



TOWN OF PAONIA
TUESDAY, AUGUST 13, 2019
WORK SESSION 5:30PM
REGULAR TOWN BOARD MEETING AGENDA
6:30 PM

Work Session Roll Call

[Roll](#) Call

[Work](#) Session - 2018 Audit Detail Discussion

Roll Call

Approval of Agenda

[Agenda](#) Approval

Announcements

[Announcements](#)

Recognition of Visitors & Guests

- [1.](#) 2018 Audit Presentation
- [2.](#) Senator Bennet Staff Representative – Alyssa Logan
- [3.](#) Visitors & Guests

Consent Agenda

- [4.](#) Minutes: July 9, 2019
Minutes: July 15, 2019 – Special Meeting
Minutes: July 23, 2019
Minutes: July 30, 2019 – Special Meeting
Minutes: August 1, 2019 – Special Meeting
The Cirque Cyclery dba Remedy – Liquor License Renewal and Modification of Premise

Mayor's Report

- [5.](#) Mayor's Report

Staff Reports

Town Clerk's Report

- [6.](#) Clerk's Report

Public Works Report

- [7.](#) Public Works
- [8.](#) Trash Truck Acquisition

Police Department Report

- [9.](#) Police Report

Town Treasurer Report

- [10.](#) Treasurer's Report

Disbursements

- [11.](#) Disbursements
- [12.](#) Basics of Budget Process

Unfinished Business

- [13.](#) Public Hearing: Stahl Addition - **(Petitioner has requested the matter be continued)**
- [14.](#) Atlasta Solar Center – Electric Car Charge Station Lease
- [15.](#) Western Slope Conservation Center – Letter of Support – Community Conservation Proposal
- [16.](#) Ordinance 2019-05 Business Registration
- [17.](#) Ordinance 2019-06 Amending Home Occupation Process

New Business

- [18.](#) Ordinance 2019-TBD – Formula Businesses
- [19.](#) Ordinance 2019-TBD – Creation of the Highway 133 Corridor Overlay District & Highway 133 Corridor Development Submittal Requirements & Design Standards
- [20.](#) Resolution 2019-13 – Stahl Addition Finding of Fact - **(Petitioner has requested the matter be continued)**
- [21.](#) Ordinance 2019TBD – Stahl Addition Approval of Annexation - **(Petitioner has requested the matter be continued)**
- [22.](#) Ordinance 2019-TBD – Stahl Addition Zoning - **(Petitioner has requested the matter be continued)**
- [23.](#) VISTA Intern Supervisor Designation
- [24.](#) North Fork Valley Creative Coalition – Memorandum of Understanding - Signage
- [25.](#) Colorado Oil & Gas Conservation Commission- Town Designee
- [26.](#) Discussion Regarding Hiring of Interim/Permanent Town Administrator

Committee Reports

- [27.](#) Finance & Personnel
- [28.](#) Public Works-Utilities-Facilities
- [29.](#) Governmental Affairs & Public Safety
- [30.](#) Space 2 Create
- [31.](#) Tree Board

Adjournment

- [32.](#) Adjournment

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.

AGENDA SUMMARY FORM

	Roll Call		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

AGENDA SUMMARY FORM



Work Session - 2018 Audit Detail Discussion

Summary:

Chadwick Steinkirchner Davis will be present to provide the details of the 2018 Town Audit.

Notes:

Possible Motions:

Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

TOWN OF PAONIA, COLORADO

FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2018

TABLE OF CONTENTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS..... 1

MANAGEMENT’S DISCUSSION AND ANALYSIS..... 3

BASIC FINANCIAL STATEMENTS

 Government-wide Financial Statements

 Statement of Net Position 9

 Statement of Activities..... 10

 Fund Financial Statements

 Balance Sheet – Governmental Funds..... 11

 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of
 Net Position..... 12

 Statement of Revenues, Expenditures and Changes in Fund Balances –
 Governmental Funds..... 13

 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
 Balance – Governmental Funds – to the Statement of Activities 14

 Statement of Net Position – Proprietary Funds..... 15

 Statement of Revenues, Expenses and Changes in Fund Net Position –
 Proprietary Funds..... 16

 Statement of Cash Flows – Proprietary Funds..... 17

 Notes to the Financial Statements..... 19

REQUIRED SUPPLEMENTARY INFORMATION

 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual – General Fund..... 44

 Schedule of Town’s Proportionate Share of the Net Pension Asset (Liability)
 FPPA Statewide Defined Benefit Plan..... 47

 Schedule of Town’s Contributions to the Pension Plan – FPPA Statewide
 Defined Benefit Plan..... 48

 Notes to Required Supplementary Information..... 49

OTHER SUPPLEMENTARY INFORMATION

 Combining Balance Sheet – Nonmajor Governmental Funds..... 50

 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds..... 51

 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and
 Actual – Sales Tax Capital Improvement Fund..... 52

 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and
 Actual – Space to Create Fund..... 53

 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and
 Actual – Sidewalk Fund..... 54

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Conservation Trust Fund.....	55
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Street Capital Improvement Fund.....	56
Schedule of Revenues, Expenditures and Changes in Net Position – Budget and Actual – Water Fund.....	57
Schedule of Revenues, Expenditures and Changes in Net Position – Budget and Actual – Sewer Fund.....	58
Schedule of Revenues, Expenditures and Changes in Net Position – Budget and Actual – Trash Fund.....	59
Annual Highway Finance Report.....	60
Other Supplementary Information (Unaudited)	
Old Pension Plan.....	65



INDEPENDENT AUDITOR'S REPORT

August 8, 2019

To the Board of Trustees
Town of Paonia, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Paonia, Colorado, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Paonia, Colorado, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the



Board of Trustees
Town of Paonia, Colorado

year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3–8 and 44–49 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 required supplementary 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 of Paonia, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements, the budget to actual schedules for the non-major governmental funds and the proprietary funds, and the Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the budget to actual schedules for the non-major governmental funds and the proprietary funds, and the Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 such 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Old Pension Plan information on page 62 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Chadwick, Steinkirchner, Davis & Co., P.C.

Chadwick, Steinkirchner, Davis & Co., P.C.

TOWN OF PAONIA, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For The Year Ended December 31, 2018

As management of the Town of Paonia, we offer readers of the Town of Paonia Financial Statements this narrative overview and analysis of the financial activities and performance of the Town of Paonia for Fiscal Year ended December 31, 2018.

INTRODUCTION

The Town operates under a Mayor - Town Board form of government with a contract Town Administrator. The Town Board provides strategic leadership, goal setting and policy-making authority, and employs the Town Administrator who is responsible for the day-to-day management, financial and technical support to ensure equitable, efficient and effective implementation of government services to our citizens.

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).

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

HIGHLIGHTS AND NOTABLE FINANCIAL STATEMENT COMPARISONS OF FY'2017 TO FY'2018:

1. Change in cash position has decreased from 2017 to 2018 for Governmental Activities, Business-Type Activities for a total of \$2,227,359; with a total decrease of \$260,977.
2. Change in net assets has decreased from 2017 to 2018 for Governmental Activities, Business-Type Activities for a total of \$13,809,774; with a total increase of \$72,771.
3. Long-Term Liabilities for Governmental Activities, Business-Type Activities decreased by \$284,233.
4. Governmental Funds Tax revenue increased from 2017 to 2018 totaling \$669,294; with a total increase of \$91,949.
5. Governmental Funds Intergovernmental revenue decreased from 2017 to 2018 by \$212,682.
6. Governmental Funds Other revenue increased from 2017 to 2018 by \$6,133.
7. Governmental Funds Expenditures increased by \$219,087.
8. Governmental Funds Fund Balance increased by \$55,973.
9. Enterprise Funds revenue decreased from 2017 to 2018 by a total of \$541,047. In 2017 the Town sold sewer property totaling \$502,516.
10. Enterprise Funds expenditures increased from 2017 to 2018 by a total of \$131,020.
11. Enterprise Funds Change In Net Position increased in 2018 by \$98,246.

For the Fiscal Year Adopted 2018 Budget, the Town Board for the Town of Paonia focused on one major project which is highlighted as follows:

COMPLETION OF THE WATER PROJECT:

The water project began in 2014, with expected completion by October 2018. \$500,000 was set aside in the 2014 Grant/Project Budget as matching funds. This project has been funded by a DOLA (Department of Local Affairs) EIAF grant of \$1,000,000; Colorado Water Power Development Authority (CWPDA) principal forgiveness grant of \$847,920; a DWSRF (Drinking Water State Revolving Fund) loan with a 2.08% rate of \$3,000,000; the Gunnison Basin Round Table grant of \$75,000; and a Colorado Water Conservation Board (CWCB) grant of \$310,000. Project total: \$5,732,920.

OVERVIEW OF THE FISCAL YEAR 2018 FINANCIAL STATEMENTS

By way of introduction and definition to the Town of Paonia's basic financial statements, the Town's financial statements are comprised of three components:

1. Governmental Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements

This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The *Government-wide Financial Statements* are designed to provide readers with a broad overview of the Town of Paonia finances in a manner similar to a private-sector business.

The "*Statement of Net Position*" presents information on all of the Town of Paonia assets and liabilities, with the difference between the two reported as *net assets*. Over time increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Town of Paonia is improving or deteriorating.

The "*Statement of Activities*" presents information showing how the government's net assets changed during the most recent Fiscal Year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Both of the government-wide financial statements distinguish functions of the Town of Paonia that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*enterprise business-type activities*).

The Governmental-wide Financial Statement include only the Town of Paonia itself (known as the primary government) as there are **no component units** of the Town.

The Governmental Funds of the Town of Paonia include the:

1. **General Fund:** The General Fund is the Town's major operating fund. All revenues, by law or administrative control, that are not in otherwise designated funds are deposited in the General Fund.

The General Fund is used to provide for Administration, Building Permits, Public Safety, Streets, and Parks and Recreation services. The primary sources of revenues for the General Fund are 1. Sales taxes (Town and Delta County), 2. Property taxes, 3. Franchise Taxes and 4. Intergovernmental revenues specifically Highway Users Tax.

2. **Conservation Trust Fund:** The Conservation Trust Fund is used to account for monies received by the Town from the State of Colorado lottery proceeds. These funds are restricted for use in the acquisition, development and maintenance of new park and conservation sites or for capital improvements and maintenance of any existing public site for recreational purposes.
3. **Sales Tax Capital Improvement Fund:** The Sales Tax Capital Improvement Fund is funded by 1% of the 3% Town Sales Tax and used to account for capital projects and purchases.
4. **Street Capital Improvement Fund:** The Street Capital Improvement fund was added in 2018 and is funded by an 3% impact fees paid by the Water, Sewer and Trash Funds and is to be used for capital improvements (reconstruction and paving) to the roads.
5. **Bridge Fund:** The Bridge Fund is deferred revenue which was received from Delta County in January 2010 for the total of \$800,000 which by contract is amortized at \$40,000/year.
6. **Sidewalk Fund:** The Sidewalk Fund is funded by a \$3.00 fee assessed monthly on in-Town properties only through our current utility billing to be used to repair and replace existing sidewalks.
7. **Space-to-Create Fund:** In 2017, the Town received a grant from the Boettcher Foundation of \$35,000 to begin Space-to-Create project. Space-to-Create will advance a feasibility analysis of creative sector workforce space in the Town of Paonia. The initiative began with a preliminary feasibility study and community engagement work, followed by an arts market survey. In addition in 2018, the Town received a \$25,000 REDI Grant from DOLA for the feasibility study, a \$17,500 DOLA Grant for the Market Survey, a \$50,000 Grant from Colorado Creative Industries (CCI) for the ongoing development of the Space-to-Create project and a \$915.00 contribution from the public.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

Governmental Funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the Fiscal Year. Such information may be useful in evaluating a government's near-term financing requirements.

In particular, **Unassigned Fund Balance** may serve as a useful measure of a government's net resources available for spending at the end of the Fiscal Year.

Governmental fund statements are presented separately for revenue, expenditures, and changes in fund balances for the General Fund, Sales Tax Capital Improvement Fund, Conservation Trust Fund, Grant Project Fund and the Sidewalk Fund. The General Fund and Sales Tax Capital Improvement Fund are considered major funds of the Town.

Individual fund data for each of these five major governmental funds are provided in the form of “**Combining Statements**” elsewhere in this report.

It is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

The Enterprise Funds (business-type activities) of the Town of Paonia include the:

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

1. **Grant Project Fund:** The Grant Project Fund is funded by refundable grants designated to specific projects plus Town matching funds. This fund is a “pass through fund” specifically for the tracking of grants awarded. This fund is combined with the water fund as a sub-fund in the current year.

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

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

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

Notes to the Financial Statements provide additional information that is essential for a full

understanding of the data provided in the government-wide and fund financial statements.

Other informationa: is in addition to the basic financial statements and accompanying notes. This report also presents certain "Required Supplementary Information" concerning the Town of Paonia' budgetary comparison schedules.

FINANCIAL ANALYSIS FOR THE TOWN OF PAONIA AS A WHOLE

As noted earlier, the Town of Paonia uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The 2018 Fund Balances are as follows:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund	339,210	202,764	178,787	94,900
Sales Tax Capital Improvement Fund	296,990	354,942	338,969	270,325
Conservation Trust Fund	0	18,905	14,941	10,902
Sidewalk Fund	3,659	18,498	888	17,798
Street Capital Improvement Fund	19,416	0	0	0
Space To Create Fund	29,219	37,410	0	0
Governmental Funds	688,494	632,519	533,585	1,175,020

The General Fund is the chief operating fund to the Town of Paonia. At the end of FY'2018, **Unassigned Fund Balance** of the General Fund was \$151,636, while Total 2018 Year-End Fund Balance for the General Fund \$339,210.

Available Resources of the Enterprise Funds at the end of the Fiscal Year 2018 is as follows:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Water Fund	(43,045)	1,203,996	819,179	686,079
Sewer Fund	1,142,622	1,197,022	558,874	586,975
Trash Fund	248,637			

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets are the Town of Paonia investments in capital assets for its governmental and business-type activities as of December 31, 2018, which for this fiscal year amounts to \$15,791,552 (Net of Accumulated Depreciation). This investment in capital assets includes land, buildings, construction in progress, improvements other than buildings, infrastructure, and equipment.

Major capital asset events during Fiscal Year 2018 included the improvements and upgrades to the Town's Water System in response to the State of Colorado Department of Public Health Drinking Water Enforcement Order. As well as a new lining for the Clock Water Plant (1MG) storage tank due to a deficiency found during the State's Sanitary Survey.

Long-Term Debt includes the Sewer Plant, the 1MG Water Plant and the 2MG Water Plant and the improvements to the Distribution System. The Town's total bond and other indebtedness as of December 31, 2018 was \$4,325,899. The Town of Paonia has no General Obligation debt.

ECONOMIC FACTORS AND RATES

The Town of Paonia and Delta County are primarily agricultural based economies. Formerly mining was the major industry before the Federal government shifted contracts to other coal providers resulting in the closing of several mining operations and layoffs of workers in the region. Given the still uncertain economic environment, the Town of Paonia Fiscal Year 2018 Budget maintains operating expenditures in line (balanced, not exceeding) with sources of revenues by re-evaluating services, reducing costs, specifically personnel related costs, and performing modest capital improvements such as the sidewalk construction project by utilizing funds maintained in reserve.

The Town increased water rates in February 2017 by 2% per base unit and sewer rates in May 2017 \$3.00 per base unit in order for the funds to remain financially solvent. Solid Waste (Trash) rates were increased \$1.00 per base unit in 2018.

There are no other known facts, decisions or conditions that are expected to have an effect of the Town's financial position or results of operations such as rate increase, increases in service areas, etc.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Paonia's finances for all those with an interest in the Town government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to Finance Officer, Cindy Jones, Town of Paonia, 214 Grand Avenue, PO Box 460, Paonia, CO 81428 and Telephone: (970) 527-4101.

Respectfully Presented By:

Kenneth D Knight, Town Administrator
Ross King, Town Treasurer
Cindy Jones, Finance Officer

Town of Paonia, Colorado

STATEMENT OF NET POSITION

December 31, 2018

	Governmental Activities	Business- Type Activities	Total
Assets			
Pooled cash and investments	\$ 588,504	\$ 736,694	\$ 1,325,198
Restricted cash and investments (Notes 5 and 10)	600,832	617,870	1,218,702
Property taxes receivable	100,478	-	100,478
Accounts receivable, net	21,147	131,421	152,568
Grants receivable	-	249,481	249,481
Due from other governments	42,849	-	42,849
Inventories	-	137,420	137,420
FPPA net pension asset (Note 8)	26,228	-	26,228
Capital assets (Note 12)			
Nondepreciable	246,481	834,157	1,080,638
Depreciable, net of accumulated depreciation	2,860,495	11,850,419	14,710,914
Total Assets	<u>4,487,013</u>	<u>14,557,462</u>	<u>19,044,475</u>
Deferred outflows of resources			
FPPA pension (Note 8)	62,224	-	62,224
Liabilities			
Overdrawn pooled cash and investments	-	316,541	316,541
Accounts payable	13,255	9,295	22,550
Accrued payroll liabilities	24,508	-	24,508
Accrued interest payable	-	19,846	19,846
Unearned other revenue	530,000	-	530,000
Noncurrent liabilities:			
Due within one year (Note 6)	20,982	178,990	199,972
Due in more than one year (Note 6)	-	4,146,909	4,146,909
Total Liabilities	<u>588,745</u>	<u>4,671,581</u>	<u>5,260,326</u>
Deferred inflows of resources			
FPPA pension (Note 8)	11,267	-	11,267
Deferred property tax revenue	100,478	-	100,478
Total Deferred Inflows of Resources	<u>111,745</u>	<u>-</u>	<u>111,745</u>
Net position			
Net investment in capital assets	3,106,976	8,358,677	11,465,653
Restricted for:			
Emergencies (Note 3)	29,500	-	29,500
Airport capital improvements (Note 11)	37,242	-	37,242
Water utility maintenance (Note 6)	-	208,080	208,080
Debt service (Notes 6 and 10)	-	617,870	617,870
Unrestricted	675,029	701,253	1,376,282
Total Net Position	<u>\$ 3,848,747</u>	<u>\$ 9,885,880</u>	<u>\$ 13,734,627</u>

Town of Paonia, Colorado

STATEMENT OF ACTIVITIES

Year Ended December 31, 2018

Function/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Government Activities							
General government	\$ 354,595	\$ 43,127	\$ -	\$ -	\$ (311,468)	\$ -	\$ (311,468)
Public safety	266,975	28,137	3,273	-	(235,565)	-	(235,565)
Public works	107,720	30,434	46,407	-	(30,879)	-	(30,879)
Culture and recreation	106,174	-	18,989	51,374	(35,811)	-	(35,811)
Total government activities	835,464	101,698	68,669	51,374	(613,723)	-	(613,723)
Business-type Activities							
Water operations	1,226,804	908,632	-	-	-	(318,172)	(318,172)
Sewer operations	513,620	463,911	-	64,703	-	14,994	14,994
Trash	165,495	211,898	-	-	-	46,403	46,403
Total business-type activities	1,905,919	1,584,441	-	64,703	-	(256,775)	(256,775)
Total primary government	\$ 2,741,383	\$ 1,686,139	\$ 68,669	\$ 116,077	(613,723)	(256,775)	(870,498)
			General Revenues:				
					99,936	-	99,936
					17,793	-	17,793
					531,347	-	531,347
					58,897	-	58,897
					30,486	-	30,486
					7,094	-	7,094
					6,002	-	6,002
					16,429	12,776	29,205
					(409)	15,000	14,591
					45,810	(45,810)	-
					813,385	(18,034)	795,351
					199,662	(274,809)	(75,147)
					3,631,512	10,160,689	13,792,201
					17,573	-	17,573
					3,649,085	10,160,689	13,809,774
					\$ 3,848,747	\$ 9,885,880	\$ 13,734,627

Town of Paonia, Colorado

BALANCE SHEET- GOVERNMENTAL FUNDS

December 31, 2018

	General Fund	Sales Tax Capital Improvement Fund	Total Nonmajor Funds	Total
Assets				
Pooled cash and investments	\$ 174,145	\$ 278,091	\$ 136,268	\$ 588,504
Restricted cash and investments	600,832	-	-	600,832
Taxes receivable	100,478	-	-	100,478
Due from other governments	26,042	10,099	6,708	42,849
Due from other funds	43,390	8,800	-	52,190
Accounts receivable	18,438	-	2,709	21,147
Total assets	963,325	296,990	145,685	1,406,000
Liabilities				
Accounts payable	13,255	-	-	13,255
Accrued payroll liabilities	24,508	-	-	24,508
Due to other funds	8,800	-	43,391	52,191
Unearned revenue bridge agreement	480,000	-	50,000	530,000
Total liabilities	526,563	-	93,391	619,954
Deferred Inflows of Resources				
Deferred property taxes	100,478	-	-	100,478
Fund Balance				
Restricted				
Reserve for emergencies	29,500	-	-	29,500
Airport capital improvements	37,242	-	-	37,242
Committed				
Bridge reserve	120,832	-	-	120,832
Capital acquisition	-	296,990	-	296,990
Sidewalk improvement	-	-	3,659	3,659
Street improvement	-	-	19,416	19,416
Space to create	-	-	29,219	29,219
Unassigned	148,710	-	-	148,710
Total fund balance	\$ 336,284	\$ 296,990	\$ 52,294	\$ 685,568

Town of Paonia, Colorado

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

December 31, 2018

Amounts reported for governmental activities on the statement of net assets are different because:

Total fund balance - governmental funds	\$ 685,568
Capital assets used in governmental activities are no current financial resources and therefore, are not reported in the funds	
Governmental capital assets	\$ 4,948,049
Less: Accumulated depreciation	<u>(1,841,073)</u>
	3,106,976
Net pension assets are not current assets available to cover current year expenditures and, therefore, are not reported as assets in the governmental funds.	26,228
Deferred outflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. Deferred outflows of resources are related to the difference between expected and actual experience, changes of assumptions and the difference between contributions and proportionate share of contributions to the plan.	62,224
Deferred inflows of resources related to pensions are applicable in future periods and, therefore, are not reported in the funds. Deferred inflows of resources are related to the difference between expected and actual experience, the difference between projected and actual earnings on pension plan investments and change in proportionate share of total contributions to the plan.	(11,267)
Long-term liabilities that pertain to governmental funds are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities, both current and long-term are reported in the statement of net position. Balance at year-end are:	
Compensated absences	<u>(20,982)</u>
	<u>(20,982)</u>
Total governmental activities net assets	<u><u>\$ 3,848,747</u></u>

Town of Paonia, Colorado

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

Year Ended December 31, 2018

	General Fund	Sales Tax Capital Improvement Fund	Nonmajor Fund	Total
Revenues				
Taxes	\$ 503,337	\$ 144,323	\$ 21,634	\$ 669,294
Fees and fines	23,283	-	30,435	53,718
Licenses and permits	39,280	-	-	39,280
Intergovernmental	91,295	-	31,708	123,003
Interest income	16,331	-	-	16,331
Miscellaneous	79,433	7,650	1,016	88,099
Total revenues	752,959	151,973	84,793	989,725
Expenditures				
Current				
General government	213,351	-	40,899	254,250
Public safety	277,875	-	-	277,875
Public works	76,913	-	2,777	79,690
Culture and recreation	61,375	-	27,492	88,867
Capital outlay	7,498	209,925	81,956	299,379
Total expenditures	637,012	209,925	153,124	1,000,061
Revenues in excess (deficiency) of expenditures	115,947	(57,952)	(68,331)	(10,336)
Other financing sources (uses)				
Transfers in	-	-	45,810	45,810
Total other financing sources (uses)	-	-	45,810	45,810
Revenues and other sources in excess (deficiency) of expenditures and other (uses)	115,947	(57,952)	(22,521)	35,474
Fund balance, beginning	202,764	354,942	74,812	632,518
Prior period adjustment	17,573	-	-	17,573
Fund balance, restated	220,337	354,942	74,812	650,091
Fund balance, ending	\$ 336,284	\$ 296,990	\$ 52,291	\$ 685,565

Town of Paonia

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES

December 31, 2018

Amounts reported for governmental activities on the statement of net assets are different because:

Net change in fund balances - total governmental funds \$ 35,474

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital assets current additions	\$ 291,408	
Depreciation expense	<u>(155,226)</u>	
Excess of capital outlay over depreciation		136,182

This is the effect of asset disposals on the government-wide statements no recognized in the funds. (409)

Pension benefits reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in government funds. This is the change in net pension liability. 4,727

Payments of principle on capital leases are reported as expenditures in the governmental funds when actually paid. However, on the government - wide statement of net position, principle payments are recorded as a decrease in liability, and there is no effect on the statement of activities. 27,097

Payments of compensated absences are reported as expenditures in the governmental funds when actually paid. However, on the government-wide statement of activities compensated absences are expensed as they are accrued. Changes in the compensated absences liability are a reconciling item. (3,409)

Changes in Net Position of Governmental Funds \$ 199,662

Town of Paonia, Colorado

STATEMENT OF NET POSITION
ENTERPRISE FUNDS

December 31, 2018

	Water	Sewer	Trash	Total
Assets				
Current Assets				
Pooled cash and investments	\$ -	\$ 504,041	\$ 232,653	\$ 736,694
Restricted cash and investments	-	617,870	-	617,870
Accounts receivable, net	72,479	39,788	19,154	131,421
Grants receivable	239,603	9,878	-	249,481
Inventories	132,180	5,240	-	137,420
Total current assets	444,262	1,176,817	251,807	1,872,886
Capital Assets				
Land and improvements	269,777	564,380	-	834,157
Utility system	11,530,106	5,105,840	-	16,635,946
Equipment and furniture	187,506	99,060	112,558	399,124
Less accumulated depreciation	(3,530,141)	(1,541,952)	(112,558)	(5,184,651)
Net capital assets	8,457,248	4,227,328	-	12,684,576
Total Assets	8,901,510	5,404,145	251,807	14,557,462
Liabilities				
Current Liabilities				
Due to pooled cash	316,541	-	-	316,541
Accounts payable	2,368	3,757	3,170	9,295
Accrued interest payable	19,846	-	-	19,846
Current portion of long-term debt	148,544	30,446	-	178,990
Total current liabilities	487,299	34,203	3,170	524,672
Long-term Liabilities				
Compensated absences	-	-	-	-
Notes payable	2,556,338	1,590,571	-	4,146,909
Total long-term liabilities	2,556,338	1,590,571	-	4,146,909
Total liabilities	3,043,637	1,624,774	3,170	4,671,581
Net Position				
Net investment in capital assets	5,752,366	2,606,311	-	8,358,677
Restricted for debt service	-	617,870	-	617,870
Restricted for water maintenance	208,080	-	-	208,080
Unrestricted	(102,574)	555,190	248,637	701,253
Total net position	\$ 5,857,872	\$ 3,779,371	\$ 248,637	\$ 9,885,880

Town of Paonia, Colorado

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS

Year Ended December 31, 2018

	Water	Sewer	Trash	Total
Operating Revenues				
Charges for services	\$ 908,632	\$ 463,911	\$ 211,898	\$ 1,584,441
Total operating revenues	908,632	463,911	211,898	1,584,441
Operating Expenses				
Personnel expenses	320,915	132,434	95,679	549,028
Contractual services	-	-	33,624	33,624
Professional fees	34,339	68,057	10,065	112,461
Utilities	24,507	37,821	3,033	65,361
Repairs and maintenance	439,060	32,297	12,554	483,911
Other supplies and expense	41,383	62,235	6,348	109,966
Insurance claims and expense	19,017	6,901	4,192	30,110
Depreciation	297,926	102,115	-	400,041
Total operating expenses	1,177,147	441,860	165,495	1,784,502
Net income (loss) from operations	(268,515)	22,051	46,403	(200,061)
Nonoperating Revenues (Expenses)				
Grants	54,825	9,878	-	64,703
Interest income	-	12,776	-	12,776
Interest expense	(49,657)	(71,760)	-	(121,417)
Total non-operating revenues (expenses)	5,168	(49,106)	-	(43,938)
Net income (loss) before capital contributions and transfers	(263,347)	(27,055)	46,403	(243,999)
Capital contributions - tap fees	-	15,000	-	15,000
Capital contributions	-	-	-	-
Transfers(out)	(25,587)	(13,919)	(6,304)	(45,810)
Change in net position	(288,934)	(25,974)	40,099	(274,809)
Net position, beginning	6,146,806	3,805,345	208,538	10,160,689
Net position, ending	<u>\$ 5,857,872</u>	<u>\$ 3,779,371</u>	<u>\$ 248,637</u>	<u>\$ 9,885,880</u>

Town of Paonia, Colorado

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS

Year Ended December 31, 2018

	Water	Sewer	Trash	Total
Cash flows from operating activities:				
Charges for sales and services	\$ 901,248	\$ 454,524	\$ 210,901	\$ 1,566,673
Payments to employees	(320,914)	(132,434)	(95,679)	(549,027)
Payments to suppliers	(255,826)	(214,326)	(69,836)	(539,988)
Net cash provided by operating activities	324,508	107,764	45,386	477,658
Cash flows from non-capital financing activities:				
Due (to) from other funds	244,211	-	-	244,211
Transfers from (to) other funds	(25,587)	(13,919)	(6,304)	(45,810)
Net cash provided (used) by non-capital financing activities	218,624	(13,919)	(6,304)	198,401
Cash flows from capital and related financing activities				
Grant revenues	8,739	9,878	-	18,617
Acquisition of capital assets	(876,864)	-	-	(876,864)
Principal paid on loans and leases	(254,992)	(29,241)	-	(284,233)
Interest expense	(49,506)	(74,134)	-	(123,640)
Proceeds from tap fees	-	15,000	-	15,000
Net cash provided (used) by capital and related financing activities	(1,172,623)	(78,497)	-	(1,251,120)
Cash flows from investing activities				
Investment income	-	12,776	-	12,776
Net cash provided (used) by investing activities	-	12,776	-	12,776
Net increase (decrease) in cash and cash equivalents	(629,491)	28,124	39,082	(562,285)
Cash at beginning of year	629,491	1,093,787	193,571	1,916,849
Cash at end of year	\$ -	\$ 1,121,911	\$ 232,653	\$ 1,354,564

The accompanying notes are an integral part of this statement.

Town of Paonia, Colorado

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS

Year Ended December 31, 2018

	<u>Water</u>	<u>Sewer</u>	<u>Trash</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 104,540	\$ 22,051	\$ 46,403	\$ 172,994
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	297,926	102,115	-	400,041
(Increase) decrease in accounts receivable	(7,384)	(9,387)	(997)	(17,768)
Increase (decrease) in accounts payable	(70,574)	(7,654)	(20)	(78,248)
Increase (decrease) in inventory	-	639	-	639
Total adjustments	<u>219,968</u>	<u>85,713</u>	<u>(1,017)</u>	<u>304,664</u>
Net cash provided by operating activities	<u>\$ 324,508</u>	<u>\$ 107,764</u>	<u>\$ 45,386</u>	<u>\$ 477,658</u>
Reconciliation of cash flow statement to statement of net position				
Cash	\$ -	\$ 504,041	\$ 232,653	\$ 736,694
Restricted cash and investments	-	617,870	-	617,870
	<u>\$ -</u>	<u>\$ 1,121,911</u>	<u>\$ 232,653</u>	<u>\$ 1,354,564</u>

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Paonia, Colorado (the Town), have been prepared in conformity with accounting principles generally accepted in the United States of America (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 Town's significant accounting policies are described below:

Financial Reporting Entity

The Town is a statutory municipality with a mayor – council form of government with six trustees and one separately elected mayor serving as elected Town Board of Trustees (the Town Board) members. The Town administrator is an appointed positions of the Town. As required by GAAP, these financial statements present the Town's (the primary government) financial position. The Town has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective government body.

Basis of Presentation

Government-wide 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 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, charges for services and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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 those 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.

Fund Financial Statements

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

- *The General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.
- *The Sales Tax Capital Improvement Fund*, which accounts for the Town's additional sales tax that is to be used for capital improvements

The following funds are considered nonmajor governmental funds:

- *The Conservation Trust Fund*, which accounts for State of Colorado lottery funds to be used for parks and recreation services and capital investment
- *The Street Capital Improvement Fund*, which accounts for funds committed by the Board of Trustees to be used or street construction from Highways Users tax and impact fees.
- *The Sidewalk Fund*, which accounts for the Town's sidewalk fees that are to be used for sidewalk repairs and maintenance
- *The Space to Create Fund*, which accounts for the Town's revenues that are to be used to fund a feasibility analysis of creative sector workforce space in the Town.

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:

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

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

Measurement Focus & Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. Revenues are recorded when earned, and expenses are recorded when a 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.

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For the Town, "available" means collected within 60 days of year end. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt, which is recognized when due, and compensated absences, which are recognized when the obligations are expected to be liquidated with expendable available resources.

Those revenues susceptible to accrual are interest revenue and charges for services. Entitlement revenues are not susceptible to accrual because, generally, they are not measurable until received. Grant revenues are recognized as expenditures are made.

Cash and Cash Equivalents

For purposes of the statement of cash flows of the enterprise funds, cash and cash equivalents consist of operating and restricted cash and highly liquid securities with an initial maturity of three months or less.

Fair Value Measurement

The Town adopted GASB Statement No. 72, Fair Value Measurement and Application, which generally requires state and local governments to measure assets and liabilities at fair value. GASB's goal is to enhance comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. This standard expands fair value disclosure to provide comprehensive information for financial statement users about the impact of fair value measurements on a government's financial position. The Town's investments consist of external investment pools and certificates of deposit.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market.

Capital Assets

Capital assets, which include property, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Capitalized assets are defined by the Town as assets that have a useful life of one or more years and for which the initial individual value equals or exceeds \$5,000.

All purchased assets are valued at cost where historical records are available and at estimated historical costs where no historical records exist. Donated assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Building and other improvements	25 - 40 years
Water and sewer systems	15 - 40 years
Furniture and equipment	5 - 10 years
Infrastructure	15 - 40 years

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets as their useful lives often extend beyond most other capital assets, and they are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year end, outstanding balances between funds are reported as “due to/from other funds.” Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Deferred Outflows/Inflows of Resources

Deferred Outflows of Resources

In addition to liabilities, the statement of financial position reports 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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred property tax revenue, which arises under both the full accrual (government-wide financial statement) and the modified accrual (fund financial statement) bases of accounting that qualified for reporting in this category. Accordingly, the deferred property taxes are reported in both the statement of net position and in the balance sheet of governmental funds. These future revenues are deferred and recognized as an inflow of resources in the period that the amounts become available (calendar year 2019).

Deferred Inflows of Resources

In addition to assets, the statement of net 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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

Long-Term Liabilities

In the government-wide financial statements and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or enterprise fund-type statement of net position. The long-term compensated absences are serviced from revenues of the General Fund from future appropriations.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets.

Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted. The Town applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Police Officers Pension Plan

Eligible police officers of the Town are provided with pensions through the Statewide Defined Benefit Plan (SWDBP), a cost-sharing multi-employer defined benefit pension plan administered by the Fire & Police Pension Association of Colorado (FPPA). For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension and pension expense, information about the fiduciary net position of the SWDBP plan and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by FPPA. 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.

Fund Balances

In the fund financial statements, governmental funds report the following classification of fund balance:

- Nonspendable Fund Balance: amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted Fund Balance: amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions or by enabling legislation;
- Committed Fund Balance: amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned Fund Balance: amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority (the Town Administrator has been given this authority by the governing body) and
- Unassigned Fund Balance: amounts that are available for any purpose; positive amounts are reported only in the General Fund.

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 the Town Council has provided otherwise in its commitment or assignment actions.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Property Tax

Property taxes for the current year are levied and attach as a lien on property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable and as deferred inflows of resources at December 31.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes a reconciliation between the total fund balances governmental funds and net position - governmental activities as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net change in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the governmental fund statements during the consolidation of governmental activities.

NOTE 3 – TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the Amendment), which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments, excluding "enterprises." The Town's voters on November 8, 1994 approved a ballot measure to permit the Town to collect, retain and expend the full proceeds of the Town's sales tax and nonfederal grants.

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the Amendment.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

The Amendment requires that an emergency reserve be maintained at 3% of fiscal year spending. A portion of the General Fund's fund balance is classified as restricted for emergencies as required by the Amendment. The amount restricted at December 31, 2018 was \$27,000.

NOTE 4 - BUDGETS

The Town adheres to the following procedures in establishing budgetary data reflected in the financial statements:

- By mid-August of each year, the Town Administrator, as the Budget Officer, gives public notice of the budget calendar for the next fiscal year. The Town Administrator asks that all Town departments, boards, commissions or citizens submit, within 30 days from the notice, any request for funds under the budget being prepared. The Town Administrator, with assistance from the Town Finance Officer, then prepares a proposed budget for the ensuing fiscal year and submits it to the Town Board no later than 45 days prior to any date required by state law for the certification to Delta County (the County) of the tax levy.
- The budget provides a complete financial plan of all Town funds and activities for the ensuing fiscal year indicating anticipated revenues, proposed operating and capital expenditures, a provision for contingencies and anticipated net surplus or deficit for the ensuing fiscal year.
- A public hearing on the proposed budget is held by the Town Board by no later than early December.
- The Town Board adopts the budget by resolution on or before the final day established by law for the certification of the ensuing year's tax levy to the County. Adoption of the budget by the Town Board shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.
- If, during the fiscal year, the Town Administrator and the Town Finance Officer determine that there are expenses in excess of those estimated in the budget, the Town Board by resolution may make supplemental appropriations for the year up to the amount of such excess. To meet an emergency affecting public property, health, peace or safety, the Town Board may make emergency appropriations. If, at any time during the fiscal year, it appears probable to the Town Administrator and Town Finance Officer that the revenues available will be insufficient to meet the amount appropriated, the Town Administrator reports to the Town Board, indicating the estimated amount of deficit, any remedial action already taken and a recommendation as to any other steps to be taken. At any time during the fiscal year, the Town Administrator, as Budget Officer, may transfer part or all of any unencumbered appropriation balance within a department.
- Budget appropriations lapse at the end of each year.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

- Expenditures may not exceed appropriations at the fund level. Budget amounts included in the financial statements are based on the final amended budget.
- Budgets for governmental funds are adopted on a basis consistent with GAAP, except for long-term receivables and advances and capital lease financing, which are budgeted when liquidated rather than when the receivable/liability is incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds.

NOTE 5 – DEPOSITS AND INVESTMENTS

Cash Deposits

The Town maintains a cash pool that is used by all of the Town's funds.

The composition of the Town's cash and investments is as follows:

Cash and investments	
Cash on hand	\$ 225
Cash with County Treasurer	1,785
Bank deposits	177,446
Certificates of deposit	1,001,796
Colotrust	<u>1,046,107</u>
Total	<u>\$ 2,227,359</u>
Cash and investments in the statement of net position	
Pooled cash and investments	\$ 1,325,198
Restricted cash and investments	1,218,702
Overdrawn pooled cash and investments	<u>(316,541)</u>
Total	<u>\$ 2,227,359</u>

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40.

At December 31, 2018, the bank balance of the Town's deposits was \$1,215,199, of which \$250,000 was covered by federal depository insurance and \$965,199 was collateralized under PDPA.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. Authorized investments include obligations of the United States and certain U.S. government agency securities, certain international agency securities, general obligation and revenue bonds of U.S. local government entities, bankers' acceptances of certain banks, commercial paper, local government investment pools, and written repurchase agreements collateralized by certain authorized securities, certain money market funds and guaranteed investment contracts. The Town's investment policy follows Colorado statutes.

Interest Rate Risk - The Town does not have a formal policy limiting investment maturities which would help manage its exposure to fair value losses from increasing interest rates other than the five-year policy established by state statute.

Credit Risk - Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Town's policy to limit its investments to U.S. Treasury obligations, certain U.S. government agencies securities, commercial paper, local government investment pools, repurchase agreements and money market funds.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town follows Colorado State Statutes for investing. The Town's investment policy does not specifically address this risk.

The Town's investment maturities at December 31, 2018 are as follows:

Investment by Type	Rating	Investment maturities		Total
		Less than One Year	One ot Five Year	
Certificates of Deposit	Unrated	\$ 1,001,796	\$ -	\$ 1,001,796
COLOTRUST		1,046,107	-	1,046,107
Total		\$ 2,047,903	\$ -	\$ 2,047,903

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

The Town invested \$1,046,107 in the Colorado Government Liquid Asset Trust (COLOTRUST). COLOTRUST is an investment vehicle established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The State Securities Commission administers and enforces all state statutes governing public investment pools. The investment is an external investment pool that reports at the fair value per share of the pool's underlying portfolio. The unit of account is each share held, and the value of the position is the fair value of the pool's share price multiplied by the number of shares held. For pricing and redeeming shares, COLOTRUST maintains a stable net asset value (NAV) of \$1 per share, which approximates fair value. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables and payables. All COLOTRUST investments are reported at NAV and do not have any unfunded commitments, redemption restrictions or redemption notice periods. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+, which are both rated AAAM by Standard & Poor's. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Financial statements and information about the pool for COLOTRUST may be obtained through its website at www.colotrust.com. COLOTRUST may, without the necessity of a formal meeting of their Board, temporarily suspend the right of redemption or postpone the date of payment for redeemed shares under certain specific conditions described in their trust indenture and during any financial emergency when it is not reasonably practicable because of substantial losses which might be incurred.

Certificates of deposits held by the Town are considered to have a Level 1 valuation within the fair value hierarchy required under GASB 72.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 6 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2018, was as follows:

	Balance January 1, 2018	Additions	Reductions	Balance December 31, 2018	Due Within One Year
Government-wide Activities					
Compensated absences	\$ 17,573	\$ 3,409	\$ -	\$ 20,982	\$ 20,982
Capital lease - equipment	27,097	-	27,097	-	-
Total	\$ 44,670	\$ 3,409	\$ 27,097	\$ 20,982	\$ 20,982
Business-type Activities					
RUS Loan	\$ 1,650,258	\$ -	\$ 29,240	\$ 1,621,018	\$ 30,446
Loan - WPA	2,595,971	-	133,887	2,462,084	127,807
Premium - WPA	20,991	-	1,211	19,780	1,211
Loan - CWRPDA	242,912	-	19,895	223,017	19,526
Line of Credit	100,000	-	100,000	-	-
Total	\$ 4,610,132	\$ -	\$ 284,233	\$ 4,325,899	\$ 178,990

RUS Loan Payable

The Town has an obligation to the U.S. Department of Agriculture's Rural Utilities Service (RUS), bearing interest at 4.375%. The bonds are payable in semi-annual installments of \$50,521, including interest, and are collateralized by the sewer system's pledged revenues through 2046, which is approximately \$3,250,000. Pledged revenues received amounted to \$101,042 during the year. The proportion of the pledged revenue to total sewer revenue is not estimable because annual total fees collected fluctuate. The purpose of the bonds was for construction improvements to the wastewater treatment plant and collection system. Principal and interest payments for the years following December 31, 2018 are as follows:

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 30,446	\$ 70,596	\$ 101,042
2020	31,793	69,249	101,042
2021	33,199	67,843	101,042
2022	34,668	66,374	101,042
2023	35,799	65,243	101,042
2024 - 2028	204,439	300,771	505,210
2029 - 2033	254,144	251,066	505,210
2034 - 2038	316,344	188,866	505,210
2039 - 2043	393,540	111,670	505,210
2044 - 2046	286,646	22,291	308,937
Total	<u>\$ 1,621,018</u>	<u>\$ 1,213,969</u>	<u>\$ 2,834,987</u>

This loan requires a debt service reserve. See Note 10 for more information on this requirement.

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 2018 were \$23,343. The proportion of the pledged revenue to total related revenues is not estimable because annual total fees collected fluctuate. The Town is required to provide rates and charges in order to maintain coverage of 110% of the debt service due on the governmental agency bond coming due in each calendar year.

As of December 31, 2018, the Town borrowed \$395,969, of which the Town has made principal payments of \$172,952. Principal and interest payments for the years following December 31, 2018 are as follows:

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

	Principal	Interest	Total
2019	\$ 19,526	\$ 3,818	\$ 23,344
2020	19,869	3,475	23,344
2021	20,218	3,125	23,343
2022	20,573	2,770	23,343
2023	20,935	2,408	23,343
2024 - 2028	110,326	6,391	116,717
2029	11,570	101	11,671
Total	<u>\$ 223,017</u>	<u>\$ 22,088</u>	<u>\$ 245,105</u>

WPA Loan

The Town has a Water Power Authority (WPA) loan agreement with CWRPDA for \$2,996,494 at 1.75% interest annually, with twice yearly payments ranging from about \$83,000 to \$91,000. The purpose of the loan is for improvements and the expansion of the existing water treatment facilities and distribution system. The Town pledged its net revenue from the operation of the water utility for repayment of the loan in the amount of approximately \$3,707,000 through 2035. Pledge revenues received during 2018 were \$181,184. 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.

The loan balance includes a premium of \$25,431, which will be amortized over the life of the loan on a straight-line basis. Yearly amortization will be \$1,211. The remaining premium balance is \$19,780 as of December 31, 2018.

The agreement states that the Town must maintain an operation and maintenance reserve in an amount equal to three months of operating expense, excluding depreciation of the water utility system, as set forth in the annual budget. At no time should the budget reserve be greater than \$1,250,000. As of December 31, 2018, the Town's budgeted reserve was \$208,080.

Principal and interest payments for the years following December 31, 2018 are as follows:

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

	Principal	Interest	Total
2019	\$ 127,807	\$ 19,100	\$ 146,907
2020	128,838	18,050	146,888
2021	129,870	17,000	146,870
2022	130,901	15,950	146,851
2023	132,275	14,900	147,175
2024 - 2028	685,440	58,750	744,190
2029 - 2033	780,806	31,000	811,806
2034 - 2035	346,147	3,850	349,997
Total	<u>\$ 2,462,084</u>	<u>\$ 178,600</u>	<u>\$ 2,640,684</u>

Line of Credit

The Town had a \$1,000,000 working-capital line of credit with an interest rate of 1.55% and a maturity date of July 2019. As of December 31, 2018, there was a \$0.00 outstanding balance on the line of credit.

NOTE 7 – LEASE AGREEMENTS

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

NOTE 8 – EMPLOYEE BENEFIT PLANS

Defined Contribution Pension Plan

The Town provides pension benefits for all its employees through a defined contribution plan through Mutual of Omaha. In May 2014, the Town changed its 401(b) plan through Dreyfus Company to a defined contribution 457(b) plan through Mutual of Omaha.

The Town contributes 5%, and there are no matching requirements for the employees. Total contributions in 2018, 2017 and 2016 were \$17,778, \$18,363, and \$17,339 respectively. The employees are 100% vested at all times and are eligible for the plan after the probation period.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

SWDBP for Police Officers

Plan Description

Eligible police officers of the Town are provided with pensions through the Statewide Defined Benefit Plan, a cost-sharing multi-employer defined benefit pension plan administered by FPPA. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits Provided

The Statewide Defined Benefit Plan (SWDB plan) provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2% of the average of the member's highest 3 years' base salary for each year of credited service up to 10 years, plus 2.5% 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 SWDB plan. Benefits paid to retired members are evaluated and may be predetermined 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% or the Consumer Price Index (CPI).

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% as interest, returned as a lump sum distribution. Alternatively, a member with at least 5 years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest 3 years' base salary for each year of credited service up to 10 years, plus 2.5% for each year of service thereafter.

Contributions

Contribution rates for the SWDB plan are established 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 SWDB plan and their employers are contributing at the rate of 9.5% and 8%, respectively, of base salary for a total contribution rate of 17.5% in 2017. In 2014, the members elected to increase the member contribution rate to SWDB plan beginning in 2015. Member contribution rates will increase 0.5% annually through 2022 to a total of 12% of base salary. Employer contributions will remain at 8%, resulting in a combined contribution rate of 20% in 2022.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Contributions from members and employers or departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 21.5% of base salary in 2017. It is a local decision as to whether the member or employer pays the additional 4% contribution. Per the 2014 member election, the reentry group could also have their required member contribution rate increase 0.5% annually beginning in 2015 through 2022, for a total combined member and employer contribution rate of 24% in 2022.

The contribution rate for members and employers of affiliated Social Security employers is 4.75% and 4%, respectively, of base salary for a total contribution rate of 8.75% in 2017. Per the 2014 member election, members of the affiliate Social Security group will have their required contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6% of base salary. Employer contributions will remain at 4% resulting in a combined contribution rate of 10% in 2022.

Employer contributions are recognized by SWDB plan in the period in which the compensation becomes payable to the member, and the Town is statutorily committed to pay the contributions to SWDB plan. Employer contributions recognized by SWDB plan from the Town were \$10,173 for the year ended December 31, 2018.

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

At December 31, 2018, the Town reported an asset of \$26,228 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018, which was unchanged from December 31, 2017. The Town's proportion of the net pension asset was based on Town contributions to the SWDB plan for the calendar year 2017 relative to the total contributions of participating employers to the SWDB plan.

At December 31, 2017, the Town's proportionate share was 0.00018%, which was an increase of 0.00002% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the Town recognized a reduction of pension expense of \$4,726. At December 31, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 18,914	\$ 291
Changes of assumptions	3,952	-
Net difference between projected and actual earning on pension plan investments	-	8,905
Change in proportion	29,185	2,071
Town contributions subsequent to the measurement date	10,173	-
Total	<u>\$ 62,224</u>	<u>\$ 11,267</u>

The SWDB plan reported \$10,173 as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as an increase in net pension asset in the year ended December 31, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Amounts Recognized in Pension Expense
2019	\$ 6,631
2020	6,225
2021	2,440
2023	1,037
2024	6,310
Thereafter	18,141
Total	<u>\$ 40,784</u>

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Actuarial Assumptions

The January 1, 2018 actuarial valuation used the following actuarial assumptions and other inputs:

	Total Pension Liability
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.50%
Projected Salary Increases	4.0% - 14.0%
Cost of Living Adjustments (COLA)	0.00%
*Includes inflation at	2.50%

Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except there is a three year set-forward, meaning a disabled member age 70 will be valued as if they were a 73 year old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

Changes in Assumptions

There were no changes in assumptions or benefit terms.

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 fund's target asset allocation as of December 31, 2017 are summarized in the following table:

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	37.00%	8.33%
Equity Long/Short	9.00%	7.15%
Illiquid Alternatives	24.00%	9.70%
Fixed Income	15.00%	3.00%
Absolute Return	9.00%	6.46%
Managed Futures	4.00%	6.85%
Cash	2.00%	2.26%
Total	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. 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 based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of the valuation, the expected rate of return on pension plan investments is 7.50%, the municipal bond rate is 3.31% (based on the weekly rate closest to but not later than the measurement date of the state and local bonds rate from Federal Reserve statistical release (H.15)) and the resulting single discount rate is 7.50%.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate.

Regarding the sensitivity of the net pension liability (asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability (asset) would be if it were calculated using a single discount rate that is one percent lower or one percent higher:

1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
\$ 28,554	\$ (26,228)	\$ (71,718)

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Pension Plan Fiduciary Net Position

Detailed information about SWDB plan's fiduciary net position is available in FPPA's comprehensive annual financial report, which can be obtained at <http://www.fppaco.org>.

Other Post-Employment Benefit Plan - Statewide Death and Disability Defined Benefit Plan

Plan Description

The Town's full-time police officers participate in FPPA's Statewide Death and Disability Plan (the Plan), a cost-sharing multiple-employer defined benefit plan. The plan was established in 1980 pursuant to Colorado Revised Statutes and can only be amended through such statutes. Contributions to the Plan are used solely for the payment of death and disability benefits.

Benefits

If a member dies prior to retirement, the surviving spouse is entitled to a benefit equal to 40% of the member's monthly base salary. Dependent children are also entitled to benefits according to an established scale. Benefit entitlement continues until death or remarriage of the spouse and death, marriage or other termination of dependency of children.

A member who becomes disabled prior to retirement shall be eligible for disability benefits. The benefit is 70% of base salary for cases of total disability and 50% for cases of occupational disability, reduced by the amount of certain other benefits received.

Benefits paid to members are evaluated and may be re-determined on October 1 of each year. Any increase in the level of benefits cannot exceed the lesser of the increase in the CPI or 3%.

Contributions

Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado statute. The state made a one-time contribution in 1997 of \$39,000,000 to fund the past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further state contributions are anticipated. Members hired on or after January 1, 1997 contribute a percentage of the payroll based on actuarial experience. This percentage was 8% for 2018, 8% for 2017 and 8% for 2016. The Town contributed \$3,460, \$8,531, and \$8,265 to the Plan during 2018, 2017 and 2016, respectively.

NOTE 9 – RISK MANAGEMENT

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.

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a public entity risk pool currently operating as a common risk management and insurance program for property/casualty and workers' compensation coverage. CIRSA is to be self-sustaining through member premiums and reinsures

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

through commercial companies for claims in excess of certain limits for each insured event. CIRSA members are subject to a supplemental assessment in the event of a deficiency. Claims have not exceeded coverage in the previous three years.

NOTE 10 – RESTRICTED CASH

The Town has restricted cash in the Sewer Fund of \$617,870 for the RDS loan. The RDS loan documents require that \$842 per each month be designated into restricted cash until the sum of \$101,040 is reached.

As of December 31, 2018, the Town has restricted cash in the governmental activities of \$600,000 related to the Samuel Wade Road and Bridge (the Bridge). In January 2010, the Town entered into an intergovernmental agreement with the County. The Town has agreed to accept ownership of the Bridge in "as is" condition in exchange for \$800,000 from the County to be used only for transportation-related expenditures. The Town, in exchange, shall be responsible to maintain this section of the Bridge. If at any point there is noncompliance with the agreement terms, the title of the Bridge will revert back to the County, and the Town will be responsible for return of the funds based on allocated use over the 20-year term of the agreement. The likelihood of noncompliance is considered remote.

NOTE 11 – COMMITMENTS

The Town has reserved monies received for out-of-town taps to be used for water storage facilities or studies.

In September 2009, the Town entered into an agreement with the County for the ownership, maintenance and management of the North Folk Valley Airport. Per the agreement, the Town owns 75% of the airport, and therefore, any future capital improvements will be 75% funded by the Town. The Town currently has one representative on the board and does not have control over the decisions of the board; accordingly, this arrangement does not constitute a joint venture or qualify for component unit reporting. The County assumes responsibility for the operations and maintenance of the airport. The agreement was amended in February 2014 to include how the proceeds from the wireless communication facility at the airport are to be divided. Per the agreement, any proceeds will be divided 75% to the Town and 25% to the County. The Town must hold its 75% share. As a reserve for the Town's contributions to future capital improvements. As of December 31, 2018, the Town has a reserve for airport capital improvements of \$37,242.

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 12 – CAPITAL ASSETS

	Balance January 1, 2018	Additions	Disposals	Transfers	Balance December 31, 2018
Governmental Activities					
Capital assets not being depreciated					
Land	\$ 246,481	\$ -	\$ -	\$ -	\$ 246,481
Construction in progress	-	-	-	-	-
Total Capital Assets, Not Being Depreciated	<u>246,481</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>246,481</u>
Capital assets being depreciated					
Buildings	619,704	71,288	-	-	690,992
Improvements, other than buildings	389,079	37,358	(1,645)	-	424,792
Infrastructure	2,702,930	88,669	-	-	2,791,599
Equipment	700,092	94,094	-	-	794,186
Total Capital Assets Being Depreciated	<u>4,411,805</u>	<u>291,409</u>	<u>(1,645)</u>	<u>-</u>	<u>4,701,569</u>
Less accumulated depreciation:					
Buildings	(329,205)	(15,455)	-	-	(344,660)
Improvements	(250,558)	(17,307)	1,234	-	(266,631)
Infrastructure	(566,143)	(74,817)	-	-	(640,960)
Equipment	(541,175)	(47,647)	-	-	(588,822)
Total Accumulated Depreciation	<u>(1,687,081)</u>	<u>(155,226)</u>	<u>1,234</u>	<u>-</u>	<u>(1,841,073)</u>
Capital assets depreciated, net	<u>2,724,724</u>	<u>136,183</u>	<u>(411)</u>	<u>-</u>	<u>2,860,496</u>
Total Governmental Activities Capital Assets	<u>\$ 2,971,205</u>	<u>\$ 136,183</u>	<u>\$ (411)</u>	<u>\$ -</u>	<u>\$ 3,106,977</u>

Town of Paonia, Colorado
NOTES TO FINANCIAL STATEMENTS

December 31, 2018

	Balance January 1, 2018	Additions	Disposals	Transfers	Balance December 31, 2018
Business-type Activities					
Capital assets not being depreciated					
Land and water rights	\$ 834,157	\$ -	\$ -	\$ -	\$ 834,157
Construction in progress	-	-	-	-	-
Total Capital Assets, Not Being Depreciated	<u>834,157</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>834,157</u>
Capital assets being depreciated					
Distributions system	3,513,953	478,491	-	-	3,992,444
Collection system	529,476	-	-	-	529,476
Vehicles and equipment	399,124	-	-	-	399,124
Treatment plant	12,087,626	26,400	-	-	12,114,026
Less: Accumulated depreciation	<u>(4,784,610)</u>	<u>(400,041)</u>	<u>-</u>	<u>-</u>	<u>(5,184,651)</u>
Total Capital Assets Being Depreciated, Net	<u>11,745,569</u>	<u>104,850</u>	<u>-</u>	<u>-</u>	<u>11,850,419</u>
Total Business-type Activities Capital Assets	<u>\$ 12,579,726</u>	<u>\$ 104,850</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,684,576</u>

Depreciation charged to governmental activities by department is as follows:

General government	\$ 18,627
Public safety	3,105
Public works	71,404
Culture and recreation	<u>62,090</u>
Total	<u>\$ 155,226</u>

NOTE 13 – INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances at December 31, 2018 is as follows:

Receivable Fund	Payable Fund	Amount
General	Conservation Trust	\$ 27,492
General	Space to Create	<u>15,899</u>
Total		<u>\$ 43,391</u>

Town of Paonia, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. The purposes of the interfund transactions were to finance capital projects. All interfund balances are expected to be collected within one year.

Interfund transfers are used to report revenues from the fund that is required to collect them to the fund that is required to expend them as unrestricted revenues collected to finance various programs and capital purchases accounted for in other funds in accordance with budgetary authorizations.

	<u>Transfers In</u>	<u>Transfers Out</u>
Street Capital Fund	\$ 45,810	\$ -
Water Fund	-	25,587
Sewer Fund	-	13,919
Trash Fund	-	6,304
	<u>\$ 45,810</u>	<u>\$ 45,810</u>

NOTE 14 – CONTINGENT LIABILITIES

The Town is subject to various claims arising from events occurring in its ordinary operations. Town management believes that the disposition of these matters will not have a material adverse effect on the financial position of the Town.

The Town has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the Town believes such disallowances, if any, will be immaterial.

NOTE 15 – PRIOR PERIOD ADJUSTMENT

In the prior year accrued compensated absences in the amount of \$17,573 were included in the general fund's accrued liabilities and expense. These expenses should have only been included in the government-wide statement of net position. The effect was an overstatement of expense in the general fund and overstated expense in the statement of activities due to the expense being recognized twice at the government-wide level. In the current year a prior period adjustment has been reported to increase fund balance and net position in the amount of \$17,573.

REQUIRED SUPPLEMENTARY INFORMATION

Town of Paonia, Colorado

SCHEDULE OF REVENUES
BUDGET AND ACTUAL - GENERAL FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes				
General property taxes	\$ 100,133	\$ 100,133	\$ 99,660	\$ (473)
Specific ownership taxes	15,500	17,800	17,793	(7)
Sales tax - town	137,500	221,600	218,421	(3,179)
Sales tax - county	97,800	107,400	106,934	(466)
Franchise taxes	61,500	56,125	58,897	2,772
Cigarette taxes	1,100	1,460	1,357	(103)
Delinquent taxes	100	5	6	1
Interest on delinquent taxes	450	267	269	2
Total taxes	<u>414,083</u>	<u>504,790</u>	<u>503,337</u>	<u>(1,453)</u>
Licenses and permits				
Liquor licenses	3,950	6,730	6,732	2
Building permits	20,600	27,600	27,613	13
Miscellaneous permits	2,500	1,425	1,425	-
Special reviews	500	2,350	2,350	-
VIN inspections	950	1,170	1,160	(10)
Total licenses and permits	<u>28,500</u>	<u>39,275</u>	<u>39,280</u>	<u>5</u>
Intergovernmental				
State				
Highway users tax	48,000	43,250	46,180	2,930
Motor vehicle fees	5,800	5,950	5,947	(3)
Severance tax	7,500	7,090	7,094	4
Mineral leasing	9,300	6,000	6,002	2
Motor vehicle licenses	-	-	-	-
GOCO	-	19,700	19,665	(35)
Other governments				
Road and bridge	6,200	6,400	6,407	7
Total intergovernmental revenue	<u>76,800</u>	<u>88,390</u>	<u>91,295</u>	<u>2,905</u>
Fines and forfeitures				
Court fines	100	50	54	4
Police fines	20,500	18,975	18,984	9
PD Grant	3,500	3,270	3,273	3
Miscellaneous	1,100	970	972	2
Total fines and forfeitures	<u>25,200</u>	<u>23,265</u>	<u>23,283</u>	<u>18</u>
Investment income	10,400	15,350	16,331	981
Miscellaneous	26,166	147,795	79,433	(68,362)
Total miscellaneous revenue	<u>36,566</u>	<u>163,145</u>	<u>95,764</u>	<u>(67,381)</u>
Total Revenues	<u>\$ 581,149</u>	<u>\$ 818,865</u>	<u>\$ 752,959</u>	<u>\$ (65,906)</u>

Town of Paonia, Colorado

SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL - GENERAL FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Expenditures				
General Government				
Mayor and trustee	\$ 7,200	\$ 7,150	\$ 7,125	\$ 25
Salaries and wages	19,947	17,875	16,658	1,217
Employee benefits	3,418	6,075	3,537	2,538
Contract labor	13,364	48,275	48,121	154
Supplies	4,160	7,475	6,054	1,421
Legal and professional fees	40,900	79,400	72,314	7,086
Telephone	1,900	2,000	1,818	182
Travel and meetings	5,563	2,500	2,314	186
Insurance and bonds	4,253	3,425	3,334	91
Utilities	5,450	5,500	5,354	146
Janitorial services	-	-	-	-
Publishing ads	2,850	5,000	4,823	177
Dues and subscriptions	8,245	6,500	6,339	161
Audit fees	7,250	7,000	6,863	137
Postage	700	350	506	(156)
Human services	7,150	7,075	7,075	-
Town Hall expense	2,790	15,015	13,769	1,246
Data processing	16,000	5,300	5,220	80
Treasurer's fees	2,500	2,500	2,127	373
Total general government	153,640	228,415	213,351	15,064
Public Safety - Police Department				
Salaries and wages	156,301	170,900	172,198	(1,298)
Judge	3,600	3,600	3,600	-
Employee benefits	31,709	37,400	34,814	2,586
Supplies	3,822	9,500	8,344	1,156
Repairs and Maintenance	265	400	359	41
Legal services	500	650	641	9
Telephone	1,350	1,900	1,698	202
Travel and meetings	4,500	3,000	2,690	310
Insurance and bonds	13,931	13,100	13,035	65
Utilities	1,950	2,500	2,101	399
Vehicle expense	12,750	13,200	11,965	1,235
Dues and subscriptions	3,510	3,500	3,553	(53)
Miscellaneous	575	20,805	698	20,107
Uniforms	-	-	-	-
Publishing and ads	-	75	64	11
Officer's training	-	-	-	-
Juvenile diversion	-	-	-	-
Data processing	6,810	9,000	8,482	518
FPPA	12,824	13,755	13,633	122
Total public safety	254,397	303,285	277,875	25,410

Town of Paonia, Colorado

SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL - GENERAL FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Expenditures (continued from previous page)				
Public Works				
Salaries and wages	9,306	6,500	6,303	197
Employee benefits	5,713	4,650	4,093	557
Supplies	912	1,100	1,062	38
Repairs and maintenance	58,500	20,000	11,316	8,684
Legal and engineering	1,800	11,000	10,695	305
Telephone	900	200	171	29
Insurance and bonds	5,137	5,200	5,122	78
Utilities	1,525	25,000	20,765	4,235
Snow removal	19,000	7,500	3,629	3,871
Street lighting	20,500	-	-	-
Vehicle expense	10,000	9,500	8,627	873
Miscellaneous	3,400	23,465	7	23,458
Shop expense	2,000	6,000	5,123	877
Total public works	<u>138,693</u>	<u>120,115</u>	<u>76,913</u>	<u>43,202</u>
Culture and Recreation				
Salaries and wages	1,742	7,500	3,012	4,488
Employee benefits	937	965	680	285
Supplies	3,810	5,200	4,338	862
Repairs and maintenance	9,545	8,000	6,838	1,162
Legal fees	3,500	2,000	1,125	875
Telephone	106	200	106	94
Miscellaneous	1,197	5,725	3,802	1,923
Insurance bonds	3,382	3,500	3,473	27
Utilities	7,200	8,000	7,128	872
Park improvements	-	19,700	19,665	35
Contract services	2,000	2,000	2,000	-
Capital outlay	-	-	8,800	(8,800)
Vehicle expense	1,000	500	408	92
Total culture and recreation	<u>34,419</u>	<u>63,290</u>	<u>61,375</u>	<u>1,915</u>
Other Expenditures				
Principal payments on capital leases	-	-	-	-
Capital Outlay	-	73,285	7,498	65,787
	<u>-</u>	<u>73,285</u>	<u>7,498</u>	<u>65,787</u>
Total Expenditures	<u>581,149</u>	<u>788,390</u>	<u>637,012</u>	<u>151,378</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 30,475</u>	<u>\$ 115,947</u>	<u>\$ 85,472</u>

Town of Paonia, Colorado

SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION
ASSET (LIABILITY) - FPPA STATEWIDE DEFINED BENEFIT PLAN

Year Ended December 31, 2017 (Measurement Date)

	2017	2016	2015	2014
Town's portion of the new pension asset (liability)	0.0182%	0.0162%	0.0239%	0.0432%
Town's proportionate share of the net pension asset (liability)	\$ 26,228	\$ (5,871)	\$ 421	\$ 48,715
Town's covered payroll	\$ 125,516	\$ 107,806	\$ 103,306	\$ 198,701
Town's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	20.90%	5.45%	0.41%	24.52%
Plan fiduciary net position as a percentage of the total pension asset	106.30%	98.21%	100.10%	106.80%

NOTES TO SCHEDULE

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town is presenting information for those years for which information is available.

Town of Paonia, Colorado

SCHEDULE OF TOWN'S CONTRIBUTIONS TO THE PENSION PLAN
FPPA STATEWIDE DEFINED BENEFIT PLAN

Year Ended December 31, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 10,024	\$ 10,442	\$ 6,946	\$ 8,910
Contributions in relation to the contractually required contribution	<u>10,024</u>	<u>10,442</u>	<u>6,946</u>	<u>8,910</u>
Contribution (excess) deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	125,296	125,516	107,806	103,306
Contributions as a percentage of covered payroll	8.00%	8.32%	6.44%	8.62%

NOTES TO SCHEDULE

1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town is presenting information for those years for which information is available.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2018

RSI NOTE A – BUDGETARY INFORMATION

Budgets for governmental funds are adopted on a basis consistent with GAAP, except for long-term receivables and advances and capital lease financing, which are budgeted when liquidated rather than when the receivable/liability is incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds.

SUPPLEMENTARY INFORMATION

Town of Paonia, Colorado

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

December 31, 2018

	Steet Capital Improvement Fund	Conservation Trust Fund	Sidewalk Fund	Space to Create Fund	Total Non-Major Governmental Funds
Asset					
Pooled cash	\$ 19,416	\$ 27,492	\$ 950	\$ 88,410	\$ 136,268
Due from other governments	-	-	-	6,708	6,708
Accounts receivable	-	-	2,709	-	2,709
Total assets	19,416	27,492	3,659	95,118	145,685
Liabilities					
Unearned revenue	-	-	-	50,000	50,000
Due to other funds	-	27,492	-	15,899	43,391
Total liabilities	-	27,492	-	65,899	93,391
Fund Balance					
Committed					
Sidewalk improvements	-	-	3,659	-	3,659
Street improvements	19,416	-	-	-	19,416
Space to create	-	-	-	29,219	29,219
Total fund balance	\$ 19,416	\$ -	\$ 3,659	\$ 29,219	\$ 52,294

Town of Paonia, Colorado

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

Year Ended December 31, 2018

	Street Capital Improvement Fund	Conservation Trust Fund	Sidewalk Fund	Space to Create Fund	Total Non-Major Governmental Funds
Revenues					
Taxes	\$ 13,063	\$ 8,571	\$ -	\$ -	\$ 21,634
Fees and fines	-	-	30,435	-	30,435
Intergovernmental	-	-	-	31,708	31,708
Miscellaneous	-	16	-	1,000	1,016
Total revenues	<u>13,063</u>	<u>8,587</u>	<u>30,435</u>	<u>32,708</u>	<u>84,793</u>
Expenditures					
Current					
General government	-	-	-	40,899	40,899
Public works	2,630	-	147	-	2,777
Culture and recreation	-	27,492	-	-	27,492
Capital projects	36,827	-	45,126	-	81,956
Total expenditures	<u>39,457</u>	<u>27,492</u>	<u>45,273</u>	<u>40,899</u>	<u>153,124</u>
Revenues in excess (deficiency) of expenditures	(26,394)	(18,905)	(14,838)	(8,191)	(68,331)
Other Financing Sources (Uses)					
Transfers in	45,810	-	-	-	45,810
Total other financing sources (uses)	<u>45,810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,810</u>
Revenues and other sources in excess (deficiency) of expenditures and other sources (uses)	19,416	(18,905)	(14,838)	(8,191)	(22,521)
Fund balance, beginning	-	18,905	18,497	37,410	74,812
Fund balance, ending	<u>\$ 19,416</u>	<u>\$ -</u>	<u>\$ 3,659</u>	<u>\$ 29,219</u>	<u>\$ 52,291</u>

Town of Paonia, Colorado

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SALES TAX CAPITAL IMPROVEMENT FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Sales tax	\$ 137,500	\$ 146,000	\$ 144,323	\$ (1,677)
Miscellaneous	7,650	7,650	7,650	-
Total revenues	<u>145,150</u>	<u>153,650</u>	<u>151,973</u>	<u>(1,677)</u>
Expenditures				
Capital outlay	444,422	499,592	209,925	289,667
Total expenditures	<u>444,422</u>	<u>499,592</u>	<u>209,925</u>	<u>289,667</u>
Net change in fund balance	<u>\$ (299,272)</u>	<u>\$ (345,942)</u>	<u>\$ (57,952)</u>	<u>\$ 287,990</u>

Town of Paonia, Colorado

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SPACE TO CREATE FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ -	\$ 75,000	\$ 31,708	\$ (43,292)
Miscellaneous	-	2,500	1,000	(1,500)
Total revenues	-	77,500	32,708	(44,792)
Expenditures				
General government	-	77,500	40,899	36,601
Total expenditures	-	77,500	40,899	36,601
Net change in fund balance	\$ -	\$ -	\$ (8,191)	\$ (8,191)

Town of Paonia, Colorado

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SIDEWALK FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Sidewalk revenue	\$ 29,500	\$ 29,500	\$ 30,435	\$ 935
Expenditures				
Legal services	523	-	-	-
Repairs and maintenance	-	2,348	84	2,264
Publishing and ads	400	-	-	-
Other office expense	-	75	63	12
Capital outlay	47,000	45,500	45,126	374
Total expenditures	<u>47,923</u>	<u>47,923</u>	<u>45,273</u>	<u>2,650</u>
Net change in fund balance	<u>\$ (18,423)</u>	<u>\$ (18,423)</u>	<u>\$ (14,838)</u>	<u>\$ 3,585</u>

Town of Paonia, Colorado

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CONSERVATION TRUST FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Lottery	\$ 7,800	\$ 8,571	\$ 8,571	\$ -
Interest income	9	17	16	(1)
Total revenues	<u>7,809</u>	<u>8,588</u>	<u>8,587</u>	<u>(1)</u>
Expenditures				
Parks	<u>26,050</u>	<u>27,492</u>	<u>27,492</u>	<u>-</u>
Revenues in excess (deficiency) of expenditures	<u>(18,241)</u>	<u>(18,904)</u>	<u>(18,905)</u>	<u>(1)</u>
Net change in fund balance	<u>\$ (18,241)</u>	<u>\$ (18,904)</u>	<u>\$ (18,905)</u>	<u>\$ (1)</u>

Town of Paonia, Colorado

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - STREET CAPITAL IMPROVEMENT FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Highway users tax	\$ -	\$ -	\$ 13,063	\$ 13,063
Total revenues	-	-	13,063	13,063
Expenditures				
Repairs and maintenance	2,630	2,630	2,630	-
Capital outlay	40,884	40,884	36,827	4,057
Total expenditures	43,514	43,514	39,457	4,057
Revenues in excess (deficiency) of expenditures	(43,514)	(43,514)	(26,394)	17,120
Other Financing Sources (Uses)				
Transfers in	43,514	43,514	45,810	2,296
Net change to fund balance	\$ -	\$ -	\$ 19,416	\$ 19,416

Town of Paonia, Colorado

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL - WATER FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Water charges	\$ 755,225	\$ 788,325	\$ 788,320	\$ (5)
Water taps	21,000	62,000	62,000	-
Sales and service	1,500	2,125	2,144	19
Water tank	1,000	3,935	3,938	3
Standby tap fees	46,100	47,245	47,245	-
Penalties	6,500	4,985	4,985	-
Rents	1,000	-	-	-
Grants	82,952	158,400	54,825	(103,575)
Total revenues	<u>915,277</u>	<u>1,067,015</u>	<u>963,457</u>	<u>(103,558)</u>
Expenditures				
Salaries and wages	236,627	234,225	234,700	(475)
Employee benefits	77,849	68,630	66,063	2,567
John Norris retirement	20,160	20,160	20,160	-
Supplies	26,025	18,500	17,748	752
Legal and engineering	3,000	16,000	15,567	433
Repairs and maintenance	14,600	672,000	430,502	241,498
Professional fees	13,250	19,000	18,772	228
Telephone	3,800	4,000	3,741	259
Postage	3,500	4,000	4,436	(436)
Travel and meetings	1,105	825	1,103	(278)
Insurance and bonds	14,968	19,025	19,017	8
Utilities	24,300	22,700	20,766	1,934
Vehicle expense	7,000	9,000	8,558	442
Dues and subscriptions	200	150	138	12
Shop expense	7,000	5,100	5,312	(212)
Miscellaneous	3,951	19,675	7,384	12,291
Fees and permits	9,500	5,500	5,262	238
WPA loan	185,000	181,175	181,156	19
Drinking water revolving funds	23,350	23,350	23,343	7
Capital projects	287,824	398,066	-	398,066
Depreciation expense	-	-	297,926	(297,926)
Debt service	-	-	(154,842)	154,842
Total expenditures	<u>963,009</u>	<u>1,741,081</u>	<u>1,226,812</u>	<u>514,269</u>
Other Financing Sources (Uses)				
Transfers in	187,371	256,600	-	(256,600)
Transfers out	(157,140)	(42,533)	(25,587)	16,946
Total other financing sources (uses)	<u>30,231</u>	<u>214,067</u>	<u>(25,587)</u>	<u>(239,654)</u>
Change in net position	(17,501)	(459,999)	(288,942)	171,057
Beginning net position, GAAP basis	<u>6,146,806</u>	<u>6,146,806</u>	<u>6,146,806</u>	<u>-</u>
Ending net position, GAAP basis	<u>\$ 6,129,305</u>	<u>\$ 5,686,807</u>	<u>5,857,864</u>	<u>\$ 171,057</u>
Adjustments			(5,900,910)	
Available working capital			<u>\$ (43,046)</u>	

Town of Paonia, Colorado

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL - SEWER FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Sewer charges	\$ 444,360	\$ 463,945	\$ 463,911	\$ (34)
Sewer taps	10,000	15,000	15,000	-
Grants	-	-	9,878	9,878
Interest	150	12,755	12,776	21
Total revenues	<u>454,510</u>	<u>491,700</u>	<u>501,565</u>	<u>9,865</u>
Expenditures				
Salaries and wages	112,954	104,650	103,765	885
Employee benefits	36,313	29,625	28,669	956
Supplies	18,700	37,000	34,968	2,032
Repairs and maintenance	75,500	25,000	24,966	34
Professional fees	28,000	71,000	68,057	2,943
Telephone	1,400	2,000	1,649	351
Postage	2,200	3,650	2,852	798
Travel and meetings	1,000	700	682	18
Insurance and bonds	6,899	7,000	6,901	99
Utilities	33,500	40,000	36,172	3,828
Vehicle expense	7,000	8,000	7,331	669
Fees and permits	7,800	11,000	10,100	900
Debt service payments	102,500	102,000	71,760	30,240
Gauging station	3,900	3,900	3,855	45
Depreciation	-	-	102,115	(102,115)
Miscellaneous	3,700	71,175	9,778	61,397
Total expenditures	<u>441,366</u>	<u>516,700</u>	<u>513,620</u>	<u>3,080</u>
Other Financing Sources (Uses)				
Transfers out	<u>(13,339)</u>	<u>(15,000)</u>	<u>(13,919)</u>	<u>1,081</u>
Total other financing sources (uses)	<u>(13,339)</u>	<u>(15,000)</u>	<u>(13,919)</u>	<u>1,081</u>
Change in net position	13,144	(25,000)	(25,974)	12,945
Beginning net position, GAAP basis	3,805,345	3,805,345	3,805,345	-
Ending net position, GAAP basis	<u>\$ 3,818,489</u>	<u>\$ 3,780,345</u>	<u>3,779,371</u>	<u>\$ 12,945</u>
Adjustments			(2,636,757)	
Available working capital			<u>\$ 1,142,614</u>	

Town of Paonia, Colorado

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL - TRASH FUND

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Garbage charges	\$ 206,075	\$ 211,885	\$ 211,898	\$ 13
Expenditures				
Salaries and wages	96,519	70,660	66,670	3,990
Employee benefits	38,003	31,575	29,009	2,566
Supplies	1,450	1,900	1,652	248
Repairs and maintenance	1,200	100	100	-
Legal and engineering	600	11,000	10,065	935
Telephone	150	200	178	22
Postage	1,000	1,000	1,063	(63)
Insurance and bonds	3,813	4,200	4,192	8
Utilities	2,700	3,000	2,855	145
Vehicle expense	15,000	15,000	12,454	2,546
Landfill fees	36,405	33,000	33,624	(624)
Miscellaneous	3,100	33,750	3,633	30,117
Total expenditures	<u>199,940</u>	<u>205,385</u>	<u>165,495</u>	<u>39,890</u>
Other Financing Sources (Uses)				
Transfers out	(6,135)	(6,500)	(6,304)	196
Total other financing sources (uses)	<u>(6,135)</u>	<u>(6,500)</u>	<u>(6,304)</u>	<u>196</u>
Change in net position	-	-	40,099	40,099
Beginning net position, GAAP basis	208,538	208,538	208,538	-
Ending net position, GAAP basis	<u>\$ 208,538</u>	<u>\$ 208,538</u>	248,637	<u>\$ 40,099</u>
Adjustments			-	
Available working capital			<u>\$ 248,637</u>	

Steps for printing your content and returning to 'Edit Mode

1. Click Ctrl + A on a Windows machine or Command + A on a Mac to select all data.
2. Right-click your mouse and select Print.
3. Confirm that print settings are correct - make sure "selection only" isn't checked.
4. Print hard copy or to PDF.
5. Click "Edit Mode" to return to modifying your data.
6. Remember to click "Save" to save any changes.

ANNUAL HIGHWAY FINANCE REPORT - CY18

Email address: finance@townofpaonia.com

City/County: Paonia

II - RECEIPTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Receipts from local sources

2. General Fund Appropriations:	\$	40,000.00
3. Other local imposts: <i>from A.3. 'Total' below</i>	\$	346,203.00
4. Miscellaneous local receipts: <i>from A.4. 'Total' below</i>	\$	23,406.00
5. Transfers from toll facilities	\$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	0.00
b. Bonds - Refunding Issues:	\$	0.00
c. Notes:	\$	0.00

SubTotal: \$ 409,609.00

B. Private Contributions

\$ 0.00

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

Please no commas or dollar signs for the input

A.3. Other local imposts

a. Property Taxes and Assessments	\$	0.00
b. Other Local Imposts		
1. Sales Taxes:	\$	222,278.00
2. Infrastructure and Impact Fees:	\$	106,132.00
3. Liens:	\$	0.00
4. Licenses:	\$	0.00
5. Specific Ownership and/or Other:	\$	17,793.00
Total: (a + b) carried to 'Other local imposts' above	\$	346,203.00

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	\$	3,207.00
b. Traffic fines & Penalties:	\$	19,039.00
c. Parking Garage Fees:	\$	0.00
d. Parking Meter Fees:	\$	0.00
e. Sale of Surplus Property:	\$	0.00
f. Charges for Services:	\$	1,160.00
g. Other Misc. Receipts:	\$	0.00
h. Other:	\$	0.00
Total: (a through h) carried to 'Misc local receipts' above	\$	23,406.00

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	\$	60,312.00
3. Other State funds:		
c. Motor Vehicle Registrations:	\$	5,947.00
d. Other (Specify):		
Comments: ROAD&BRIDGE	\$	6,407.00
e. Other (Specify):		
Comments: undefined	\$	0.00
Total: (1+3c,d,e)	\$	72,666.00

D. Receipts from Federal Government

Please no commas or dollar signs for the input

72 . Other Federal Agencies

a. Forest Service:	\$	0.00
b. FEMA:	\$	0.00
c. HUD:	\$	0.00
d. Federal Transit Administration:	\$	0.00
e. U.S. Corp of Engineers	\$	0.00
f. Other Federal:	\$	0.00
Total: (2a-f)		\$ 0.00

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Local highway disbursements

1. Capital outlay: (from A.1.d. 'Total Capital Outlay' below)	\$	50,152.00
2. Maintenance:	\$	70,087.00
3. Road and street services		
a. Traffic control operations:	\$	0.00
b. Snow and ice removal:	\$	3,629.00
c. Other:	\$	0.00
4. General administration & miscellaneous	\$	0.00
5. Highway law enforcement and safety	\$	67,273.00
Total: (A.1-5)		\$ 191,141.00

Please no commas or dollar signs for the input

B. Debt service on local obligations

1. Bonds		
a. Interest	\$	0.00
b. Redemption	\$	0.00
2. Notes		
a. Interest	\$	0.00
b. Redemption	\$	0.00
SubTotal: (1+2)		\$ 0.00

Please no commas or dollar signs for the input

73

Payments to State for Highways:	\$	0.00
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D. Payments to Toll Facilities: \$ 0.00

Total Disbursements: *(A+B+C+D)* \$ 191,141.00

Please no commas or dollar signs for the input

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

Please no commas or dollar signs for the input

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	\$ 0.00	\$ 0.00	\$ 0.00
b. Engineering Costs:	\$ 0.00	\$ 10,695.00	\$ 10,695.00
c. Construction			
1. New Facilities:	\$ 0.00	\$ 0.00	\$ 0.00
2. Capacity Improvements:	\$ 0.00	\$ 0.00	\$ 0.00
3. System Preservation:	\$ 0.00	\$ 39,457.00	\$ 39,457.00
4. System Enhancement:	\$ 0.00	\$ 0.00	\$ 0.00
5. Total Construction:			\$ 39,457.00
d. Total Capital Outlay: <i>(Lines A.1.a. + 1.b. + 1.c.5)</i>			\$ 50,152.00

- 63 -

IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
1. Bonds (Refunding Portion)		\$ 0.00	\$ 0.00	\$ 0.00
B. Notes (Total):	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 129,782.00	\$ 482,275.00	\$ 191,141.00	\$ 420,914.00	\$ -2.00

Notes & Comments:

undefined

Please enter your name: CINDY JONES

Please provide a telephone number where you may be reached: 9705274104

Save Print Mode Edit Mode

Please click on the "Save" button before viewing the data in a print format.

Town of Paonia, Colorado

OLD PENSION PLAN

For the Year Ended December 31, 2018

The Town has a closed pension plan with one former employee included in the estimated liability. The last actuarial valuation performed on the plan was December 31, 2012, using future projected cash flow discounted by a yield curve rate utilizing expected mortality rates. The actuarial assumptions included a 3.5% interest rate. The Town is contributing annually an amount equal to the required contribution determined by the actuarial valuation. The Town pays the required yearly contribution of \$20,160 out of the Water Fund. Based on the actuarial valuation and the yearly payments made, the estimated remaining liability due on the plan is \$169,123.

AGENDA SUMMARY FORM

	Roll Call		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

AGENDA SUMMARY FORM

	Agenda Approval		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

AGENDA SUMMARY FORM

	Announcements		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:



2018 Audit Presentation

Summary: Chadwick Steinkirchner Davis will be present to provide the details of the 2018 Town Audit and for Board acceptance for submittal.

Notes:

Possible Motions:

Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

	Alyssa Logan - Senator Bennet Draft Rural Infrastructure Proposal		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

		Visitors & Guests	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

	<p>Minutes: July 9, 2019 Minutes: July 15, 2019 – Special Meeting Minutes: July 23, 2019 Minutes: July 30, 2019 – Special Meeting Minutes: August 1, 2019 – Special Meeting The Cirque Cyclery dba Remedy – Liquor License Renewal and Modification of Premise</p>
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Summary:

Notes:

Possible Motions:

Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

Minutes
Regular Town Board Meeting
Town of Paonia, Colorado
July 09, 2019

RECORD OF PROCEEDINGS

1. Short-Term Rentals – Work Session

Administrator Knight opened the meeting with information to the Board regarding the current zoning ordinance, utility billing, and the saturation of short-term rentals in Paonia Town limits. Comments in support of and against short-term rentals were discussed. Questions addressed were:

- Residential neighborhood composition
- Long-term rentals
- Neighborhood impact/law enforcement interaction
- Lodging taxes
- Safety concerns
- Insurance

Mayor Stewart opened discussion for public input.

Patti Kaech - concerned with short-term rentals in residential neighborhoods and added there is a lack of long-term rentals.

Elaine Brett – Believes there is a need for short-term rentals with increased festivals and events in the North Fork Valley. Will provide data to clerk.

Thomas Markle - operates a hostel that has seven rooms. Airbnb collects taxes and added he is aware people are losing homes and encourages the Town to try to help with that.

Deborah Spiegel - requested a distinction between rooms for rent and short-term rentals.

Michelle Pattison - suggested designating areas for long-term rentals, define areas and/or regulations for affordable housing.

Matt Holthousen - would like to be permitted to have an accessory dwelling unit (ADU) in the R-1 area to use as a rental.

Mayor Stewart opened the topic for Board Discussion.

Trustee Knutson - research needed to better understand the market and the range of opinions. Suggested drafting some options with pros and cons.

Trustee Hart - something needs to be done to make sure the rentals are safe and need to do research and get regulations in place.

Trustee Bear - asked that written comments be submitted to the Town.

Trustee Bachran - In favor of local people renting their properties as short-term rentals and is less enthusiastic for out-of-Town owners purchasing property and using as a short-term rental.

Trustee Knutson – Suggested reviewing court rulings regarding regulating short-term rentals.

Trustee Bookout – Should look in to ADU’s as long-term and short-term rental options and adjusting of code to align with there use.

2. Work Session Adjournment

Motion to adjourn.

Motion made by Trustee Hart, Seconded by Mayor Pro-Tem Bookout.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Roll Call

1. Roll Call

PRESENT

- Mayor Charles Stewart
- Mayor Pro-Tem Chelsea Bookout
- Trustee Mary Bachran
- Trustee William Bear
- Trustee Karen Budinger
- Trustee Samira Hart
- Trustee Dave Knutson

Approval of Agenda

2. Approval of Agenda

Motion to approve agenda as presented.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Announcements

3. Announcements

None.

Recognition of Visitors & Guests

1. Visitors & Guests

Bill Brunner - 2nd Street - provided copies of water reports to the Board. Plans to create a citizen’s initiative to halt water tap sales.

Patti Kaech – Suggested the Board consider a temporary moratorium on water and sewer taps, especially for commercial sales.

Steve Keenan - 3rd Street - encouraged the Town to invite the Governor to the valley and get him on board with protecting the valley from fracking. drjudywood.com - new energy source.

Barry Smith - Price Rd – Questioned if exploratory drilling near Price Road is for the Riverbank Development. Administrator Knight stated it is for the sewer-line extension and the company is surveying for a soil analysis.

Christina Patterson – Price Road - Status of Riverbank Development - Administrator Knight - Two lots for sale. Discussions with developer regarding major development but no further information provided, or application submitted.

James Sorensen - Price Road - how much did the drilling cost - Administrator -\$7,600. Discussion ensued regarding the process of drilling and installation of sewer-line on Price Road.

Consent Agenda

2. Consent Agenda

- 3rd Street Bistro – Liquor License Renewal
- Colorado Grand Park Event – Town Park

Motion to approve consent agenda.

Motion made by Trustee Bear, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Mayor’s Report

3. Mayor’s Report

The dedication was a nice event and the Miner’s Plaza Memorial Wall is a great addition to the Town Park.

Staff Reports

4. Staff Reports

5. Administrator’s Report

- Preliminary soils test for sewer-line of Price Road complete.
- Conversations with several developers regarding plans and final plats, including Riverbank.
- Information provided to the Delta County Commissioners was false. Those who provided information are liars.

Mayor Stewart reminded all in attendance that outbursts will not be tolerated and that we, the Town of Paonia, are a better community than that.

Barry Smith – questioned if the developers of Riverbank neighborhood plan to relocate to the area.

6. Public Works Report

- Cherry Days event successful.
- Water levels holding at 1MG and 2MG.
- Not spilling at 2MG while waiting for repair parts.
- Sent track hoe to begin spring repairs. May take two to three weeks.
- Back-flow prevention - supposed to be at 60% of all surveys and receipt of inspection testing from businesses. By 2020 required to be in full compliance - working on a tracking system.

7. Police Report

- Blotter included in packet.
- Cherry Days went well. No issues noted.
- Larger event than past years.
- Prepping for BMW Rally.
- Chiefs and Sheriffs of Delta County participated in Cherry Days, Raised \$548.06 for Back the Badge.

8. Treasurer's Report

- Reviewed payroll & disbursements.
- Working on budget analysis.
- Should have audit draft in near future.
- Working on purchasing policies and procedures.

Disbursements

9. Disbursements

Motion to approve disbursements as discussed.

Motion made by Trustee Budinger, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Unfinished Business

10. Ordinance 2019-TBD – Business Registration

The first read of an ordinance establishing a business registration was presented.

Mayor Stewart opened the topic for discussion which included how to complete forms, what businesses required to register, which, if any, businesses are exempt from payment of fee.

Mayor Stewart - not a fan of imposing additional work on business owners.

Michelle Pattison - 2nd Street - does not believe back-flow device tracking requirements and business registrations are related. Thinks there is a way to make it attractive for businesses.

Motion to approve first read of Ordinance 2019-TBD as presented.

Motion made by Trustee Hart, Seconded by Trustee Budinger.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Budinger, Trustee Hart, Trustee Knutson. Voting Nay: Trustee Bear.

11. Employee Health Plan Renewal

An extended cost projection spreadsheet was provided in packet.

Motion made to change health plan renewal date to August 1st.

Motion made by Trustee Bachran, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Administrator Knight added that staff prefers the lower deductible provided the Board increases the Town contribution from 80% to 90%. If the Board chooses to continue at 80% the staff will have to accept the higher deductible higher co-pay and decreased overall coverage. Healthcare coverage can be used as a way incentivize great staff. Administrator Knight added that the Town has a dedicated staff and encouraged the Board to accept the lower deductible and increase Town contribution to 90%. Trustee Bachran questioned if 90% was paid from Town how much it will change the budget to end of the year.

Mayor Stewart - concerned with large deductibles and a middle ground is to reduce the deductibles and keep payout at 80%.

Mayor Pro-Tem Bookout added that if the Town stays at an 80% contribution the Board is essentially asking the employees to pay more for their insurance and have a decrease in take home pay. The staff is paid substantially under the average of communities of this size. Trustee Hart added her support and agreement with Mayor Pro-Tem Bookouts comments.

Administrator Knight re-stated the staff request to increase contribution to 90% with the lower deductible of \$1,000/\$2,000.

Motion made to increase Town health plan contribution to 90% at the higher deductible of \$2,800/\$5,600.

Motion made by Trustee Knutson, Seconded by Trustee Hart.

Voting Yea: Trustee Bear, Trustee Budinger, Trustee Knutson.

Voting Nay: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Hart. Tie vote. Voting Yea, Mayor Stewart.

New Business

12. Smith – 215 Delta Avenue – Roof Height Variance

Mayor Stewart provided the Public Hearing Procedures.

Public Hearing opened at: 7:34pm.

Applicants Shane and Paige Smith were present. The application request is to build a garage at 5ft above code allowance of 15 ft.

Administrator Knight read for the Board the Planning Commission recommendation to deny the variance request.

Mr. Smith presented the plan and provided a graphic to the Board. The request allows for additional storage and maintains the historical look of the properties. The lower roof line will require a larger building, decreasing yard space and parking space.

Board Questions:

- Height of residence and rental cottage.
- Utility right-of-way.
- Municipal Code set-backs.

Public Comment:

- Tom Gifford - M Rd - is there a fee for a Variance?
- During application or upon approval of variance?

Public Hearing closed at 7:47pm.

Trustee Bookout added if no issues with neighboring property owner and fits neighborhood it shouldn't be an issue.

Mayor Stewart believes the problem is that the Town Code does not have the effect that they are meant to have. The applicant must show there is an undue hardship with the property by adhering to the Code.

Trustee Bachran - understands both sides of conversation but is in favor for historic purposes.

Motion made to approve the Smith Roof Height Variance Request.

Motion made by Trustee Hart, Seconded by Trustee Knutson.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Budinger, Trustee Hart, Trustee Knutson. Voting Nay: Trustee Bear.

5-minute recess.

13. South Clark Avenue Subdivision

Public Hearing opened at 8:05pm.

Administrator Knight read for the Board the Planning Commission recommendation for approval with conditions – the fire department request for off-street parking and the inclusion of irrigation in covenants. The applicant, Lynne Mattingly and Engineer Jeff Ruppert presented information to the Board regarding:

- A re-zoning from R-2 to R-1PUD.
- Four (4) minor modifications to ordinance for the development.
- No parking on cul-de-sac. parking on off-street parking only.
- One (1) parcel access from Colorado Avenue.
- Three (3) Town-homes accessed from the cul-de-sac.

The Planning Commission requested the applicant look in to accessing all properties from Colorado Avenue.

Jeff Ruppert provided information regarding the driveway access, grading plan, and decrease in traffic.

- A minimum of 2 parking spaces, off-street.
- Stewart Mesa Ditch water for landscaping.
- A a public walk-way including flagstone steps and handrail which will be deeded to Town.

Board Questions:

Trustee Budinger asked the average square feet of the townhomes. Approximately 1,000 square feet.

Mayor Stewart discussed traffic restriction as a cul-de-sac instead of a through street; adding a parking concern is that guests would park along Clark Avenue.

Trustee Bear - Concerned about Colorado Avenue parking.

Administrator Knight – The section of Colorado Avenue currently is in the County and does not have wide shoulders that can easily adapt to on-street parking. The Town may need to limit side street parking should it become a Town street.

Public Comment:

Lisa Jae - Delta Avenue - Concerned with traffic.

David Snider - Clark Avenue - Opposed to access from Clark Avenue.

Sherry Dangramond - Poplar Avenue - Concerned with additional taps sold.

Tom Gifford - M Road - provided packets to the Board. Part of the plan was to bring a plan forward regarding parking and traffic. Mr. Gifford stated he finds it hard to believe the developer cannot come up with a plan and to access through Colorado.

Tricia Snider - Clark Avenue - requested history regarding the R-2 designation. Houses east of subdivision have steep driveways, and don't think it is steeper than the proposal to put street access on Colorado.

Paul Gaydos - suggested limiting to 2 houses instead of the proposed development and access from Colorado Avenue only.

Kirby Wade – is not opposed to the development but opposed to the parking plan.

Mary Gifford - Clark Avenue - concerned with construction traffic.

Public Hearing closed at 8:38pm.

Trustee Bear stated the road is a narrow street and not cared for well. His biggest concern is traffic and believes access off Colorado Avenue is a better plan.

Mayor Pro-Tem Bookout - suggested to delay the hearing to next meeting.

Motion made to continue the public hearing to the next Board meeting.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Hart.

Motion to amend main motion to provide alternatives for parking and traffic solutions.

Motion made by Trustee Bachran, seconded by Trustee Hart. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Main motion as amended. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

14. Ordinance 2019- TBD - Home Occupation Process

Mayor Stewart provided a brief history of the home occupation application and the proposed ordinance in the packet.

Discussion ensued regarding certified versus regular mail delivery of notices.

Motion to approve 2019-TBD concerning home occupation businesses.

Motion made by Trustee Bear, Seconded by Trustee Hart.

Motion to amend main motion to change certified mail requirement to regular mail requirement.

Motion made by Trustee Bachran, Seconded by Trustee Knutson. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Main motion as amended. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson

15. Thomas Markle – Proposed Ordinance: Amend Zoning to Account for Formula Business

Thomas Markle read a proposal to the Board and referenced a petition including 124 signatures. - Mr. Markle provided his list of pros for formula businesses - typically they are for individual investors, under-served communities, and Cons - esthetics and

character of Town will suffer. Quality of life will suffer - will dilute character of Town. Requesting the Board approve the annexation of the Stahl Addition and zone C-1 or Developing Resource. He suggested an immediate moratorium on commercial building, add size restrictions, change design requirements, define formula business, use the Highway133 Corridor and Comprehensive Plan when determining any annexations and commercial use.

Questions ensued regarding the Hwy 133 Corridor Plan, Town and County IGA, the scenic byways plan, and the enforceability of the agreements outside of ordinance.

Can the Board separate the acceptance of formula businesses and annexing property from each-other?

Motion made to extend meeting for thirty minutes.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bear. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Discussion ensued regarding annexations and Town vs. County control.

Motion to direct Attorney Nerlin to draft an ordinance including language from the Highway 133 Corridor Plan and include language regarding formula businesses.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Knutson.

Motion to amend main motion to prepare ordinance for next meeting for emergency adoption if necessary.

Motion made by Trustee Budinger, supported by Mayor Pro-Tem Bookout. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Main motion as amended. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

16. Stahl Addition - Acceptance of Annexation Petition

Mayor Stewart provided an overview of the agenda item and acceptance of the annexation petition.

Town Clerk Ferguson provided information regarding notice requirement given to Delta County. No Planning Commission review is required due to acreage of property.

Motion made to extend meeting for thirty minutes.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bear. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Motion made to accept the annexation petition as presented.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bear. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

17. Resolution 2019-11 Initiating Annexation Proceedings – Stahl Road

Motion made to adopt Resolution 2019-11, Initiating Annexation Proceedings and setting Public Hearing for 8/13/19.

Motion made by Trustee Bachran, Seconded by Trustee Budinger. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

18. AARP – Memorandum of Understanding

There is a plan to formally announce in the near future, but it is necessary to accept a memorandum of understanding between the Town of Paonia and AARP regarding a grant awarded to Town in the amount of \$10,000 for updating Poulos Park.

Motion made to accept the MOU with AARP and authorize Administrator Knight to sign.

Motion made by Trustee Bachran, Seconded by Trustee Budinger. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

19. CHC – Colorado Oil & Gas Conservation Commission - Rulemaking

Andrew Forkes-Gudmondson – representative from Citizens for a Healthy Community-provided information regarding rule-making provisions and asked the Board consider the concept of rule-making and engaging in rule-making processes. To become a party to engage the Town will need to assign a person to be the representative.

20. CHC – Bureau of Land Management – Revised Master Plan

Motion made to include topics of CHC discussion to special meeting agenda July 15th.

Motion made by Trustee Knutson, Seconded by Mayor Pro-Tem Bookout. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Motion made to schedule a special meeting for August 1st at 6:00pm to discuss adopting emergency ordinances as discussed.

Motion made by Trustee Bachran, Seconded by Trustee Hart. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Committee Reports

Continued.

4.

Adjournment

Motion to adjourn at: 10:30pm.

J. Corinne Ferguson, Town Clerk

Charles Stewart, Mayor

Minutes
Special Town Board Meeting
Town of Paonia, Colorado
July 15, 2019

RECORD OF PROCEEDINGS

Roll Call

- 1. Roll Call
 - PRESENT
 - Mayor Charles Stewart
 - Trustee Mary Bachran
 - Trustee William Bear
 - Trustee Dave Knutson

 - ABSENT
 - Mayor Pro-Tem Chelsea Bookout
 - Trustee Karen Budinger
 - Trustee Samira Hart

Approval of Agenda

- 1. Approval of Agenda

Discussion ensued regarding Mr. Brunner request to amend the agenda t include tap moratorium.

Motion made to approve the agenda as presented.
 Motion made by Trustee Bear, Seconded by Trustee Knutson.
 Voting Yea: Trustee Bachran, Trustee Bear, Trustee Knutson.

Unfinished Business

- 1. **Continued Discussion – Water System**

Mayor Stewart provided an outline to guide Staff, Board, and public discussion. Public Works Director Loberg is absent due to a water leak and will return as soon as possible.

Administrator Knight presented information from the request for proposal (RFP) based on direction given at the previous special meeting, including the items requested, date deadlines, and preliminary report schedules.

Administrator Knight suggested the Board consider soliciting bids from engineering firms who are not familiar with the system and may be able to come to the Town with a

reference based on the current situation, not based on old data or assumptions from previous involvement on Town projects.

Mayor Stewart added that engineers who have worked on the system in the past have a knowledge that may equate to cost-savings and a quicker outcome.

Trustee Knutson trusts the Administrator and Public Works Committee recommendation.

Trustee Bear agrees with Administrator Knights suggestion to solicit new engineering firms.

Trustee Bachran questioned how the Town will solicit new firms?

Discussion ensued regarding solicitation of bids and scope of services.

Trustee Bear requested an analysis of the water event and preventative measures as well as additions to the water plant process.

Motion made to include analysis of water failure and preventative measures.

Motion made by Trustee Bear, seconded by Trustee Bachran. Unanimous.

Motion made to include a monitoring program of water flows and other critical data.

Motion made by Trustee Bear, seconded by Trustee Bachran. Unanimous.

Motion made to include an analysis and study of a cross-connection plan from Reynolds Creek to the upper system.

Motion made by Trustee Bear, seconded by Trustee Bachran. Unanimous.

Motion made to request each item be individually priced to allow the Board to pick which services to move forward with.

Motion made by Trustee Bear, seconded by Trustee Bachran. Unanimous.

Motion made to add the additional verbiage and required competencies.

Motion made by Trustee Knutson, seconded by Trustee Bachran. Unanimous.

Trustee Bookout joined the meeting at 6:33pm.

Mike Drake - Stewart Mesa Water Company Board member- questioned the staff ability to correctly operate a water model and how the bids will be evaluated. Mr. Drake added that training an inadequately educated staff member won't make them able to run the model.

Bill Brunner – 2nd Street – suggested the Town request the engineer run the model for the Town and ask the engineer to review what the Town has for flow data and include the spring conditions.

Christina Patterson - Is there a way to utilize the people in the community and create a Board from people in the community like the Space to Create Board.

Thomas Markle - What is the budget for the item?

Administrator Knight - The funds would have to come from the water reserve by motion of the Board to amend the budget, which currently has approximately \$500,000.

Mike Drake - Plan, Past Performance, and cost - will need the team evaluating and those providing the proposal to describe each part and assign a priority level.

Dave Herz - The Town may want to consider a fire-flow analysis. Those demands can be disruptive to the system.

Motion made to approve the RFP as amended.

Motion made by Trustee Bear, Seconded by Trustee Bachran. Voting Nay: Trustee Knutson. Motion carried.

Open Discussion:

Trustee Bear - provided previous fire-flows analyzed and noted appropriateness of the comments regarding the water model.

Does the Board wish to give Administrator Knight or Attorney Nerlin authority to begin discussions with Arch Coal regarding the stand-by taps?

Administrator Knight added the only conversation current with Arch Coal is the discussion at the previous meeting.

Discussion ensued regarding the timing of discussions and negotiations with Arch Coal.

James Sorensen - Questioned if Administrator Knight is the best person to send to negotiate with Arch Coal, given his volatile interactions with townspeople.

Motion made to instruct staff to begin discussion with Arch Coal regarding stand-by water taps.

Motion made by Trustee Bachran, seconded by Trustee Bookout. Voting nay: Trustee Knutson.

Trustee Bear requested an update regarding domestic and irrigation water utilized in Town.

Motion made to direct staff to develop a plan to provide irrigation water to Lees and Poulos park.

Motion made by Trustee Bear, seconded by Trustee Knutson. Unanimous.

Motion made to direct staff to develop a plan to irrigate historical society.

Motion made by Trustee Bear, Seconded by Trustee Bachran. Unanimous.

Administrator Knight plans to have an RFP for mapping soon and believes the Board should consider a water ordinance regarding conservation rates. The last rate study has

established the base rate which is the system maintenance rate, then there is a charge for water.

Motion to instruct staff to install residential electronic meters throughout all of Town limits by the end of year.

Motion made by Trustee Bear, Seconded by Trustee Bachran.

Motion to amend main motion to instruct staff to install remaining stock of residential electronic meters in Town limits.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bear. Unanimous.

Main motion as amended. Unanimous.

Mayor Pro-Tem Bookout added to budget for remaining meters for 2020.

Mayor Stewart believes the Water District discussion is appealing, but a component people are forgetting - a vote to set up district - and a vote by people in Town of Paonia agreeing to sell the assets of the Town at market value. Water, infrastructure, etcetera, would be substantial amount of money. If it were to happen the water rates would skyrocket to assist the district in paying off the debt.

Trustee Bachran also added the election component and expenses, districts, and creation of a board which would answer to the Board of Trustees.

Public Discussion:

Thomas Markle – feels the fee structure for Town sets up additional tap fees based on business uses. The system punishes conservation and should be reviewed. The Town can make rules regarding use of grey water as well.

Kris Kendall – Questioned what kind of information would be requested from water companies, and believes it is not any of the Towns business who lives in out of town houses or how much water used. Wants water companies to have some say.

Bill Brunner - Provided two graphs from previous water studies from 1999 and 2004, and his explanation of the graphs. The studies say the Town needs to build seasonal storage. Carrying forward with a plan to put a moratorium on tap sales until an engineer quantifies what can be served. Asking the Board to consider this and include the Town attorney to write it. Believes tap purchase costs should be increased right now.

Town statutes require a Board of governors to maintain the Town system. The Town Board has set themselves as the governor but could delegate that to other people.

Trustee Bookout – Believes many of the current issues have been ongoing for years, and it is not because people sitting at this table right now that created this situation. The Board members find it difficult when receiving constant push-back - we are trying to

make educated decisions now. Everyone up here is doing the best they can. No one up here wants to see the water system fail.

Mayor Stewart directed Public Works Director Loberg to describe the various changes in the system since 2004 at a future meeting.

Motion to recess for 5 minutes.

1. CHC – Colorado Oil & Gas Conservation Commission – Rulemaking and Bureau of Land Management – Revised Master Plan

Andrew Forkes-Gudmundson - presented packet information, beginning with the Rule-making discussion and a desire to explore avenues of engagement for the Town with the Colorado Oil and Gas Conservation Commission (COGCC). This is a perspective conversation. This is the attempt of CHC to provide information ahead of time.

Administrator Knight stated the Board of Trustees have not appointed a designee.

A local government designee is intitled to notice for things happening in and around the jurisdiction, direct notice in rule-making and would be granted some authority to speak on behalf of the Board.

Discussed potential of appointing a designee within conservation groups or a Board member and approximate time commitment.

Discussion began regarding the BLM Resource Management Plan (RMP) and a request for the Board of Trustees to submit a protest, including many of the protection requests submitted in the 2016 letter. A draft protest was included in the packet which includes the following topics.

1. Source water protection
2. Town infrastructure
3. Health risks

Patrick Dooling - WSCC added information regarding surface occupancy and drilling limitations.

4. Protection of wildlife
5. Jumbo Mountain Protection Acreage

Mayor Stewart again noted his concern with the Board participating in too many projects, some of which are outside of the scope of the Town.

Discussion ensued.

Four community members spoke in favor of submitting a protest letter.

Motion made to draft a protest letter incorporating previous letter - to be drafted by Administrator Knight and placed on regular meeting agenda for approval.

Motion made by Mayor Pro-Tem Bookout, seconded by Trustee Bachran.

Voting nay: Trustee Bear. Motion carried.

Mayor Pro-Tem Bookout thanked the public for sharing and to continue to share by sending e-mail.

Discussion ensued regarding who will be the signer of the letter.

Discussion ensued regarding the timeline for letter submittal and the drafting of a request regarding the governor’s consistency review process. Requested a brief letter be submitted to the governor.

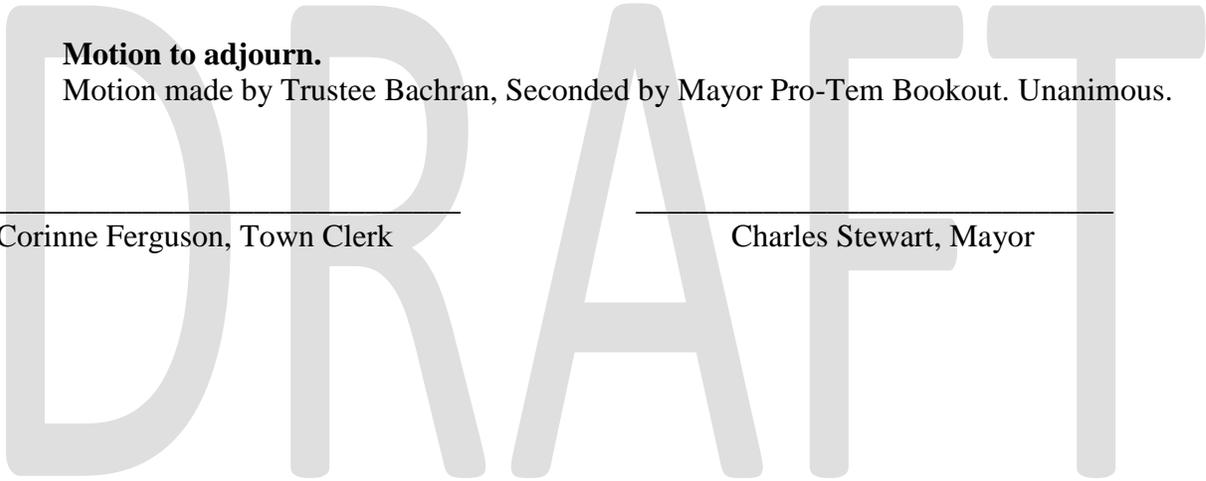
Adjournment

Motion to adjourn.

Motion made by Trustee Bachran, Seconded by Mayor Pro-Tem Bookout. Unanimous.

J. Corinne Ferguson, Town Clerk

Charles Stewart, Mayor



Minutes
Regular Town Board Meeting
Town of Paonia, Colorado
July 23, 2019

RECORD OF PROCEEDINGS

Roll Call

- 1. Roll Call

PRESENT

Mayor Charles Stewart
Mayor Pro-Tem Chelsea Bookout
Trustee Mary Bachran
Trustee William Bear
Trustee Karen Budinger
Trustee Samira Hart
Trustee Dave Knutson

Approval of Agenda

- 2. Approval of Agenda

Motion made to amend the agenda, removing July 9, 2019 minutes and tabling the audit presentation.

Motion made by Trustee Bear, Seconded by Trustee Bachran. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Announcements

- 3. Announcements

Mayor Stewart confirmed a quorum will be available for the August 13, 2019 Regular Board meeting.

The auditing firm is not ready to present the audit. The Board may want to request an extension of submittal from the State.

Motion made to request an extension for 30 days.

Motion made by Trustee Hart, Seconded by Mayor Pro-Tem Bookout. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Recognition of Visitors & Guests

- 1. Visitors & Guests

Delta County Updates – Elyse Akerman-Casselberry

- Delta County Land Use Plan

- DOLA Grant – Opportunity Zone Funding

Elyse Ackerman-Casselberry - Director of Economic Development for Delta County – was present to discuss topics with the Board of Trustees. A Land Use Regulation concept plan for Delta County was provided to the Board for review.

Ms. Ackerman-Casselberry requested time in the next 45 to 60 days to begin to update and refresh the Town and County intergovernmental agreement and the Highway 133 Plan.

Opportunity Zone

In 2018 the State was assigned the task of identifying which census tracts can be designated as an opportunity zone. Those designated have to be eligible as an economically stressed area. The Town of Paonia and a significant portion of the City of Delta meet the criteria.

An explanation of how opportunity zone projects are funded, ongoing discussions regarding a private/public investment opportunity with DOLA funds, developing a model on how to work on the problems associated with TABOR and other State and IRS requirements is underway.

The County is requesting support from the communities in a form of a monetary contribution.

Discussion ensued regarding the timeline for decision and funding, requesting between \$500 to \$1,000 from each community.

Visitors & Guests

Mayor Stewart opened the meeting for public comment and questions not on the agenda.

James Sorensen - Price Road - Read a letter provided to the Board of County Commissioners to the Board for the record, following Administrator Knights comments made at the July 9, 2019 meeting, where he stated the letter was intentionally inaccurate.

Christina Patterson - Price Road - Read a statement and formal complaint for the record and to the Board regarding an encounter she stated she had with Administrator Knight in front of her home on Price Road Friday, July 19, 2019, and asked Mayor Stewart and the Board how they plan to address the situation.

Mayor Stewart stated he believes it is appropriate to schedule an executive session to receive legal advice for any personnel matter regarding the Town Administrator. There may be a need to set a special meeting to deal with the issue in a thoughtful and appropriate manner. Town Attorney Nerlin confirmed the appropriateness of an executive session at a future meeting.

Motion made to schedule a special meeting for Tuesday July 30, 2019 at 6:00pm for executive sessions for legal counsel and personnel issues.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Hart. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Barry Smith - Price Road - read a statement to the Board regarding his belief that the ongoing interaction and behavior of Administrator Knight is due to their participation in the Town local government and the incident with his wife, Christina Patterson.

Mayor Stewart stated to Administrator Knight that now is not the time to discuss the issue.

Kenneth Knight - Price Road - continued to address the Board after being advised to wait for the Board executive session. Mr. Knight stated the confrontation was not Town business and as a citizen he will address the Board. Mr. Knight gave a brief statement of the interaction and stated it is between neighbors, adding that if the Town tries to make it Town business, the Town will be discussing the issue "lawyer to lawyer".

Attorney advised the Board he would like to advise in an executive session.

Motion made to enter executive session for a conference with the Town attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b); pertaining to the current discussion.

Motion made by Trustee Knutson, Seconded by Trustee Hart. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Returned to open meeting at 7:38pm.

In attendance were: Mayor Stewart, Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson, Town Attorney Nerlin.

No issues noted.

Attorney Nerlin read a statement explaining that an executive session special meeting has been scheduled and the Board will not be taking any action this evening. Attorney Nerlin requested staff and the Board refrain from discussing the matter raised at this time.

Lisa Delaney – Onarga Avenue – Provided information regarding her participation with Ms. Patterson following the incident and questioned how a Town employee living in close proximity of a project can participate and requested information regarding how the Town handles conflict of interest.

Bill Brunner - Stated he has handed in a citizen petition to place a moratorium on water tap sales. He believes bullying is an issue within the Town Administration and Board and provided examples he believes support his statement.

Chris Jacobson - Expressed his concern and stated when there is a Town Administrator, the Administrator is hired by the Board and has a lot of oversight. When the Board does not administer through their position it is an issue. The elected officials are the only recourse the community has regarding the Town appointed employees.

Bart Eller - Price Road - provided information to the Board regarding his experience with the previous Town Manager Jane Berry and requested the Board purchase back is taps.

Suzanne Watson – Stated she pleads with the Board to take a look at the forward progression of the Town and improve what we have instead of extending Town boundaries.

Consent Agenda

- 2. Minutes: June 24, 2019 – Special Meeting
- Minutes: June 25, 2019

Motion to approve consent agenda as amended.

Motion made by Trustee Hart, Seconded by Mayor Pro-Tem Bookout.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Mayor’s Report

- 3. Mayor’s Report
- Attended BMW Rally closing ceremony. 545 attendees. Successful event.

Staff Reports

Town Administrators Report

- 4. Administrator’s Report
- Will be out of office 8/9/19 for jury duty.

Public Works Report

- 5. Public Works Report
 - Started watering park after Rally ended.
 - 2nd and Main Avenue water leak repaired.
 - Spring-line leak - parts ordered for repair.
 - Spilling at plants. Storage tanks are full, spilling at spring boxes.
 - Timeline of improvements included in packet. Process report also included.

Town Park is watered in 4 sections. Lee's Park watered 4 hours per section, 2 sections watered every two weeks. Apple Valley watered daily in sections.

Police Department Report

6. Police Report

- No issues during the BMW Rally.
- Deltarado Days this week. The PD will be Participating in Parade, booth and dunk tank on Saturday.
- Officers attending multiple trainings over next 2 weeks.
- Drone has been delivered, use for illegal marijuana grows only, obtained through grant funding only.
- Officer training to operate the drone is upcoming.

Suzanne Watson - questioned how the drone will be used and believes the community has the right to see how the drone will be used via policy.

Town Treasurer Report

7. Treasurer's Report

- Reviewed payroll and disbursements.
- Reviewed preliminary audit report.

Disbursements

8. Disbursements

Motion to approve disbursements as presented and discussed.

Motion made by Trustee Budinger, Seconded by Mayor Pro-Tem Bookout.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Unfinished Business

9. Public Hearing - South Clark Avenue Subdivision

Applicant requests the Board continue the hearing to 8/27/19.

Motion to continue public hearing as requested.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

10. Public Hearing: Greenbelt Addition

Public Hearing opened at: 8:10pm

Mayor Stewart provided an explanation of public hearing procedures.

Administrator Knight provided staff information and Planning Commission recommendation. The Planning Commission recommended approval with an E-1 zoning.

Staff recommends the Board annex with the Developing Resource zoning designation.

Charris and Dulcie Ford were present to provide information regarding the annexation request and stated reasons they request the Board approve annexation as applied for originally.

Board Questions:

- Pre-annexation vs. annexation
- Timeline for an annexation
- Neighborhood commercial use
- Special reviews

Public Comment:

Lisa Ganora - likes the idea of the open space walk by the river and loves the vision of the annexation request.

Naropa Sabine - excited with the application as presented.

Susie Lowe - supports the zoning and annexation as requested by the Ford's.

James Sorensen - Price Road - Not sure the Town's hurry to annex.

Patricia Walsh-Oienick - stated previously there would be no commercial out-of-town water taps sold. How would that affect them?

Public Hearing closed at 8:50pm.

Mayor Stewart stated it makes sense for the Town to continue to annex properties out to the Highway, granting Town input and control to the entryways to Town.

11. CHC – Bureau of Land Management – Revised Master Plan – Letter of Protest

Andrew Forkes-Gudmundson with Citizens for a Healthy Community (CHC) and Patrick Dooling with Western Slope Conservation Center (WSCC) co-presented the suggested edits to the Town protest letter, consistent with previous protest letters.

Mr. Forkes-Gudmundson provided an overview of the suggested changes.

Mayor Stewart reiterated his concern with the Board participating at the level necessary to be involved in the process and is uncomfortable because of parts of the letter he cannot verify.

Mayor Pro-Tem Bookout stated the oil and gas does not show up because they don't think they have to and the Board represents the community and they show up asking for Town participation.

Open to the public for discussion:

Four people spoke in support of the letter submitted and the groups who work to provide the information to the Board.

Melissa Munoz - implored Mayor Stewart to sign the letter on behalf of the “loud minority.”

Trustee Knutson and Mayor Pro-Tem stated they understand the pressure the Mayor feels and respects his right as an individual to not sign the letter.

Motion to extend meeting for 30 minutes.

Motion made by Trustee Bachran, Seconded by Mayor Pro-Tem Bookout. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Motion to adopt changes as submitted by WSCC and CHC to the draft letter in protest to Resource Management Plan and authorize Mayor Pro-Tem Bookout to sign the letter along with Town Administrator Knight.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Knutson.

Motion made to amend motion to include any Board member be able to sign if the wish to.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Knutson. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Budinger, Trustee Hart, Trustee Knutson. Voting Nay: Trustee Bear.

Main motion as amended. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Budinger, Trustee Hart, Trustee Knutson. Voting Nay: Trustee Bear.

A five-minute recess was called.

New Business

12. Western Slope Conservation Center – Letter of Support – Community Conservation Proposal

Motion to continue items 13, 16, 17, 19, move item 23 above Highway 133 Corridor formula business.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bachran. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

13. Acceptance of 2018 Audit

Tabled.

14. 2020 Budget Calendar

Motion to accept the budget calendar as presented.

Motion made by Trustee Bachran, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

15. Resolution 2019-12 - Greenbelt Addition Finding of Fact

Mayor Stewart provided information to the Board and public regarding Resolution 2019-12 - Finding of Fact.

Motion to adopt Resolution 2019-12 as presented.

Motion made by Trustee Budinger, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

16. Ordinance 2019-05 – Business Registration

Tabled.

17. Ordinance 2019-06 – Home Occupation Process

Tabled.

18. Ordinance 2019-07 - Greenbelt Addition Approval of Annexation

Mayor Stewart provided information to the Board and public regarding Ordinance 2019-07 Approval of Annexation.

Motion to adopt Ordinance 2019-07 as presented and approve the sale of water and sewer tap.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bachran.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Motion to extend the meeting by 30 minutes.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Knutson. Voting Yea:

Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Budinger, Trustee Hart, Trustee Knutson. Voting Nay: Trustee Bear.

Motion to reconsider approval of ordinance 2019-07 and the sale of water and sewer tap. Motion withdrawn.**Motion to add zoning ordinance item 19 back to the agenda.**

Motion made by Trustee Knutson, Seconded by Trustee Bachran. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Trustee Hart left the meeting at 10:10pm.

19. Ordinance 2019-08 - Greenbelt Addition Zoning

Motion made to adopt Ordinance 2019-08 as presented, with a zoning designation of Developing Resource.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trsutee Knutson.

Motion to amend main motion to include Neighborhood Commercial Use.

Motion made by Trustee Bachran, Seconded by Trustee Knutson. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Knutson.

Main motion as amended. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Knutson.

20. Discussion of a Moratorium on Development Along Highway 133 Corridor

Town Attorney Nerlin described the impetus for the moratorium discussion. Concern noted: unintended consequences and community process.

The moratorium ordinance will go to the Planning Commission for review July 31, 2019 and to The Board of Trustees at the special meeting August 1, 2019.

Discussion ensued regarding how the moratorium would impact annexed and to-be annexed properties within the 133 Corridor.

Motion made to direct Town Attorney Nerlin to draft a proposed ordinance to institute a moratorium in area A along Highway 133 corridor for 90 days.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bachran. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Knutson.

21. Ordinance 2019-TBD – Zoning Amendment – Highway 133 Corridor – Formula Businesses

Discussion ensued regarding prohibiting and special review processes. Formula businesses already open in Town were provided. Mayor Stewart advised the Board and public to be cautious to the fact that there are many formula businesses and the real issues are big box establishments.

Trustee Bachran asked if the draft ordinance could include verbiage that the developing entity would need to be bonded and would have to remove abandoned buildings.

Motion to extend meeting 30 minutes.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Budinger. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Knutson.

22. Ordinance 2019-TBD – Highway 133 Overlay

Discussion ensued regarding the draft submitted and the goal to create an overlay district incorporating the corridor plan in to the Town zoning. Attorney Nerlin provided an overview of included requirements in the overlay.

Thomas Markle - noted typos and addressed earlier concern regarding the impact of language specific to the storage of fertilizer.

Charris Ford - Stahl Road – added that compost is being recognized as fertilizer.

23. Bill Brunner – Request Regarding a Citizen Initiative for a Moratorium on Water Tap Sales

Mr. Brunner provided the Board information regarding his citizen initiative for a moratorium of water tap sales and requested the Board move forward on the initiative.

Trustee Knutson - feels railroaded to push a moratorium when not convinced it is necessary.

Trustee Bachran – agrees with Trustee Knutson, stating she read the reports, the first study is enormously flawed with huge predictions, and even at the lowest projection rate the data is off. To base laws on twenty-year-old studies is flawed methodology and believes while the Town is out for proposals for a study the Town should not place restrictions.

Mayor Stewart added the issue is important and decisions and current facts and data are being collected.

Trustee Bear – Noted concern with laws that state if you don't use the water you lose it. Others could call on the water during a moratorium.

Motion to extend the meeting for 10 minutes.

Motion made by Trustee Knutson, Seconded by Mayor Pro-Tem Bookout. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Knutson.

James Sorensen – Questioned what the harm would be in placing a moratorium until the system analysis is complete.

Dulcie Ford - consider looking in to the moratorium issues in case there is a significant interest.

Committee Reports

- 24. Finance & Personnel
- 25. Public Works/Utilities/Facilities
- 26. Governmental Affairs/Public Safety
- 27. Space to Create

4.

28. Tree Board

Continued.

Adjournment

29. Adjournment

Motion to adjourn.

Motion made by Trustee Bear, Seconded by Trustee Bachran. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Knutson.

J. Corinne Ferguson, Town Clerk

Charles Stewart, Mayor

DRAFT

Minutes
Special Town Board Meeting
Town of Paonia, Colorado
July 30, 2019

RECORD OF PROCEEDINGS

Roll Call

- 1. Roll Call

Approval of Agenda

- 1. Approval of Agenda

Motion made to approve the agenda as presented.

Motion made by Trustee Bear, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Unfinished Business

- 1. **Executive Session: for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. § 24-6-402(4)(b); specific to possible investigation of Town Administrator and legal advice regarding Town Administrator’s Employment Contract.**

Motion to enter executive session for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. § 24-6-402(4)(b); specific to possible investigation of Town Administrator and legal advice regarding Town Administrator’s Employment Contract.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bear.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Entered executive session at 6:01pm.

Returned to open meeting at 7:38pm.

In attendance were: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson, Town Attorney Nerlin, Special Council Marnie Nathan-Kloster.

No issues noted.

Motion to instruct Attorney Nerlin to write a letter informing Mr. Knight that he is on administrative leave with pay, effective immediately.

Motion made by Trustee Bear, Seconded by Trustee Hart. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Hart, Trustee Knutson.

Motion to instruct Attorney Nerlin to reach out to Mr. Knight to negotiate a separation agreement and for Attorney Nerlin to pursue any and all available avenues under the employment agreement, including termination.

Motion made by Trustee Bear, Seconded by Trustee Bachran. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Hart, Trustee Knutson.

Motion to instruct Attorney Nerlin to obtain information concerning personnel issues involving Mr. Knight.

Motion made by Trustee Bear, Seconded by Trustee Hart. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Hart, Trustee Knutson.

Motion to amend agenda, striking item 2.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Knutson. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Hart, Trustee Knutson.

- 2. **Executive Session: pursuant to C.R.S. § 24-6-402(4)(f) for discussion of a personnel matter involving the citizen complaint lodged against the Town Administrator, who was previously informed of this meeting.**

Removed.

Adjournment

- 1. Adjournment

Motion to adjourn.

Motion made by Trustee Hart, Seconded by Trustee Knutson. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Hart, Trustee Knutson.

Meeting adjourned at 7:41pm.

J. Corinne Ferguson, Town Clerk

Charles Stewart, Mayor

Minutes
Special Town Board Meeting
Town of Paonia, Colorado
August 01, 2019

RECORD OF PROCEEDINGS

Roll Call

1. Roll Call

Approval of Agenda

Mayor Stewart provided an introduction of Sarah Abbott from J. David Reed, PC.

1. Approval of Agenda

Motion to amend agenda, moving item 5 to beginning of agenda.

Motion made by Trustee Bear, Seconded by Trustee Hart.

Voting Yea: Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Unfinished Business

1. Ordinance 2019-TBD – Establishing Temporary Suspension of Processing Applications for Retail Superstores for A Period of Six Months

Mayor Stewart provided an overview of the Planning Commission recommendations as follows:

- Deletion of reference of in excess of 10,000 square feet - so to apply to all commercial development within the Highway 133 corridor.
- Correction of caption which indicates 6-month moratorium, while body of ordinance states it is 90 days, which is enough time for review and input.
- Replace superstore with commercial development. Not voted on at Planning Commission meeting but was recommended by Mayor Stewart.

Discussion ensued regarding the 90 days versus 180 day moratorium, and the removal of the 10,000 square feet provision.

Mayor Stewart stated 90 days is long enough to allow for thoughtful review of the other ordinances, while not delaying to the extent that an interested party could seek relief.

Public comment:

None.

Motion to approve Ordinance 2019-TBD with suggested changes as presented.

Motion made by Trustee Bear, Seconded by Trustee Budinger.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Note: Ordinance is adopted as an emergency ordinance.

2. Ordinance 2019-TBD – Creation of the Highway 133 Corridor Overlay District & Highway 133 Corridor Development Submittal Requirements & Design Standards

Mayor Stewart read the caption for the record and provided an overview of the purpose of the draft ordinance. The Planning Commission recommended the ordinance be adopted, as a non-emergency ordinance, to follow regular process.

Public comment:

None.

Motion to approve Ordinance 2019-TBD and send to the Board of Trustees with removal of emergency clause.

Motion made by Trustee Bear, Seconded by Mayor Pro-Tem Bookout.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

3. Ordinance 2019-TBD – Formula Businesses

Mayor Stewart read the caption for the record and provided an overview of the draft ordinance. The Planning Commission recommended to adopt but may be necessary to remove the emergency ordinance clause. The ordinance allows formula businesses, by special review, in C-2 and I-1 zones.

Discussion ensued regarding the determination of an application in process.

Motion to approve Ordinance 2019-TBD with removal of emergency clause.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bear.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Adjournment

1. Adjournment

Motion to adjourn.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Meeting adjourned at 5:33pm.

J. Corinne Ferguson, Town Clerk

Charles Stewart, Mayor

**RETAIL LIQUOR OR 3.2 BEER
 LICENSE RENEWAL APPLICATION**

Fees Due	
Renewal Fee	500.00
Storage Permit \$100 x _____	_____
Optional Premise \$100 x _____	_____
Related Resort \$75 x _____	_____
Amount Due/Paid	

REMEDY
 PO BOX 304
 PAONIA CO 81428

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

PLEASE VERIFY & UPDATE ALL INFORMATION BELOW

RETURN TO CITY OR COUNTY LICENSING AUTHORITY BY DUE DATE

Licensee Name CIRQUE CYCLERY, LLC		DBA REMEDY		
Liquor License # 03-06926	License Type Hotel & Restaurant (city)	Sales Tax License # 304879680000	Expiration Date 09/07/2019	Due Date 07/24/2019
Operating Manager Amy DeLuca	Date of Birth [REDACTED]	Home Address [REDACTED]		
Manager Phone Number [REDACTED]	Email Address cirquecyclery@gmail.com			
Street Address 232 GRAND AVENUE PAONIA CO 81428				Phone Number 9705272221
Mailing Address PO BOX 304 PAONIA CO 81428				

- Do you have legal possession of the premises at the street address above? YES NO
 Is the premises owned or rented? Owned Rented* *If rented, expiration date of lease _____
- Since the date of filing of the last application, has there been any change in financial interest (new notes, loans, owners, etc.) or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested. YES NO
NOTE TO CORPORATION, LIMITED LIABILITY COMPANY AND PARTNERSHIP APPLICANTS: If you have added or deleted any officers, directors, managing members, general partners or persons with 10% or more interest in your business, you must complete and return immediately to your Local Licensing Authority, Form DR 8177: Corporation, Limited Liability Company or Partnership Report of Changes, along with all supporting documentation and fees.
- Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation. YES NO
- Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage license suspended or revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked? If yes, attach a detailed explanation. YES NO
- Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) have a direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or interest in a loan to any licensee? If yes, attach a detailed explanation. YES NO

AFFIRMATION & CONSENT

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct and complete to the best of my knowledge.

Type or Print Name of Applicant/Authorized Agent of Business AMY DELUCA	Title owner
Signature <i>Amy DeLuca</i>	Date 7-12-19

REPORT & APPROVAL OF CITY OR COUNTY LICENSING AUTHORITY

The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 12, Articles 46 and 47, C.R.S. **THEREFORE THIS APPLICATION IS APPROVED.**

Local Licensing Authority For 116	Date
Sig [REDACTED]	Title
	Attest

Instruction Sheet

For All Sections, Complete Questions 1-4 Located on Page 1

Section A

To Register or Change Managers, check the appropriate box in section A and complete question 8 on page 5. Proceed to the Oath of Applicant for signature. Submit to State Licensing Authority for approval.

Section B

For a Duplicate license, be sure to include the liquor license number in section B on page 1 and proceed to page 5 for Oath of Applicant signature.

Section C

Check the appropriate box in section C and proceed below.

- 1) **For a Retail Warehouse Storage Permit**, go to page 3 complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 5 for Oath of Applicant signature. Submit to State Licensing Authority for approval.
- 2) **For a Wholesale Branch House Permit**, go to page 3 and complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 5 for Oath of Applicant signature. Submit to State Licensing Authority for approval.
- 3) **To Change Trade Name or Corporation Name**, go to page 3 and complete question 6 (be sure to check the appropriate box). Submit the necessary information and proceed to page 5 for Oath of Applicant signature. Retail Liquor License submit to Local Liquor Licensing Authority (City or County). Manufacturer, Wholesaler and Importer's Liquor Licenses submit to State Liquor Licensing Authority.
- 4) **To modify Premise, or add Sidewalk Service Area**, go to page 4 and complete question 9. Submit the necessary information and proceed to page 5 for Oath of Applicant signature. Retail Liquor License submit to Local Liquor Licensing Authority (City or County). Manufacturer, Wholesaler and Importer's Liquor Licenses submit to State Liquor Licensing Authority.
- 5) **For Optional Premises** go to page 4 and complete question 9. Submit the necessary information and proceed to page 5 for Oath of Applicant signature. Retail Liquor License submit to Local Liquor Licensing Authority (City or County).
- 6) **To Change Location**, go to page 3 and complete question 7. Submit the necessary information and proceed to page 5 for Oath of Applicant signature. Retail Liquor License submit to Local Liquor Licensing Authority (City or County). Manufacturer, Wholesaler and Importer's Liquor Licenses submit to State Liquor Licensing Authority.
- 7) **Campus Liquor Complex Designation**, go to page 4 and complete question 10. Submit the necessary information and proceed to page 5 for Oath of Applicant signature.
- 8) **To add another Related Facility** to an existing Resort or Campus Liquor Complex, go to page 4 and complete question 11.

Change of Manager

8. Change of Manager or to Register the Manager of a Tavern, Hotel and Restaurant, Lodging & Entertainment liquor license or licenses pursuant to section 44-3-301(8).

(a) Change of Manager (attach Individual History DR 8404-I H/R, Tavern and Lodging & Entertainment only)

Former manager's name _____

New manager's name _____

(b) Date of Employment _____

Has manager ever managed a liquor licensed establishment? Yes No

Does manager have a financial interest in any other liquor licensed establishment? Yes No

If yes, give name and location of establishment _____

Modify Premises or Addition of Optional Premises, Related Facility, or Sidewalk Service Area

9. Modification of Premises, Addition of an Optional Premises, Addition of Related Facility, or Addition of a Sidewalk Service Area

NOTE: Licensees may not modify or add to their licensed premises until approved by state and local authorities.

(a) Describe change proposed returning premises to personal property area in original licence designation area

(b) If the modification is temporary, when will the proposed change:

Start _____ (mo/day/year) End _____ (mo/day/year)

NOTE: THE TOTAL STATE FEE FOR TEMPORARY MODIFICATION IS \$300.00

(c) Will the proposed change result in the licensed premises now being located within 500 feet of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?

(If yes, explain in detail and describe any exemptions that apply) Yes No

(d) Is the proposed change in compliance with local building and zoning laws? Yes No

(e) If this modification is for an additional Hotel and Restaurant Optional Premises has the local authority authorized by resolution or ordinance the issuance of optional premises? Yes No

(f) Attach a diagram of the current licensed premises and a diagram of the proposed changes for the licensed premises.

(g) Attach any existing lease that is revised due to the modification.

(h) For the addition of a Sidewalk Service Area per Regulation 47-302(A)(4), include documentation received from the local governing body authorizing use of the sidewalk. Documentation may include but is not limited to a statement of use, permit, easement, or other legal permissions.

Campus Liquor Complex Designation

10. Campus Liquor Complex Designation

An institution of higher education or a person who contracts with the institution to provide food services

(a) I wish to designate my existing _____ Liquor License # _____ to a Campus Liquor Complex Yes No

Additional Related Facility

11. Additional Related Facility

To add a Related Facility to an existing Resort or Campus Liquor Complex, include the name of the Related Facility and include the address and an outlined drawing of the Related Facility Premises.

(a) Address of Related Facility _____

(b) Outlined diagram provided Yes No

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>Amel</i>	Title <i>owner</i>	Date <i>7-12-19</i>
--------------------------	-----------------------	------------------------

Report and Approval of LOCAL Licensing Authority (CITY / 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 applicable provisions of Title 44, Articles 4 and 3, C.R.S., as amended. **Therefore, This Application is Approved.**

Local Licensing Authority (City or County)	Date filed with Local Authority
--	---------------------------------

Signature	Title	Date
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Report of STATE Licensing Authority

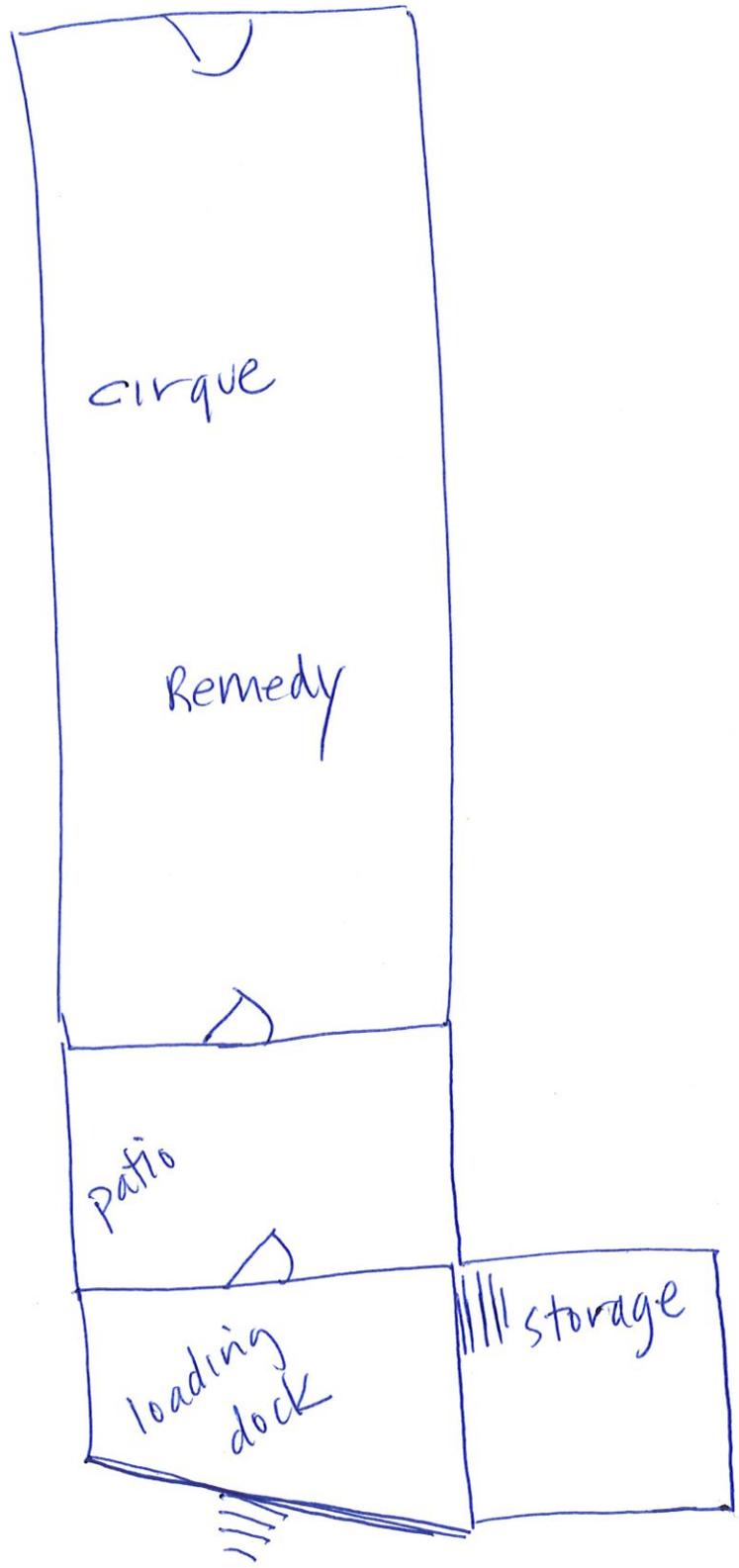
The foregoing has been examined and complies with the filing requirements of Title 44, Article 3, C.R.S., as amended.

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

4.

← 232 grand Ave →

3rd St. ↑



121

← alley →

		Mayor's Report	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

	Clerk's Report		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:



Every town is an important part of the American story.

Make sure your town’s story is told by responding to the 2020 Census—the count of everyone living in the United States. When you do, you’ll also help your town get the most out of the American dream.

Responding Is Important for Your Community

Census responses provide data that can attract new businesses and the jobs that come with them. The data also informs where over \$675 billion in federal funding is spent each year in states and communities. That includes money for things like:

- > Medicare Part B
- > Special education
- > Supplemental Nutrition Assistance Program
- > Cooperative Extension Service
- > Substance Abuse Prevention and Treatment Block Grant
- > Water and waste disposal systems for rural communities

Responding Is Safe

Your personal information is kept confidential by law.

Responding Is Easy

To complete the census, answer a handful of questions online, by phone, or by mail. Choose the option that works best for you.

Every Person Counts

Whether it’s funding in communities across your state or helping determine the number of seats your state will have in the U.S. House of Representatives—every count makes an equal impact.

For more information, visit:
2020CENSUS.GOV

**Shape
your future
START HERE >**

United States®
**Census
2020**



FOR IMMEDIATE RELEASE:
August 7, 2019

CONTACT: Angie John
EMAIL: angiejohn@ramusa.org
OFFICE: (865) 500-8587
CELL: (865) 661-4931

RAM provided free vision, medical, and dental care to 301 people at recent clinic in Paonia

ROCKFORD, TN (August 7, 2019) – For the first time in the state of Colorado, Remote Area Medical- RAM® -- a major non-profit provider of mobile clinics delivering free, high-quality, dental, vision, and medical care to underserved and uninsured individuals-- held a clinic in Paonia this past weekend. On August 3rd and 4th, RAM staff and more than 250 professional and general support volunteers came together to provide \$131,974 worth of free care to 301 people at Energy Tech. A wide array of free health services were offered at the clinic, including eye exams, glaucoma testing, eyeglass prescriptions and glasses made on site, women’s medical exams, chest/lung x-rays, general medical exams – much needed services, and dental cleanings, fillings, and extractions.

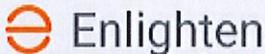
Sixty percent of those individuals seeking services have health insurance, so it was notable to have 23% of the patients at the clinic seeking general medical services. Typically, less than 10% of RAM clinic patients are seeking these services. Forty-four percent of patients in Paonia stated the availability of services as their primary reason for coming to the clinic. “Unless something changes drastically, RAM will continue to fill the gaps for those who are underserved and underinsured and who, unfortunately, do not have access to a doctor, dentist, or optometrist, just because they can’t afford one,” said RAM CEO Jeff Eastman.

Many people were pleased to be able to take advantage of the multiple services provided, including Ashley, who came to the Paonia clinic because she was in need of new glasses and a general medical exam. As a working mom, her children are her first priority. Her children have coverage, but she does not. When she found out about the clinic in Paonia, she had to come see it for herself. She walked out with a new pair of glasses and can now see clearly. When asked what she would have done if the free vision and medical services were not provided at the clinic, she said “I honestly didn’t know that this was a thing [or] that this even happened. So, I probably would have eventually saved our money, but my kids are more important than me right now. As long as they’re taken care of, I’m good.”

For more information about RAM’s mobile clinics, visit www.ramusa.org or call 865-579-1530.

About Remote Area Medical: RAM is a major non-profit organization that operates mobile clinics delivering free, high-quality, dental, vision, and medical services to underserved and uninsured individuals who do not have access to or cannot afford a doctor. Since RAM was founded in 1985, more than 135,000 volunteers—comprised of licensed dental, vision, and medical professionals, as well as general support volunteers—have treated more than 785,000 individuals delivering \$135 million worth of free health care services. Last year, RAM held clinics in Tennessee, Alabama, California, Florida, Georgia, Kentucky, Louisiana, New Mexico, Nevada, Ohio, Oklahoma, South Dakota, Texas, Virginia, West Virginia, Haiti, and the Philippines. Upcoming RAM clinic locations include Ohio, Tennessee, Missouri, Nevada, Maryland and Kentucky.

From: Enlighten <donotreply@enphaseenergy.com>
Sent: Monday, July 8, 2019 6:06 PM
Subject: Monthly Energy Production Report for Paonia Town Hall



Monthly Energy Production Report for Paonia Town Hall

Enphase Energy maximizes your solar energy production and keeps you informed about your system. Your monthly energy report shows how your system performed and how much you contributed to offsetting the global carbon footprint.

For more details on these production results, please visit your [Enphase® system](#).

Week	Peak Power	Energy Produced
06/01/2019 - 06/07/2019	4.18 kW	192 kWh
06/08/2019 - 06/14/2019	4.08 kW	221 kWh
06/15/2019 - 06/21/2019	4.14 kW	172 kWh
06/22/2019 - 06/28/2019	4.34 kW	205 kWh
06/29/2019 - 06/30/2019	4.09 kW	54.8 kWh
June 2019 Total:		844 kWh
Previous Month Total:		794 kWh
Year to Date:		3.70 MWh

Your **Carbon Offset** for this month: 1,286 lbs

You have offset the equivalent of: **15 Trees**

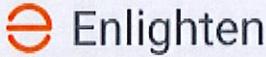


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This is an automated system notification from Enphase Energy Inc.,
 1420 N. McDowell Blvd., Petaluma, CA 94954, USA.

From: Enlighten <donotreply@enphaseenergy.com>
Sent: Thursday, August 8, 2019 6:07 PM
Subject: Monthly Energy Production Report for Paonia Town Hall



Monthly Energy Production Report for Paonia Town Hall

Enphase Energy maximizes your solar energy production and keeps you informed about your system. Your monthly energy report shows how your system performed and how much you contributed to offsetting the global carbon footprint.

For more details on these production results, please visit your [Enphase® system](#).

Week	Peak Power	Energy Produced
07/01/2019 - 07/07/2019	4.14 kW	209 kWh
07/08/2019 - 07/14/2019	3.95 kW	198 kWh
07/15/2019 - 07/21/2019	3.94 kW	203 kWh
07/22/2019 - 07/28/2019	4.25 kW	194 kWh
07/29/2019 - 07/31/2019	4.12 kW	81.1 kWh
July 2019 Total:		886 kWh
Previous Month Total:		844 kWh
Year to Date:		4.59 MWh

Your **Carbon Offset** for this month: 1,349 lbs

You have offset the equivalent of: **16 Trees**



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This is an automated system notification from Enphase Energy Inc.,
1420 N. McDowell Blvd., Petaluma, CA 94954, USA.

		Public Works	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:



Trash Truck Acquisition

Summary: Public Works Director Travis Loberg requests Board approval to allocate reserve funds for the acquisition of a new trash truck.

Notes: Kois is the primary wholesaler for trash trucks and other related items in Colorado. Kois provided a \$5,000 discount, as we wholesale purchase our dumpsters and receptacles from Kois. Researched multiple sites for comparable trucks, while this is a bit higher than some, the safety and structural features are better, and the savings in traveling out of state to pick up a new trash outweigh the minimal savings. A different brand to save money would mean a higher cost to switch out all dumpsters. The new truck includes a modification should the Town wish to ever budget to switch to a tote system.

Possible Motions: Motion by: _____ 2nd: _____ vote: _____

Table with 4 columns: Vote, Trustee Bachran, Trustee Bear, Trustee Bookout, Trustee Budinger, Trustee Hart, Trustee Knutson, Mayor Stewart.



EQUIPMENT COMPANY INC.

DENVER
5200 Colorado Blvd.
Commerce City, CO 80022
Phone: 303-298-7370
Fax: 303-298-8527

BILLINGS
2107 Harnish Blvd.
Billings, MT 59101
Phone: 406-652-3975
Fax: 406-652-3744

GREAT FALLS
1610 River Drive North
Great Falls, MT 59401
Phone: 406-452-2757
Fax: 406-452-2799

DATE 07/10/19
PAGE 1
QUOTE NO. 19-1648
*** QUOTE ***

SOLD TO:
TOWN OF PAONIA
TRAVIS LOBERG
2ND & POPLAR
PAONIA CO 81428

SHIP TO:
TOWN OF PAONIA
TRAVIS LOBERG
2ND & POPLAR
PAONIA CO 81428

CUSTOMER PO	CUSTOMER NUM	SHIP VIA	SALESMAN	TERMS	CUSTOMER PHONE
QUOTE	16200	DELIVERED	16	NET 10	970-527-4101

Travis,
We are pleased to submit the following quotation for your consideration. We strive to supply the highest of quality equipment so that your up time is maximized. Please review the quote and let me know if you have any other questions. We look forward to meeting your equipment needs and building a product that will last for years to come. Thank you for your interest.
Sincerely,

Jesse McKinley
307-760-1029

PART NUMBER	DESCRIPTION	QTY ORD	UOM	PRICE	EXTENDED
HEIL DP5000 25YD	*HIGH COMPACTION HD REAR LOAD	1.00	EA	97,050.00	97,050.00
	PLEASE SEE ATTACHED SPECIFICATIONS				
FREIGHTLINER M2 106	*READY TRUCK CHASSIS	1.00	EA	90,500.00	90,500.00
	PLEASE SEE ATTACHED SPECIFICATIONS				
KOIS INSTALLED	*LIP & LATCH AND ROLL BAR	1.00	EA	5,935.00	5,935.00
MUNICIPAL DISCOUNT	*DISCOUNT FOR LOYAL CUSTOMER	-1.00	EA	5,000.00	-5,000.00

All returned goods must be accompanied by invoice and are subject to handling charge after 30 days.

NO RETURNS AFTER 90 DAYS

A SERVICE CHARGE OF 2% PER MONTH, 24% PER ANNUM WILL BE ADDED TO ANY INVOICE NOT PAID. BY THE LAST DAY OF THE MONTH IN WHICH IT IS DUE. WE ARE CONFORMING WITH THE FAIR LABOR STANDARTDS ACT OF 1938 AS AMENDED. NOT RESPONSIBLE FOR TIMELOST DUE TO FIRES, STRIKES OR CAUSES BEYOND OUR CONTROL. STENOGRAPHICAL AND CLERICAL ERRORS SUBJECT TO CORRECTION

Sub Total	188,485.00
Sales Tax	0.00
F.E.T.	0.00
Freight	4,500.00
TOTAL	192,985.00

THANK YOU FOR ALLOWING US TO QUOTE THESE ITEMS. YOUR COST IS

130

DuraPack® 5000

High-Compaction Rear Loader



8. DuraPack® 5000

The unrivaled workhorse of the industry.

With over 20,000 built and nearly 30 years of reliability, Heil's **DuraPack 5000** high-compaction refuse vehicle has become the mainstay of collection fleets, from small independent haulers to the world's largest municipal fleet.

Engineered to last. The **DuraPack 5000** features Heil's DP body, the only fully welded, interlaced subframe in a refuse collection truck. With formed channels for extra strength, high tensile strength steel to maximize performance at a minimum weight, and full welding for superior resistance to corrosion and cracking, the **DuraPack 5000** is a sturdy package with the stamina to absorb years of tough hauling.

Outstanding weight distribution. But our engineers still weren't satisfied. Their search for perfection led them to discover a way to create outstanding weight distribution and reduce wear

on rearward chassis components. They incorporated a high cylinder mount into a compact design with a short overhang to maximize forward loading of both the body and the payload.

Easy to operate. The **DuraPack 5000** is as functional as it is durable. Operators around the world appreciate the convenient one-handed manual packing controls that enable them to stop, start, or reverse either the upper panel or the blade at any point in the packing cycle. With a simple two-step cycle that reloads in just 6 to 8 seconds, and a complete cycle time of 16 to 18 seconds, it gets them through their routes quickly. (Cycle time varies based on pump application.)

To add the **DuraPack 5000** to your fleet, contact your local Authorized Heil Dealer. To find the Dealer nearest you, visit www.heil.com.





Reliable Real Loader Performance

The **DuraPack® 5000** was specifically designed to maximize your time on daily collection routes.

- **Solid Foundation** — The interlaced subframe provides exceptional strength and durability, which means your DuraPack 5000 will enjoy a long lifespan.
- **Time-Saver** — The DuraPack 5000 features a flat, abrasion-resistant steel floor, which eliminates the messy job of cleaning trash buildup out of dirty troughs.
- **Frame-Mounted Oil Tank** — Filter maintenance is easy with an oil tank that is mounted on the frame and includes standard sight gauge and in-cab filter bypass monitors.
- **Superior Filtration** — Our 3-micron filtration system keeps oil cleaner and extends the life of hydraulic components. Other manufacturers use 10-micron filtration, which can allow particulate matter to damage the hydraulic system.
- **One-Handed Manual Packing** — Convenient one-handed manual controls stop, start, or reverse the upper panel or blade at any point in the packing cycle.

Visit www.heil.com to learn more about how Heil refuse collection vehicles are making a difference around the world.

High-Capacity Hopper

The generous 3.94 cubic yard hopper can accommodate large items with ease, and requires less cycling on the route.

Durability and Longevity

Our exclusive fully welded, interlaced subframe provides exceptional longevity, while resisting abrasion, corrosion, and salt damage. The body is constructed of 7- to 8-gauge high tensile strength steel, while the hopper features 5/16-inch thick AR400 steel on the floor and 3/16-inch thick AR400 steel on the sides for superior strength and durability.

More Packing Power

Heil's Linkage Packing System is a proven performer. It has no rollers, slides, or slide shoes to wear out. Smaller cylinders deliver considerably more packing power for increased payloads.

Service Smart™ Side Door

Our Service Smart™ design simplifies routine maintenance and keeps you away from the shop and out servicing your customers — and making money. The side door provides easy access for common maintenance tasks.





DuraPack® 5000

High-Compaction Rear Loader

8.

Purchase your Heil unit through NJPA®

National Joint Powers Alliance (NJPA) has awarded Environmental Solutions Group (ESG), of which Heil is a part, a nationally bid contract for "Solid Waste and Recycling Collection Equipment with Related Equipment, Accessories, and Supplies."



Through the ESG contract (#060612-ESG), NJPA Members can purchase any of ESG's line of refuse and recycling equipment, including Heil front-loading, side-loading, and rear-loading refuse collection vehicles and roll-off hoists directly, without having to create an RFP and send the project through a duplicate bid process. By using the existing nationally bid contract, Members can receive the products they need more quickly and cost effectively.

Best of all, membership in NJPA is free! Qualified agencies can join online via the NJPA website at www.njpacoop.org.

To find out more about purchasing Heil equipment via the ESG NJPA contract, please contact your local Heil Dealer.

Trust Heil Certified OEM and aftermarket parts



Heil Certified OEM parts are the most reliable replacement parts for Heil refuse collection vehicles. They're made following the exact specifications and production processes on the same assembly lines as the parts originally installed on the bodies. This means that they fit perfectly every time. Heil uses only the highest-quality materials for parts that last — minimizing costly downtime. For more information on parts, please call **800.528.5308**.

2030 Hamilton Place Blvd., Suite 200, Chattanooga, TN 37421
866.FOR.HEIL (866.367.4345) • Fax: 423.855.3478 • www.heil.com

134



Rely on experienced local support

When you buy from Heil, you gain the aftermarket support of the industry's strongest network of dealers in North America. We stand behind our products, so you get the support you need for the life of those products. Our dealers are also trained to help you find the best product for your particular route needs.

To find the dealer nearest you, visit our website at www.heil.com and click on "Dealer Locator."

Rent a Heil unit from Big Truck Rental

There are many reasons why renting your refuse trucks may be the perfect solution compared to purchasing vehicles for your fleet. Heil is pleased to partner with Big Truck Rental to offer short- and long-term rental options on our most popular refuse collection models, including front loaders, rear loaders, automated side loaders, and roll-off hoists.

Call your local Heil Dealer for more information or visit www.bigtruckrental.com.



Choose your DuPont® finish

Proven paint process

At Heil, we recognize that a quality paint finish requires a quality process and application. We have reviewed and refined our paint procedures to fully utilize the optimal characteristics of the paint and provide the finish and durability expected of Heil products. Heil uses a detailed process which includes:

1. Body surface prep
2. Joint sealer
3. Component powder-coating
4. Undercoating
5. DuPont paint

DuPont is the leader in commercial finishes, and Heil proudly uses DuPont primer and paint on all our refuse collection vehicles. Our priming and painting processes provide optimal adherence, durability, and corrosion resistance.

Count on the Lowest TCO

Refuse and recycling collection vehicles are our passion, and we apply tremendous resources to advance our product and service offerings to improve the profitability of your business and provide the lowest Total Cost of Ownership and the maximum return on your investment. You can be confident that choosing Heil equipment brings a long-term partnership with the industry leader.

CONTACT YOUR LOCAL DEALER

		Police Report	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

	Treasurer's Report		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

		Disbursements	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

11.

FSBC OPS DISBURSEMENT SUMMARY		
DESCRIPTION	DATES	AMOUNT
CURRENT FSBC OPS BALANCE		213,347.88
ACCOUNTS PAYABLE	7/19/19-8/8/19	(83,262.01)
PAYROLL TAXES	8/2/2019	(7,525.79)
BALANCE AFTER PAYMENT		122,560.08

es
es

FSBC SUMMIT DISBURSEMENT SUMMARY		
DESCRIPTION	DATES	AMOUNT
CURRENT FSBC SUMMIT BALANCE		70,974.35
CURRENT FSBC PAYROLL BALANCE		25.00
PAYROLL (DIRECT DEPOSIT)	8/2/2019	(19,052.62)
BALANCE AFTER PAYMENT		51,946.73

es

FSBC INTERNAL GRANT BALANCE	
BALANCE	35.77
CD TOTAL	35.77

FSBC LOC BALANCE		
FSBC CD#1 @ 2.00%	GENERAL	250,000.00
FSBC CD#2 @ 0.55%	GENERAL-COLLATERAL FOR LOC	200,840.36
CD TOTAL		450,840.36
LOC (\$200,000)-RENEWED 7/2019		-
BALANCE AVAILABLE SECURING LOC		450,840.36

CREDIT CARD		
CHASE	7/23/2019	1,567.58
CITIBANK	7/25/2019	-
TOTAL		1,567.58

es

COLOTRUST - GENERAL	
TOTAL	583,139.18
COLOTRUST RESTRICTED - SEWER PROPERTY	
TOTAL	521,860.72
COLOTRUST RESTRICTED - SEWER LOAN RESERVE	
TOTAL	105,152.94
COLOTRUST -BRIDGE RESTRICTED	
TOTAL	579,136.38

GRANT FUNDS IN PROCESS	
TOTAL	-

BANK BALANCES		
FSBC		COLOTRUST
AS OF: 8/12/19		
WWTP	58,129.91	583,139.18
SPACE-TO-CREATE	72,623.28	521,860.72
INT GRANT	35.77	105,152.94
PAYROLL	25.00	579,136.38
SUMMIT	51,921.73	
OPS	212,389.51	
CONS.TRUST	4,678.14	
PASS THRU	25.00	
PARK CONTRIBUTIONS	9,867.00	
CD#1	CLOSED	
CD#2	200,840.36	
CD#3	250,000.00	
	<u>860,535.70</u>	<u>1,789,289.22</u>
		2,649,824.92

Due Date	Vendor Number	Vendor Name	Invoice Number	Invoice Amount	Discount Amount	Partial Payments	Net Due Amount	Pay	Partial Pmt Amt	Part Pmt Disc Amt
08/13/2019	987	Black Hills Energy	072019	205.98	.00	.00	205.98			
08/13/2019	14	Bolinger & Queen I	61319	240.34	.00	.00	240.34			
08/13/2019	14	Bolinger & Queen I	61404	135.13	.00	.00	135.13			
08/13/2019	21	Caselle, Inc	96688	989.00	.00	.00	989.00			
08/13/2019	22	CDPHE	FGD2019176	465.00	.00	.00	465.00			
08/13/2019	22	CDPHE	WU2010578	1,501.00	.00	.00	1,501.00			
08/13/2019	22	CDPHE	WU2010578	92.00	.00	.00	92.00			
08/13/2019	22	CDPHE	WU2010581	580.00	.00	.00	580.00			
08/13/2019	1016	Commercial Cleani	251	125.00	.00	.00	125.00			
08/13/2019	1090	Community Resou	17761	529.09	.00	.00	529.09			
08/13/2019	1090	Community Resou	17769	529.09	.00	.00	529.09			
08/13/2019	1058	Core & Main LP	K956403	10,830.00	.00	.00	10,830.00			
08/13/2019	1091	Dairy Specialists, L	RT114831	1,608.75	.00	.00	1,608.75			
08/13/2019	39	Delta County Inde	1157481-116	158.01	.00	.00	158.01			
08/13/2019	43	Delta Montrose Ele	7-2019-S	2,635.69	.00	.00	2,635.69			
08/13/2019	43	Delta Montrose Ele	8-2019-W	1,839.61	.00	.00	1,839.61			
08/13/2019	46	Dependable Lumb	1906-072344	628.99	.00	.00	628.99			
08/13/2019	48	Don's Market	04-476942	38.83	.00	.00	38.83			
08/13/2019	48	Don's Market	04-479973	239.75	.00	.00	239.75			
08/13/2019	368	Double J Disposal	38109-38111	243.00	.00	.00	243.00			
08/13/2019	1098	Empowered Energ	073119	262.00	.00	.00	262.00			
08/13/2019	56	Enterprise Fund/La	301640-3043	3,286.75	.00	.00	3,286.75			
08/13/2019	62	Feather Petroleum	5507707-523	1,153.05	.00	.00	1,153.05			
08/13/2019	888	Filter Tech System	8587	933.58	.00	.00	933.58			
08/13/2019	1011	J. David Reed, PC	77031-77035	6,279.00	.00	.00	6,279.00			
08/13/2019	424	Kendall Excavating	1311	200.00	.00	.00	200.00			
08/13/2019	482	Larry D Gillenwate	909400	142.01	.00	.00	142.01			
08/13/2019	470	Leon, Susan	080119-0831	700.00	.00	.00	700.00			
08/13/2019	470	Leon, Susan	23908	5.75	.00	.00	5.75			
08/13/2019	103	Master Petroleum	CL-37004-IN	489.66	.00	.00	489.66			
08/13/2019	896	McCandless Truck	P105046714-	56.18	.00	.00	56.18			
08/13/2019	896	McCandless Truck	P105046722-	112.36	.00	.00	112.36			
08/13/2019	763	Mesa County Healt	2388-19	20.00	.00	.00	20.00			
08/13/2019	763	Mesa County Healt	2389-19	20.00	.00	.00	20.00			
08/13/2019	141	North Fork Service	182743-1828	872.24	.00	.00	872.24			
08/13/2019	122	Paonia Auto Parts	355460-3562	444.35	.00	.00	444.35			
08/13/2019	125	Paonia Farm & Ho	18874-22679	574.14	.00	.00	574.14			
08/13/2019	499	Phonz +	889	1,137.08	.00	.00	1,137.08			
08/13/2019	1099	Producers CO-OP	24867	292.95	.00	.00	292.95			
08/13/2019	737	Ricoh USA Inc	32132611	127.42	.00	.00	127.42			
08/13/2019	737	Ricoh USA Inc	5057180389	303.92	.00	.00	303.92			
08/13/2019	931	Roop Excavating L	062019-0709	6,502.50	.00	.00	6,502.50			
08/13/2019	931	Roop Excavating L	062619	13,684.00	.00	.00	13,684.00			
08/13/2019	931	Roop Excavating L	070819-0710	2,575.00	.00	.00	2,575.00			
08/13/2019	931	Roop Excavating L	072919	1,415.00	.00	.00	1,415.00			
08/13/2019	931	Roop Excavating L	073019	2,250.00	.00	.00	2,250.00			
08/13/2019	656	Schmueser Gordo	2013-471.00	1,139.00	.00	.00	1,139.00			
08/13/2019	152	Southwestern Syst	202541	774.50	.00	.00	774.50			
08/13/2019	152	Southwestern Syst	202545	890.75	.00	.00	890.75			
08/13/2019	861	The Paper-Clip LL	2032855-203	241.34	.00	.00	241.34			
08/13/2019	161	UNCC	219070823	53.98	.00	.00	53.98			
08/13/2019	441	USA Blue Book	945199	470.10	.00	.00	470.10			
08/13/2019	441	USA Blue Book	965562	8,091.13	.00	.00	8,091.13			
08/13/2019	173	Western Implemen	IN13190	15.60	.00	.00	15.60			
08/13/2019	491	Winwater Corp	051103-01	1,408.84	.00	.00	1,408.84			
08/13/2019	491	Winwater Corp	051292-00	1,554.99	.00	.00	1,554.99			

Cash Requirements Report - Paonia
Due date(s): All-All
Check Issue Date: 8/12/2019

Due Date	Vendor Number	Vendor Name	Invoice Number	Invoice Amount	Discount Amount	Partial Payments	Net Due Amount	Pay	Partial Pmt Amt	Part Pmt Disc Amt
08/13/2019	491	Winwater Corp	051293-00	1,167.60	.00	.00	1,167.60			
Grand Totals:			57	83,262.01	.00	.00	83,262.01			



Cash Requirements Summary

Date	Invoice Amount	Discount Amount	Partial Payments	Net Due Amount	Net Cumulative Amount
08/13/2019	83,262.01	.00	.00	83,262.01	83,262.01
Grand Totals:	83,262.01	.00	.00	83,262.01	

Report Criteria:
Unpaid transmittals included
Begin Date: ALL
End Date: ALL

Transmittal Number	Name	Invoice Number	Pay Per Date	Pay Code	Description	GL Account	Amount
2							
2	IRS Tax Deposit		07/26/2019	74-00	Federal Tax Deposit Social Security	10-0216	1,107.72
2	IRS Tax Deposit		07/26/2019	74-00	Federal Tax Deposit Social Security	10-0216	1,107.72
2	IRS Tax Deposit		07/26/2019	75-00	Federal Tax Deposit Medicare Pay P	10-0216	352.73
2	IRS Tax Deposit		07/26/2019	75-00	Federal Tax Deposit Medicare Pay P	10-0216	352.73
2	IRS Tax Deposit		07/26/2019	76-00	Federal Tax Deposit Federal Withhold	10-0216	1,740.59
Total 2:							<u>4,661.49</u>
4							
4	Aflac		07/26/2019	63-01	Aflac Pre-Tax Pay Period: 7/26/2019	10-0225	120.18
4	Aflac		07/26/2019	63-02	Aflac After Tax Pay Period: 7/26/2019	10-0225	24.90
Total 4:							<u>145.08</u>
6							
6	Colorado Dept of Labor		06/28/2019	98-00	SUTA State Unemployment Tax Pay	10-0218	76.22
6	Colorado Dept of Labor		07/12/2019	98-00	SUTA State Unemployment Tax Pay	10-0218	80.68
6	Colorado Dept of Labor		07/26/2019	98-00	SUTA State Unemployment Tax Pay	10-0218	75.23
Total 6:							<u>232.13</u>
9							
9	Colorado Dept of Revenue		07/26/2019	77-00	State Withholding Tax Pay Period: 7/2	10-0217	706.00
Total 9:							<u>706.00</u>
31							
31	Mutual of Omaha		07/26/2019	51-01	Group# MOORetirement Plan Pay P	10-0220	491.53
31	Mutual of Omaha		07/26/2019	51-01	Group# MOORetirement Plan Pay P	10-0220	839.42
31	Mutual of Omaha		07/26/2019	51-02	Group# MOO Loan Payment Pay Pe	10-0220	129.07
Total 31:							<u>1,460.02</u>
33							
33	FPPA - Fire & Police Pensi		07/26/2019	50-00	FPPA Pay Period: 7/26/2019	10-0219	692.25
33	FPPA - Fire & Police Pensi		07/26/2019	50-00	FPPA Pay Period: 7/26/2019	10-0219	527.43
33	FPPA - Fire & Police Pensi		07/26/2019	90-00	Death & Disability Pay Period: 7/26/2	10-0219	184.60
Total 33:							<u>1,404.28</u>
70							
70	Rocky Mountain HMO		07/26/2019	60-01	RMHMO - Employee Only Pay Period	10-0223	214.98
70	Rocky Mountain HMO		07/26/2019	60-01	RMHMO - Employee Only Pay Period	10-0223	4,013.88
70	Rocky Mountain HMO		07/26/2019	60-03	RMHMO - Employee + Family Pay Pe	10-0223	166.99
70	Rocky Mountain HMO		07/26/2019	60-03	RMHMO - Employee + Family Pay Pe	10-0223	3,005.47
70	Rocky Mountain HMO		07/26/2019	60-04	RMHMO - Vision Pay Period: 7/26/20	10-0223	36.90
Total 70:							<u>7,438.22</u>
71							
71	The Harford		07/26/2019	65-01	Group#013307460001 Hartford Basic	10-0226	27.56

Transmittal Number	Name	Invoice Number	Pay Per Date	Pay Code	Description	GL Account	Amount
71	The Harford		07/26/2019	65-02	Group#013307460001 Harford Suppl	10-0226	29.38
Total 71:							56.94
73							
	73 Delta Dental of Colorado		07/26/2019	60-05	Dental RMHMO - Dental Pay Period:	10-0223	213.12
Total 73:							213.12
Grand Totals:							16,317.28

MO.

MO.

Report Criteria:

Unpaid transmittals included
Begin Date: ALL
End Date: ALL

003

4,661.60+
1,460.02+
1,401.28+
7,522.90

Employee Number	Name	85-00 Net Pay Emp Amt
1057	Adams, Curtis G	952.74
1054	Beardslee, Dominic D	1,159.12
1052	Edwards, Roger	899.31
1002	Ferguson, J. Corinne	1,397.54
1020	Ferguson, Neil	1,760.78
1022	Hinyard, Patrick	1,022.08
1001	Jones, Cynthia	1,645.35
1000	Knight, Kenneth D	1,985.05
1050	Loberg, Travis	2,165.24
1003	Mojarro-Lopez, Amanda	1,014.97
1025	Patterson, Taffine A	851.95
1055	Redden, Jordan	504.46
1051	Reich, Dennis	960.92
1026	Vassel, Andrew C	657.95
1056	Voight, Steven P	1,134.93
1024	Winnett, Lorin E	940.23

Grand Totals:

16 19,052.62

(Handwritten initials in a circle)
RW
7/30/19



Manage your account online: www.chase.com/ink

Customer Service: 1-800-945-2028

Mobile: Download the Chase Mobile® app today

August 2019						
S	M	T	W	T	F	S
28	29	30	31	1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
1	2	3	4	5	6	7

New Balance 
\$1,567.58
 Minimum Payment Due
\$25.00
 Payment Due Date
08/17/19

Late Payment Warning: If we do not receive your minimum payment by the due date, you may have to pay up to a \$39 late fee.

Minimum Payment Warning: Enroll in Auto-Pay and avoid missing a payment. To enroll, call the number on the back of your card or go to the web site listed above.

ACCOUNT SUMMARY

Account Number:	[REDACTED]
Previous Balance	\$9,491.19
Payment, Credits	-\$9,491.19
Purchases	+\$1,567.58
Cash Advances	\$0.00
Balance Transfers	\$0.00
Fees Charged	\$0.00
Interest Charged	\$0.00
New Balance	\$1,567.58
Opening/Closing Date	06/24/19 - 07/23/19
Credit Limit	\$45,000
Available Credit	\$43,432
Cash Access Line	\$9,000
Available for Cash	\$9,000
Past Due Amount	\$0.00
Balance over the Credit Limit	\$0.00

YOUR ACCOUNT MESSAGES

Your next AutoPayment for \$1,567.58 will be deducted from your account and credited on your due date (previous day if your due date falls on a Saturday). Any payment or other credit posted to your account prior to your AutoPay payment being processed will be deducted from the AutoPayment amount identified above.



ACCOUNT ACTIVITY

Date of Transaction	Merchant Name or Transaction Description	\$ Amount
07/17	AUTOMATIC PAYMENT - THANK YOU	-9,491.19
07/08	MY BEST CELLULAR 970-872-2677 CO	35.00 ✓
07/08	MY BEST CELLULAR 970-872-2677 CO	35.00 ✓
07/13	AT&T*BILL PAYMENT 800-331-0500 TX	75.74 ✓
07/16	MY BEST CELLULAR 970-872-2677 CO	15.00 ✓
	CINDY JONES TRANSACTIONS THIS CYCLE (CARD 8901) \$9330.45- INCLUDING PAYMENTS RECEIVED	
06/25	SQ *LEHMAN IMAGES L PAONIA CO KENNETH D KNIGHT TRANSACTIONS THIS CYCLE (CARD 3718) \$225.00	225.00 ✓
06/25	SQ *LEHMAN IMAGES L PAONIA CO	32.37 ✓
06/30	WAL-MART #5458 DELTA CO	7.83 ✓
07/01	PAONIA FLOWER SHOP PAONIA CO	24.00 ✓
07/02	AMZN Mktp US*MH13R3P91 Amzn.com/bill WA	39.99 ✓
07/06	AMZN Mktp US*MH9WT7EY2 Amzn.com/bill WA	14.99 ✓
07/16	INTERNATIONAL INSTITUTE O 909-9444162 CA CORINNE FERGUSON TRANSACTIONS THIS CYCLE (CARD 3742) \$289.18	170.00 ✓
07/03	CITY MARKET 0429 HOTCHKISS CO NEIL FERGUSON TRANSACTIONS THIS CYCLE (CARD 3775) \$32.41	32.41 ✓
06/26	USPS PO 0769660541 PAONIA CO	4.40 ✓
07/09	USPS.COM POSTAL STORE 800-782-6724 MO	661.05 ✓
07/10	USPS POSTAGE ENDICIA.COM 800-576-3279 CA	75.00 ✓
07/10	USPS PO 0769660541 PAONIA CO	30.40 ✓
07/17	USPS PO 0769660541 PAONIA CO TOWNOF PAONIA TRANSACTIONS THIS CYCLE (CARD 8181) \$860.25	89.40 ✓

2019 Totals Year-to-Date	
Total fees charged in 2019	\$0.00
Total interest charged in 2019	\$0.00

Year-to-date totals do not reflect any fee or interest refunds you may have received.

INTEREST CHARGES

Your Annual Percentage Rate (APR) is the annual interest rate on your account.

Balance Type	Annual Percentage Rate (APR)	Balance Subject To Interest Rate	Interest Charges
PURCHASES			
Purchases	15.49%(v)(d)	- 0 -	- 0 -
CASH ADVANCES			
Cash Advances	27.24%(v)(d)	- 0 -	- 0 -
BALANCE TRANSFERS			
Balance Transfer	15.49%(v)(d)	- 0 -	- 0 -

(v) = Variable Rate
(d) = Daily Balance Method (including new transactions)



Basics of Budget Presentation

Summary:
A slideshow presentation of the budget process provided by Finance Officer Cindy Jones.

Notes:

Possible Motions:
Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

BASICS OF BUDGET

GENERAL FUND REVENUE

- TAXES
- LICENSES AND PERMITS
- INTERGOVERNMENTAL (STATE & OTHER GOVERNMENTS)
- FINES AND FORFEITURES
- INVESTMENT INCOME
- MISCELLANEOUS

TAXES

- GENERAL PROPERTY TAXES (INCREASE BY VOTE)
- TOWN AND COUNTY SALES TAX (INCREASE BY VOTE)
- FRANCHISE TAXES (INCREASE BY AGREEMENT)
- CIGARETTE TAXES (SET BY DEPARTMENT OF REVENUE)
- OTHER TAXES DISBURSED BY DELTA COUNTY
 - SPECIFIC OWNERSHIP TAXES
 - DELINQUENT TAXES
 - INTEREST ON DELINQUENT TAXES

LICENSES AND PERMITS

- (INCREASES THROUGH FEE SCHEDULE)
- LIQUOR LICENSES
- BUILDING PERMITS
- MISCELLANEOUS PERMITS
- SPECIAL REVIEW

INTERGOVERNMENTAL-STATE&OTHER

- HIGHWAY USERS TAX
- MOTOR VEHICLE FEES
- SEVERANCE TAX
- MINERAL LEASING
- MOTOR VEHICLE LICENSES
- GOCO
- ROAD AND BRIDGE

FINES AND FORFEITURES

- COURT FINES (COLLECTED BY DISTRICT COURT)
- POLICE FINES (TICKETS AND MUNICIPAL COURT FEES)
- PD GRANT (REIMBURSEMENT FROM POST)
- VIN INSPECTIONS
- MISCELLANEOUS
 - DOG TAGS

INVESTMENT INCOME

- INTEREST

MISCELLANEOUS

- LATE CHARGES
- OTHER INCOME
- REFUND OF EXPENDITURES
- RESTITUTION
- RENTS AND ROYALTIES
- CONTRIBUTIONS
- IMPACT FEES

GENERAL FUND EXPENDITURES

- GENERAL GOVERNMENT – ADMINISTRATION/BUILDING
- PUBLIC SAFETY – POLICE DEPARTMENT
- PUBLIC WORKS – STREETS/SIDEWALKS/BRIDGE/CAPITAL IMPROVEMENTS
- CULTURE AND RECREATION – PARKS

EXPENDITURES CATEGORIES

- SALARIES
- SUPPLIES
- PROFESSIONAL FEES
- INSURANCE
- UTILITIES
- OTHER OPERATING EXPENDITURES
- DISCRETIONARY SPENDING

ADMINISTRATIVE PAYROLL

- ALLOCATIONS BASED ON OVERALL TIME SPENT EACH YEAR
 - ADMINISTRATION 5-15%
 - BUILDING 5%
 - WATER 35-50%
 - SEWER 30-40%
 - TRASH 10-15%

POLICE & JUDGE PAYROLL

- PUBLIC SAFETY 100%

PUBLIC WORKS PAYROLL

- BASED ON CURRENT AND PREVIOUS YEARS TIME SHEET HOW TIME IS SPENT
 - STREETS – 5-47%
 - PARKS – 4-33%
 - WATER – 15-65%
 - SEWER – 2-29%
 - TRASH – 2-75%

COUNCIL PAYROLL

- BASED ON COMMITTEE
- ADMINISTRATION 50-100%
- WATER 25%
- SEWER 25%

PAYROLL INCLUDES

- WAGES
- TAXES
- BENEFITS
 - HEALTH INSURANCE (TOWN PAYS 90%) APPROVED 7/5/2019
 - DENTAL
 - VISION
 - DISABILITY COVERAGE
 - LIFE INSURANCE
 - 2-5% RETIREMENT CONTRIBUTION

TOTAL PAYROLL

- TOTAL PAYROLL IS APPROXIMATELY 30-38% OF BUDGET

PAYROLL BUDGET GOALS

- STAFFING LEVEL
- PAY
- ADDITIONAL BENEFITS

OPERATING EXPENDITURES

- BASED ON PREVIOUS YEARS EXPERIENCES AND KNOWN OR ESTIMATED
 - SUPPLIES
 - PROFESSIONAL FEES
 - INSURANCE
 - UTILITIES
 - OTHER OPERATING EXPENDITURES

DISCRETIONARY SPENDING

- CULTURAL EVENTS
- HUMAN SERVICES
- REPAIRS AND MAINTENANCE

BUDGET GOAL

- WHAT CONFERENCES
- DONATIONS
- PROJECTS
 - PRIOR YEAR ITEM NOT YET COMPLETE
 - LIST FROM STAFF
 - LIST FROM COMMITTEES
 - REQUESTS FROM PUBLIC
- PRIORITIES

ENTERPRISE FUNDS

- WATER
- SEWER
- TRASH

ENTERPRISE FUNDS REVENUE

- CHARGES FOR SERVICES
- STAND BY FEES
- SALES & SERVICES
- PENALTIES
- INTEREST
- RENTS
- TAP SALES
- GRANT REVENUE

ENTERPRISE FUNDS EXPENDITURES

- SALARIES
- SUPPLIES
- PROFESSIONAL FEES
- INSURANCE
- UTILITIES
- DEBT SERVICE
- OTHER OPERATING EXPENDITURES
- DISCRETIONARY SPENDING

DISCRETIONARY SPENDING

- LEGAL & ENGINEERING
- REPAIRS AND MAINTENANCE

BUDGET GOAL

- WHAT PROJECTS DO YOU WANT TO COMPLETE
- WHAT VEHICLES OR EQUIPMENT NEED TO BE PURCHASED OR REPLACED
 - PRIOR YEAR ITEM NOT YET COMPLETE
 - LIST FROM STAFF
 - LIST FROM COMMITTEES
 - REQUESTS FROM PUBLIC
- WHAT ARE THE PRIORITIES
- NEED FOR FEE INCREASES

SPECIALTY FUNDS

- SIDEWALK – SIDEWALK FEE FOR REPLACEMENT OF SIDEWALKS
- SPACE*2*CREATE – FUNDED BY GRANT REVENUE
- CONSERVATION TRUST FUNDS – FUNDED BY LOTTERY FUNDS AND PAYS FOR PARK IMPROVEMENTS ONLY
- CAPITAL IMPROVEMENT – FUNDED BY 1% SALES TAX FOR CAPITAL IMPROVEMENT, VEHICLES AND EQUIPMENT

BUDGET GOAL

- PROJECTS
 - PRIOR YEAR ITEM NOT YET COMPLETE
 - LIST FROM STAFF
 - LIST FROM COMMITTEES
 - REQUESTS FROM PUBLIC
- PRIORITIES

QUESTIONS



	Public Hearing: Stahl Addition		
<p>Summary: Public hearing for the annexation of property known as Stahl Addition.</p>			
<p>Notes:</p>			
<p>Possible Motions:</p> <p>Motion by: _____ 2nd: _____ vote: _____</p>			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:



Atlasta Solar Center

Summary:
Lease agreement regarding installation of electric vehicle charging station, to be located in the Town lot at 236 Main Avenue. Estimated time for installation completion: August 31st.

Notes:

Possible Motions:
Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

PARKING SPACE RENTAL AGREEMENT

I. The Parties. This agreement dated on the 9 day of _____ August, 2019 by and between Town of Paonia with a mailing address of 214 Grand Ave PO Box 460 in _____ Paonia, State of Colorado, 81428 (Hereinafter known as the 'Lessor') and Atlasta Solar Center (ASC) with a mailing address of 1111 S 7th St in the City of Grand Junction, State of Colorado, 81501 (Hereinafter known as the 'Lessee') for a parking space located at: _____ SW Corner of Parking Lot, 236 Main Ave, Paonia, CO 81428.

II. Term. The term of this agreement shall begin on the 1 day of _____ September, 2019 and continue:

(Check One)

- until the _____ day of _____, 20_____.

- on a month to month basis. Termination may be made by either party with at least 90 days' written notice. All notices shall be sent to the parties' information in Section I.

III. Rent. The rental payment shall be due on the _____ of every month in the amount of _____ dollars (\$_____). Payment shall be delivered to the Lessor by the Lessee in the following manner:

_____.

IV. Subletting. The Lessee is not allowed to sublease (sublet) the space without the direct written consent from the Lessor.

V. Current Registration & Insurance. Lessee may only use the space for vehicles that are up-to-date with all State and local registration. In addition, all vehicles must maintain current with insurance that is legal under the State of Registration.

VI. Maintenance. Lessee is required to keep the parking space in good repair and free of hazardous leaks of oils or liquids. No repairs to vehicles of any type are allowed on the parking space and, if needed, must be towed to a location that allows such Activities.

VII. Use of Space & Damage. The use of the space may only be for the parking of a vehicle that is owned/leased by the owner. No storage of personal property may be allowed in the space. Lessor is not liable for any damage done to the vehicle or personal property taken from it. All liability to the vehicle and personal property will be the responsibility of the Lessee.

VIII. Governing Law. This agreement shall be governed under the laws in the State of Colorado.

This agreement was signed on the ____ day of _____, 20____.

Lessor's Signature

Lessee's Signature

Lessor's Printed Name

Louis A. Villaire (ASC)
Lessee's Printed Name



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/5/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Home Loan & Investment Company 205 North 4th Street Grand Junction, CO 81501	CONTACT NAME: Nichole Truitt	
	PHONE (A/C, No, Ext):	FAX (A/C, No): (970) 243-3914
E-MAIL ADDRESS: nicholet@hlic.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : Pinnacol Assurance		41190
INSURER B :		
INSURER C :		
INSURER D :		
INSURER E :		
INSURER F :		

INSURED

Atlasta Solar Center, LLC
 1111 South 7th Street
 Grand Junction, CO 81501

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	4158246	8/1/2019	8/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER **CANCELLATION**

Town of Paonia
 214 Grand Avenue
 Paonia, CO 81428

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



Western Slope Conservation Center – Letter of Support – Community Conservation Proposal

Summary:
Continued item from July 23, 2019.

Notes:

Possible Motions:
Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

TOWN OF PAONIA REQUEST TO BE PLACED ON AGENDA

PO Box 460
Paonia, CO 81428
970/527-4101
paonia@townofpaonia.com

Here are things you need to know:

- You must contact the Town Administrator or Town Clerk prior to coming to the Board. Quite often the issue can be resolved by staff action.
- No charges or complaints against *individual* employees should be made. Such charges or complaints should be sent to the employee's Department Head in writing with your signature.
- Remarks that discriminate against anyone or adversely reflect upon the race, color, ancestry, religious creed, national origin, political affiliation, disability, sex, or marital status of any person are *out of order* and may end the speaker's privilege to address the Board.
- Defamatory, abusive remarks or profanity are *out of order* and will not be tolerated.

Please complete the following information and return this form no later than the Monday, a week prior to the Board meeting to the above address or bring it to the Town Hall at 214 Grand Avenue.

Office hours are Monday through Friday, 8:00 a.m. to 4:30 p.m.

Regular Board meetings are scheduled for the second and fourth Tuesdays of each month.

Name of person making presentation: Patrick Dooling

Organization, if speaking on behalf of a group: Western Slope Conservation Center

Is this a request for Board action? Yes No

Please provide a summary of your comments:

The US Forest Service recently released a Working Draft for the Grand Mesa, Uncompahgre, Gunnison National Forest Plan Revision, that has the potential to negatively impact the town. We would like to request that the town write a letter of support for the Community Conservation Proposal, a proposal developed by a WSCC-led coalition of environmental non-profits. The Forest Service is requesting comments by July 24th.

What staff member have you spoken to about this? Please summarize your discussion:

We briefly summarized our request with Ken Knight and Mary Bachman

Contact information:

Name: Patrick Dooling

Mailing Address: PO Box 1612
Paonia, CO 81428

E-mail: director@theconservationcenter.org

Daytime Phone: 970 527 5307

Office Use Only:

Received: _____

Approved for Agenda: _____

Board Meeting Date: _____

August 12, 2019

Town of Paonia Board of Trustees
P.O. Box 460
214 Grand Avenue
Paonia, CO 81428

RE: USFS Grand Mesa, Uncompahgre, & Gunnison National Forests Plan Revision

Dear Trustees for the Town of Paonia,

Thank you for the opportunity to address the Board of Trustees on behalf of the Western Slope Conservation Center, a 600+ member organization that builds an active and aware community to protect and enhance the land, air, water, and wildlife of the Lower Gunnison Watershed.

In 2017, the Grand Mesa, Uncompahgre, and Gunnison (GMUG) National Forests set out to revise its Forest Plan, which guides the management of the national forests surrounding the town of Paonia for the next 15-20+ years. The current forest plan was created in 1983 and is in desperate need of updating to account for growth and changing conditions on our forests over the past 35+ years. In June 2019, the USFS released a “working draft” of its forest plan to help direct the GMUG planning team into the next phases of the plan revision process.

The National Forests surrounding the Town of Paonia are critical pieces of our pastoral landscape in the North Fork Valley and to the identity of our town. Our forests provide source water for human consumption, source water for irrigation reservoirs and ditches for farm and rangeland, critical habitat for diverse species of aquatic and terrestrial wildlife species, ample primitive, mechanized, and motorized recreation opportunities, and abundant grazing opportunities. In addition to their importance to our natural environment, our forests are major economic contributors to our communities of the North Fork Valley. The future of our home relies heavily on the future of our forests.

The Western Slope Conservation Center, along with a coalition of other stakeholders, created the Community Conservation Proposal (CCP), a conservation-minded approach to the management of the GMUG National Forests. The Community Conservation Proposal is the culmination is two years of work, where local stakeholders conducted field work, mapping, ecological analyses, and organized discussions to identify special places on the GMUG National Forests that deserve conservation. This proposal describes places in the North Fork Valley watershed that should be protected for future generations, and not opened to irresponsible development that have the potential to damage the environment we call home.

The Community Conservation Proposal includes recommended Wilderness and Special Management Areas throughout the Forests. The GMUG Planning team did not include any recommended Wilderness or Special Management Areas in the North Fork Valley. Tonight, WSCC would like to share with you the values, places, and resources we hope to protect through our proposal. Please find attached informational sheets and maps for more details on the forest plan and Conservation Proposal.

We ask the Town of Paonia to write a letter of support for the Community Conservation Proposal, as we think it is the best way to protect the public lands that surround the town and community. However, we know there is a lot of information contained in this packet and we would like to take the time to work with the town and address any concerns or questions you might have. If you are not ready to vote on a letter of support this evening, we will happily return at the next Town Council meeting on July 23.

Please find the attached info sheet, maps, and draft letter of support for more information. With the Town of Paonia’s support, we hope the USFS will include the CCP as an alternative in the draft Environmental Impact Statement due to be released in winter 2020.

Thank you for your time and commitment to our community.

Regards,



Patrick Dooling
Executive Director, Western Slope Conservation Center



Ben Katz
Public Lands Program Director, Western Slope Conservation Center

Grand Mesa, Uncompahgre, and Gunnison National Forests Plan Background

Background

The United States Forest Service (USFS) is updating its Forest Management Plan for the Grand Mesa, Uncompahgre, and Gunnison (GMUG) National Forests. This Forest Management Plan, similar to the BLM’s Resource Management Plan, will shape management and on-the-ground decisions across 3,161,900 acres of public land. Forest Plans provide a general framework to guide a forest in managing its resources, goods and services. Because Forest Plans are revised at-most every fifteen years, this process will shape management decisions and on-the-ground conditions for decades to come. The GMUG’s 34-year old Forest Plan is outdated, increasingly irrelevant, and unable to manage the tremendous user growth and environmental changes that the landscape has experienced over the past three decades.

The GMUG National Forests are the largest unit of National Forests in the country. They surround our community, and include the mid- to upper- elevation areas where our community’s water originates. They include the Raggeds and West Elk Wilderness Areas, Overland Reservoir, as well as the Forests north of Hotchkiss, Paonia, and Somerset. The GMUG extends from the desert southwest to the headwaters of the Colorado River, from Blue Mesa Reservoir north to above McClure Pass.

Where Are We Now

The GMUG Forest planning process began in June 2017. Prior to now, the USFS has been collecting documents, assessments, and information on how to best manage the GMUG National Forests for the next 20+ years that the Forest Plan will be in effect. The Draft Forest Plan, which is scheduled to be released winter 2019 or early 202, will include a range of alternative, similar to the BLM’s RMP, including a Preferred Alternative, for which the USFS is likely to select as the management direction for the GMUG National Forests.

General Timeline

- June 5, 2017** – Notice of Intent to Initiate Assessments published, officially kicking off the planning process.
- Assessment – GMUG will assess the condition of forest resources and determine the “Need for Change.”
- Data will be collected to help determine how well GMUG Forest’s ecological, social and economic systems can persist in the future. Drafts available for comment Fall 2017, and finalized late Fall.
- Need for Change – Draft available for comment Winter 2017/18
- Notice of Intent to Revise the Forest Plan – Spring 2018
- Proposed Action/Proposed Plan – Spring 2018
- Working Draft of the Forest Plan- June 28th, 2019
- Draft EIS – Winter 2019/Early 2020
- Final EIS – Spring 2020
- Objection Process – Summer 2020
- Final Decision – **Fall 2020**

Community Conservation Proposal

Western Slope Conservation Center, along with a coalition of other stakeholders, created the Community Conservation Proposal (CCP), a conservation-minded approach to the management of the GMUG National Forests. The Community Conservation Proposal is the culmination of two years of work, where local stakeholders conducted field work, mapping, ecological analyses, and organized discussions to identify special places on the GMUG National Forests that deserve conservation. This proposal describes places in the North Fork Valley watershed that should be protected for future generations, and not opened to irresponsible development that have the potential to damage the environment we call home. To explore the Proposal in more detail, including the areas within our watershed, please go to <https://www.gmugrevision.com/maps/>.

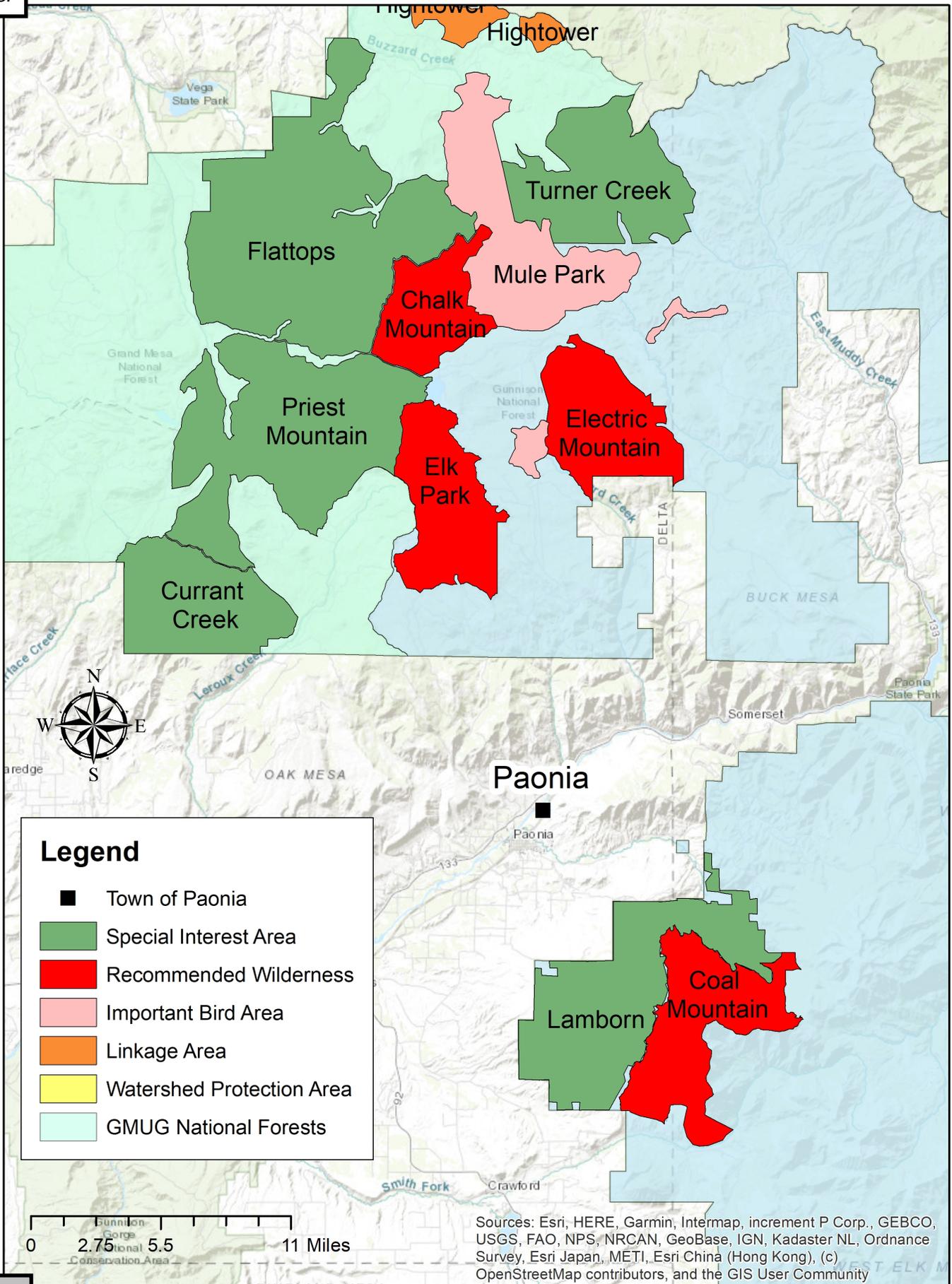
The Community Conservation Proposal includes recommended Wilderness and Special Interest Areas throughout the Forests. The GMUG Planning team did not include any recommended Wilderness or Special Interest Area in the North Fork Valley that we defined in the CCP in the Working Draft. WSCC would like the Town of Paonia to write a letter of support for the Community Conservation Proposal, as we think it is the best way to protect the public lands that surround the town and community.

Recommended Wilderness and Special Interest Area Designations

The Community Conservation Proposal would create specific management areas in parts of our watershed. These designations would guide management decisions in these areas towards their exemplary values of the landscapes and protects from other uses that may diminish those values. We believe these recommendations will preserve current and historic uses of the forest, which will mitigate future use conflicts, as well as sustain the local land-based economy.

Wilderness designation on the landscape is the highest level of protection an area of land can attain. Created by an act of Congress, these landscapes are areas where we humans use restraint on actions we take. Wilderness areas are places where “man himself is a visitor who does not remain” and are “protected to preserve [their] natural conditions, primarily affected by the forces of nature.” They are places where one can find solitude, and cherish the natural values of the landscape. They are our nation’s heritage, and we are fortunate to protect and experience them. Wilderness cannot be designated by the Forest Service, it has to be designated by law, but recommended Wilderness would be managed as such until a law is passed to properly designate it.

Special Interest Area (SIA) designations empower the US Forest Service to manage specific areas for their exemplary values. Each SIA will have a specific prescription by which the USFS will manage the lands. For example, an SIA with popular recreation opportunities may include fluid mineral withdrawal and/or no surface occupancy to preserve the user experience. Moreover, an SIA for critical wildlife habitat, such as the Mule Park Important Bird Area, may include a prohibition on timber harvest to protect ecological integrity and connectivity of the habitat.



Grand Mesa, Uncompahgre and Gunnison National Forests
Attn: Plan Revision Team
2250 South Main Street
Delta, CO 81416

August 12, 2019

Dear GMUG Planning Team,

Thank you for this opportunity to submit comments on the Working Draft of the Grand Mesa, Uncompahgre, and Gunnison National Forests Plan Revision. The GMUG National Forests are an important piece of the landscape surrounding the Town of Paonia, and the future of our town is tied closely to the future of our National Forests.

The Paonia Board of Trustees supports the Community Conservation Proposal. The Community Conservation Proposal is based on community involvement, on-the-ground fieldwork, the best available science, and the requirements in the 2012 U.S. Forest Service Planning Rule. These landscape-level conservation recommendations are integral to sustaining a healthy and wild GMUG now and into the future.

Specifically, we wish to endorse inclusion of the eight areas included in the Community Conservation Proposal located within the North Fork Valley Watershed - the Electric Mountain, Elk Park, and Chalk Mountain Recommended Wilderness Areas, Currant Creek, Priest Mountain, Flattops, and Turner Creek Special Management Areas, and the Mule Park Important Bird Area. Additionally, the Coal Mountain addition to the West Elk Wilderness and Mt. Lamborn Special Interest Areas deserves landscape protections as the iconic summit of our town.

Our town is able to thrive in no small part due to the natural resources provided by the National Forests that surround us. Our National Forests provide domestic and agricultural water to our farms and orchards, wildlife habitats that bring in hunting and fishing tourism, as well as grazing pastures that hold up local ranching economies. Designating the landscapes mentioned above would favorably impact the town, and protect our way of life.

The Town of Paonia Town Council requests that the GMUG planning team incorporate the above recommendations in your draft plan and alternatives moving forward in the revision process. Thank you for your consideration of the Paonia Town Council's comments.

Sincerely,
xx



Ordinance 2019-05 Business Registration

Summary:
Continued item from July 23rd Regular meeting. Second Read.

Notes:

Possible Motions:

Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

ORDINANCE NO. 2019-05

AN ORDINANCE OF THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, ADDING CHAPTER 6, ARTICLE 5 TO THE TOWN OF PAONIA MUNICIPAL CODE

RECITALS

WHEREAS, the Town of Paonia (the “Town”), in the County of Delta and State of Colorado, is a municipal corporation duly organized and existing under the laws of the State of Colorado; and

WHEREAS, the Board of Trustees of the Town had determined that the levy of an annual business registration fee on all persons doing business in the Town will promote the health safety and general welfare of the Paonia community.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, AS FOLLOWS:

Section 1. Legislative Findings.

The recitals to this Ordinance are adopted as findings of the Board of Trustees in support of the enactment of this Ordinance.

Section 2. Amendment of Town Code.

Chapter 6, Article 5 of the Town Code is added as follows:

Sec. 6-5-1 Purpose.

The purpose of this article shall be to require the registering and regulation of business activities, occupations and enterprises conducted within the Town and provide the Town with necessary information relating to businesses and professions operating within the Town in order to protect the health, welfare and safety of its inhabitants. It is the express intent and purpose of the business registration fee to cover the cost of processing such registration.

Sec. 6-5-2 Business Registration Required.

It shall be unlawful for any person, firm, association, partnership or corporation either as a principal, agent, clerk, employee or otherwise to commence or carry on any kind of business, profession or occupation without first having registered with the Town.

Sec. 6-5-3 Application for Registration.

(a) Any person, firm, association, partnership or corporation now engaged in any business, profession or occupation within the corporate limits of the Town shall on or before January 1, 2020, and annually thereafter, so long as such person, firm, association, partnership or corporation comes within the purview of this Article 5, supply the information necessary to register the business with the Town Clerk. An application for such registration shall be made

to the Town Clerk and in the form provided by the Town and accompanied by the appropriate fee as set by resolution.

(b) Upon receipt of a complete application for business registration, the Town Clerk will issue a registration certificate within fifteen (15) days of receipt.

Sec. 6-5-4 Buildings, Premises to Comply with Town Requirements Prior to Issuance of a Business Registration Certificate.

The Town Clerk shall not issue a business registration certificate for the conduct of any business, and no permit shall be issued for anything, or act, if the premises and building to be used for the purpose do not fully comply with the requirements of the Town. No such business registration certificate or permit shall be issued for the conduct of any business or performance of any act which would involve a violation of the zoning provisions of the Town.

Sec. 6-5-5 Exemptions.

All businesses located or performed within the Town shall be subject to this business registration fee as levied under this Article, except as follows:

- (a) Day care centers are hereby exempted from the terms of this Article.
- (b) Schools are hereby exempted from the terms of this Article.
- (c) Nonprofit Colorado corporations are hereby exempted from the payment of a fee but shall be required to register.

Sec. 6-5-6 Term of Registration Certificate.

All registration certificates shall cover a period of one (1) year beginning January 1 and ending December 31 of that year. No rebate or credit shall be given for registration certificate used or issued for fractions or portions of a year; nor shall such registration certificate be assignable or transferable as to person, but it may be transferred as to place at the discretion of the Town Clerk. Business registrations shall be renewed annually during the month of December.

Sec. 6-5-7 Notification for Renewal.

The Town Clerk shall be charged with the administration and collection of all registration fees authorized under this Article. It shall be his or her duty to notify every known business, trade, occupation and professional enterprise in operation within the Town of the fact that such registration fee is due prior to January 1 of each year. Said notification shall include full instructions as to procedures for remittance of the registration fee due, and penalties provided. Lack of receipt of such notification in any year shall not relieve any person engaging in business within the Town from the liability of paying such registration fee and complying with all other requirements of this Article.

Sec. 6-5-8 Delinquent Charges.

Any person failing to pay any registration fee levied under this Article by January 1 shall thereafter be deemed delinquent and the registration deemed expired. To renew their registration certificate, the businesses registering shall be subject to a delinquent fee in an amount to be approved by the Town Board of Trustees for each full month for which said fee is delinquent, assessed on the first day of the month, in addition to any other penalty which may be imposed for the violation of this Code.

Sec. 6-5-9. Issuance of Registration Certificate.

Upon receipt of a registration fee payment due under this Article, the Town Clerk shall issue a certificate which shall indicate that said registration fee has been paid for the specified year.

Sec. 6-5-10. Display of Registration Certificate.

Each registration certificate issued under this Article shall at all times while in force be displayed in a conspicuous place in the place of business and shall be removed after expiration thereof.

Section 3. Severability.

If any provision, clause, sentence or paragraph of this Ordinance or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application, and, to this end, the provisions of this Ordinance are declared to be severable.

Section 4. Repeal of Prior Ordinances.

All other ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. Ordinance Effect.

Existing ordinances or parts of ordinances covering the same matters as embraced in this Ordinance are hereby repealed and any and all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed, provided, however, that the repeal of any ordinance or parts of ordinances of the Town shall not revive any other section of any ordinance or ordinances hereto before repealed or superseded and further provided that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the taking effect of this Ordinance.

Section 6. Effective Date.

This Ordinance shall take effect thirty days after adoption.

INTRODUCED, READ AND REFERRED to public hearing before the Board of Trustees of the Town of Paonia, Colorado, on the 9th day of July, 2019.

TOWN OF PAONIA, COLORADO, A MUNICIPAL CORPORATION

By: _____
CHARLES STEWART, Mayor

ATTEST:

J. CORINNE FERGUSON, Town Clerk

\HEARD AND FINALLY ADOPTED by the Board of Trustees of the Town of Paonia, Colorado, this _____ day of _____, 2019.

TOWN OF PAONIA, COLORADO, A MUNICIPAL CORPORATION

By: _____
CHARLES STEWART, Mayor

ATTEST:

J. CORINNE FERGUSON, Town Clerk



APPLICATION FOR 2020 BUSINESS REGISTRATION and/or ANNUAL RENEWAL

NOTE: Application will be rejected unless all questions are fully answered, and proper remittance is attached. The fee is \$__.00 per year per business. **RENEWAL:** If NO changes, check box , fill in licensee and Trade Name sections, sign and date below, and return with renewal fee of \$__.00 **SUGGESTED FEES: \$50/\$25 OR \$35/\$25 – BOARD TO PROVIDE DIRECTION FOR AMENDED FEE SCHEDULE**

Ownership Information (please print or type):

Type of Ownership: Please indicate by checking the appropriate box to the right.	Individual <input type="checkbox"/>	Partnership <input type="checkbox"/>	Corporation <input type="checkbox"/>	LLC <input type="checkbox"/>	Association/Club <input type="checkbox"/>	Other _____ <input type="checkbox"/>
---	--	---	---	---------------------------------	--	---

Licensee Information (please print or type):

Full Legal Name of Licensee	
Trade Name (DBA)	
Physical Address of Business	
City	
State	
Zip Code	
Mailing Address	
City	
State	
Zip Code	
Contact Person	
Title	
Telephone	
Fax	
E-Mail	
Contact Person After Hours (include Telephone number)	

Business Information (please print or type):

Colorado State Sales Tax Number	
Date you began making sales in Paonia, CO	
Principal product or service rendered in Paonia, CO	

Authorized signature	Date:
Printed Name	

214 Grand Avenue • P.O. Box 460 • Paonia, CO 81428-0460
(970) 527-4101 • Fax (970) 527-4102
www.TownofPaonia.com



Ordinance 2019-06 Amending Home Occupation Process

Summary:
Continued item from July 23rd Regular meeting. Second Read.

Notes:

Possible Motions:
Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

ORDINANCE NO. 2019-06

AN ORDINANCE OF THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, AMENDING CHAPTER 16, ARTICLE 11, SECTION 20 TO THE TOWN OF PAONIA MUNICIPAL CODE

RECITALS:

WHEREAS, the Town of Paonia (the “Town”), in the County of Delta and State of Colorado, is a municipal corporation duly organized and existing under the laws of the State of Colorado; and

WHEREAS, pursuant to C.R.S. § 31-23-301, the Town has the power regulate buildings and other structures for the purposes of promoting health, safety and the general welfare of the community; and

WHEREAS, the Board of Trustees determines that it is in the best interest of the community and the public health, safety and welfare of the citizens of the Town to amend the Town Code to administratively facilitate the process for obtaining a Home Occupation provision of the Town Municipal Code.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, AS FOLLOWS:

Section 1. Legislative Findings.

The recitals to this Ordinance are adopted as findings of the Board of Trustees in support of the enactment of this Ordinance.

Section 2. Amendment of Town Code.

Sec. 16-11-20 shall be repealed and amended to the Town Code as follows:

Sec. 16-11-20. - Home occupations.

A home occupation shall be permitted as an accessory use, provided that a home occupation permit is granted by the Town and the criteria for home occupations are met.

(1) *Permit required.* A person desiring to establish a home occupation within the Town shall apply as follows:

(a) An application shall for home occupation shall be made to the Town Administrator, or its designee, in the form provided by the Town and accompanied by the appropriate fee as set by Resolution of the Board of Trustees.

(b) Upon the receipt of a completed application for a home occupation permit, the Town Administrator, or its designee, shall notify the applicant within ten (10) days that such application is complete.

(c) Thereafter the Town Administrator, or its designee, shall notify the applicant and set a date of public hearing before the Town Board of Trustees that will allow time for publication and notification of adjoining property holders.

(d) Upon the setting of a public hearing before the Board of Trustees the Town Clerk shall notify the property owners within two hundred (200) feet of the applicant's property by certified mail at the applicant's expense. The notification will include the nature of the application, a copy of this Article and the time and place of a public hearing.

(2) *Revoke the permit.* A home occupation permit may be revoked by the Town Administrator if at any time the home occupation fails to meet the criteria listed below.

(3) *Nontransferability.* Home occupation permits are issued to an individual for a specific property and use. Permits are not transferable should the property be sold or rented to other persons.

(4) *Criteria for home occupations.* A home occupation shall be allowed as a permitted accessory use, provided that the following conditions are met:

(a) The use must be conducted entirely within a dwelling or accessory structure and carried on by the occupants of the dwelling and no more than one (1) non-occupant employee.

(b) The use must be clearly incidental and secondary to the use of the dwelling for dwelling purposes and must not change the residential character thereof.

(c) The total area used for such purposes may not exceed twenty-five percent (25%) of the first-floor area of the user's dwelling unit.

(d) There shall be no change in the outside appearance of the building or premises or other visible evidence of the conduct of such home occupation, including advertising signs or displays or advertising that solicits or directs persons to the address. A wall-mounted identification sign of not more than two (2) square feet shall be permitted.

(e) There shall not be conducted on the premises the business of selling inventory, supplies or products, provided that incidental retail sales may be made in connection with other permitted home occupation.

(f) There must be no exterior storage on the premises of material or equipment used as a part of the home occupation.

(g) No equipment or process shall be used in such home occupation, which creates any glare, fumes, odors or other objectionable conditions detectable to the normal senses off the lot if the occupation is conducted in a single-family dwelling or outside the dwelling unit if conducted in other than a single-family dwelling.

(h) No traffic shall be generated by such home occupation in greater volumes than would normally be expected in a residential neighborhood, and any need for parking generated by the conduct of the home occupation shall be met with additional off-street parking spaces that are not located in a required yard adjacent to a street.

(i) Under no circumstances shall any of the following be considered a home occupation: antique shop, barber shop, a beauty parlor (with more than one [1] chair), clinic, mortuary, nursing home, restaurant, veterinarian's clinic or dance studio.

Section 3. Severability.

If any provision, clause, sentence or paragraph of this Ordinance or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application, and, to this end, the provisions of this Ordinance are declared to be severable.

Section 4. Repeal of Prior Ordinances.

All other ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. Ordinance Effect.

Existing ordinances or parts of ordinances covering the same matters as embraced in this Ordinance are hereby repealed and any and all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed, provided, however, that the repeal of any ordinance or parts of ordinances of the Town shall not revive any other section of any ordinance or ordinances hereto before repealed or superseded and further provided that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the taking effect of this Ordinance.

Section 6. Effective Date.

This Ordinance shall take effect thirty days after adoption.

INTRODUCED, READ AND REFERRED to public hearing before the Board of Trustees of the Town of Paonia, Colorado, on the 9th day of July 2019.

**TOWN OF PAONIA, COLORADO, A
MUNICIPAL CORPORATION**

By: _____
CHARLES STEWART, Mayor

ATTEST:

J. CORINNE FERGUSON, Town Clerk

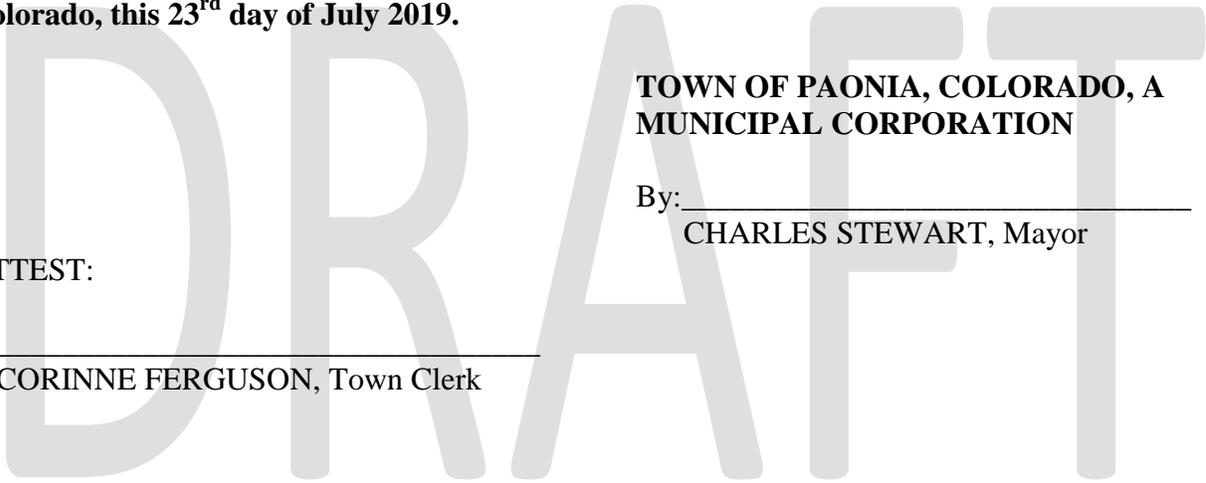
**HEARD AND FINALLY ADOPTED by the Board of Trustees of the Town of Paonia,
Colorado, this 23rd day of July 2019.**

**TOWN OF PAONIA, COLORADO, A
MUNICIPAL CORPORATION**

By: _____
CHARLES STEWART, Mayor

ATTEST:

J. CORINNE FERGUSON, Town Clerk



	Ordinance 2019-TBD – Formula Businesses		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

ORDINANCE NO. 2019- ____

**AN ORDINANCE OF THE TOWN OF PAONIA,
COLORADO, AMENDING AND SUPPLEMENTING
CHAPTER 16 OF THE TOWN OF PAONIA MUNICIPAL
CODE REGARDING FORMULA BUSINESSES.**

RECITALS

WHEREAS, the Town of Paonia (the “Town”) is a statutory Town and municipal corporation in Delta County, Colorado, governed by and through its Board of Trustees (the “Board”); and

WHEREAS, the Board is conferred with the specific enumerated authority to exercise all power conferred upon or possessed by the Town and has the power and authority to adopt such laws, ordinances and resolutions as it shall deem proper; and

WHEREAS, the Paonia Zoning Code is “drawn with reasonable consideration, among other things, as to the character of the district and its peculiar suitability for particular uses and with a view to conserving the value of buildings and encouraging the most appropriate uses of land throughout the Town”; and

WHEREAS, The Board has the specific authority as set forth under C.R.S. 31-4-101 et. seq.; and

WHEREAS, the authority to zone has long been recognized as an aspect of a local government’s police powers to regulate activities in order to protect the public health, safety, morality and general welfare of its citizens; and

WHEREAS, pursuant to C.R.S. § 31-23-301, the Town has the power to regulate buildings and other structures for the purposes of promoting health, safety and the general welfare of the community; and

WHEREAS, pursuant to C.R.S. § 29-20-104(1)(g), the Town has the power to regulate the use of land on the basis of the impact thereof on the community or surrounding areas; and

WHEREAS, the Board of Trustees determines that it is in the best interest of the community and the public health, safety and welfare of the citizens of the Town to amend the Town Code to add this provision to the Municipal Code; and

WHEREAS, in an effort to ensure the Highway 133 Corridor Master Plan is consistent and complies with the Town of Paonia’s 1996 Comprehensive Plan, the Board believes it is necessary to protect the Town’s historic downtown core, viewed as the civic, social and business of the community

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, as follows:

Section 1. Legislative Findings.

The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the Town Board of Trustees.

Section 2. Amendment to the Town Code.

Sec. 16-1-100 of the Town of Paonia Municipal Code is amended to add a definition for formula businesses:

Formula business means a business which is required by contractual or other arrangement to maintain one or more of the following items: standardized ("formula") array of services and/or merchandise, trademarks, logos, servicemarks, symbols, decor, architecture, layout, uniforms, or similar standardized features and which causes it to be substantially identical to more than five other businesses regardless of ownership or location. Formula businesses can include, but are not limited to restaurants, retail stores, banks, real estate sales offices, spas, hair and nail salons, and hotel/motel/inn/B&B.

Sec. 16-3-70 of the Town of Paonia Municipal Code is amended to reflect the zone districts where formula businesses are permitted by right, permitted by special review or prohibited:

USE	C-1	C-2	I-1	I-2
Formula Businesses	X	S	S	S

P = Permitted by Right
S = Permitted by Special Review
X = Prohibited

Section 3. Additions to the Town Code.

Sec. 16-3-140 Formula Business is added to the Town of Paonia Municipal Code as follows:

Sec. 16-3-140 Formula Business

(1) **Intent.** The purpose of these formula business requirements is to maintain and protect Paonia’s historic downtown core as the civic, social and business hub of the community, ensure the vitality and diversity of the Town's commercial districts and enhance the quality of life of residents and visitors.

(2) **Applicability.** These regulations shall apply to formula businesses as defined in Sec. 16-3-100 of the Code.

(3) Related Definitions. For purposes of this section, the following definitions apply:

(a) *Color scheme* means the selection of colors used throughout the business, such as on the walls, furnishings, permanent fixtures or on the building façade.

(b) *Décor* means the interior design and furnishings that may include style of furnishings, shelving, display shelving/racks, wall coverings or other permanent fixtures.

(c) *Façade* means the principal exterior face or front of a building, including awnings, overhangs, and porte-cocheres that are oriented towards a street, alley or open space.

(d) *Servicemark* means a word, phrase, symbol or design or a combination of words, phrases, symbols or designs that identifies and distinguishes the source of a service of one party from those of others.

(e) *Signage* means a sign as detailed Sec. 18-6-10.

(f) *Standardized array of merchandize* means fifty percent (50%) or more of the in-stock merchandise is from a single manufacturer or distributor bearing uniform markings.

(g) *Standardized array of services* means a substantially similar set of services or food and beverage menus that are priced, prepared and performed in a consistent manner.

(h) *Trademark* means a word, phrase, symbol or design, or a combination of words, phrases, symbols or designs legally registered or established by use that distinguishes the source of the product of one party from those of others.

(i) *Uniform apparel* means standardized items of clothing, including but not limited to standardized aprons, pants, shirts, vests, smocks or dresses, and hat and pins (other than name tags) with standardized colors and fabrics.

(4) Exemptions. The following formula businesses are exempt from these formula business requirements:

(a) Formula businesses in operation prior to the effective date of these regulations.

(b) Construction work on a pre-existing, approved or exempt formula business that is required to comply with fire and/or life safety standards.

(c) Disability access improvements to a pre-existing, approved or exempt formula business.

(5) Formula Business Location Requirements. Formula retail businesses may be permitted as a Special Review in in the C-2, I-1 or I-2 zone district.

Formula businesses that are legally in existence as of the effective date of this Ordinance may remain in their current location as a non-conforming use. The same or substantially similar type of use may be transferrable upon sale or transfer of the commercial space or ownership of the business and/or building.

Formula businesses that are legally in existence as of the effective date of this Ordinance may be renovated and/or expanded up to fifteen percent (15%) of the existing gross floor area or a maximum of one thousand five hundred (1,500) square feet, whichever is less.

(6) Compliance with the Code. Formula business shall comply with all applicable standards of the underlying zone district and the applicable regulations of the Town Code.

(7) Formula Business Additional Criteria. No conditional use permit for a formula business shall be approved unless the following criteria are met:

(a) The formula business complements existing businesses and promotes quality, diversity and variety to assure a balanced mix of commercial uses and range of local, regional and national goods and services for residents and visitors.

(b) The formula business has submitted plans, drawings, renderings, visual simulations or other examples that illustrate how it will be consistent with the historic nature of the Town of Paonia.

(c) The formula business does not include any drive-through facilities.

Section 4. Severability.

If any provision, clause, sentence or paragraph of this Ordinance or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application, and, to this end, the provisions of this Ordinance are declared to be severable.

Section 5. Repeal of Prior Ordinances.

All other ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 6. Ordinance Effect.

Existing ordinances or parts of ordinances covering the same matters as embraced in this Ordinance are hereby repealed and any and all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed; provided, however, that the repeal of any ordinance or parts of ordinances of the Town shall not revive any other section of any ordinance or ordinances hereto before repealed or superseded, and further provided that this repeal shall not

affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the taking effect of this Ordinance.

Section 7. Effective Date.

This Ordinance shall take effect thirty days after passage.

Section 8. Public Notice, Hearing and Review by the Planning Commission.

A public hearing on this Ordinance was held on the ____ day of _____, 2019, in the Town Hall of the Town of Paonia _____, with the provisions of Sec. 16-6-10 of the Town Code being met. As required by the Code, this matter was referred to the Planning Commission on July 31, 2019.

INTRODUCED, READ AND REFERRED to public hearing before the Board of Trustees for the Town of Paonia, Colorado, on the ___ day of _____, 2019.

TOWN OF PAONIA

By: _____
CHARLES STEWART, Mayor

ATTEST:

J. CORINNE FERGUSON, Town Clerk

HEARD AND FINALLY ADOPTED by the Town of Paonia Board of Trustees for the Town of Paonia, Colorado, on the ___ day of _____, 2019.

TOWN OF PAONIA

By: _____
CHARLES STEWART, Mayor

ATTEST:

J. CORINNE FERGUSON, Town Clerk

Approved as to Form:

BO JAMES NERLIN, Town Attorney



Ordinance 2019-TBD - Creation of the Highway 133 Corridor Overlay District & Highway 133 Corridor Development Submittal Requirements & Design Standards

Summary:

Notes:

Possible Motions:

Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

ORDINANCE NO. 2019- ____

AN ORDINANCE OF THE TOWN OF PAONIA, COLORADO, AMENDING THE TOWN CODE AND THE OFFICIAL ZONING MAP TO PROVIDE FOR THE CREATION OF THE HIGHWAY 133 CORRIDOR OVERLAY DISTRICT AND CREATING HIGHWAY 133 CORRIDOR DEVELOPMENT SUBMITTAL REQUIREMENTS AND DESIGN STANDARDS.

RECITALS:

WHEREAS, the Town of Paonia (the “Town”) is a statutory Town and municipal corporation in Delta County, Colorado, governed by and through its Board of Trustees (the “Board”); and

WHEREAS, the Board is conferred with the specific enumerated authority to exercise all power conferred upon or possessed by the Town and has the power and authority to adopt such laws, ordinances and resolutions as it shall deem proper; and

WHEREAS, Chapter 16 of the Town Municipal Code regulates zoning within the Town’s municipal boundaries (the “Paonia Zoning Code”) with the stated purposes of the Paonia Zoning Code to, among other concerns:

“alleviate congestion in the streets...to promote health and general welfare...to prevent overcrowding of land; to avoid undue concentration of population; and to facilitate the adequate provisions of transportation, water, sewage, schools, parks and other public requirements”; and

WHEREAS, the Paonia Zoning Code is “drawn with reasonable consideration, among other things, as to the character of the district and its peculiar suitability for particular uses and with a view to conserving the value of buildings and encouraging the most appropriate uses of land throughout the Town”; and

WHEREAS, The Board has the specific authority as set forth under C.R.S. 31-4-101 et. seq.; and

WHEREAS, the authority to zone has long been recognized as an aspect of a local government’s police powers to regulate activities in order to protect the public health, safety, morality and general welfare of its citizens; and

WHEREAS, the Town and Delta County entered into a January 24, 2011 Growth Management Agreement for the unincorporated area surrounding the Town of Paonia providing for the efficient management and administration of growth in the developing area around the Town of Paonia, including areas commonly referred to as the Highway 133 Corridor; and

WHEREAS, in 2008, the Town, in conjunction with residents of Delta County, initiated a project to gather information about business activities in and outside the municipal limits of the Town, focusing on both downtown Paonia and the Highway 133 Corridor. Thereafter, the Board appointed a 10-member Highway 133 Advisory Committee tasked with formulating a Highway 133 Corridor Master Plan; and

WHEREAS, the Highway 133 Advisory Committee, after holding 14 Advisory Committee meetings and meeting with area stakeholders, including the Paonia Chamber of Commerce, the Area Planning Commission, the Paonia Planning Commission and the Paonia Board of Trustees, completed its Highway 133 Corridor Master Plan; and

WHEREAS, the Highway 133 Corridor Master Plan has subsequently been adopted by both the Town and the Delta County Board of County Commissioners; and

WHEREAS, the Highway 133 Corridor Master Plan is consistent with both the Town of Paonia 1996 Comprehensive Plan (hereinafter the “Comprehensive Plan”), which remains the most recent master plan adopted by the Board, and the Delta County 1996 Master Plan, which was in place at the time the Highway 133 Corridor Master Plan was adopted; and

WHEREAS, the Town’s Comprehensive Plan includes the following goals:

- Maintain rural and agricultural settings of the community.
- Maintain small community closeness.
- Preservation of the character of downtown.
- Monitor growth and encourage controls on quality and character.
- Provide diversity of employment opportunities.
- Expand and diversify the tax base; and

WHEREAS, the Board hereby affirms its commitment to the Highway 133 Corridor Master Plan, committing to the community goals and vision as outlined therein; and

WHEREAS, ensuring development along the Highway 133 Corridor in accordance with the Highway 133 Corridor Master Plan is a legitimate interest of the Town of Paonia as it fosters a sense of community, furthers preservation and zoning goals and provides for long term economic sustainability for the residents of the community; and

WHEREAS, the Board wishes to amend the Official Zoning Map of the Town of Paonia to create a Highway 133 Corridor Overlay District; and

WHEREAS, amendments to the Official Zoning Map of the Town of Paonia are allowed so long as the amendments are not averse to the public health, safety and welfare, and the amendments are in substantial conformity with the Master Plan; and

WHEREAS, the Highway 133 Corridor Overlay District shall apply to those areas as designated in the Highway 133 Corridor Master Plan within the municipal boundaries of the Town; and

WHEREAS, to the extent areas designated in the Highway 133 Corridor Master Plan are outside the municipal boundaries of the Town, in the event such areas are subsequently annexed into the Town, the Highway 133 Corridor Overlay District shall be applied to those areas within the county that become annexed into the Town at a later date.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, AS FOLLOWS:

Section 1. Legislative Findings.

The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the Town Board of Trustees.

Section 2. Creation of the Highway 133 Corridor Overlay District.

The 2010 Highway 133 Corridor Master Plan specifically outlines a vision for the Town and Delta County in evaluating land development away from the Town’s historic core to ensure protection of the Highway 133 West Elk Scenic Byway values. To incorporate the vision and the extensive planning of the Highway 133 Advisory Committee in developing the Highway 133 Corridor Master Plan, it is necessary to create the Highway 133 Corridor Overlay District applying to those areas within the municipal boundary of the Town, or which may be annexed into the municipal boundaries of the Town, as further detailed and defined as Areas A and B on the Town of Paonia Highway 133 Planning Areas Map, attached hereto and incorporated herein as Exhibit A.

Section 3. Amendment to the Official Zoning Map of the Town of Paonia.

The Town Board of Trustees, in accordance with Sec. 16-1-50, hereby designates the tracts of land identified in the attached Highway 133 Corridor Overlay District map, attached hereto and incorporated herein as Exhibit B, as tracts that are within the Highway 133 Corridor Overlay District, and the Board of Trustees hereby finds that the creation of the Highway 133 Corridor Overlay District and inclusion of these parcels within the Highway 133 Corridor Overlay District advances the public health, safety and welfare of the Town and its citizens, and is in substantial conformity with the Town’s Comprehensive Plan and the Highway 133 Corridor Master Plan. To the extent the tracts of land identified in the Highway 133 Corridor Overlay District map exist outside the municipal boundary of the Town, they shall only be subject to the Highway 133 Corridor Overlay District upon annexation into the Town of Paonia.

The Highway 133 Corridor Overlay District is hereby incorporated in the Official Zoning Map and shall be maintained by the Town of Paonia. Further, this Ordinance shall create an amendment to the Official Zoning Map of the Town of Paonia, designating those parcels as identified in the attached Highway 133 Corridor Overlay District map as included in the Highway 133 Corridor Overlay District.

Section 4. Amendment to the Town Code.

Sec. 16-1-110 of the Town of Paonia Municipal Code is amended to add a definition for the Highway 133 Corridor Overlay District:

The Highway 133 Corridor Overlay District is defined as those areas within the Highway 133 Corridor Overlay District Map, and development within the Highway 133 Corridor Overlay District shall be in substantial conformity with the Highway 133 Corridor Master Plan and the review criteria set forth in accordance with Section 16-1-130 (7).

Section 5. Additions to the Town Code.

Sec. 16-2-130 Highway 133 Corridor Overlay District is added to the Town of Paonia Municipal Code as follows:

Sec. 16-2-130 Highway 133 Corridor Overlay District.

It is the purpose and intent of the Highway 133 Corridor Overlay District is to promote the public health, safety and welfare of the citizens of the Town of Paonia. The Town shall use the Highway 133 Corridor Overlay District to: implement goals, policies and action items in the Town’s Comprehensive Plan and Highway 133 Corridor Master Plan; preserve, improve and protect the Highway 133 Corridor as a Town amenity; regulate buildings and structures to protect and support existing agricultural uses, to support the sustainability of those activities and to protect the open scenic character of the West Elk Scenic Byway; utilize design and development techniques that avoid, minimize and mitigate impacts to the natural environment; and ensure aesthetic and ecological qualities of the Highway 133 Corridor continue to be a community asset.

Sec. 16-3-130

(1) Applicability. The provisions and regulations of this Sec. 16-3-130 shall apply to all land within the Town of Paonia Official Zoning Map included as part of the Highway 133 Corridor and as defined within these regulations. In addition, the provisions of this Sec 16-3-130 shall apply to the applicable requirements of the underlying zoning district and other regulations of the Town. When the standards of this Highway 133 Corridor Overlay District conflict with any other provision of the Paonia Municipal Code, the more stringent limitation or requirement shall apply.

(2) Adoption of the Highway 133 Corridor Master Plan. Within the Highway 133 Corridor Overlay District, all land use activity, development, redevelopment, renovation, and/or change in use requiring a building, development, or other land use permit shall be undertaken and reviewed in accordance with the Goals and Policies of the Highway 133 Corridor Master Plan.

(3) Uses by Right. Within the Highway 133 Corridor Overlay District, uses permitted by the underlying zoning district are allowed unless specifically prohibited, provided that the use

generally complies with and is reviewed in accordance with the Goals and Policies of the Highway 133 Corridor Master Plan.

(4) Development. Development within the Highway 133 Corridor Overlay District shall be permitted, provided that the development generally complies with and is reviewed in accordance with the Goals and Policies of the Highway 133 Corridor Master Plan.

(5) Special Review. All Special Reviews may be permitted upon approval in accordance with Sec. 16-4-10 of the Code, and provided that said Special Review generally complies with and is reviewed in accordance with the Goals and Policies of the Highway 133 Corridor Master Plan.

(6) Submittal Requirements. For development with the Highway 133 Corridor Overlay District, the following information must be completed and included in all applications for development or land use activity:

(a) A development plan showing compliance with the Goals and Policies as further enumerated in the Highway 133 Corridor Master Plan.

(b) For those areas within Area A of the Highway 133 Corridor Master Plan Map, an applicant shall meet the design standards as detailed in the Highway 133 Corridor Master Plan.

(7) Review Criteria. The criteria for review and performance standards are as follows:

(a) Compliance of the application with this Code in general.

(b) The compatibility of the proposed use and the site plan with the character of the surrounding area.

(c) The desirability and need for the proposed use.

(d) Consideration and mitigation of the potential for adverse environmental influences that might result from the proposed use.

(e) Compatibility of the proposed use and site plan with the policies and guidelines of the Comprehensive Plan.

(f) Compatibility of the proposed use and site plan with the Goals and Policies of the Highway 133 Corridor Master Plan.

(8) Exempt Uses and Activities. The following uses and activities are exempt from these regulations, including the Highway 133 Corridor Master Plan, provided plans and specifications are approved by the Town, and all local, state and federal permitting is approved:

(a) Public improvements essential for public health and safety, installed by and/or approved by the Town, including but not limited to public utility buildings, facilities, systems and accessory structures; and

(b) Public improvements such as pedestrian and automobile bridges, trails and recreational amenities installed by and/or approved by the Town; and

(c) Irrigation, drainage, flood control or water diversion structures installed by and/or approved by the Town; and

(d) Bank stabilization, river restoration and planting of native vegetation installed by and/or approved by the Town.

Section 6. Severability.

If any provision, clause, sentence or paragraph of this Ordinance or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application, and, to this end, the provisions of this Ordinance are declared to be severable.

Section 7. Repeal of Prior Ordinances.

All other ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 8. Ordinance Effect.

Existing ordinances or parts of ordinances covering the same matters as embraced in this Ordinance are hereby repealed and any and all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed; provided, however, that the repeal of any ordinance or parts of ordinances of the Town shall not revive any other section of any ordinance or ordinances hereto before repealed or superseded, and further provided that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the taking effect of this Ordinance.

Section 9. Effective Date.

This Ordinance shall take effect thirty days after passage.

Section 10. Public Notice, Hearing and Review by the Planning Commission.

A public hearing on this Ordinance was held on the _____ day of _____, 2019, in the Town Hall of the Town of Paonia _____, with the provisions of Sec. 16-6-10 of the Town Code being met. As required by the Code, this matter was referred to the Planning Commission on July 31, 2019.

INTRODUCED, READ AND REFERRED to public hearing before the Board of Trustees for the Town of Paonia, Colorado, on the ___ day of _____, 2019.

TOWN OF PAONIA

By: _____
CHARLES STEWART, Mayor

ATTEST:

J. CORINNE FERGUSON, Town Clerk

HEARD AND FINALLY ADOPTED by the Town of Paonia Board of Trustees for the Town of Paonia, Colorado, on the ___ day of _____, 2019.

TOWN OF PAONIA

By: _____
CHARLES STEWART, Mayor

ATTEST:

J. CORINNE FERGUSON, Town Clerk

Approved as to Form:

BO JAMES NERLIN, Town Attorney

	Resolution 2019-13 – Stahl Addition Finding of Fact		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

	Ordinance 2019-TBD – Stahl Addition Approval of Annexation		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

	Ordinance 2019-TBD – Stahl Addition Zoning		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

	VISTA Intern Supervisor Designation		
Summary: Assignment of supervisor.			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

	North Fork Valley Creative Coalition – Memorandum of Understanding
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Summary:
 Town acceptance of ownership and responsibility of a gateway entry sign at the target location of Hwy 133 and Grand Avenue, which is owned by CDOT.

Notes:

Possible Motions:
 Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:



July 26, 2019

Memorandum of Understanding

Interested Parties: Town of Paonia
 North Fork Valley Creative Coalition

The Town of Paonia and the North Fork Valley Creative Coalition understand that the Gateway Sign that is to be installed at Grand Ave and Hwy 133 is the responsibility of the Town. The North Fork Valley Creative Coalition agrees to purchase the sign and arrange for the fabrication and installation.

Town of Paonia

Date

North Fork Valley Creative Coalition

Date



Colorado Oil & Gas Conservation Commission

Summary:
Assignment of designee.

Notes:

Possible Motions:

Motion by: _____ 2nd: _____ vote: _____

Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

Local Government Designee Program

OIL AND GAS IN COLORADO



1864—First oil well drilled in Florence, Fremont County, CO.

1951—Colorado Oil and Gas Conservation Commission established.

1992—Local Government Designee Program (LGD) initiated by rule at the request of local governments.

2008—New rules provide for a two-part application process. The Location Assessment requires that operators provide information to evaluate the potential impact on existing infrastructure and environmentally sensitive populations.

2012—Two Local Government Liaisons provide training to, and communication with LGDs.

2013—“Setback” rules direct operators to involve local governments and residents in certain location-related decisions.

Statewide

- Provides a point of contact between the local government and the Colorado Oil and Gas Conservation Commission (COGCC).
- The level of engagement is at the discretion of the local government.
- Access to a network of over 160 LGDs statewide.

Support provided to LGDs

- Two Local Government Liaisons with the sole responsibility of assisting local governments.
- Regular newsletters and communication of oil and gas information.
- Free training to local governments on COGCC rules, processes and the COGCC on-line data and maps.

Exploration and production regulation

- Provides access to the COGCC well and location permitting process.
- Allows standing in other COGCC matters.



LGD participation in oil and gas regulation



Automatic email notification from COGCC

- Beginning of Comment Period for permit and location assessment applications.
- Issuance of approved Permit to Drill and Location Assessment.
- Notice of intent to begin drilling on a well (“spud”).
- Notice of intent to conduct hydraulic fracturing.



Notification from operators

- Notice of Intent to conduct seismic operations (Form 20).
- For locations proposed to be within 1,000 feet of a building unit, operators must notify LGDs at least 30 days prior to submitting applications to COGCC.
- Notification provided to local emergency response agency prior to flaring during drilling and completion activities .
- Report to local government of any spill or releases that exceed thresholds identified in COGCC rules.



Consultation and Comment Opportunities for LGDs:

- Participate in the COGCC permitting process by placing comments on the Permit to Drill and Location Assessment applications.
- Request an extension of up to 20 days to the 20 day comment period.
- Request consultation with COGCC and the operator related to facility location and best management practices.
- Request consultation with Colorado Department of Public Health and the Environment (CDPHE) regarding public health, safety, welfare or impact to the environment.

	Discussion Regarding Hiring of Interim/Permanent Town Administrator		
<p>Summary: Discussion regarding the process and procedures for hiring an interim and permanent Town Administrator.</p>			
<p>Notes:</p>			
<p>Possible Motions: Motion by: _____ 2nd: _____ vote: _____</p>			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

		Finance & Personnel	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

		Public Works-Utilities-Facilities	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

	Governmental Affairs & Public Safety		
Summary:			
Notes:			
Possible Motions: Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

		Space 2 Create	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

		Tree Board	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart:

		Adjournment	
Summary:			
Notes:			
Possible Motions:			
Motion by: _____ 2 nd : _____ vote: _____			
Vote:	Trustee Bachran:	Trustee Bear:	Trustee Bookout:
Trustee Budinger:	Trustee Hart:	Trustee Knutson:	Mayor Stewart: