or title of such fees or charges) that the Association's community
 389 association manager or Association will charge in connection with the Closing including, but not limited to, any
 390 fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or update
 391 fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record Change
 392 Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves or
 393 working capital due at Closing and (6) reserve study, if any (§§ 7.3.4. and 7.3.5., collectively, Financial
 394 Documents);

395 **7.3.6.** Any written notice from the Association to Seller of a "construction defect action" under §
 396 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or
 397 disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's obligation
 398 to disclose adverse material facts as required under § 10.2. (Disclosure of Adverse Material Facts;
 399 Subsequent Disclosure; Present Condition) including any problems or defects in the common elements or
 400 limited common elements of the Association property.

401 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents. Buyer
 402
 403
 404
 405

406 has the Right to Terminate under § 24.1., on or before **Association Documents Termination Deadline**,
407 based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole subjective
408 discretion. Should Buyer receive the Association Documents after **Association Documents Deadline**, Buyer,
409 at Buyer's option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate received by Seller
410 on or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive the
411 Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller
412 after **Closing Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller
413 does not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the
414 Association Documents as satisfactory and Buyer waives any Right to Terminate under this provision,
415 notwithstanding the provisions of § 8.6. (Third Party Right to Purchase/Approve).
416

417 **8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.**

418 **8.1. Evidence of Record Title.**

420 **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the title
421 insurance company to furnish the owner's title insurance policy at Seller's expense. On or before **Record Title**
422 **Deadline**, Seller must furnish to Buyer, a current commitment for an owner's title insurance policy (Title
423 Commitment), in an amount equal to the Purchase Price, or if this box is checked, an **Abstract of Title**
424 certified to a current date. Seller will cause the title insurance policy to be issued and delivered to Buyer as
425 soon as practicable at or after Closing.

426 **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the title
427 insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record**
428 **Title Deadline**, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title
429 Commitment), in an amount equal to the Purchase Price.
430 If neither box in § 8.1.1. or § 8.1.2. is checked, § 8.1.1. applies.
431

432 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment **Will** **Will Not** contain
433 Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or
434 insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3)
435 survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time of
436 commitment to the date and time the deed is recorded) and (6) unpaid taxes, assessments and unredeemed
437 tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid by **Buyer**
438 **Seller** **One-Half by Buyer and One-Half by Seller** **Other** *n/a*.
439 Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or
440 delete or insure over any or all of the standard exceptions for OEC. The Title Insurance Company may require
441 a New Survey or New ILC, defined below, among other requirements for OEC. If the Title Insurance
442 Commitment is not satisfactory to Buyer, Buyer has a right to object under § 8.7. (Right to Object to Title,
443 Resolution).
444

445 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats,
446 declarations, covenants, conditions and restrictions burdening the Property and (2) copies of any other
447 documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions) in
448 the Title Commitment furnished to Buyer (collectively, Title Documents).

449 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**,
450 copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of
451 the clerk and recorder in the county where the Property is located. The cost of furnishing copies of the
452 documents required in this Section will be at the expense of the party or parties obligated to pay for the
453 owner's title insurance policy.
454

455 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title
456 covering all or any portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title**
457 **Deadline**.

458 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title Commitment
459 and any of the Title Documents as set forth in § 8.7. (Right to Object to Title, Resolution) on or before **Record**
460 **Title Objection Deadline**. Buyer's objection may be based on any unsatisfactory form or content of Title
461 Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title condition, in Buyer's
462 sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are not received by
463

464 Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title Commitment that
 465 adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment will be
 466 delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such documents by Buyer
 467 to review and object to: (1) any required Title Document not timely received by Buyer, (2) any change to the
 468 Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the Title Commitment. If
 469 Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this § 8.2. (Record Title),
 470 any title objection by Buyer is governed by the provisions set forth in § 8.7. (Right to Object to Title,
 471 Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents required by §
 472 8.1. (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title
 473 Objection by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the
 474 Abstract of Title, Title Commitment and Title Documents as satisfactory.

475 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true
 476 copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all
 477 easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or
 478 other title matters not shown by public records, of which Seller has actual knowledge (Off-Record Matters).
 479 This Section excludes any **New ILC or New Survey** governed under § 9 (New ILC, New Survey). Buyer has
 480 the right to inspect the Property to investigate if any third party has any right in the Property not shown by
 481 public records (e.g., unrecorded easement, boundary line discrepancy or water rights). Buyer's Notice to
 482 Terminate or Notice of Title Objection of any unsatisfactory condition (whether disclosed by Seller or revealed
 483 by such inspection, notwithstanding § 8.2. (Record Title) and § 13 (Transfer of Title)), in Buyer's sole
 484 subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline**. If an Off-
 485 Record Matter is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of Closing
 486 or ten days after receipt by Buyer to review and object to such Off-Record Matter. If Seller receives Buyer's
 487 Notice to Terminate or Notice of Title Objection pursuant to this § 8.3. (Off-Record Title), any title objection by
 488 Buyer is governed by the provisions set forth in § 8.7. (Right to Object to Title, Resolution). If Seller does not
 489 receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline specified above,
 490 Buyer accepts title subject to such Off-Record Matters and rights, if any, of third parties not shown by public
 491 records of which Buyer has actual knowledge.

492 **8.4. Special Taxing and Metropolitan Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT**
 493 **TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM**
 494 **ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS**
 495 **IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT**
 496 **THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF**
 497 **SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL**
 498 **LEVIES. BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE**
 499 **PROPERTY IS LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE**
 500 **CERTIFICATE OF TAXES DUE FOR THE PROPERTY AND BY OBTAINING FURTHER INFORMATION**
 501 **FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE**
 502 **COUNTY ASSESSOR. The official website for the Metropolitan District, if any, is: n/a.**

503 **8.5. Tax Certificate.** A tax certificate paid for by Seller Buyer, for the Property listing any special
 504 taxing or metropolitan districts that affect the Property (Tax Certificate) must be delivered to Buyer on or
 505 before **Record Title Deadline**. If the content of the Tax Certificate is unsatisfactory to Buyer, in Buyer's sole
 506 subjective discretion, Buyer may terminate, on or before **Record Title Objection Deadline**. Should Buyer
 507 receive the Tax Certificate after **Record Title Deadline**, Buyer, at Buyer's option, has the Right to Terminate
 508 under § 24.1. by Buyer's Notice to Terminate received by Seller on or before ten days after Buyer's receipt of
 509 the Tax Certificate. If Buyer does not receive the Tax Certificate, or if Buyer's Notice to Terminate would
 510 otherwise be required to be received by Seller after **Closing Date**, Buyer's Notice to Terminate must be
 511 received by Seller on or before Closing. If Seller does not receive Buyer's Notice to Terminate within such
 512 time, Buyer accepts the content of the Tax Certificate as satisfactory and Buyer waives any Right to Terminate
 513 under this provision. If Buyer's loan specified in §4.5.3. (Loan Limitations) prohibits Buyer from paying for the
 514 Tax Certificate, the Tax Certificate will be paid for by Seller.

515 **8.6. Third Party Right to Purchase/Approve.** If any third party has a right to purchase the Property
 516 (e.g., right of first refusal on the Property, right to purchase the Property under a lease or an option held by a
 517 third party to purchase the Property) or a right of a third party to approve this Contract, Seller must promptly
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522 submit this Contract according to the terms and conditions of such right. If the third-party holder of such right
523 exercises its right this Contract will terminate. If the third party's right to purchase is waived explicitly or
524 expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly
525 notify Buyer in writing of the foregoing. If the third party right to purchase is exercised or approval of this
526 Contract has not occurred on or before **Third Party Right to Purchase/Approve Deadline**, this Contract will
527 then terminate. Seller will supply to Buyer, in writing, details of any Third Party Right to Purchase the Property
528 on or before the Record Title Deadline.

529 **8.7. Right to Object to Title, Resolution.** Buyer has a right to object or terminate, in Buyer's sole
530 subjective discretion, based on any title matters including those matters set forth in § 8.2. (Record Title), § 8.3.
531 (Off-Record Title), § 8.5. (Tax Certificate) and § 13 (Transfer of Title). If Buyer exercises Buyer's rights to
532 object or terminate based on any such title matter, on or before the applicable deadline, Buyer has the
533 following options:

534 **8.7.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any title
535 matter (Notice of Title Objection) on or before the applicable deadline and if Buyer and Seller have not agreed
536 to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on the
537 expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's Notice
538 of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to
539 Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title
540 Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2. (Record Title) or § 8.3.
541 (Off-Record Title) the Title Resolution Deadline also will be automatically extended to the earlier of Closing or
542 fifteen days after Buyer's receipt of the applicable documents; or
543

544 **8.7.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under §
545 24.1., on or before the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole
546 subjective discretion.
547

548 **8.8. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and should
549 be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the title,
550 ownership and use of the Property, including, without limitation, boundary lines and encroachments, set-back
551 requirements, area, zoning, building code violations, unrecorded easements and claims of easements, leases
552 and other unrecorded agreements, water on or under the Property and various laws and governmental
553 regulations concerning land use, development and environmental matters.

554 **8.8.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
555 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND**
556 **TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE**
557 **MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL,**
558 **GAS, OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE**
559 **PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF**
560 **THE PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.**

561 **8.8.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE**
562 **PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE**
563 **AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE**
564 **COUNTY CLERK AND RECORDER.**

565 **8.8.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR**
566 **ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING,**
567 **WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES,**
568 **PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING**
569 **FACILITIES.**

570 **8.8.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL**
571 **INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY,**
572 **INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE**
573 **COLORADO OIL AND GAS CONSERVATION COMMISSION.**

574 **8.8.5. Title Insurance Exclusions.** Matters set forth in this Section and others, may be excepted,
575 excluded from, or not covered by the owner's title insurance policy.
576

577 **8.9. Mineral Rights Review.** Buyer has a Right to Terminate if examination of the Mineral Rights is
578
579

577 unsatisfactory to Buyer on or before the **Mineral Rights Examination Deadline**.

581 **9. NEW ILC, NEW SURVEY.**

582 **9.1. New ILC or New Survey.** If the box is checked, (1) **New Improvement Location Certificate**
583 **(New ILC)**; or, (2) **New Survey** in the form of Boundary Survey; is required and the following will apply:

584 **9.1.1. Ordering of New ILC or New Survey.** **Seller** **Buyer** will order the New ILC or New
585 Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form,
586 certified and updated as of a date after the date of this Contract.

587 **9.1.2. Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be paid, on
588 or before Closing, by: **Seller** **Buyer** or:
589 n/a

590 **9.1.3. Delivery of New ILC or New Survey.** Buyer, Seller, the issuer of the Title Commitment (or
591 the provider of the opinion of title if an Abstract of Title) and Town of Paonia will receive a New ILC or New
592 Survey on or before **New ILC or New Survey Deadline**.

593 **9.1.4. Certification of New ILC or New Survey.** The New ILC or New Survey will be certified by
594 the surveyor to all those who are to receive the New ILC or New Survey.

595 **9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection.** Buyer may select a New
596 ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller or
597 change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion,
598 waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

599 **9.3. New ILC or New Survey Objection.** Buyer has the right to review and object based on the New
600 ILC or New Survey. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer,
601 in Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection Deadline**,
602 notwithstanding § 8.3. or § 13:

603 **9.3.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1, that this Contract is
604 terminated; or

605 **9.3.2. New ILC or New Survey Objection.** Deliver to Seller a written description of any matter
606 that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires
607 Seller to correct.

608 **9.3.3. New ILC or New Survey Resolution.** If a **New ILC or New Survey Objection** is received
609 by Seller, on or before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not agreed
610 in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this Contract
611 will terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller receives
612 Buyer's written withdrawal of the New ILC or New Survey Objection before such termination (i.e., on or before
613 expiration of **New ILC or New Survey Resolution Deadline**).

614 **DISCLOSURE, INSPECTION AND DUE DILIGENCE**

619 **10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE AND**
620 **SOURCE OF WATER.**

621 **10.1. Seller's Property Disclosure.** On or before **Seller's Property Disclosure Deadline**, Seller
622 agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's
623 Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date
624 of this Contract.

625 **10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition.** Seller
626 must disclose to Buyer any adverse material facts actually known by Seller as of the date of this Contract.
627 Seller agrees that disclosure of adverse material facts will be in writing. In the event Seller discovers an
628 adverse material fact after the date of this Contract, Seller must timely disclose such adverse fact to Buyer.
629 Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing or five days
630 after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer
631 acknowledges that Seller is conveying the Property and Inclusions to Buyer in an "As Is" condition, "Where Is"

632

637 and **“With All Faults.”**

638
639 **10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right
640 to have inspections (by one or more third parties, personally or both) of the Property, Leased Items, and
641 Inclusions (Inspection), at Buyer’s expense. If (1) the physical condition of the Property, including, but not
642 limited to, the roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other
643 mechanical systems of the Property, (2) the physical condition of the Inclusions and Leased Items, (3) service
644 to the Property (including utilities and communication services), systems and components of the Property
645 (e.g., heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or (5)
646 any other activity, odor or noise (whether on or off the Property) and its effect or expected effect on the
647 Property or its occupants is unsatisfactory, in Buyer’s sole subjective discretion, Buyer may:

648
649 **10.3.1. Inspection Termination.** On or before the **Inspection Termination Deadline**, notify
650 Seller in writing, pursuant to § 24.1., that this Contract is terminated due to any unsatisfactory condition,
651 provided the Buyer did not previously deliver an Inspection Objection. Buyer’s Right to Terminate under this
652 provision expires upon delivery of an Inspection Objection to Seller pursuant to § 10.3.2.; or

653 **10.3.2. Inspection Objection.** On or before the **Inspection Objection Deadline**, deliver to Seller
654 a written description of any unsatisfactory condition that Buyer requires Seller to correct.

655 **10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before
656 **Inspection Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
657 or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline**
658 unless Seller receives Buyer’s written withdrawal of the Inspection Objection before such termination (i.e., on
659 or before expiration of **Inspection Resolution Deadline**). Nothing in this provision prohibits the Buyer and the
660 Seller from mutually terminating this Contract before the Inspection Resolution Deadline passes by executing
661 an Earnest Money Release.

662
663 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other
664 written agreement between the parties, is responsible for payment for all inspections, tests, surveys,
665 engineering reports, or other reports performed at Buyer’s request (Work) and must pay for any damage that
666 occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any
667 kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold
668 Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any
669 such Work, claim, or lien. This indemnity includes Seller’s right to recover all costs and expenses incurred by
670 Seller to defend against any such liability, damage, cost or expense, or to enforce this Section, including
671 Seller’s reasonable attorney fees, legal fees and expenses. The provisions of this Section survive the
672 termination of this Contract. This § 10.4. does not apply to items performed pursuant to an Inspection
673 Resolution.

674
675 **10.5. Insurability.** Buyer has the Right to Terminate under § 24.1., on or before **Property Insurance**
676 **Termination Deadline**, based on any unsatisfactory provision of the availability, terms and conditions and
677 premium for property insurance (Property Insurance) on the Property, in Buyer’s sole subjective discretion.

678 **10.6. Due Diligence.**

679 **10.6.1. Due Diligence Documents.** Seller agrees to deliver copies of the following documents
680 and information pertaining to the Property and Leased Items (Due Diligence Documents) to Buyer on or
681 before **Due Diligence Documents Delivery Deadline**:

682 **10.6.1.1. Occupancy Agreements.** All current leases, including any amendments or other
683 occupancy agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining to
684 the Property that survive Closing are as follows (Leases):
685

686 n/a

687 **10.6.1.2. Leased Items Documents.** If any lease of personal property (§ 2.5.4., Leased
688 Items) will be transferred to Buyer at Closing, Seller agrees to deliver copies of the leases and information
689 pertaining to the personal property to Buyer on or before **Due Diligence Documents Delivery Deadline**.

690
691 **10.6.1.3. Encumbered Inclusions Documents.** If any Inclusions owned by Seller are
692 encumbered pursuant to § 2.5.2. (Encumbered Inclusions) above, Seller agrees to deliver copies of the
693 evidence of debt, security and any other documents creating the encumbrance to Buyer on or before **Due**
694 **Diligence Documents Delivery Deadline**.
695

696 **10.6.1.4. Solar Power Plan.** Copy of any Solar Power Plan not included in Leased Items
697 (regardless of its name or title).

698 **10.6.1.5. Septic Use Permit.** If required by the local health department or other applicable
699 government entity, on or before the local health department’s applicable deadline, Seller must pay for and
700 furnish to Buyer a Septic Use Permit.

701 **10.6.1.6. Other Documents.** If the respective box is checked, Seller agrees to additionally
702 deliver copies of the following:

- 703 **10.6.1.6.1.** All contracts relating to the operation, maintenance and management of the
704 Property;
- 705 **10.6.1.6.2.** Property tax bills for the last n/a years;
- 706 **10.6.1.6.3.** As-built construction plans to the Property and the tenant improvements,
707 including architectural, electrical, mechanical and structural systems; engineering reports; and permanent
708 Certificates of Occupancy, to the extent now available;
- 709 **10.6.1.6.4.** A list of all Inclusions to be conveyed to Buyer;
- 710 **10.6.1.6.5.** Operating statements for the past n/a years;
- 711 **10.6.1.6.6.** A rent roll accurate and correct to the date of this Contract;
- 712 **10.6.1.6.7.** A schedule of any tenant improvement work Seller is obligated to complete but
713 has not yet completed and capital improvement work either scheduled or in process on the date of this
714 Contract;
- 715 **10.6.1.6.8.** All insurance policies pertaining to the Property and copies of any claims which
716 have been made for the past n/a years;
- 717 **10.6.1.6.9.** Soils reports, surveys and engineering reports or data pertaining to the
718 Property (if not delivered earlier under § 8.3.);
- 719 **10.6.1.6.10.** Any and all existing documentation and reports regarding Phase I and II
720 environmental reports, letters, test results, advisories and similar documents respective to the existence or
721 nonexistence of asbestos, PCB transformers, or other toxic, hazardous or contaminated substances and/or
722 underground storage tanks and/or radon gas. If no reports are in Seller’s possession or known to Seller, Seller
723 warrants that no such reports are in Seller’s possession or known to Seller;
- 724 **10.6.1.6.11.** Any *Americans with Disabilities Act* reports, studies or surveys concerning the
725 compliance of the Property with said Act;
- 726 **10.6.1.6.12.** All permits, licenses and other building or use authorizations issued by any
727 governmental authority with jurisdiction over the Property and written notice of any violation of any such
728 permits, licenses or use authorizations, if any; and
- 729 **10.6.1.6.13.** Other:
730 n/a

731 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and
732 object based on the Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or
733 are unsatisfactory, in Buyer’s sole subjective discretion, Buyer may, on or before **Due Diligence Documents**
734 **Objection Deadline:**

735 **10.6.2.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract
736 is terminated; or

737 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description of any
738 unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

739 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents Objection is
740 received by Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and Seller have
741 not agreed in writing to a settlement thereof on or before **Due Diligence Documents Resolution Deadline**,
742 this Contract will terminate on **Due Diligence Documents Resolution Deadline** unless Seller receives
743 Buyer’s written withdrawal of the Due Diligence Documents Objection before such termination (i.e., on or
744 before expiration of **Due Diligence Documents Resolution Deadline**).

745 **10.6.2.4. Automatic Due Diligence Extension.** If a Due Diligence Document is not
746 delivered on or before the Due Diligence Documents Deadline, Buyer has until the earlier of Closing or ten
747 days after receipt by Buyer to review and object to such Due Diligence Document. If Buyer’s right to review
748
749
750
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752
753

754 and object to such Due Diligence Document is extended due to such Due Diligence Document not being
755 delivered on or before the Due Diligence Documents Deadline, the Due Diligence Document Resolution
756 Deadline will also be extended to the earlier of Closing or fifteen days after Buyer's receipt of such Due
757 Diligence Document.

758 **10.6.3. Zoning.** Buyer has the Right to Terminate under § 24.1., on or before **Due Diligence**
759 **Documents Objection Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by
760 any governmental agency with jurisdiction over the Property, in Buyer's sole subjective discretion.

761 **10.6.4. Due Diligence – Environmental.** Buyer has the right to obtain environmental inspections
762 of the Property including a Phase I Environmental Site Assessment. **Seller** **Buyer** will order or provide a
763 current Phase I Environmental Site Assessment (compliant with the most current version of the applicable
764 ASTM E1527 standard practices for Environmental Site Assessments) and/or n/a, at the expense of **Seller**
765 **Buyer** (Environmental Inspection).
766

767 If the Phase I Environmental Site Assessment recommends a Phase II Environmental Site Assessment,
768 the **Environmental Inspection Termination Deadline** will be extended by n/a days (Extended Environmental
769 Inspection Termination Deadline) and if such Extended Environmental Inspection Termination Deadline
770 extends beyond the **Closing Date**, the **Closing Date** will be extended a like period of time. In such event,
771 **Seller** **Buyer** must pay the cost for such Phase II Environmental Site Assessment.

772 Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this §
773 10.6.4., Buyer has the Right to Terminate under § 24.1., on or before **Environmental Inspection Termination**
774 **Deadline**, or if applicable, the Extended Environmental Inspection Termination Deadline, based on any
775 unsatisfactory results of Environmental Inspection, in Buyer's sole subjective discretion.
776

777 **10.6.5. Due Diligence – ADA.** Buyer, at Buyer's expense, may also conduct an evaluation
778 whether the Property complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections
779 and evaluations must be conducted at such times as are mutually agreeable to minimize the interruption of
780 Seller's and any Seller's tenants' business uses of the Property, if any.
781 Buyer has the Right to Terminate under § 24.1., on or before **ADA Evaluation Termination Deadline**, based
782 on any unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.

783 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of
784 that certain property owned by Buyer and commonly known as n/a. Buyer has the Right to Terminate under §
785 24.1. effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if
786 such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller
787 does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any
788 Right to Terminate under this provision.

789 **10.8. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer
790 **Does** **Does Not** acknowledge receipt of a copy of Seller's Property Disclosure or Source of Water
791 Addendum disclosing the source of potable water for the Property. There is **No Well**. Buyer **Does**
792 **Does Not** acknowledge receipt of a copy of the current well permit.
793

794 **Note to Buyer: SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE**
795 **GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER (OR INVESTIGATE THE**
796 **DESCRIBED SOURCE) TO DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER**
797 **SUPPLIES.**

798 **10.9. Existing Leases; Modification of Existing Leases; New Leases.** Seller states that none of the
799 Leases to be assigned to the Buyer at the time of Closing contain any rent concessions, rent reductions or
800 rent abatements except as disclosed in the Lease or other writing received by Buyer. Seller will not amend,
801 alter, modify, extend or cancel any of the Leases nor will Seller enter into any new leases affecting the
802 Property without the prior written consent of Buyer, which consent will not be unreasonably withheld or
803 delayed.
804

805 **10.10. Lead-Based Paint. [Intentionally Deleted - See Residential Addendum if applicable]**

806 **10.11. Carbon Monoxide Alarms. [Intentionally Deleted - See Residential Addendum if**
807 **applicable]**

808 **10.12. Methamphetamine Disclosure. [Intentionally Deleted - See Residential Addendum if**
809 **applicable]**

812 **11. TENANT ESTOPPEL STATEMENTS.**

813 **11.1. Estoppel Statements Conditions.** Buyer has the right to review and object to any Estoppel
814 Statements. Seller must request from all tenants of the Property and if received by Seller, deliver to Buyer on
815 or before **Estoppel Statements Deadline**, statements in a form and substance reasonably acceptable to
816 Buyer, from each occupant or tenant at the Property (Estoppel Statement) attached to a copy of the Lease
817 stating:

- 818 **11.1.1.** The commencement date of the Lease and scheduled termination date of the Lease;
- 819 **11.1.2.** That said Lease is in full force and effect and that there have been no subsequent
820 modifications or amendments;
- 821 **11.1.3.** The amount of any advance rentals paid, rent concessions given and deposits paid to
822 Seller;
- 823 **11.1.4.** The amount of monthly (or other applicable period) rental paid to Seller;
- 824 **11.1.5.** That there is no default under the terms of said Lease by landlord or occupant; and
- 825 **11.1.6.** That the Lease to which the Estoppel Statement is attached is a true, correct and complete
826 copy of the Lease demising the premises it describes.

827 **11.2. Seller Estoppel Statement.** In the event Seller does not receive from all tenants of the Property
828 a completed signed Estoppel Statement, Seller agrees to complete and execute an Estoppel Statement
829 setting forth the information and documents required in §11.1. above and deliver the same to Buyer on or
830 before **Estoppel Statements Deadline**.

831 **11.3. Estoppel Statements Termination.** Buyer has the Right to Terminate under § 24.1., on or before
832 **Estoppel Statements Termination Deadline**, based on any unsatisfactory Estoppel Statement, in Buyer's
833 sole subjective discretion, or if Seller fails to deliver the Estoppel Statements on or before **Estoppel**
834 **Statements Deadline**. Buyer also has the unilateral right to waive any unsatisfactory Estoppel Statement.
835
836
837

CLOSING PROVISIONS

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840
841 **12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.**

842 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the Closing
843 Company to enable the Closing Company to prepare and deliver documents required for Closing to Buyer and
844 Seller and their designees. If Buyer is obtaining a loan to purchase the Property, Buyer acknowledges Buyer's
845 lender is required to provide the Closing Company, in a timely manner, all required loan documents and
846 financial information concerning Buyer's loan. Buyer and Seller will furnish any additional information and
847 documents required by Closing Company that will be necessary to complete this transaction. Buyer and Seller
848 will sign and complete all customary or reasonably required documents at or before Closing.
849

850 **12.2. Closing Instructions.** Colorado Real Estate Commission's Closing Instructions **Are**
851 **Are Not** executed with this Contract.
852

853 **12.3. Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the
854 date specified as the **Closing Date** or by mutual agreement at an earlier date. At Closing, Seller must provide
855 Buyer with the ability to access the Property. The hour and place of Closing will be as designated by Buyer
856 and Sellers.

857 **12.4. Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality and extent of
858 service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title
859 companies).
860

861 **12.5. Assignment of Leases.** Seller must assign to Buyer all Leases at Closing that will continue after
862 Closing and Buyer must assume Seller's obligations under such Leases. Further, Seller must transfer to Buyer
863 all Leased Items and assign to Buyer such leases for the Leased Items accepted by Buyer pursuant to §
864 2.5.4. (Leased Items).
865

866 **13. TRANSFER OF TITLE.** Subject to Buyer's compliance with the terms and provisions of this Contract,
867 including the tender of any payment due at Closing, Seller must execute and deliver the following good and
868 sufficient deed to Buyer, at Closing: special warranty deed general warranty deed
869

870 bargain and sale deed quit claim deed personal representative's deed *n/a* deed. Seller, provided
871 another deed is not selected, must execute and deliver a good and sufficient special warranty deed to Buyer,
872 at Closing.

873 Unless otherwise specified in § 30 (Additional Provisions), if title will be conveyed using a special
874 warranty deed or a general warranty deed, title will be conveyed "subject to statutory exceptions" as defined in
875 §38-30-113(5)(a), C.R.S.
876

877 **14. PAYMENT OF LIENS AND ENCUMBRANCES.** Unless agreed to by Buyer in writing, any amounts
878 owed on any liens or encumbrances securing a monetary sum against the Property and Inclusions, including
879 any governmental liens for special improvements installed as of the date of Buyer's signature hereon, whether
880 assessed or not, and previous years' taxes, will be paid at or before Closing by Seller from the proceeds of
881 this transaction or from any other source.
882

883
884 **15. CLOSING COSTS, FEES, ASSOCIATION STATUS LETTER AND DISBURSEMENTS, TAXES AND**
885 **WITHHOLDING.**

886 **15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs and all
887 other items required to be paid at Closing, except as otherwise provided herein.

888 **15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by
889 Buyer Seller One-Half by Buyer and One-Half by Seller Other *n/a*.

890
891 **15.3. Association Fees and Required Disbursements.** At least fourteen days prior to **Closing Date**,
892 Seller agrees to promptly request that the Closing Company or the Association deliver to Buyer a current
893 Status Letter, if applicable. Any fees associated with or specified in the Status Letter will be paid as follows:

894 **15.3.1. Status Letter Fee.** Any fee incident to the issuance of Association's Status Letter must be
895 paid by Seller.

896 **15.3.2. Record Change Fee.** Any Record Change Fee must be paid by Buyer Seller
897 One-Half by Buyer and One-Half by Seller N/A.

898 **15.3.3. Reserves or Working Capital.** Unless agreed to otherwise, all reserves or working capital
899 due (or other similar cost not addressed in § 16.2. (Association Assessments)) at Closing must be paid by
900 Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

901 **15.3.4. Other Fees.** Any other fee listed in the Status Letter as required to be paid at Closing will
902 be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

903 **15.4. Local Transfer Tax.** Any Local Transfer Tax must be paid at Closing by Buyer Seller
904 One-Half by Buyer and One-Half by Seller N/A.

905 **15.5. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction must be
906 paid when due by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

907 **15.6. Private Transfer Fee.** Any private transfer fees and other fees due to a transfer of the Property,
908 payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at
909 Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

910 **15.7. Water Transfer Fees.** Water Transfer Fees can change. The fees, as of the date of this Contract,
911 do not exceed \$*n/a* for:

912 Water District/Municipality Water Stock

913 Augmentation Membership Small Domestic Water Company *n/a*

914 and must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

915 **15.8. Utility Transfer Fees.** Utility transfer fees can change. Any fees to transfer utilities from Seller to
916 Buyer must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

917 **15.9. FIRPTA and Colorado Withholding.**

918 **15.9.1. FIRPTA.** The Internal Revenue Service (IRS) may require a substantial portion of the
919 Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding does not
920 occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in this
921 Section is checked, Seller represents that Seller **IS** a foreign person for purposes of U.S. income taxation.
922 If the box in this Section is not checked, Seller represents that Seller is not a foreign person for purposes of
923 U.S. income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably
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928 requested documents to verify Seller’s foreign person status. If withholding is required, Seller authorizes
929 Closing Company to withhold such amount from Seller’s proceeds. Seller should inquire with Seller’s tax
930 advisor to determine if withholding applies or if an exemption exists.

931 **15.9.2. Colorado Withholding.** The Colorado Department of Revenue may require a portion of
932 the Seller’s proceeds be withheld after Closing when Seller will not be a Colorado resident after Closing, if not
933 otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably
934 requested documents to verify Seller’s status. If withholding is required, Seller authorizes Closing Company to
935 withhold such amount from Seller’s proceeds. Seller should inquire with Seller’s tax advisor to determine if
936 withholding applies or if an exemption exists.
937

938 **16. PRORATIONS AND ASSOCIATION ASSESSMENTS.**

939 **16.1. Prorations.** The following will be prorated to the **Closing Date**, except as otherwise provided:

941 **16.1.1. Taxes.** Personal property taxes, if any, special taxing district assessments, if any, and
942 general real estate taxes for the year of Closing, based on

- 943 **Taxes for the Calendar Year Immediately Preceding Closing**
944 **Most Recent Mill Levy and Most Recent Assessed Valuation**, **Other**
945 *based on size of acreage prorated on the land only.*
946

947 **16.1.2. Rents.** Rents based on **Rents Actually Received** **Accrued.** At Closing, Seller will
948 transfer or credit to Buyer the security deposits for all Leases assigned to Buyer, or any remainder after lawful
949 deductions, and notify all tenants in writing of such transfer and of the transferee’s name and address.

950 **16.1.3. Other Prorations.** Water and sewer charges, propane, interest on continuing loan and
951 *n/a*

952 **16.1.4. Final Settlement.** Unless otherwise specified in Additional Provisions, these prorations
953 are final.

954 **16.2. Association Assessments.** Current regular Association assessments and dues (Association
955 Assessments) paid in advance will be credited to Seller at Closing. All Association Assessments accrued
956 before Closing must be paid by Seller and all Association Assessments accrued after Closing must be paid by
957 Buyer. Cash reserves held out of the regular Association Assessments for deferred maintenance by the
958 Association will not be credited to Seller except as may be otherwise provided by the Governing Documents.
959 Any special assessment assessed prior to **Closing Date** by the Association will be the obligation of **Buyer**
960 **Seller.** Except however, any special assessment by the Association for improvements that have been
961 installed as of the date of Buyer’s signature hereon, whether assessed prior to or after Closing, will be the
962 obligation of Seller unless otherwise specified in Additional Provisions. Seller represents there are no unpaid
963 regular or special assessments against the Property except the current regular assessments and
964 *n/a*

965 Association Assessments are subject to change as provided in the Governing Documents.
966

968 **17. POSSESSION.** Possession of the Property and Inclusions will be delivered to Buyer on **Possession**
969 **Date** at **Possession Time**, subject to the Leases as set forth in § 10.6.1.1.

970 If Seller, after Closing occurs, fails to deliver possession as specified, Seller will be subject to eviction and
971 will be additionally liable to Buyer, notwithstanding § 20.2. (If Seller is in Default), for payment of \$ *n/a* per day
972 (or any part of a day notwithstanding § 3.3., Day) from **Possession Date** and **Possession Time** until
973 possession is delivered. Additionally, Buyer may pursue a claim against Seller for any of Buyer’s actual
974 additional damages incurred by Buyer in excess of such amount.
975

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977 **General Provisions**
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980 **18. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION;**
981 **AND WALK-THROUGH.** Except as otherwise provided in this Contract, the Property and Inclusions will be
982 delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted.
983

984 **18.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other
985

perils or causes of loss prior to Closing (Property Damage) in an amount of not more than ten percent of the total Purchase Price and if the repair of the damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance proceeds, will use Seller's reasonable efforts to repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum. Should Buyer elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all insurance proceeds that were received by Seller (but not the Association, if any) resulting from damage to the Property and Inclusions, plus the amount of any deductible provided for in the insurance policy. This credit may not exceed the Purchase Price. In the event Seller has not received the insurance proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the Property repaired prior to Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the parties or their attorney requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller has received and will receive due to such damage, not exceeding the total Purchase Price, plus the amount of any deductible that applies to the insurance claim.

18.2. Damage, Inclusions and Services. Should any Inclusion or service (including utilities and communication services), system, component or fixture of the Property (collectively Service) (e.g., heating or plumbing), fail or be damaged between the date of this Contract and Closing or possession, whichever is earlier, then Seller is liable for the repair or replacement of such Inclusion or Service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that the maintenance or replacement of such Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds received by Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, or, at the option of Buyer, Buyer is entitled to a credit at Closing for the repair or replacement of such Inclusion or Service. Such credit must not exceed the Purchase Price. If Buyer receives such a credit, Seller's right for any claim against the Association, if any, will survive Closing.

18.3. Condemnation. In the event Seller receives actual notice prior to Closing that a pending condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, based on such condemnation action, in Buyer's sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution of value to the Property and Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value of the Property or Inclusions, but such credit will not include relocation benefits or expenses or exceed the Purchase Price.

18.4. Walk-Through and Verification of Condition. Buyer, upon reasonable notice, has the right to walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.

18.5. Risk of Loss – Growing Crops. The risk of loss for damage to growing crops by fire or other casualty will be borne by the party entitled to the growing crops as provided in § 2.8. and such party is entitled to such insurance proceeds or benefits for the growing crops.

19. RECOMMENDATION OF LEGAL AND TAX COUNSEL. By signing this Contract, Buyer and Seller acknowledge that their respective broker has advised that this Contract has important legal consequences and has recommended: (1) legal examination of title; (2) consultation with legal and tax or other counsel before signing this Contract as this Contract may have important legal and tax implications; (3) to consult with their own attorney if Water Rights, Mineral Rights or Leased Items are included or excluded in the sale; and (4) to consult with legal counsel if there are other matters in this transaction for which legal counsel should be engaged and consulted. Such consultations must be done timely as this Contract has strict time limits, including deadlines, that must be complied with.

20. TIME OF ESSENCE, DEFAULT AND REMEDIES. Time is of the essence for all dates and deadlines in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due, including Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed timely as

1044 provided in this Contract or waived, the non-defaulting party has the following remedies:

1045 **20.1. If Buyer is in Default:**

1046 **20.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest Money
1047 (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest Money
1048 is not a penalty, and the parties agree the amount is fair and reasonable. Seller may recover such additional
1049 damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full force and
1050 effect and Seller has the right to specific performance or damages, or both.

1051 **20.1.2. Liquidated Damages, Applicable. This § 20.1.2. applies unless the box in § 20.1.1. is**
1052 **checked.** Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to
1053 Seller and retained by Seller. It is agreed that the Earnest Money amount specified in § 4.1. is LIQUIDATED
1054 DAMAGES and not a penalty, which amount the parties agree is fair and reasonable and (except as provided
1055 in §§ 10.4. and 21), such amount is SELLER'S ONLY REMEDY for Buyer's failure to perform the obligations
1056 of this Contract. Seller expressly waives the remedies of specific performance and additional damages.
1057

1058 **20.2. If Seller is in Default:**

1059 **20.2.1. Specific Performance, Damages or Both.** Buyer may elect to treat this Contract as
1060 canceled, in which case all Earnest Money received hereunder will be returned to Buyer and Buyer may
1061 recover such damages as may be proper. Alternatively, in addition to the per diem in § 17 (Possession) for
1062 failure of Seller to timely deliver possession of the Property after Closing occurs, Buyer may elect to treat this
1063 Contract as being in full force and effect and Buyer has the right to specific performance or damages, or both.

1064 **20.2.2. Seller's Failure to Perform.** In the event Seller fails to perform Seller's obligations under
1065 this Contract, to include, but not limited to, failure to timely disclose Association violations known by Seller,
1066 failure to perform any replacements or repairs required under this Contract or failure to timely disclose any
1067 known adverse material facts, Seller remains liable for any such failures to perform under this Contract after
1068 Closing. Buyer's rights to pursue the Seller for Seller's failure to perform under this Contract are reserved and
1069 survive Closing.
1070

1071

1072 **21. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event of
1073 any arbitration or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must
1074 award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and
1075 expenses.
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1078 **22. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not
1079 resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the parties
1080 meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot
1081 impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must agree to
1082 the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share equally in the
1083 cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire dispute
1084 is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the
1085 other at that party's last known address (physical or electronic as provided in § 26). Nothing in this Section
1086 prohibits either party from filing a lawsuit and recording a *lis pendens* affecting the Property, before or after the
1087 date of written notice requesting mediation. This Section will not alter any date in this Contract, unless
1088 otherwise agreed.
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1091 **23. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must
1092 release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller. In
1093 the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to release
1094 the Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1) wait for
1095 any proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a court of
1096 competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable attorney and
1097 legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money
1098 Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller) containing the
1099 case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money Holder's notice to the
1100 parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In the event Earnest
1101

1101 Money Holder does receive a copy of the Lawsuit and has not interpled the monies at the time of any Order,
1102 Earnest Money Holder must disburse the Earnest Money pursuant to the Order of the Court. The parties
1103 reaffirm the obligation of § 22 (Mediation). This Section will survive cancellation or termination of this Contract.
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1106 **24. TERMINATION.**

1107 **24.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to
1108 Terminate), the termination is effective upon the other party’s receipt of a written notice to terminate (Notice to
1109 Terminate), provided such written notice was received on or before the applicable deadline specified in this
1110 Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the Right
1111 to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right to
1112 Terminate under such provision. Any Notice to Terminate delivered after the applicable deadline specified in
1113 the Contract is ineffective and does not terminate this Contract.
1114

1115 **24.2. Effect of Termination.** In the event this Contract is terminated, all Earnest Money received
1116 hereunder must be timely returned to Buyer and the parties are then relieved of all obligations hereunder,
1117 subject to §§ 10.4. and 21.
1118

1119 **25. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and
1120 specified addenda, constitute the entire agreement between the parties relating to the subject hereof and any
1121 prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this
1122 Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or
1123 enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by
1124 its terms, exists or is intended to be performed after termination or Closing survives the same. Any successor
1125 to a party receives the predecessor’s benefits and obligations of this Contract.
1126
1127

1128 **26. NOTICE, DELIVERY AND CHOICE OF LAW.**

1129 **26.1. Physical Delivery and Notice.** Any document or notice to Buyer or Seller must be in writing,
1130 except as provided in § 26.2. and is effective when physically received by such party, any individual named in
1131 this Contract to receive documents or notices for such party, Broker, or Brokerage Firm of Broker working with
1132 such party (except any notice or delivery after Closing must be received by the party, not Broker or Brokerage
1133 Firm).
1134

1135 **26.2. Electronic Notice.** As an alternative to physical delivery, any notice may be delivered in
1136 electronic form to Buyer or Seller, any individual named in this Contract to receive documents or notices for
1137 such party, Broker or Brokerage Firm of Broker working with such party (except any notice or delivery after
1138 Closing, cancellation or Termination must be received by the party, not Broker or Brokerage Firm) at the
1139 electronic address of the recipient by facsimile, email or n/a.

1140 **26.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email
1141 at the email address of the recipient, (2) a link or access to a website or server provided the recipient receives
1142 the information necessary to access the documents, or (3) facsimile at the facsimile number (Fax No.) of the
1143 recipient.
1144

1145 **26.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed
1146 in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign
1147 a contract in Colorado for real property located in Colorado.
1148

1149 **27. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing, by
1150 Buyer and Seller, as evidenced by their signatures below and the offering party receives notice of such
1151 acceptance pursuant to § 26 on or before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If
1152 accepted, this document will become a contract between Seller and Buyer. A copy of this Contract may be
1153 executed by each party, separately and when each party has executed a copy thereof, such copies taken
1154 together are deemed to be a full and complete contract between the parties.
1155

1156 **28. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith
1157 including, but not limited to, exercising the rights and obligations set forth in the provisions of **Financing**
1158 **Conditions and Obligations; Title Insurance, Record Title and Off-Record Title; New ILC, New Survey;**
1159

1160 and **Property Disclosure, Inspection, Indemnity, Insurability Due Diligence and Source of Water.**

1161
1162 **29. BUYER'S BROKERAGE FIRM COMPENSATION.** Buyer's brokerage firm's compensation will be paid,
1163 at Closing, as follows:

1164 **29.1.** n/a% of the Purchase Price or \$n/a by Seller. Buyer's brokerage firm is an intended third-
1165 party beneficiary under this provision only. The amount paid by Seller under this provision is in addition to any
1166 other amounts Seller is paying on behalf of Buyer elsewhere in this Contract.

1167 **29.2.** n/a% of the Purchase Price or \$n/a by Buyer pursuant to a separate agreement between
1168 Buyer and Buyer's brokerage firm. This amount may be modified between Buyer and Buyer's brokerage firm
1169 outside of this Contract.

1170 **29.3.** n/a% of the Purchase Price or \$n/a by a separate agreement between Buyer's brokerage firm
1171 and Seller's brokerage firm.
1172

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1174 **ADDITIONAL PROVISIONS AND ATTACHMENTS**
1175

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1177 **30. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the
1178 Colorado Real Estate Commission.)

1179 1. Survey work has been completed.

1180

1181 2. Buyers may elect to have title work done at their discretion and at their expense.
1182

1183

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1185 **31. OTHER DOCUMENTS.**

1186 **31.1. Documents Part of Contract.** The following documents are a part of this Contract:

1187 Boundary Survey Work.
1188

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1193 **31.2. Documents Not Part of Contract.** The following documents have been provided but are **not** a
1194 part of this Contract:

1195 n/a
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1202 **Signatures**
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Date: 9/5/2024

1210 Buyer: Town of Paonia

1211 By: Paige Smith
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Date: 9/5/2024

Buyer: **Town of Paonia**
By: Stefen Wynn



Date: 9/6/2024

Buyer: **Town of Paonia**
By: Samira Vetter

[NOTE: If this offer is being countered or rejected, do not sign this document.]



Seller: **Mount Lamborn Ranches**
By: Mark , Roeber

Address:
Phone: Fax:
Email Address:



Seller: **Mount Lamborn Ranches**
By: Steve , Cossler

Address:
Phone: Fax:
Email Address:

END OF CONTRACT TO BUY AND SELL REAL ESTATE

BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

A. Broker Working With Buyer

Broker Does **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Buyer as a **Buyer's Agent** **Transaction-Broker** in this transaction.

Customer. Broker has no brokerage relationship with Buyer. See § B for Broker's brokerage relationship with Seller.

Brokerage Firm's compensation or commission is to be paid as specified in §29 above.

This Broker's Acknowledgments and Compensation Disclosure is for disclosure purposes only and does NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be entered into separately and apart from this provision.

Brokerage Firm's Name: *Needlerock Mountain Realty*

Brokerage Firm's License #: *EC100006650*

Liz Heidrick

Date: *9/6/2024*

Broker's Name: *Liz Heidrick*

Broker's License #: *40041520*

Address: *380 HWY 92 Crawford, CO 81415*

Phone No.:

Fax No.:

Email Address: *liz.needlerock@gmail.com*

B. Broker Working with Seller

Broker Does **Does Not** (Clr) acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Seller as a **Seller's Agent** **Transaction-Broker** (Clr) in this transaction.

1334 **Customer.** Broker has no brokerage relationship with Seller. See § A for Broker's brokerage relationship
1335 with Buyer.

1336
1337 Brokerage Firm's compensation or commission is to be paid by **Seller** **Buyer** **Other**
1338 . (Clr)
1339

1340 This Broker's Acknowledgments and Compensation Disclosure is for disclosure purposes only and does NOT
1341 create any claim for compensation. Any agreement to pay compensation must be entered into separately and
1342 apart from this provision.
1343

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1346
1347 Brokerage Firm's Name:
1348 Brokerage Firm's License #:

1349
1350
1351
1352
1353 Broker's Signature _____ Date: _____
1354

1355 Broker's Name:
1356 Broker's License #:

1357
1358 Address: ,
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1360 Phone No.:
1361 Fax No.:
1362 Email Address:
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1366 **CBS4-8-24. CONTRACT TO BUY AND SELL REAL ESTATE (LAND)**

Public Safety Committee Report on OHV's in Town Limits
Trustee Hunter & Trustee Czech

The items discussed in our meeting that we as a committee would like to see included in the Ordinance:

- Revise 8-5-20 (a) (2) No off-highway vehicle which has only three wheels shall be allowed under this Article. Furthermore, any tracked vehicles under this Article shall have rubber tracks.
- Add to 8-5-20 (a) (5) No person shall operate an off-highway vehicle on a road, roadway, or alley of the Town while carrying any person or riding in any position that may interfere with the operation or control of an off-highway vehicle or the view of the operator.
- Add a section for Required Safety Equipment:
 - At least one lighted headlamp and tail lamp
 - Braking system
 - Muffler (96 db limit at idle) and spark arrester
 - DOT or SNELL certified helmet for minors
 - Eye protection (unless vehicle is a UTV with full windshield)
- Add a section similar to Town of Rangely 10.14.050 (1.) and Town of Meeker 10.5.105 (a) Notice of accident
- Add a section similar to Town of Rangely 10.14.051 and Town of Meeker 10.5.106 Limit of Liability