



**Town of Pagosa Springs
Budget 2010**

Fiscal Year January 1, 2010 to December 31, 2010

Adopted December 17, 2009

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TOWN OF PAGOSA SPRINGS 2010 BUDGET MESSAGE

David Mitchem
Town Manager

PURPOSE/BACKGROUND

Leading indicators nationally suggest an improvement in the economy. While the stock market experienced a rebound in 2009, weakness of the national economy for months continues to be reflected in the layoffs and high unemployment claims. The December unemployment rate is as follows: nation-wide, 10%; Colorado, 7.3%; and Archuleta County, 8%.

Given the downturn in the national economy and in order to be prepared to respond quickly should the local economy experience a downturn, the Town Council found it prudent to pass Resolution 2009-25. This policy statement directs Town expenditures to be reduced in direct proportion to the reduction in revenues and that expenditure reductions should take into account the relative value of specific programs or services provided to the community. Resolution 2009-25 mandates budgeting for a ten percent (10%) reduction in the 2010 sales tax revenues (as compared to the 2009 year-end revenue projections).

The Resolution also directs the Town staff to: 1) Implement a maximum expenditure of three percent (3%) of General Fund revenues in the 2010 budget for service organizations and move the 2010 organizational dues line item and economic development line item to the town manager's budget; 2) Implement a policy to abate the Town's normal planning/development and building permit fees for publicly funded affordable housing organizations for the first three family units built in 2010; 3) Implement a budgeted sales tax revenue reduction of ten percent (10%) in the 2010 budget based on the 2009 projected year-end sales tax revenue; 4) Monitor the Town's revenues on a monthly basis and report fluctuations from prior year revenues to the Town Council; and 5) Deploy a financial stability plan, reducing Town expenditures upon the advent of lower sales tax revenue over two consecutive months (and two of three consecutive months) as compared to the averaged sales tax revenue levels of 2008 and 2009.

The Town's financial stability plan reduces expenditures upon the advent of lower revenues over two consecutive months, and lower revenues over two of three consecutive months. For example, April's expenditure level will be based on the average of February and March 2010 revenue, and the average of January, February and March 2010 revenue. Using this method, the Town will not delay its response to changes in the revenue stream. If this formula shows a 10% reduction in sales tax revenues, the staff will automatically reduce expenditures by 15%.

The Town's 2009 sales tax revenues declined eight and six tenths percent (8.6%) compared to 2008. Therefore, it was important to establish a 2010 budget that holds expenditures levels down to ensures the Town's economic stability. It is vitally important for the Town to respond quickly to economic downturns as they occur. The town manager has recommended that the Town's response to any downturn should be directly proportional to the reduction in revenues and any criterion for expenditure reductions should take into account the relative value of specific programs or services provided to the community. In 2010, the Town staff will continue to monitor the Town's revenues on a monthly basis and report fluctuations from prior year revenues to the Town Council.

To ensure financial stability, during 2009, the Town staff was diligent to reduce expenditures and accessed additional grant funding (e.g.: an additional \$200,000 for the Veterans Memorial Pedestrian Bridge). As a result, at the end of 2009, the Town staff will have grown financial reserves significantly. The approved 2010 budget estimated growing cash reserves by \$328,188 in the General Fund and \$456,680 in the Capital Improvement Fund. Year-end accounting new estimates that General Fund reserves will grow by \$384,166 (a \$55,978 increase over initial projections) and Capital Improvement Fund reserves will grow by \$472,202 (a \$15,522 increase over initial projections).

The Town Council elected to deploy a budget that anticipates a ten percent (10%) reduction in the 2010 sales tax revenues (as compared to the 2009 year-end revenue projections), along with five percent (5%) incremental reductions if required in response to downturns in sales tax revenues. For every five percent (5%) reduction in expenditures, \$152,000 must be trimmed from the budget (\$76,000 from the General Fund and \$76,000 from the Capital Improvement Fund).

To be fully prepared, the department heads identified expenditures at the ten percent (10%), fifteen percent (15%) and twenty percent (20%) reduction levels. It was recommended by the department heads and town manager that a portion of the reserves gained in 2009 be allocated to expenditures in 2010 if sales tax revenue reductions require implementation of the fifteen percent (15%) or twenty percent (20%) expenditure reduction budgets. The ten percent (10%) budget does not require access to financial reserves.

2010 BUDGET

The 2010 General Fund budget reflects a ten percent (10%) reduction in the 2010 sales tax revenues (as compared to the 2009 year-end revenue projections). The proposed 2010 budget expenditures will create a year-end unrestricted reserve of \$1,054,744.

The Town of Pagosa Springs' November '09 sales tax revenue declined -7.03% (-16,603) compared to November, '08. Calendar year-to-date (January through November 2009) sales tax revenue is down -8.60% (-\$255,580), compared to 2008. Through November 2009, sales tax revenues total \$2,714,589. While sales tax revenues continue to be below those of 2008, the deficits are much less than several months ago.

The Town's November '09 lodgers tax revenue shows an increase of 21.81% (\$3,540), compared to 2008. Calendar year-to-date (January through November 2009) lodgers tax revenue is up 8.98% (\$26,118), compared to 2008. Through November 2009, Lodgers Tax revenues total \$352,350.

The Town lodging tax rate of 4.9% resulted in \$315,941 in 2006; \$334,149 in 2007; and \$322,666 in 2008. Through November 2009, lodging tax revenues total \$316,894. Expenditure of Lodgers Tax revenues are restricted to tourism related marketing or tourism related capital improvements and are reflected in the Town Tourism Committee budget which is reviewed and approved by the Town Council annually.

CAPITAL IMPROVEMENTS

In November of 2008, the voters renewed a measure that allocates 1% local sales tax to the Town of Pagosa Springs for capital improvements and the maintenance thereof. To respect the decision of the voters, the Town has divided its budget into general operations and capital improvement sections.

The Town Council's allocation of capital improvement revenues for 2010 placed increased emphasis on improving the Town's street infrastructure. Debt service of Town facilities is also a high priority. This approach ensures that the Town does not become overextended in new facility/infrastructure projects without considering the cost of maintenance. Therefore, the structure of the proposed capital improvement budget reflects expenditures in maintenance and debt service first, then new projects. After these priorities, the Town will use remaining revenues expand the community's fiber optics and wireless communication

capabilities. The fiber optics initiative is a partnership with Archuleta County, other communities in the Southwest economic development region, and the Colorado Department of Local Affairs.

On December 15, 2009, the Town Council approved the Capital Improvement Decision Matrix as a general guide for identifying and prioritizing capital improvement projects. As part of the Town's capital improvement plan, SGM Engineers and Chris Gallegos drafted a five year plan to improve the Town's streets. The Council then refined the street improvement five-year plan by moving the reconstruction of Lewis Street between North 3rd Street and North 4th Street from 2012 to 2010. The decision to reconstruct the North 3rd through North 4th section of Lewis Street in 2010 rather than 2012 adds \$53,349 to the initially \$255,375 projected cost of 2010 street improvements. Therefore, the new estimate for 2010 street construction is \$308,724.

Note: In addition to major projects (roads, bridges, buildings, etc.), capital improvements in government agencies typically include items purchased for \$2,500 (technology items as low as \$1,000), or more, and having a useful life of five years or more (e.g.: computers, vehicles, etc.).

ASSESSED VALUATION & MILL LEVIES

The Town of Pagosa Springs assessed valuation for 2010 is \$69,928,916 (an increase of \$4,214,052 from 2009). Staff recommended that the Town Mill Levy be set at 1.557 Mills, generating \$108,879, plus an additional .015 mills of refunds/abatements will generate \$1,049.

SPECIAL FUNDS SUMMARY

Beginning in 2009 and continuing in 2010, the format of the budget changed, reflecting separate fund accounts for all Town resources that are restricted to specific projects. These funds include the Capital Improvement Fund, Lodger's Tax Fund, Conservation Trust Fund, and Impact Fee/Trust Fund. The General Fund and Geothermal Enterprise Fund previously existed.

General Fund

In 2009, the General Fund was split into several different funds. The 2010 Budget shows General Fund beginning reserves of \$707,216 and projects 2010 revenues at \$1,893,598 with expenses of \$1,864,037 creating a year-end surplus of \$1,054,744.

Capital Improvement Fund

The creation of a Capital Fund was required to ensure full accountability in response to the November 2008 ballot initiative in which sales tax collection requires the expenditure of 50% of the town's Sales Tax Revenue to be spent on capital projects and maintenance. The 2010 Budget estimates Capital Fund beginning reserves of \$456,680; projected revenues of \$2,362,400; expenses of \$2,353,252; and creating a year-end balance of \$465,828

Conservation Trust Fund

These revenues result from an IGA with the State of Colorado and Archuleta County for the receipt of Town and County lottery dollars. These funds can be used specifically for capital improvements and maintenance related to parks, recreation and trails. This fund anticipates revenues of \$96,770 and expenditures of \$80,000 for a budgeted fund balance of \$49,830.

Lodger's Tax Fund

The Town Tourism Committee is the entity designated by the town to budget revenues and expenditures of Lodgers Tax dollars. The town budget reflects general income and expenditures and the recommended TTC budget is provided as an attachment to the town budget. The 2010 budget reflects increasing the TTC executive director position from half-time to a full-time contract position. The budget projects 2010 Lodgers

Tax revenue to be \$395,000 with expenditures planned at \$383,042 thus creating a year-end fund balance of \$33,149.

Impact Fee/Trust Fund

This fund has been established to improve the administration of these earmarked funds. The town collects impact fee funds for roads, regional public buildings, regional recreation facilities, Parks and Trails. The town also collects impact fees for the Upper San Juan Fire District (Emergency Service Provider) and the San Juan Water Conservancy District (Water Storage) The 50 JT School District, as an in-lieu dedication, has also been added to this fund, as the dollars are passed through to this taxing district. During the 3rd quarter of 2008, the town initiated collection of a 2% administration fee for the pass-through collections to the Water Conservancy, Emergency Management and School Districts. In 2009, the Town Council abated development fees at a 100% rate. In 2010, development fees will be abated at 50%. The 2010 budget reflects revenues of \$117,795 and expenditures of \$131,742 for a total fund balance of \$68,989.

Geothermal Enterprise Fund

The 2009 budget created a separate fund for the Geothermal Enterprise, including the full costs of operating this utility, and added insurance and administration as new line items. The 2010 budget shows an estimated beginning fund balance of \$89,232, revenues of \$63,151 and expenditures of \$55,588.

ORGANIZATIONAL CHANGES

The organizational changes reflected in the 2009 budget will continue in 2010. These include an increased level of detail and separation of multiple line items to improve tracking of expenditures. To improve accountability, a number of line items that were a direct charge against the general fund in prior years have been moved into the department budgets. For example: the cost of legal services has been moved into the Town Manager's budget and the Combined Dispatch Center and actual services provided by the Humane Society of Pagosa Springs have been move into the Police Department budget. General copy costs are accumulated within the Town Clerk's budget, however, cell phones were redistributed from the Clerk's Department to each individual department. The cemetery revenues were repositioned to the capital fund along with the associated expenses. Amortization schedules for the town's existing debt service have also been included as attachments to the budget.

STAFFING

In 2009, the town decreased staffing by 3 full time employees, including Assistant Manager, Director of Planning and Assistant Police Chief. In 2010, the Town will decrease staffing in the police department by 1 position and add an intern (partially funded by the Department of Local Affairs). As is 2009, Town staff will not receive any cost of living increase in 2010. The last Salary Survey was completed in 2005.

AUDIT OF TOWN EXPENDITURES

Available for public review is an audit of the Town's 2008 expenditures dated January 27, 2009.

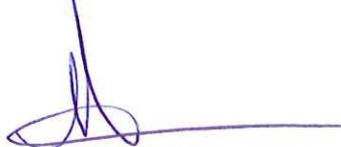


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ASSESSED VALUATION AND MILL LEVIES

YEAR	2008	2009	2010
ASSESSED VALUATION	64,325,658	65,714,864	69,928,916
MILL LEVY	1.557 Mills	1.576 Mills	1.572 Mills
TOTAL REVENUES	\$100,155	\$103,567	\$109,928

I, April Hessman, certify that the attached is a true and accurate copy of the adopted 2010 budget of the Town of Pagosa Springs, Colorado.


April Hessman, Town Clerk



CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Archuleta County, Colorado.

On behalf of the Town of Pagosa Springs (taxing entity)^A

the Town Council (governing body)^B

of the Town of Pagosa Springs (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 69,928,916 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

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

Submitted: 12/11/2009 for budget/fiscal year 2010 (not later than Dec. 15) (mm/dd/yyyy) (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY², and REVENUE². Rows include General Operating Expenses, Temporary General Property Tax Credit/Temporary Mill Levy Rate Reduction, General Obligation Bonds and Interest, Contractual Obligations, Capital Expenditures, Refunds/Abatements, and Other. Total: 1.572 mills, \$ 109,928.

Contact person: (print) April Hessman Daytime phone: (970) 264-4151 ext 237 Signed: [Signature] Title: Town Clerk

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

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution. ² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

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

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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

CERTIFICATION OF VALUES

Name of Jurisdiction: TOWN OF PAGOSA SPRINGS

New District:

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

In accordance with 39-5-121(2)(a) and 39-6-128(1), C.R.S. The total Assessed Valuations for taxable year 2009
 In Archuleta County, CO On 12/09/2009 Are:

Previous Year's Net Total Assessed Valuation:	\$65,714,864
Current Year's Gross Total Assessed Valuation:	\$69,928,916
(-) Less TIF district increment, if any:	\$0
Current Year's Net Total Assessed Valuation:	\$69,928,916
New Construction*:	\$1,547,999
Increased Production of Producing Mines**:	\$0
ANNEXATIONS/INCLUSIONS:	\$0
Previously Exempt Federal Property**:	\$0
New Primary Oil or Gas production from any Oil and Gas leasehold or land (20-1-301(1)(b) C.R.S.)***:	\$0
Taxes collected last year on omitted property as of August 1 (20-1-301(1)(a) C.R.S.):	\$15.61
Taxes Abated or Refunded as of August 1 (39-10-114(1)(a)(I)(B) C.R.S.):	\$1,082.74

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

- * New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
- ** Jurisdiction must submit a certification to the Division of Local Government in order for a value to be accrued. (DLG 52 & 52A)
- *** Jurisdiction must submit an application to the Division of Local Government in order for a value to be accrued. (DLG 52B)

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

In accordance with the Art. X, Sec. 20, Colorado Constitution and 39-5-121(2)(b), C.R.S. The Actual Valuations for the taxable year 2009
 In Archuleta County, CO On 12/09/2009 Are:

Current Year's Total Actual Value of All Real Property*:	\$304,898,956
ADDITIONS TO TAXABLE REAL PROPERTY: Construction of taxable real property improvements**:	\$8,022,263
ANNEXATIONS/INCLUSIONS:	\$0
Increased Mining Production***:	\$0
Previously exempt property:	\$157,996
Oil or Gas production from a new well:	\$0
Taxable real property omitted from the previous year's tax warrant. (Only the most current year value can be reported):	\$0
DELETIONS FROM TAXABLE REAL PROPERTY IMPROVEMENTS: Destruction of taxable property improvements:	\$73,130
Disconnections/Exclusions:	\$0
Previously Taxable Property:	\$724,922

- * This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.
- ** Construction is defined as newly constructed taxable real property structures.
- *** Includes production from a new mine and increase in production of a producing mine.

NOTE: All fees must be certified to the Board of County Commissioners no later than December 16, 2009

SUMMARY OF ALL FUNDS REVENUES AND EXPENDITURES

	2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
REVENUES					
General Fund	8,696,025	6,566,456	2,828,766	2,932,627	2,918,811
Capital Improvement	0	0	2,328,788	2,192,889	2,819,080
Impact Fee Fund	200,000	335,780	106,293	153,697	200,731
Lodgers Tax Fund	373,170	496,045	379,814	410,924	416,191
Geothermal Enterprise Fund	50,000	130,233	168,367	178,817	152,383
Conservation Trust Fund	45,000	243,917	131,617	133,060	129,830

EXPENDITURES					
General Fund	7,410,253	5,838,876	2,125,773	1,907,414	1,864,037
Capital Improvement	0	0	2,169,231	1,736,208	2,353,252
Impact Fee Fund	200,000	245,879	79,376	79,666	131,742
Lodgers Tax Fund	494,852	437,494	337,950	389,733	383,042
Geothermal Enterprise Fund	28,596	23,867	102,738	89,585	55,588
Conservation Trust Fund	45,000	157,627	100,000	100,000	80,000

Year End Fund Balance					
General Fund	1,164,072	727,580	618,014	946,202	977,052
Capital Improvement	0	0	159,557	456,680	465,828
Impact Fee Fund	0	89,901	26,918	74,030	68,989
Lodgers Tax Fund	-121,682	58,552	41,864	21,191	33,149
Geothermal Enterprise Fund	21,404	106,366	65,629	89,232	96,795
Conservation Trust Fund	0	86,290	31,617	33,060	49,830

GENERAL FUND REVENUES						
Account	Description	2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
TAXES & CONTRACTS						
10-31-100	Property Tax	100,155	94,055	103,567	128,850	109,928
10-31-200	Special Ownership/MVL	17,000	15,747	15,400	15,000	12,000
10-31-310	Sales Tax	3,417,000	3,315,873	1,623,075	1,534,072	1,380,664
10-31-420	Cigarette Tax	22,000	25,904	25,696	21,103	21,103
10-31-600	Gas Franchise	19,000	14,828	15,500	12,287	14,800
10-31-610	Telephone Franchise	18,000	10,965	5,483	19,897	18,500
10-31-750	Cable TV Franchise	9,000	18,361	10,200	9,100	9,000
10-31-770	Ground Lease	23,000	78,103	17,000	50,815	49,711
10-31-810	Severance Tax	7,000	12,215	7,000	14,452	2,601
	subtotal	3,632,155	3,586,051	1,822,921	1,805,576	1,618,307
LICENSES & PERMITS						
10-32-110	Liquor License	4,000	6,925	5,500	11,750	5,500
10-32-190	Peddler/Contractor/Bus. License	25,000	16,605	12,188	15,475	8,750
10-32-210	Building Permits/Fees	100,000	121,383	90,375	45,600	22,250
	subtotal	129,000	144,912	108,063	72,825	36,500
INTERGOVERNMENTAL REVENUE						
10-33-400	County Road Mills	97,231	74,295	0	0	0
10-33-410	Mineral Leasing	0	2,726	2,725	2,873	1,437
10-33-480	PSSGID Insurance	20,000	20,000	20,000	20,000	20,000
10-33-490	PSSGID Bookkeeping	25,000	25,000	25,000	25,000	25,000
10-33-500	Geothermal Bookkeeping/Insurance	0	0	6,000	6,000	6,000
10-33-520	Highway Users Tax Fund	59,143	59,646	0	0	0
10-33-600	Other County IGA's	0	26,250	26,250	26,250	0
10-33-610	Other Grants	8,000	5,556	7,000	7,000	6,220
10-33-700	Historical/Planning Grants	40,000	208	5,000	0	0
10-33-720	CDOT Enhancement Grants	520,400	3,925	0	0	0
10-33-740	LEAF Police Grant	10,000	10,060	0	2,620	0
10-33-760	GOCO Grants/IGA's (JRCIP)	350,000	150,000	0	0	0
10-33-770	CDBG Infrastructure/EIA Grants	216,500	184,379	0	61,639	0
10-33-780	Courts, State Grants	13,170	11,674	16,650	18,600	13,928
10-33-880	CDOT CMAQ Grant	304,061	130,035	0	0	0
	subtotal	1,663,505	703,754	108,625	169,982	72,585
CHARGES FOR SERVICES						
10-34-600	Cemetery (County & Sales)	3,000	2,800	2,300	1,200	0
10-34-630	Dept Human Serv Building Lease	35,700	84,400	35,700	35,700	31,000
10-34-640	Park User Fees	13,000	15,947	13,000	13,000	0
10-34-650	Recreation User Fees	45,000	53,662	47,000	47,000	45,000
10-34-680	Developer Reimbursement	0	0	27,258	20,017	13,644
	subtotal	96,700	156,809	125,258	116,917	89,644
FINES AND FORFEITS						
10-35-110	Court Fines	30,000	20,712	20,000	33,725	45,000
10-35-115	Traffic Surcharges	0	0	0	3,938	6,000
10-35-120	Narcotic Seizures	25,000	13,040	0	0	0
10-35-125	Police Fees & Misc	0	0	500	1,150	1,200
	subtotal	55,000	33,753	20,500	38,813	52,200
MISCELLANEOUS						
10-36-110	Miscellaneous	25,000	22,870	25,000	6,000	12,000
10-39-990	Interest Earned	35,000	49,992	10,000	15,000	12,200
10-36-115	Administration from Impact Fee Fund	0	0	197	298	162
	subtotal	60,000	72,862	35,197	21,298	24,362
	GENERAL FUND REVENUE	5,636,360	4,698,140	2,220,563	2,225,411	1,893,598
	Prior Year End Fund Balance	3,059,665	1,868,316	608,203	707,216	1,025,213
	Total General Fund Revenue	8,696,025	6,566,456	2,828,766	2,932,627	2,918,811

- a narcotics officer no longer funded
- b increase in lease with DHS
- c TGYS Grant
- d 10% below 2009 estimated divided with CIP
- e payment from Geo Fund for administrative services & insurance
- f NRA Police Grant
- g based on Assessors Certification
- * these items moved to capital improvement fund 2009/2010

GENERAL FUND EXPENDITURES						
Account	Description	2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
GENERAL GOVERNMENT						
10-44	Town Manager/Admin Department	273,913	357,054	272,715	216,894	280,726
10-42	Town Clerk/Town Hall Department	349,260	375,845	369,542	332,269	279,405
10-48	Municipal Court Department	160,011	157,067	144,131	143,458	150,633
10-46	Building/Planning Department	224,138	204,884	187,551	145,245	123,147
10-53	Community Center Department	131,445	123,857	120,646	113,239	111,769
	subtotal	1,138,768	1,218,707	1,094,585	951,105	945,680
PUBLIC SAFETY						
10-51	Police Department	754,148	785,422	690,997	659,058	684,198
	subtotal	754,148	785,422	690,997	659,058	684,198
RECREATION						
10-56	Recreation Department	237,422	211,329	213,645	218,294	177,909
	subtotal	237,422	211,329	213,645	218,294	177,909
COMMUNITY SUPPORT SERVICES						
10-75	Service Organizations	120,450	113,542	92,890	78,957	56,250
	Subtotal	120,450	113,542	92,890	78,957	56,250
General Fund Expenditures						
		2,250,788	2,329,000	2,092,117	1,907,414	1,864,037
Capital Fund Expenditures						
		5,163,465	3,509,876	33,656	0	0
Total General Fund Expenditures						
		7,414,253	5,838,876	2,125,773	1,907,414	1,864,037

	TOTAL REVENUES	8,696,025	6,566,456	2,828,766	2,932,627	2,918,811
	TOTAL EXPENDITURES	7,414,253	5,838,876	2,125,773	1,907,414	1,864,037
	Ending Fund Balance	1,281,772	727,580	702,993	1,025,213	1,054,774
	Restricted 3% Tabor Reserve	121,700	0	84,979	79,011	77,722
	Unrestricted Reserve	1,160,072	727,580	618,014	946,202	977,052

TOWN MANAGER/ADMINISTRATION DEPARTMENT						
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
10-44-110	Town Manager	78,818	130,559	100,000	99,231	100,000
10-44-110	Assistant Manager	62,000	27,629	0	0	0
10-44-110	Projects Director	0	0	25,000	0	0
10-44-131	FICA	14,980	13,245	7,650	7,591	7,650
10-44-132	Insurance	18,768	6,521	9,500	6,600	7,300
10-44-133	Travel/Dues/Expenses	7,500	1,026	7,500	3,500	4,000
10-44-134	Pension	9,791	5,890	833	833	5,000
10-44-137	Auto Allowance	1,200	450	1,200	1,200	1,200
10-44-139	Housing Allowance	0	20,400	6,900	2,700	18,600
10-42-226	Attorney	70,000	123,430	100,000	85,000	80,000
	Subtotal	263,057	329,149	258,583	206,655	223,750
COMMODITIES						
10-44-202	Office Supplies	500	247	500	150	150
10-44-210	Copy Expense	500	15	500	0	0
10-44-402	Telephone	0	0	500	457	400
	Subtotal	1,000	262	1,500	607	550
CONTRACTUAL						
10-44-172	Employee Education Program	2,500	1,129	1,500	0	0
10-44-420	Contingency Fund	2,000	21,223	2,000	500	1,000
10-44-xxx	Economic Development	0	0	0	0	50,000
	Subtotal	4,500	22,352	3,500	500	51,000
DUES						
10-75-404	SW Eco. Dev./Region 9	721	721	745	745	745
10-75-405	Region 9 Trans Planning	348	348	348	348	348
10-75-406	San Juan RC&D	50	0	50	50	50
10-75-409	Club 20	200	200	200	200	200
10-75-414	CML Dues	3,362	3,362	3,530	3,530	3,424
10-75-416	Chamber of Commerce	675	659	659	659	659
10-75-431	AEDA Dues	0	0	3,600	3,600	0
	Subtotal	5,356	5,290	9,132	9,132	5,426
TOTAL MANGER/ADMIN BUDGET						
		273,913	357,054	272,715	216,894	280,726

a \$1200/mo Nov/Dec09, moved \$4,200 relocation expense to 2010 budget-not utilized in 2009

TOWN CLERK/TOWN HALL DEPARTMENT						
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
10-42-110	Town Clerk	51,574	44,973	38,500	38,204	38,500
10-42-110	Deputy Clerk	35,069	35,069	35,069	34,799	35,069
10-42-131	FICA	6,628	8,841	5,628	5,585	5,628
10-42-132	Insurance	13,557	22,789	17,126	15,800	16,675
10-42-134	Pension	4,332	6,252	3,678	3,650	3,678
	subtotal	111,160	117,923	100,001	98,038	99,550
COMMODITIES						
10-42-203	Office Supplies	5,000	3,612	2,500	3,000	1,000
10-42-211	Copy Expenses	4,500	4,358	4,500	4,560	3,650
10-42-216	Travel/Training Dues	3,500	265	2,200	2,000	1,000
10-42-218	Utilities Gas/Elec/Water	18,500	41,140	48,300	40,000	31,000
10-42-222	Telephone	27,000	26,500	11,400	12,510	12,675
10-42-230	Printing/Publications/Recordings	4,500	5,844	4,500	3,000	2,500
10-42-242	Postage	1,500	2,201	2,600	3,200	1,200
10-42-248	Elections	1,500	1,233	0	0	1,500
10-42-264	Codify Code	0	0	0	0	0
10-42-300	Town Council	7,000	2,916	2,500	612	500
10-42-524	GASB 34 Implementation	0	0	0	0	0
	subtotal	73,000	88,069	78,500	68,882	55,025
CONTRACTUAL						
10-42-223	County Treasures Fees	0	0	2,071	2,600	2,800
10-42-224	Drug Testing	6,500	245	600	400	330
10-42-227	Auditor	0	6,950	6,500	6,500	6,500
10-42-228	Computer Support	0	137	2,000	1,300	1,500
10-42-xxx	Computer Lease	0	0	0	0	0
10-42-232	Bonds, Insurance	117,000	116,755	118,000	114,735	99,000
10-42-246	Caselle Support	4,800	4,770	6,660	6,660	7,000
10-42-269	Cafeteria Plan Administrator	0	4,140	3,280	1,200	1,200
10-42-270	Health Reimbursement Account	25,000	25,000	25,000	5,000	5,000
10-42-280	Wellness Benefit	11,100	11,100	0	83	0
10-42-290	IRS Audit Response	0	0	25,750	25,750	0
10-42-510	Web Site	700	756	1,180	1,122	1,500
	subtotal	165,100	169,853	191,041	165,350	124,830
	TOTAL TOWN CLERK BUDGET	349,260	375,845	369,542	332,269	279,405

a council election April 2010

BUILDING/PLANNING DEPARTMENT						
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
10-46-110	Building, Official	48,623	48,623	48,623	48,249	48,623
10-46-110	Building, Inspector	38,349	38,369	38,349	38,054	0 ^d
10-46-110	Planner, Director	39,160	31,045	0	0	0 ^a
10-46-110	Planner, Senior	39,900	41,860	44,720	26,808	40,500 ^e
10-46-131	FICA	12,701	11,837	10,074	8,653	6,818
10-46-132	Insurance	20,903	16,144	16,000	14,075	13,750
10-46-133	School/Travel/Dues	6,000	6,136	4,000	200	4,000
10-46-134	Pension	8,302	7,848	6,585	5,656	4,456
	Subtotal	213,938	201,861	168,351	141,695	118,147
COMMODITIES						
10-46-202	Office Supplies	3,500	1,493	1,500	600	1,000
10-46-204	Postage	1,000	1,081	0	0	0
10-46-208	Historic Preservation Board	2,500	298	8,000	0	500
10-46-210	Copy Expense	700	10	700	200	750
10-46-212	Fuel/Oil/Mileage	1,000	140	1,000	350	350
10-46-402	Telephone	0	0	500	400	400
10-46-410	Board Training	1,500	0	500	0	0
	Subtotal	10,200	3,022	12,200	1,550	3,000
CONTRACTUAL						
10-46-415	Regional GIS Services	0	0	2,000	2,000	2,000 ^b
10-46-420	Professional Plan Review	0	0	5,000	0	0 ^c
	Subtotal	0	0	7,000	2,000	2,000
TOTAL BUILDING/PLNG BUDGET						
		224,138	204,884	187,551	145,245	123,147

- a Contract additional planning services
- b new line item, regional service, no in-house capabilities
- c Engineering Plan Review pass-thru
- d 9 months at 38,349 - removed
- e probationary period of 6 months beginning October 1st 2009 at \$40,500

MUNICIPAL COURT						
Accounts		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
10-48-110	Judge	21,396	21,480	16,047	16,047	21,396
10-48-110	Court Admin/Youth Advocate	42,636	42,636	42,636	42,308	42,636
10-48-110	Court Clerk/ Administrative Asst	31,547	31,547	31,547	31,304	31,547
10-48-110	Comm Svc Coor/Youth Advocate	0	0	0	0	0
10-48-115	Judge Pro-Tem	500	413	500	500	500
10-48-131	FICA	7,350	6,499	6,903	6,859	7,312
10-48-132	Insurance	25,773	20,744	18,250	19,350	21,173
10-48-133	Travel/Dues/Education	2,000	2,759	500	40	0
10-48-134	Pension	3,709	3,709	3,709	3,681	3,709
10-48-220	Vehicle Expenses	200	158	200	200	0
	Subtotal	135,111	129,945	120,292	120,289	128,273
COMMODITIES						
10-48-108	Juvenile Task Force	500	1,141	500	65	0
10-48-120	Drug Test/Monitoring Dev.	1,500	2,347	1,600	1,000	1,000
10-48-123	Prisoner Cost	3,500	1,260	3,500	1,680	2,000
10-48-202	Office Supplies	1,200	1,764	1,200	1,000	1,000
10-48-232	Liability Insurance/ Work Comp.	1,000	357	539	539	0
	Subtotal	7,700	6,869	7,339	4,284	4,000
CONTRACTUAL						
10-48-204	Court Appointed Counsel	1,500	946	1,500	1,800	1,500
10-48-206	Counseling	2,000	2,189	2,000	2,125	2,000
10-48-210	Translation Services	200	268	200	150	200
10-48-230	Town Prosecutor	10,000	13,929	10,000	12,000	12,000
10-48-234	Misc. Expenses	1,000	1,022	1,000	1,000	575
10-48-280	Computer Support	2,500	1,900	1,800	1,810	2,085
	Subtotal	17,200	20,253	16,500	18,885	18,360
TOTAL MUNI COURTS BUDGET						
		160,011	157,067	144,131	143,458	150,633

- a Contract with Archuleta County
- b Printer cartridges for TOPS color laser
- c Moved to Town Clerk Insurance/Bonding
- d Contract with Josh Bramble MA LPC
- e Contract Attorney Larry Holthus
- f Sleuth and JCG Annual Contracts
- g Restored due to increase caseload

1 Part-Time Personnel & FICA to be hired 3rd quarter if caseload dictates

POLICE DEPARTMENT						
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
10-51-110	Chief	59,751	83,225	59,751	59,291	59,751
10-51-110	Assistant Chief (Vacant)	50,971	51,270	0	0	0
10-51-110	Narcotics Detective	43,000	44,720	44,720	44,376	0
10-51-110	Senior Detective	50,012	50,012	50,012	49,627	50,012
10-51-110	Sergeant	44,824	47,284	44,824	44,479	44,824
10-51-110	Officer	43,899	43,899	43,899	43,561	43,899
10-51-110	Officer	37,533	44,593	37,533	37,244	37,533
10-51-110	Officer	37,533	36,010	35,610	35,336	35,610
10-51-110	Officer	40,782	43,478	40,782	37,814	35,600
10-51-110	Officer	0	0	5,935	0	39,000
10-51-110	Administrative Assistant	28,069	29,935	28,069	27,853	28,069
10-51-108	Parking Enforcement	12,460	12,460	12,460	10,208	6,230
10-51-111	Part Time Officer/Evidence Tech	10,000	4,905	10,000	1,350	0
10-51-105	Animal Control	13,568	13,568	13,568	13,464	13,568
10-51-130	FPPA (officers) 8%	0	0	29,045	28,138	27,698
10-51-131	Medicare (officers) 1.45%	0	0	5,264	5,100	5,020
10-51-131	FICA (non officers) 7.65%	4,903	3,606	4,903	4,045	3,662
10-51-132	Insurance	55,534	53,900	51,705	52,382	52,336
10-51-133	Training	5,000	4,278	2,000	2,500	1,500
10-51-134	Pension	48,893	54,618	19,557	18,979	18,715
10-51-216	Dues/Subscriptions	600	480	400	750	750
10-51-218	Uniform	4,000	3,830	1,000	2,500	1,500
10-51-122	Leaf Grant	10,000	10,520	0	0	0
10-51-500	NRA Grant	4,666	5,577	7,000	7,000	6,220
	Subtotal	605,998	642,167	548,037	525,997	511,497
COMMODITIES						
10-51-202	Office Supplies	4,000	3,757	2,000	2,600	2,000
10-51-204	Postage	800	460	760	460	500
10-51-210	Copy Expense	250	94	0	0	0
10-51-212	Fuel/Oil	17,000	22,816	22,000	13,800	15,000
10-51-226	Ammunition	1,000	713	0	0	0
	Subtotal	23,050	27,840	24,760	16,860	17,500
CONTRACTUAL						
10-51-280	Computer Support	3,000	3,093	3,100	3,000	5,835
10-51-402	Telephone	0	57	3,600	3,380	3,500
10-51-404	Print/Publishing/Advertising	500	580	1,000	1,070	500
10-51-408	Vehicle/Maintenance and Repairs	17,000	17,267	17,000	17,000	15,000
10-51-410	Dispatch Center	50,000	50,000	80,000	80,000	123,366
10-51-412	Humane Society	20,600	27,776	10,000	8,500	3,500
10-51-420	Investigation Contingency	5,500	4,322	2,500	2,500	2,500
10-51-422	Narcotics Seizures	25,000	10,547	0	0	0
10-51-428	Radio/Maintenance and Repairs	1,000	314	0	426	500
10-51-430	Radar Certification	1,000	344	1,000	325	500
10-51-434	Community Support/Victim Assist.	1,000	691	0	0	0
10-51-808	Misc Equipment	500	426	0	0	0
	Subtotal	125,100	115,415	118,200	116,201	155,201
	TOTAL POLICE BUDGET	754,148	785,422	690,997	659,058	684,198

a IGA for combined Dispatch

b Parking Enforcement April-October only

COMMUNITY CENTER DEPARTMENT						
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
10-53-110	Facility Coordinator	41,980	45,142	40,000	39,692	40,000
10-53-110	Event/Program Coordinator	22,800	24,762	25,800	25,602	25,800
10-53-110	Teen Coordinator	15,000	0	0	0	0
10-53-111	Administrative Assistant	18,720	18,455	18,720	13,800	11,960
10-53-131	FICA	6,103	5,941	6,466	6,051	5,949
10-53-132	Insurance	9,333	14,296	14,100	13,560	13,500
10-53-134	Pension	3,239	3,495	3,290	3,265	3,290
	subtotal	117,175	112,091	108,376	101,969	100,499
COMMODITIES						
10-53-133	Travel/Training	1,000	496	1,000	0	0
10-53-238	Janitorial	6,440	6,440	6,440	6,440	6,440
10-53-300	Teen Center	2,000	0	0	0	0
10-53-400	Operation Costs	4,830	4,830	4,830	4,830	4,830
	subtotal	14,270	11,766	12,270	11,270	11,270
	TOTAL COMM. CENTER BUDGET	131,445	123,857	120,646	113,239	111,769

a Part time reduced to 23 hours per week

b Cut out of budget

RECREATION DEPARTMENT						
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
10-56-110	Director	50,000	53,998	50,000	49,615	50,000
10-56-110	Recreation Supervisor	39,566	38,608	39,566	39,262	39,566
10-56-110	Recreation Coordinator	25,000	16,000	25,000	24,000	25,000
10-56-111	Refs/Umps/Part time	36,000	29,066	34,300	30,000	25,000
10-56-112	Park Fun	18,000	13,538	0	0	0
10-56-131	FICA	12,895	9,669	8,764	8,635	8,764
10-56-132	Insurance	9,333	8,387	8,736	8,000	8,000
10-56-133	Travel/Dues	1,200	562	500	500	500
10-56-134	Pension	4,478	4,564	4,478	4,444	4,478
	Subtotal	196,472	174,391	171,345	164,456	161,309
COMMODITIES						
10-56-202	Office Supplies	500	709	500	250	500
10-56-204	Postage	100	4	100	88	0
10-56-206	Recreation Supplies/Equipment	16,000	14,421	16,000	16,000	12,000
10-56-208	Trophies/Awards	6,000	5,871	5,000	4,000	1,500
10-56-210	Mailers	500	0	0	0	0
	Subtotal	23,100	21,006	21,600	20,338	14,000
CONTRACTUAL						
10-56-402	Telephone	0	0	1,000	1,000	800
10-56-406	Vehicle Maintenance	500	74	500	500	500
10-56-418	Swimming Pool Fees	1,400	0	0	0	0
10-56-420	Fireworks/Events	14,000	13,690	17,000	30,000	0
10-56-422	Med Supplies/Maint/Repairs	1,200	988	1,200	1,200	800
10-56-824	Special Events	750	1,181	1,000	800	500
	Subtotal	17,850	15,932	20,700	33,500	2,600
TOTAL RECREATION BUDGET						
		237,422	211,329	213,645	218,294	177,909

a requested additional funding from TTC and CTC

SERVICES ORGANIZATIONS							
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Requests	2010 Budget
County Services							
10-75-399	Nutrition/Seniors	8,000	8,000	7,200	6,120	8,700	7,000
10-75-400	Transportation/Seniors	4,000	4,000	4,000	3,400	4,250	3,500
10-75-430	Mountain Express	30,000	30,000	20,000	17,000	30,000	25,000
Education/ Economic Development							
	Pagosa Youth Center						0
10-75-397	Education/Adult Learning Center	12,500	12,500	12,500	10,625	15,000	4,500
10-75-412	Arch. Economic Dvlp Assoc.	20,000	20,000	15,000	12,750	19,600	0
Health/Safety							
10-75-398	Counsel/Aging	0	0	0	0	0	0
10-75-401	SW CO Mental Health Center	2,000	2,000	1,800	1,530	2,000	800
10-75-408	Haz Mat/Emergency Preparedness	0	0	0	0	0	0
10-75-410	Southwest Safehouse	700	700	700	595	700	450
10-75-415	Health Fair	250	0	0	0	0	0
10-75-417	ACVAP	10,000	10,000	10,000	8,500	8,000	5,000
10-75-423	American Red Cross SW CO	1,000	0	0	0	0	0
10-75-425	San Juan Basin Health	0	2,100	1,890	1,607	2,000	1,000
10-75-428	Acute Treatment Unit (Crossroads)	15,000	15,000	12,000	10,200	15,000	4,000
10-75-	Humane Society of Pagosa Springs	0	0	0	0	20,000	5,000
Housing/Open Space							
10-75-403	Community Connections	2,000	0	1,800	1,530	1,800	0
10-75-407	Historical Society	0	150	0	0	0	0
10-75-418	Operation Healthy Communities	0	0	0	0	0	0
10-75-426	Colorado Housing Inc (CHI)	5,000	5,000	4,500	3,825	15,000	0
10-75-429	Southwest Land Alliance	3,000	3,000	1,500	1,275	3,000	0
10-75-xxx	Housing Solutions for the Southwest	0	0	0	0	500	0
Cultural/Events							
10-75-421	Pagosa Fiber Festival	0	0	0	0	0	0
10-75-422	Music in the Mountains	0	0	0	0	0	0
10-75-424	Pagosa Springs Arts Alliance	5,000	0	0	0	0	0
Other							
10-75-411	Clean Cities Coalition	0	0	0	0	0	0
10-75-419	Unbudgeted Requests/Donations	2,000	1,092	0	0	0	0
10-75-420	San Juan Water Conservancy Dist.	0	0	0	0	0	0
TOTAL SERVICE FUNDS		120,450	113,542	92,890	78,957	145,550	56,250

		percentage	3% target \$
GF Revenue	1,893,598	2.97%	\$56,808

CAPITAL IMPROVEMENT FUND						
Account	Description	2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
TAXES AND FEES						
51-31-100	Highway Users Tax Fund	0		57,173	61,401	67,160
51-31-310	Sales Tax	0		1,623,075	1,534,072	1,380,664
51-31-	Park User Fees	0	0	0	0	12,000
51-31-	Cemetery Fees	0	0	0	0	1,000
INTERGOVERNMENTAL REVENUES						
51-31-400	County Road Mill	0		74,295	62,432	70,000
51-31-	Dept Human Serv. Janitorial Contract	0	0	0	0	8,200
51-31-480	PSSGID Streets Contract	0		20,000	20,000	10,000
51-31-490	Geothermal Streets Contract	0		5,000	5,000	5,000
51-31-500	Sidewalks in Lieu Fees	0		6,649	0	6,625
51-31-600	Transfer from Conservation Trust Fund	0	157,629	100,000	100,000	80,000
51-31-610	Transfer from Impact Fees	0	226,023	62,690	0	0
51-31-xxx	Transfer from Skaters Coal Trust Fund					100,000
STATE AND FEDERAL GRANTS						
51-31-620	Transfer from General Fund	5,163,465	3,509,876	33,656	0	0
51-31-720	CDOT Enhancement Grants	0	0	310,000	290,034	0
51-31-760	GOCO Grants/IGA's (JRCIP)	0	0	0	50,000	200,000
51-31-770	CDBG Infrastructure/EIA Grants/DOLA	0	0	36,250	36,250	17,500
51-31-xxx	DOLA fiber-optics and wi-fi grant	0	0	0	0	404,250
MISCELLANEOUS						
51-36-110	Miscellaneous	0	0	0	33,700	0
TOTALS						
	Total Annual Revenues	5,163,465	3,893,528	2,328,788	2,192,889	2,362,400
	Prior Year Ending Fund Balance	0	0	0	0	456,680
	Total Revenues	5,163,465	3,893,528	2,328,788	2,192,889	2,819,080

CAPITAL IMPROVEMENT FUND

Expenditures	2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
Maintenance & Debt					
51-53-425	Community Center Loan	236,695	236,694	236,694	236,694
51-61	Streets Department	390,835	398,505	419,393	408,563
51-68	Parks Department	204,657	206,520	188,438	184,708
51-70	Facilities Maintenance Department	122,955	117,640	132,671	132,462
	Total Maint. and Debt Expenditures	955,142	959,358	977,196	963,402

Capital Improvement Expenditures	2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
Town Clerk/Town Hall					
51-42-202	Office Furniture	2,000	376	500	0
51-42-222	Telephone System	1,500	7,981	2,660	2,850
51-42-281	Technology	5,000	8,070	1,500	0
	subtotal	8,500	16,426	4,660	2,850
Town Manager/Administration					
51-44-110	Construction Manager	55,000	30,751	27,750	14,959
51-44-264	Capital Improvement Plan	40,000	0	72,500	72,500
51-44-281	Technology	2,500	691	2,500	0
51-44-400	CDBG Infrastructure/EIA Grants/DOLA	216,500	13,199	0	0
51-44-410	DOLA fiberoptics and wi-fi grant	0	0	0	0
	subtotal	314,000	44,641	102,750	87,459
Building/Planning					
51-46-281	Technology	3,500	614	1,500	2,500
51-46-406	Planning Studies/Grants	0	0	10,000	4,856
51-46-408	Historic Planning Grants	1,000	0	0	0
51-46-432	Matching Funds Historical	1,000	0	0	0
51-46-435	Comprehensive Plan/Planner	25,000	2,911	0	0
51-46-441	Annexations	8,000	3,312	3,000	780
51-46-448	Affordable Housing Land/Appraisals	10,000	27,016	5,000	0
51-46-458	Master Plan/Design Guidelines	41,000	380	0	0
51-46-461	Downtown Planning/Improvements	0	0	15,000	94
51-46-462	Land Use Development Code	0	74,378	0	0
	subtotal	89,500	108,611	34,500	8,230
Municipal Court					
51-48-238	Misc. Equip.	1,000	875	0	0
51-48-281	Technology	1,000	0	1,500	2,275
	subtotal	2,000	875	1,500	2,275
Police/Safety					
51-51-281	Technology	2,500	2,032	2,500	0
51-51-451	Police Equipment	2,500	0	0	0
51-51-455	Police Vehicle	0	0	0	0
	subtotal	5,000	2,032	2,500	0
Community Center					
51-53-450	Capital Improvements	6,440	6,440	6,400	6,400
	subtotal	6,440	6,440	6,400	6,400
Recreation					
51-56-449	Recreation Equipment	2,500	1,600	2,500	760
51-56-281	Technology	1,000	906	1,000	800
	subtotal	3,500	2,505	3,500	1,560
Facilities Maintenance					
51-42-437	Town Hall Improvements	5,000	5,050	6,000	1,500
51-42-442	Furnishing Town Hall	1,000	0	500	0
	subtotal	6,000	5,050	6,500	1,500
Streets/Streetcape					
51-77-424	Street Paving and Maintenance	175,000	67,233	163,000	77,000
51-77-426	Chip Seal	120,000	42,563	0	0
51-77-427	Misc Concrete/Sidewalks	200,000	178,486	50,000	0
51-77-428	Street Lighting Improvements	50,000	34,470	5,000	0
51-77-429	Lewis Street/Intersection	576,500	1,329,122	120,000	18,000
51-77-436	Hot Springs Blvd. Improvements	1,000	51	0	0
51-77-443	Great West Avenue	0	110,373	0	20,000
51-77-445	N/S Pagosa Blvd.	40,000	7,407	10,000	0
51-77-447	Majestic Drive Paving (CMAQ)	0	0	0	15,000

CAPITAL IMPROVEMENT FUND						
51-77-447	CDOT Enhancement Project Funds	650,500	0	0	0	0
51-77-453	Street Furniture	10,000	0	5,000	0	0
51-77-454	New Street Truck/Backhoe	0	0	36,000	0	70,000
51-77-457	CDOT CMAQ Project Funds	374,276	13,423	0	0	0
51-77-459	Wayfinding Plan/Medians	25,000	19,999	0	0	20,000
	subtotal	2,222,276	1,803,127	389,000	130,000	310,000
Parks						
51-77-500	GOCO Grant/IGAS	151,500	0	0	0	0
51-77-540	Traffic/CIP Studies (JRCIP)	25,000	0	0	0	0
51-77-544	River Restoration Project	50,000	39,774	56,000	49,250	41,000
51-77-546	Sports Complex Design/Trails MP	558,919	565,191	0	0	7,000
51-77-550	Parks Equipment	50,000	24,162	20,000	5,000	20,000
51-77-552	Town Parks Improvements	5,000	2,910	5,000	5,000	39,500
51-77-560	Raw Water Irrigation	30,000	59,702	4,000	3,400	4,000
51-77-561	South 8th Street Park	50,000	52,800	7,500	5,000	5,000
51-77-xxx	Arts Building Demolition	0	0	0	0	3,000
51-77-570	Skate Park	18,500	18,500	0	0	300,000
51-77-571	Vehicle - Truck	0	0	0	0	15,000
	subtotal	938,919	763,039	92,500	67,650	434,500
Trails						
51-77-620	Reservoir Hill	2,080	0	0	0	0
51-77-631	Pagosa Lakes Trail/Trails	5,000	0	0	0	0
51-77-634	River Walk Improvements	100,000	7,166	50,000	26,300	33,000
51-77-660	Harman Park Trail/Sidewalk	0	0	52,600	0	0
51-77-663	Pedestrian Bridge/Trail	505,108	174,257	439,000	439,000	0
51-77-670	Sidewalk in Lieu	0	0	6,625	0	6,625
	subtotal	612,188	181,423	548,225	465,300	39,625
Total Improvement Expenditures		4,208,323	2,934,170	1,192,035	773,224	1,389,850
Total Maintenance/Debt Expenditures		955,142	959,358	977,196	962,984	963,402
Total Improvement Expenditures		4,208,323	2,934,170	1,192,035	773,224	1,389,850
Total Capital Expenditures		5,163,465	3,893,528	2,169,231	1,736,208	2,353,252
TOTAL CAPITAL REVENUES		5,163,465	3,893,528	2,328,788	2,192,889	2,819,080
TOTAL CAPITAL EXPENDITURES		5,163,465	3,893,528	2,169,231	1,736,208	2,353,252
Ending Fund Balance		0	0	159,557	456,680	465,828

- a Term of Loan ends July 1, 2014
 - b Appraisals, Title work, RFP for Town parcels for affordable housing
 - c DDA research and start-up costs \$10k, \$15k Geo Greenhouse Feasibility Study
 - d Police bullet proof vests, possible 50% grant refund
 - e Task 3&4 engineering and installation of two new structures at Town Park
 - f Addition County CTF funds for parks
 - g Town Park South
 - h Trees and landscaping
 - i Reservoir Hill Bathroom construction - not approved
 - j Skate Park contingent upon GOCO grant and donation/in-kind
-
- 1 DOLA grant intern - approved 11/3/09
 - 2 DOLA fiber-optics and wi-fi expansion 75% grant - approved 11/3/09
 - 3 New police vehicle - approved 11/12/09
 - 4 Capital Improvement Streets Plan
 - 5 \$70,000 for backhoe with trade-in - approved 11/12/09
 - 6 Match TTC for wayfinding signage - approved 11/12/09
 - 7 Yamaguchi Park bathrooms design only
 - 8 New parks truck - approved 11/12/09

STREETS DEPARTMENT						
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
51-61-110	Street Superintendent	52,151	54,460	52,151	51,750	52,151
51-61-110	Equip Operator/Maint.	36,059	37,097	37,559	37,270	18,780
51-61-110	Equip Operator/Maint.	36,059	36,059	36,059	35,782	36,059
51-61-110	Streets Crew	34,710	21,439	30,968	30,730	30,968
51-61-110	Streets Crew	20,500	34,631	30,968	30,730	30,968
51-61-111	Part time/Overtime	4,500	4,500	2,000	2,000	2,000
51-61-131	FICA	14,074	13,677	14,359	14,249	12,923
51-61-132	Insurance	30,661	28,562	33,500	31,700	31,168
51-61-133	School/Travel	2,000	2,202	1,500	1,000	1,500
51-61-134	Pension	7,949	9,194	9,385	9,313	8,446
	Subtotal	238,663	241,821	248,450	244,523	224,963
COMMODITIES						
51-61-202	Office Supplies	1,100	624	500	155	200
51-61-212	Fuel&Oil	22,000	35,513	32,000	22,000	26,000
51-61-222	Tires	12,000	3,031	3,000	3,000	3,000
51-61-228	Gravel/Asphalt	3,000	18,544	17,000	17,000	17,000
51-61-230	Culverts	3,000	0	0	0	2,000
51-61-234	Street Lighting	50,000	28,097	42,000	42,000	42,000
51-61-439	Street Lighting Maintenance	2,000	1,298	1,000	2,000	2,000
	Subtotal	93,100	87,107	95,500	86,155	92,200
CONTRACTUAL						
51-61-402	Telephone cellular	0	-141	400	400	400
51-61-406	Maintenance-Vehicles	12,000	30,315	25,000	20,000	25,000
51-61-410	Uniforms	3,000	3,007	2,000	2,500	5,000
51-61-418	Cemetery	1,000	0	1,000	0	1,000
51-61-434	Utilities/Shop	10,000	14,551	15,000	15,000	16,000
51-61-436	Maintenance-Roads	17,000	9,711	16,000	24,500	22,000
51-61-438	Engineering	1,000	0	0	0	0
51-61-444	Sweeper Maintenance	11,072	10,107	10,000	10,000	10,000
51-61-460	Clean-Up Week	1,000	2,028	6,043	6,042	12,000
51-61-470	Banners	3,000	0	0	0	0
	Subtotal	59,072	69,577	75,443	78,442	91,400
TOTAL STREETS BUDGET						
		390,835	398,505	419,393	409,120	408,563

a Gravel to supplement on roads as needed/Large Asphalt patchwork

b Signs, Painting, Mag Chloride and Sand in Winter

c Clean up County dump fees only

PARKS DEPARTMENT						
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
51-68-110	Parks Supervisor	43,136	43,136	43,136	42,804	43,136
51-68-110	Parks Maintenance	31,268	31,037	31,268	31,027	31,268
51-68-110	Parks Maintenance	17,000	19,501	29,268	29,043	29,268
51-68-111	Parks Maintenance	30,000	21,166	15,000	13,300	15,000
51-68-131	FICA	9,287	8,141	9,078	8,887	9,078
51-68-132	Insurance	16,546	17,815	22,504	21,500	21,000
51-68-133	Travel/Dues	500	0	0	0	0
51-68-134	Pension	3,620	4,694	5,184	5,144	5,184
	Subtotal	151,357	145,490	155,438	151,706	153,934
COMMODITIES						
51-68-212	Fuel/Oil	0	0	10,000	4,000	4,000
51-68-216	Park/Field Maintenance	41,600	48,887	21,000	27,000	30,000
51-68-218	Park Utilities	0	0	0	0	7,000
51-68-220	Vehicle Maintenance	6,448	6,834	1,000	1,002	1,500
51-68-402	Telephone	0	0	500	500	500
51-68-410	Uniforms	1,612	1,411	0	0	0
51-68-816	Town Tree Program	1,040	464	500	500	500
51-68-824	Special Events	2,600	3,434	0	0	0
	Subtotal	53,300	61,030	33,000	33,002	43,500
	TOTAL PARKS BUDGET	204,657	206,520	188,438	184,708	197,434

a moved from general expenses

FACILITIES MAINTENANCE DEPARTMENT						
Account		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
51-70-110	Maintenance Director	42,632	42,632	42,632	42,304	42,632
51-70-110	Custodian	24,178	24,178	24,178	23,992	24,178
51-70-111	Part Time Help	3,500	2,456	1,500	1,500	1,500
51-70-133	Travel/Training	600	235	300	300	300
51-70-131	FICA	5,379	4,560	5,111	5,072	5,111
51-70-132	Insurance	14,426	13,378	11,660	11,830	11,150
51-70-134	Pension	3,340	3,340	3,341	3,315	3,341
51-70-410	Uniforms	1,700	1,170	1,500	1,950	1,950
	subtotal	95,755	91,950	90,221	90,262	90,161
CONTRACTUAL						
51-70-206	Janitorial Supplies	7,000	6,188	6,000	6,000	6,000
51-70-207	Janitorial Contract Cleanings	3,000	2,597	3,000	3,000	4,000
51-70-402	Telephone	0	0	500	500	500
51-70-406	Vehicle Fuel/Maintenance	2,000	3,258	3,000	3,000	3,000
51-70-436	Town Hall Maintenance	9,500	7,467	25,000	25,000	12,000
51-70-437	Heating/Cooling Maintenance	2,200	2,042	2,000	2,000	2,000
51-70-438	Building Electric Maintenance	2,200	2,194	1,000	750	1,000
51-70-440	Elevator Maintenance	1,300	1,945	1,950	1,950	2,050
	subtotal	27,200	25,690	42,450	42,200	30,550
	TOTAL MAINTENANCE BUDGET	122,955	117,640	132,671	132,462	120,711

CONSERVATION TRUST FUND						
		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
Revenue						
21-37-530	Town Lottery	15,000	17,045	16,500	16,250	16,250
21-37-700	County Lottery	30,000	60,000	30,000	30,000	80,000
21-37-990	Unbudgeted Interest	0	847	0	520	520
	Subtotal	45,000	77,892	46,500	46,770	96,770
	Prior Fund Balances		166,025	85,117	86,290	33,060
	TOTAL REVENUES	45,000	243,917	131,617	133,060	129,830
Expenditures						
21-40-800	Parks Maintenance	0	0	0	0	80,000
21-40-870	Town Lottery	15,000		0	0	0
21-40-880	County Lottery	30,000		0	0	0
21-40-900	Town Park South	0	57,627	0	0	0
21-40-910	Sports Complex	0	100,000	0	0	0
21-40-920	Riverwalk Trail Improvements	0		50,000	50,000	0
21-40-930	Town Park Ped Bridge	0		50,000	50,000	0
	Subtotal	45,000	157,627	100,000	100,000	80,000
	Total Expenditures to CIF	45,000	157,627	100,000	100,000	80,000
	TOTAL REVENUES	45,000	243,917	131,617	133,060	129,830
	TOTAL EXPENDITURES	45,000	157,627	100,000	100,000	80,000
	Ending Fund Balance	0	86,290	31,617	33,060	49,830

TRUST/IMPACT FUND						
		2008 Budget	2008 Actuals	2009 Budget	2009 Estimate	2010 Budget
Revenue						
31-22-000	Old Pedestrian Harman Park	0	0	0	0	0
31-22-600	Roads	45,000	18,476	9,238	15,336	12,373
31-22-700	Regional Public Buildings	35,000	7,488	3,744	5,883	4,306
31-22-800	Regional Recreation Facilities	20,000	4,295	2,148	1,048	0
31-22-900	Parks	15,500	1,840	920	370	0
31-23-000	Trails	9,500	2,320	1,160	467	0
31-23-100	Emergency Service Provider	35,000	9,658	4,829	7,123	5,544
31-23-200	Water Storage	30,000	8,654	4,327	3,602	2,410
31-23-300	School Land Dedication	10,000	1,415	708	283	0
31-23-350	Administration	0	132	197	167	162 ^b
31-23-400	Sidewalk in lieu	0	6,625	0	0	0
31-23-450	Pinon Lake Fountain	0	0	0	3,375	0
31-23-460	Fireworks Fund	0	0	0	720	17,000
31-23-500	Skaters Coalition	0	10,978	0	25,421	76,000 ^c
	Subtotal	200,000	71,881	27,270	63,796	117,795
	Prior Fund Balances	0	263,899	79,023	89,901	82,936
	TOTAL REVENUES	200,000	335,780	106,293	153,697	200,731

Expenditures						
31-22-000	Old Pedestrian Harman Park	0	0	52,600	52,600	0
31-22-100	Interim Impact Fees	0	136,482	0	0	0
31-22-600	Roads	45,000	67,909	10,090	10,090	0 ^a
31-22-700	Regional Public Buildings	35,000	0	0	0	0
31-22-800	Regional Recreational Facilities	20,000	0	0	0	0
31-22-900	Parks	15,500	9,568	0	0	0
31-23-000	Trails	9,500	12,064	0	0	0
31-23-100	Emergency Service Provider	35,000	9,658	4,829	7,123	5,544
31-23-200	Water Storage	30,000	8,654	4,327	3,602	2,410
31-23-300	School Land Dedication	10,000	1,415	708	283	0
31-23-350	Administration	0	129	197	298	162
31-23-400	Sidewalk in lieu	0	0	6,625	0	6,625
31-23-450	Pinon Lake Fountain	0	0	0	3,000	0
31-23-460	Fireworks Fund	0	0	0	720	17,000
31-23-500	Skaters Coalition	0	0	0	1,950	100,000 ^c
	Total Expenditures	200,000	245,879	79,376	79,666	131,742

	TOTAL REVENUES	200,000	335,780	106,293	153,697	200,731
	TOTAL EXPENDITURES	200,000	245,879	79,376	79,666	131,742
	Ending Fund Balance	0	89,901	26,918	74,030	68,989

a Lewis Street

b 2% fees passed on to districts

c contingent upon GOCO grant and donatations/in-kind

LODGER'S TAX FUND						
		Revised 2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
Revenue						
41-31-500	Lodgers Tax	340,000	358,904	330,000	345,000	375,000
	Other Income (grants,etc)	33,170	0	25,000	7,372	20,000
	Subtotal	373,170	358,904	355,000	352,372	395,000
	Prior Fund Balances	137,141	137,141	24,814	58,552	21,191
	TOTAL REVENUES to TTC	510,311	496,045	379,814	410,924	416,191

Expenditures						
41-42-200	Lodger's Tax to TTC	494,852	437,494	337,950	389,733	383,042
	Total Expenditures to TTC	494,852	437,494	337,950	389,733	383,042
	TOTAL REVENUES	510,311	496,045	379,814	410,924	416,191
	TOTAL EXPENDITURES	494,852	437,494	337,950	389,733	383,042
	Ending Fund Balance	15,459	58,552	41,864	21,191	33,149

See Addendum D for Lodger's Tax Complete 2010 Budget

GEOHERMAL ENTERPRISE FUND						
Revenue		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
SERVICE FEES AND FINES						
55-38-100	Geothermal Utility	50,000	70,789	50,000	45,000	45,000
55-38-300	Geothermal Lease & Heat Tap	0	12,000	12,000	27,451	18,151
Total Revenues						
		50,000	82,789	62,000	72,451	63,151
Prior Year Ending Fund Balances						
		0	47,444	106,367	106,366	89,232
Total Revenues						
		50,000	130,233	168,367	178,817	152,383

Expenditures		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
PERSONNEL						
55-40-110	Salary/Engineer-Director	5,500	5,500	8,000	8,000	8,000
55-40-131	FICA	421	392	612	612	612
55-40-132	Insurance	0	4	26	26	26
55-40-133	School/Travel	200	0	250	132	250
55-40-134	Pension	275	69	250	400	400
Subtotal		6,396	5,965	9,138	9,170	9,288
COMMODITIES						
55-40-202	Office Supplies	100	0	100	0	100
55-40-204	Postage	100	0	500	44	200
Subtotal		200	0	600	44	300
CONTRACTUAL						
55-40-444	Utilities/Electric and Water	5,000	3,570	6,000	6,000	6,000
55-40-446	Legal/Attorney	1,000	6,760	2,000	26,800	5,000
55-40-438	Engineering	1,000	225	1,000	380	1,000
55-40-448	Bookkeeping (paid to Town GF)	0	0	5,000	5,000	5,000
55-40-450	Insurance (paid to Town GF)	0	0	1,000	1,000	1,000
55-40-452	Contractual Services Streets Dept	0	0	5,000	5,000	5,000
Subtotal		7,000	10,555	20,000	44,180	23,000
CAPITAL IMPROVEMENTS						
55-40-242	Repair Equipment/Meters	2,000	2,364	2,000	191	2,000
55-40-244	Repair of Leaks	2,000	741	62,000	36,000	15,000
55-40-246	New Pump/Meters	10,000	1,777	8,000	0	5,000
55-40-832	Contingency	1,000	2,466	1,000	0	1,000
Subtotal		15,000	7,348	73,000	36,191	23,000
Total Geothermal Expenditures						
		28,596	23,867	102,738	89,585	55,588

	TOTAL REVENUES	50,000	130,233	168,367	178,817	152,383
	TOTAL EXPENDITURES	28,596	23,867	102,738	89,585	55,588
	Ending Fund Balance	21,404	106,366	65,629	89,232	96,795

Addendum A

Specific Revenues

PROPERTY TAX REVENUE

Distribution: 100% General Fund

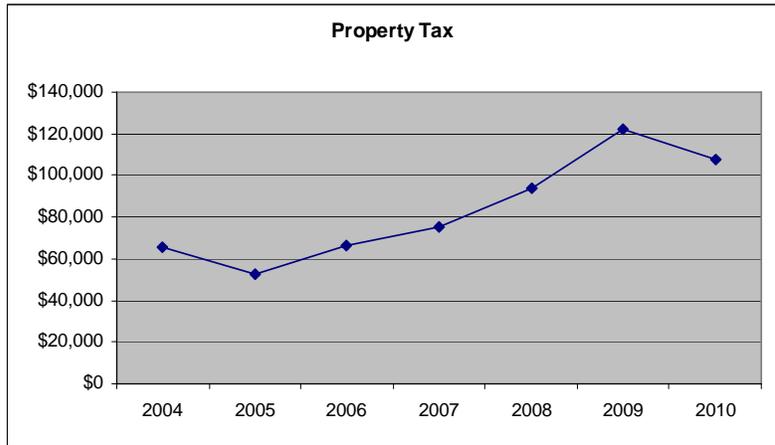
Source: Property owners within the Town of Pagosa Springs corporate boundaries

Collection: The taxpayer Bill of Rights (TABOR) Amending to the Colorado Constitution limits property tax revenue growth to the amount collected the previous year increased by the Denver-Boulder Consumer Price Index and a local growth factor. In addition, there is a statutory limitation which prohibits property tax revenue growth from exceeding 5.5% each year, adjusted for new construction. However, the Town of Pagosa Springs has voted to exempt (or “De-Bruced”) the town from these provision by setting the mill levy for the town at 1.572. The tax a property owner pays on a property is based on the following formulas:

$$\text{Assessed Valuation} = \text{Property Market Value} \times \text{Assessment Ratio}$$

$$\text{Property Tax} = \text{Assessed Valuation} \times \text{Mill Levy} / 1,000$$

Six Year Trend



<u>Year</u>	<u>Revenue</u>	<u>% Change</u>
2004	\$65,419	
2005	\$52,612	-20%
2006	\$66,455	26%
2007	\$74,891	13%
2008	\$94,055	26%
2009	\$122,000	30%
2010	\$109,928	-10%

Forecast: \$109,928, a 10% decrease from 2009 revenue receipts.

Rationale: Based on the assessed valuation provide by the Assessor’s Office calculated at the set Mill Levy of 1.572

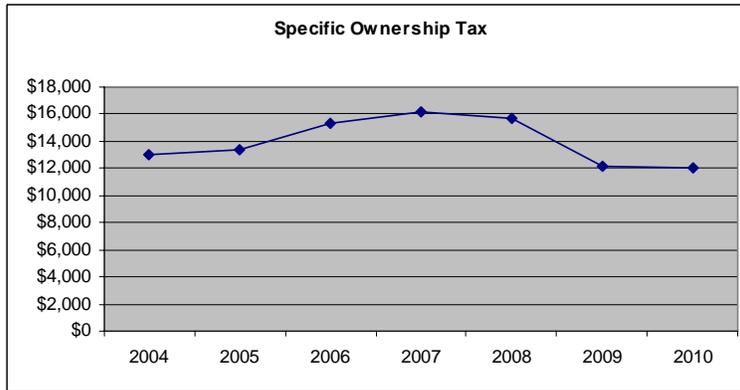
SPECIFIC OWNERSHIP TAX REVENUE

Distribution: 100% General Fund

Source: Residents and Businesses of Archuleta County

Collection: The State of Colorado establishes the statutory authority for collecting auto ownership tax. Vehicle owners pay auto ownership tax upon registration of the vehicle and annually thereafter to Archuleta County, which acts as a collection agent for the State. The amount of tax is based on the value of the vehicle. Archuleta County distributes \$1.00 of the tax to the State to maintain the motor vehicle computer system and to the County’s general fund to pay for clerical processing. The Town receives a portion of the remaining tax based on a percentage derived by comparing ad valorem (property) taxes collected by the County on behalf of other governments to the total ad valorem taxes collected for all taxing authorities in the County.

Six Year Trend



<u>Year</u>	<u>Revenue</u>	<u>% Change</u>
2004	\$13,058	
2005	\$13,433	3%
2006	\$15,293	14%
2007	\$16,155	6%
2008	\$15,400	-5%
2009	\$12,200	-23%
2010	\$12,000	-2%

Forecast: \$12,000, a 2% decrease from 2009 estimated collection.

Rationale: Anticipating additional residents moving out of the community causing less registrations and decreased revenue in 2010 as the economy is expected to decline.

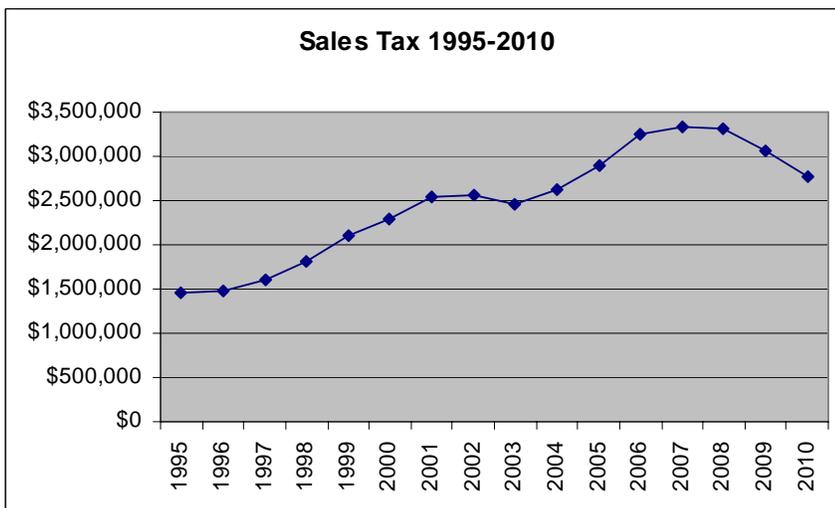
SALES TAX REVENUE

Distribution: 50% General Fund
50% Capital Improvements and Maintenance Fund

Source: Visitors, residents and employees in Archuleta County

Collection: Prior to 1958, a 1% sales tax was initiated and was split 50/50 for the Town and County. In 1983, the citizens voted to increase the sales tax rate to 2%, to be split 50% between the Town and County. In 1988, the citizens voted to increase the sales tax rate an additional 2% for seven years; with 1% earmarked for County road capital improvements and 1% dedicated for Town capital improvements. In 2001, the citizens again voted to extend the additional 2% sales tax rate for an additional seven years; with 1% earmarked for county road capital improvement and 1% for Town. The Sales Tax Ballot language states the “Town may use these funds to undertake capital improvements and the maintenance of such improvements and other capital projects which may be deemed necessary and appropriate by the residents of Pagosa Springs.” In November 2008, this sales tax arrangement was approved by the voters to be extended in perpetuity. Sales tax is charged on all retail purchases including food. The town collects its sales tax from the County. As a statutory county, Archuleta County’s sales tax is collected and administered by the Colorado Department of Revenue. As a result, there is a two-month lag time between the generation of the sales tax and when it is disbursed to the Town. At the end of 2008, the Council passed Resolution 2008-33 initiating a policy to respond to the volatility in the National Economy. This resolution compares the monthly revenue to the previous two years average during the same month and if necessary adjusts a reduction in 5% increments. In May of 2009 the sales tax revenue estimate was reduced to 10% below the 2008 actual revenue.

Twenty-Six Year Trend



<u>Year</u>	<u>Revenue</u>	<u>% Change</u>
1995	\$1,456,663	
1996	\$1,478,130	1%
1997	\$1,605,028	9%
1998	\$1,812,049	13%
1999	\$2,100,483	16%
2000	\$2,284,148	9%
2001	\$2,536,001	11%
2002	\$2,565,420	1%
2003	\$2,462,119	-4%
2004	\$2,620,922	6%
2005	\$2,894,838	10%
2006	\$3,254,503	12%
2007	\$3,330,494	2%
2008	\$3,315,872	0%
2009	\$3,068,144	-7%
2010	\$2,761,328	-10%

Forecast: \$2,761,328, a 10% reduction from 2009 actual collection

Rationale: It is projected the economy will not turn around in 2010. Although the County has projected a 10% decrease from the 2008 actual sales tax

revenues, the Town is being a bit more conservative. Sales tax counts for only 15% of the County's revenues, whereas the Town relies on sales tax as approximately 81% of total revenue between the general and capital improvement funds. See adopted Resolution 2009-25, 2010 Budget Policy documentation.

FRANCHISE REVENUES

Distribution: 100% General Fund

Source: Sourcegas, Centurytel, Rocky Mountain Cable

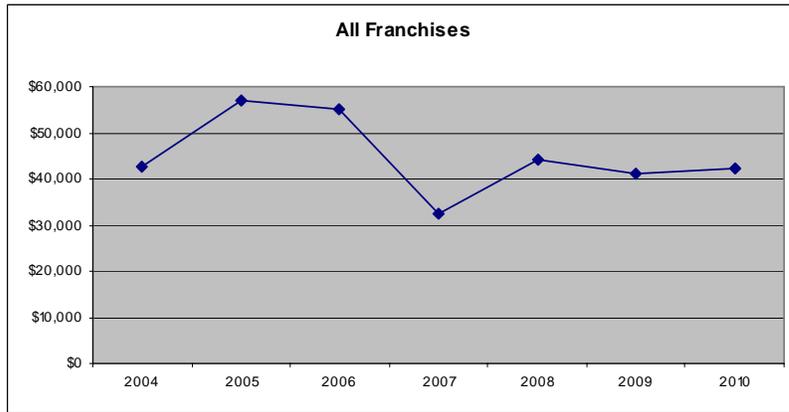
Collection: The Town collects franchise payments for general town services that it does not provide but “franchises” to private companies.

Ordinance No. 740 extended Ord. 521, expires May 4, 2019 is the Cable TV Franchise (5% of yearly gross revenues)

Ordinance No. 298, expires 2015 is the Telephone Franchise (3% of yearly gross revenues)

Ordinance No. 670, expires July 3, 2017 is the Natural Gas Franchise with SourceGas Distribution, Inc. (\$.0157 per Therm of gas)

Six Year Trend



<u>Year</u>	<u>Revenue</u>	<u>% Change</u>
2004	\$42,571	
2005	\$56,861	34%
2006	\$55,123	-3%
2007	\$32,502	-41%
2008	\$44,154	36%
2009	\$41,284	-7%
2010	\$42,300	2%

Forecast: \$42,300, a 2% reduction from 2009 estimated collection

Rationale: Forecast anticipates no increase in cost per Therm of Natural Gas and minimal hook-ups due to the construction slowdown. The warm weather during the fourth quarter of 2008 will most likely decrease the budgeted 2009 Gas Franchise revenues per notice from Sourcegas. The forecast also anticipates a continual decline in revenues from the telephone and cable franchise.

LOTTERY REVENUE

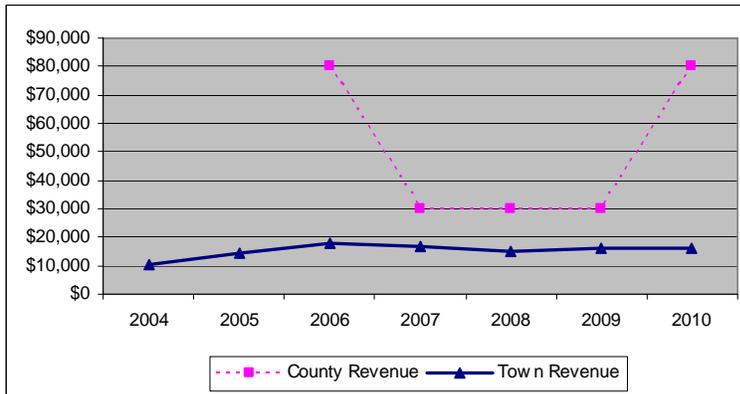
Distribution: Conservation Trust Fund (CTF)

Source: Customers who buy lottery and lotto tickets

Collection: Lottery proceeds are collected from retail merchants selling lottery products by the State of Colorado. Municipal lottery proceeds are distributed to municipalities based upon current population estimates prepared by the State Division of Local Governments. The Town's share is electronically transferred to the Town's CTF account annually on March 1, June 1, September 1, and December 1. The town has received County Lottery dollars upon request and negation from the County administration. An IGA should be executed to ensure the County's contribution into the Town's Conservation Trust Fun.

Conservation Trust funds can only be used for the acquisition, development and maintenance of new park and open space sites or for capital improvements and maintenance of a public site used for recreational purposes.

Six Year Trend



<u>Year</u>	<u>County Revenue</u>	<u>Town Revenue</u>	<u>%Change</u>
2004		\$10,541	
2005		\$14,507	38%
2006	\$80,000	\$17,620	21%
2007	\$30,000	\$16,541	-6%
2008	\$30,000	\$15,000	-9%
2009	\$30,000	\$16,250	3%
2010	\$80,000	\$16,250	108%

Forecast: \$96,250, a 108% increase from 2009 collection.

Rationale: Forecast anticipates the funds received from the State will remain flat for 2010 based on projections provided by the Colorado State Lottery office and the calculation from the Colorado Department of Local Affairs. The County Commissioners have agreed to increase the participation amount for the maintenance of the ever-growing park area the town and county residents enjoy on a daily basis.

Addendum B

Departmental Summaries

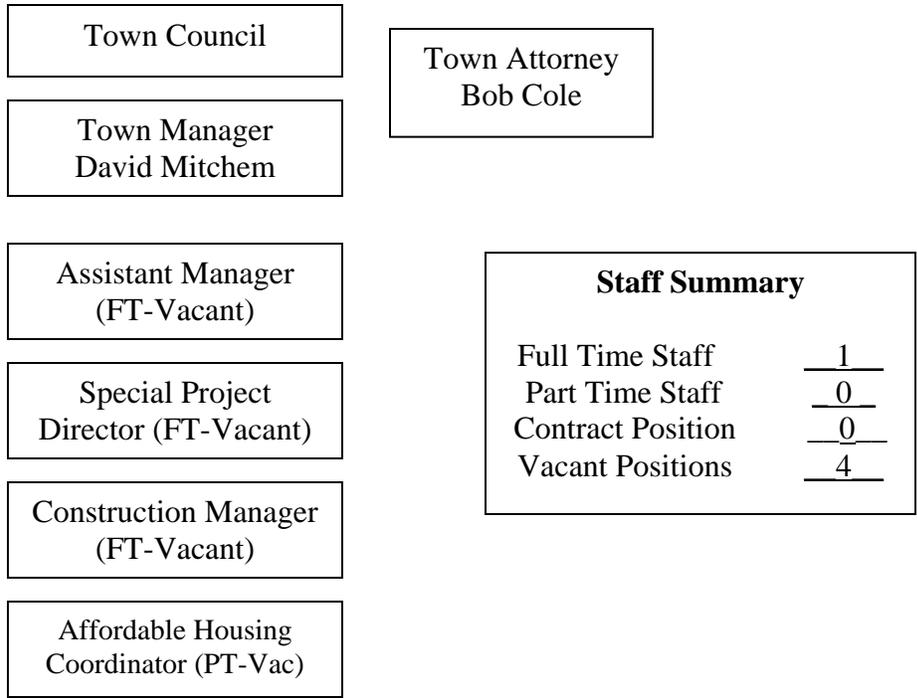
TOWN MANAGER/ADMINISTRATION DEPARTMENT

Description:

The Town Manger is the chief administrative officer of the Town.

Core Services:

The Town Manager supervises the enforcement of laws and ordinances of the town. The Manager appoints hires, supervises and terminates all employees. The Manager prepares a proposed budget and submits it to the Council and administers the adopted budget. The Manager prepares and submits to the Council at the end of each fiscal year a complete report on the finances and administrative activities of the Town; and upon request of the Council, report on the affairs of the Town. The Manager also advises the Council of the financial condition of the Town and makes recommendations to the Council for future Town needs. The Manager exercises leadership, supervision and control over all administrative departments; and recommend to the Council any proposal the Manager believes to be advisable in order to establish, alter, consolidate, or abolish administrative departments. The Manager exercises responsibility for the enforcement of all terms and conditions imposed in favor of the Town in any contract or franchise and report violations thereof to the Council. The Manager attends meetings of the Council and participates in discussions with the Council in an advisory capacity. The Manager informs the public concerning approved plans and activities of the Council and of the Town administration; and the Manager performs such other duties as prescribed in this Charter or as prescribed by ordinance or by the Council and that are not in conflict with this Charter.



2009 ACCOMPLISHMENTS

SPRINGS RESORT ECONOMIC DEVELOPMENT AND HEATING TAP AGREEMENT

In June, the Town Council approved an economic development and heating tap agreement with the Springs Resort. This agreement was the culmination of several years of negotiation. Utilizing a conservative economic multiplier for hotels, the \$3,711,000 increase in direct sales yields a total sales effect within the community of $\$3,711,000 * 1.3 = \$4,824,300$. Benefits of this agreement for the Town are as follows: 1) eighty-four (84) new jobs in our community; 2) \$1,734,261 increase in Springs Resort annual payroll; 3) \$15,951 initial payment – plus \$116,700 in December 2009, if option is exercised; 4) \$285,511 increase in the Town's annual tax revenues (\$4,282,665 over the life of the agreement); and 5) \$4,824,300 annual positive economic impact in our community from additional sales.

ECONOMIC DEVELOPMENT PARTNERSHIPS

The Town manager solicited ideas from many in the community to discuss the merits of enhancing our community's business climate and providing incentives for economic growth, including: local businesses; Archuleta County administrator; Archuleta County Economic Development Association (AEDA); Town Tourism Committee; Town Planning Commission; and Pagosa Area Water and Sanitation District (PAWSD). The concept of partnering to foster economic growth and job creation in the Pagosa Springs community was received with enthusiasm. Development of a pro-business and pro-development climate by deploying a portfolio of incentives to encourage public/private partnerships was also well received.

PRO-BUSINESS INITIATIVES

To establish a pro-business and pro-development climate in the Town of Pagosa Springs, the Town Council deployed a portfolio of incentives to encourage public/private partnerships that advance economic development.

1. One hundred percent of development fees were waived for permits drawn in 2009 and fifty percent of fees were waived in 2010. A twenty-five percent rebate of sales tax was established for locally purchased construction/building materials and use of local labor. A joint Town/County initiative.
2. A series of sales tax and lodgers tax rebates were established for: building the capacity of existing businesses (up to a 25% rebate); expansion of existing businesses (up to a 25% rebate); downtown development (up to a 25% rebate); general development (up to a 40% rebate); and new development (up to a 50% rebate).
3. Initiatives are being developed to better publicize the economic development incentives within the business community and to potential developers outside of our community.

To expand the Town's employment base, to recapture as much as \$110,000,000 retail sales leakage, and to make our community more competitive in attracting new development, the Council also took action to repeal the large format retail section of the Town's Land Use Code (which placed significant restrictions on development over 40,000 square feet).

The Town Council participated in a November 3rd economic development planning meeting, at which a team was selected to develop a plan to advance economic development in the Town of Pagosa Springs and Archuleta County. This team met several times in December to develop an action plan and identify funding alternatives. The results of this effort will be presented in early 2010. To advance the Council's economic development initiatives, \$50,000 was appropriated for economic development in the 2010 budget.

TOURISM

Town staff work with the Town Tourism Committee to deploy a centralized reservation system for the Town of Pagosa Springs. The Committee published the Pagosa Springs – Official Visitor Guide to attract new and return tourists. The Spring/Summer Guide was in such demand that the initial printing of 30,000 copies had to be augmented with a second printing of 20,000 copies. Partially as a result of the quality of the new Visitor Guide, fulfillments at the Visitor Center are up 162% over 2008. The Winter Guide will be published in October. By volume, the top five states requesting Visitor Guides are Texas, Colorado, California, Arizona and Illinois. Year-to-date, lodgers tax collection is up 7% over 2008. The TTC Board decided on "Refreshingly Authentic" as the new tagline for the branding campaign. The Phil Koegan MS fundraising put the Town on the front page of TV guide, with remarks from Mr. Koegan of wanting to return to visit Pagosa Springs.

RESOLUTION 2008-33 IMPLEMENTATION

The Town manager and department heads effectively implemented Resolution 2008-33, which mandates 2009 expenditure reductions if sales tax revenues decline from the average revenue of the past two years. The Resolution requires a monthly analysis that averages several months/years of sales tax revenue, to smooth out the impact of significant swings in tax collections. Analysis results provide direction regarding the adjustment of expenditure. The Town began the year with a five percent (5%) reduction in expenditures and shifted to a fifteen percent (15%) reduction later in the year. With only a few exceptions (pedestrian bridge construction and repaving of the river walk), expenditures for most capital improvements and non-essential purchases have been curtailed, and department heads were diligent in their efforts to ensure that expenditures remain below revenues. This policy, along with effective execution by the department heads, has led to increasing reserves in both the General Fund and the Capital Improvement Fund.

SALES TAX COLLECTION FEE

For several months, the Archuleta County Treasurer’s Office retaining 2% of all sales tax collected for the benefit of the Town of Pagosa Springs. The Treasurer’s Office bases its decision on state statute, Sec 30-1-102 (1) (a) C.R.S., which states: “(1) The county treasurer shall charge and receive the following fees: (a) Upon all moneys received by him for town and city taxes, ... in counties of every other class, ... two percent on town and city taxes ...” However, after the mayor’s correspondence to the Archuleta County Commissioners requesting the rebate of the 2% sales tax collection fee back to the Town, the County Treasurer responded favorably and returned the Town’s revenue.

COLORADO WORKFORCE DEVELOPMENT COUNCIL

The Town manager represents the Town of Pagosa Springs and Southwest Colorado on the Colorado Workforce Development Council. The Council meets quarterly to discuss and approve new and innovative workforce development programs that will assist Coloradoans in their efforts to acquire the skill needed by business and industry, and thereby become more competitive in the new economy. The Council endorsed two significant programs that focus on science, technology, engineering and mathematics (STEM). They are *eleVate Colorado* at www.eleVateColorado.org and Stemapalooza at www.stemapalooza.org. These initiatives are part of the State’s efforts to be competitive in the new global economy. The Council also reviews draft of Colorado Department of Education’s course content standards for science. These standards are being developed to ensure Colorado students are highly competitive in the market place and/or ready for advanced community college or university education, without remediation. The Council also reviews and approves a number of U.S. Department of Labor grants in Colorado.

TOWN PARK PEDESTRIAN BRIDGE:

Last year, the Town returned \$398,179 in CDOT Enhancement grant funds because the two projects for which they were allocated could not be completed in a timely fashion. These funds were then redistributed via a supplemental funding competition among communities through out the Region. On January 30th, the Town applied to CDOT for supplemental funding for the Town Park Pedestrian Bridge project (\$200,000). On April 16th, the Town received a formal award letter from CDOT confirming the March 20th Southwest Colorado Regional Transportation Planning Commission decision to approve a \$200,000 CDOT Enhancement Project funding for the Pagosa Springs Town Park Pedestrian Bridge. The additional \$200,000 from CDOT permitted completion of the pedestrian bridge in 2009, rather than extending construction over two years.

With the hydro-seeding of the landscaped areas, construction of the Pagosa Springs Town Park Pedestrian Bridge was completed in June. The bridge joins the parks and parking areas on both sides of the river and provides easier pedestrian access to Reservoir Hill. About half of the cost of bridge construction is being provided through a \$310,000 Enhancement Project grants received from the Colorado Department of Transportation.

Hart Construction, Inc., a Pagosa Springs company, was the contractor on completion of the project. The firm constructed the bridge abutments with rock veneer, placing the bridge and pouring new sidewalks.

RIVER-WALK ENHANCEMENT:

In September, the Town repaved the river-walk from Hot Springs Boulevard to the downstream pedestrian bridge. As part of this project, Town staff reinforced the river bank to provide greater stabilization. Town staff continued to work on acquisition of easements to facilitate the expansion/connection of the Town's trail system. The Town is also working with the County to complete the Town to Lakes trail easements in preparation for engineering and grant application submissions.

CAPITAL IMPROVEMENT PLAN

The goal of Capital Improvement Plan initiative is to generate a prioritized list of maintenance and new projects that will guide capital improvement budgeting over the next five years. A committee of three Town staffers and two Town Council members reviewed fourteen proposals received in response to the Town's Capital Improvement Plan RFP. Schmueser, Gordon and Meyer, Inc. (SGM) was recommended to and approved by the Town Council to provide consultant services for the project. The Town budgeted \$72,500 (including a \$36,250 grant from DOLA) to pay for consultant services to assist the Town Council in producing a multi-year capital improvement plan. In preparation for development of the plan, the department heads have prepared an inventory of equipment (with projected replacement timelines), a list of infrastructure maintenance issues and a list of proposed new projects. SGM will meet with the Town Council in November to discuss the Town's infrastructure needs, maintenance requirements and new projects.

LEWIS STREET AND TOWN HALL ENTRY RE-BRICKING

Warranty issues with the Pavestone bricks installed on the Lewis Street Renovation Project were discovered in 2009. Both Pavestone and The Stone Paver Company sent representatives to Town to review the warranty issues. Pavestone agreed the bricks installed on Lewis Street had been factory defective and agreed to pay for both the bricks and the labor to replace them. Additionally, in good faith, Pavestone agreed to replace all the bricks around the Town Hall with an upgraded brick (from 40mm to 80mm) that will handle the Town Hall traffic without problems. Pavestone paid 100% for bricks and labor to be replaced around the Town Hall. The Town paid for the materials or labor to replace the sub-grade area in the driveway in front of Town Hall.

GEOTHERMAL HEATING SYSTEM REGULATIONS

On February 24, 2009, the Department of Natural Resources, Division of Water Resources notified the Town of modifications to the geothermal well permits (PS3 and

PS5). The modifications clarify the Town’s authority to utilize up to 450 gallons per minute for “geothermal heating” purposes and permits discharges (outflows) that “avoid waste of the geothermal resources, and protect the environment and public health”. As the Town more fully utilizes its geothermal resources, geothermal heating system regulations are needed for orderly operation and administration. In June, Ordinance 741, Geothermal Department Heating System Regulations was approved by the Town Council as a foundation for department decision making and a reference for customers.

GEOTHERMAL GREENHOUSE PROJECT

The Geothermal Greenhouse Project will showcase alternative energy resources of our community and the viability of putting those resources to commercial use; provide a local source of fresh, organic produce to local businesses and residents; provide an educational resource for regional schools and adult groups on topics of alternative energy, renewable resources and organic permaculture; and serve as an economic driver for our rural community by being a tourist attraction and an attraction for other alternative energy and permaculture-related businesses.

In January, the Town Council unanimously approved Resolution 2009-4, formally dedicating 100 gallons per minute of geothermal water and committing to leasing a minimum of .2 acres of Centennial Park for the development of the Geothermal Greenhouse Project. On April 16, 2009, the Geothermal Greenhouse Partnership held a ground breaking ceremony for the Geothermal Greenhouse Project in the Pagosa Springs’s Centennial Park. At its May 4, 2009, the Town Council unanimously approved Ordinance 739 on second reading (first reading: April 7, 2009) to assemble additional land to support the area planned for the greenhouses within Centennial Park. Both U.S. Representative John Salazar and U.S. Senator Michael Bennet have committed to including the project for federal funding in the next budget cycle.

SAN JUAN RIVER RESTORATION PROJECT

Town staff work with Chris Phillips and Chris Pitcher of *Riverbend Engineering* Pagosa Springs residents, Colorado Division of Wildlife (DOW) and the United States Army Corp of Engineers to design plans to remove the Davey’s Wave white water feature. A public meeting was held at the Civic Center on Monday, January 26th to gain input two designs. On February 24th the Town received approval from the United States Army Corp of Engineers and Colorado Division of Wildlife (DOW) Fisheries Biologist regarding fish habitat mitigation component of the river restoration design plans. A new whitewater river feature was constructed adjacent to the Visitor Center and a variety of fishing habitat structures were constructed downstream. Kayakers, tubers, swimmers and river-watchers utilizing the whitewater feature during the spring and summer have expressed their pleasure regarding the work that has been done. Our sincere thanks are owed to the many volunteers, including Wolf Creek Ski Area, and Hart Construction for working diligently to create the whitewater feature and new fish habitat.

REGIONAL PLANNING/BUILDING

After considerable discussion and design among Town Council, County Commissioners and staff, the Town decided against deploying a joint planning and building department. Instead, the Council approved a virtual one stop for building and planning initiatives. The virtual one-stop is currently operational.

LAND USE DEVELOPMENT PLAN

In 2009, the Town Council deployed a comprehensive rewrite of the Town's Land Use and Development Code and LUDC Administrative Manual. Clarion & Associates assisted the LUDC Advisory Committee in the design of the new Code. Individual notices based on the Archuleta County Assessor's parcel database were mailed to every property owner within the town's corporate boundaries outlining the proposed adoption schedule and public hearing dates. In addition, public notices pertaining to the adoption of the land use code, zoning map and users manual have been published in both the Pagosa Sun (4 consecutive weeks) and the Pagosa Daily Post. Public hearings were conducted at the December 5th (joint TC/PC), December 15, 2008 (PC), January 6, 2009 (TC) and January 15, 2009 (TC) meetings. First reading of the ordinance adopting the draft Land Use Code and Official Zoning Map was on January 15th and second reading of Ordinance No. 735 was on February 3rd.

CLEAN-UP WEEK

The Town orchestrated an effective Clean-Up Week (lasting 2½ weeks) to beautify the community.

2010 GOALS

- Design and deploy a Town Council reference binder that includes the Town Charter, Municipal Code, Current Budget, Community Development Plan, Land Use Development Plan/ Administrative Manual, Wayfinding Plan, etc.
- Conduct a Town Council retreat to discuss policy alternatives.
- Construct two new whitewater features between the Town Park Pedestrian Bridge and the Hot Springs Boulevard Bridge.
- Complete acquisition of easements for the Town to Lakes Trail. In cooperation with Archuleta County, begin engineering of the trail and craft a grant application for trail construction.
- Complete acquisition of a temporary/moveable easement for the connecting trail between the downstream pedestrian bridge and the trail adjacent to Town Hall and the

**Town Manager/
Administration Dept.
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Community Center, and through the Springs Resort property. Construct a temporary trail connecting the two trail segments that is serviceable for foot traffic and bicycles.

- Develop plans for the construction of restrooms at the new Skate Park, Reservoir Hill and Yamaguchi Park.
- Finalize a solution for the wastewater treatment plant construction.
- Research methods of enhancing the efficiency of the Town's geothermal heating system.

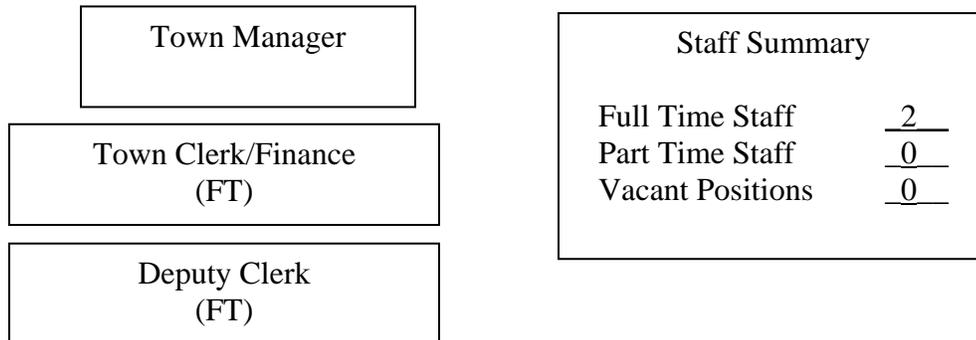
TOWN CLERK/FINANCE DEPARTMENT

Description:

The Pagosa Springs clerk and finance department plans, organizes and carries out duties involved with custody of Town records and Town funds; maintains official Town records including minutes, ordinances and resolutions; serves as repository of notices to the Town and similar documents; has custody of and accounts for Town funds; and invests idle Town funds. The department also maintains the Town’s accounting, payroll, accounts receivable and payables records, and maintains personnel records.

Core Services:

The core services the department provides include maintaining town accounts receivable and accounts payable and providing payroll for all employees. The department works to maintain its human resources by acting as a liaison for all employee health, dental, pension, worker’s compensation and liability insurance. This department is responsible for maintaining all official Town documents and records, including minutes, ordinances, resolutions, deeds, contracts, and other records, per adopted retention schedules. Coordination of all town elections is the responsibility of this department as is processing cemetery deeds, business and liquor licenses, serving as the secretary for the Town Council and Town manager. Assistance with annual budget preparation is the duty of this department. This department also “contracts” with the Sanitation District and Geothermal Enterprise to perform bookkeeping and billing. This function is also provided for the Town Tourism Committee via receiving and tracking all lodgers tax collections and payments.



2009 Accomplishments:

The clerk and deputy clerk have worked hard to achieve a goal of high quality, professional service and improved function and operation of the Clerk/Finance department. The department has succeeded in setting up an organizational program for all contracts, resolutions, ordinances, and minutes making the retrieval and administration more efficient. Along with this clean up the department has corrected many items previously neglected such as rectifying accounts and liabilities, thereby increasing the Town revenues. Providing a high quality of service to Town residents and employees continues to be the number one priority for this department and the department strives to treat everyone with respect, kindness and courtesy. This year the clerk attended the week long clerks institute training; gaining knowledge in all areas related to the Clerk’s office. The clerk has worked in harmony with the town manager to provide regular updates to both staff and council as to town fund balances and year to date spending reports.

2010 Goals:

The department goals for 2010 include maintaining a high level of service with quality results. It is a top priority to continue to improve skills, knowledge and performance with additional training. The department is planning on continuing the organization of all town records that will increase the ability of both staff and the public to search for resolutions, ordinances or minutes thus making the department more efficient. In 2010, the department will also look at digitizing the town records and using the current management software to its full potential to increase the department's ability to help other departments with organization and record keeping. As always, the department will be searching for cost saving programs to speed processing and increase the Town's reserves.

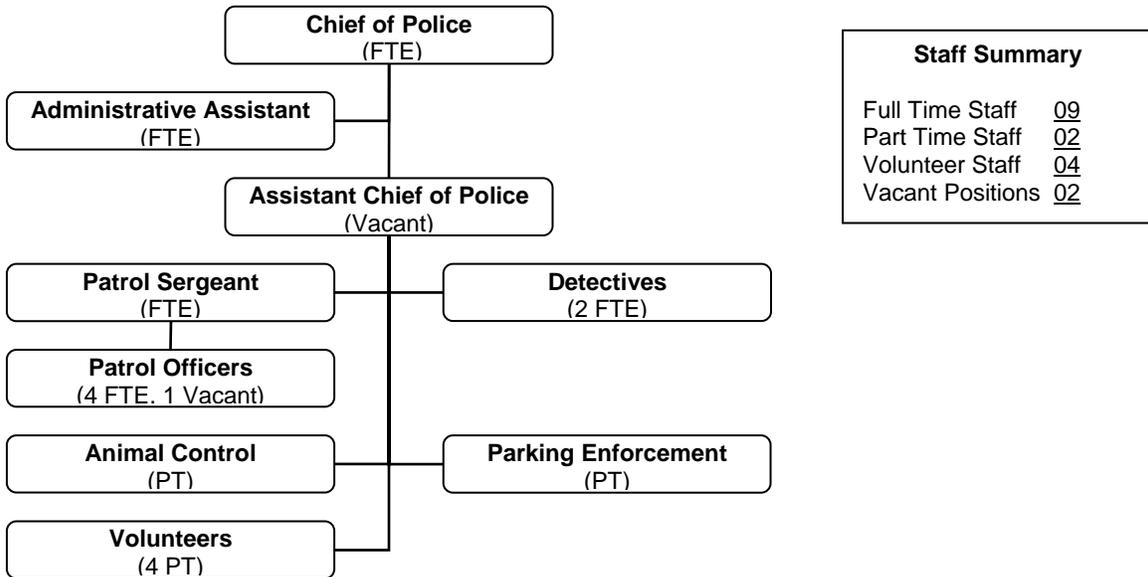
POLICE DEPARTMENT

Description:

The Pagosa Springs Police Department is responsible for serving and protecting both the citizens of and visitors to Pagosa Springs by providing the most effective law enforcement services possible 24 hours every day, seven days each week, 365 days a year using limited resources as efficiently as possible.

Core Services:

The Police Department conducts a full array of police services that include, but are not limited to: responding to routine calls for police service; rendering emergency service; managing emergency situations and crime scenes; enforcing criminal laws and traffic regulations; investigating violations of criminal laws and traffic accidents; performing security and traffic control for special events; providing training and information for civic organizations, businesses, schools and individuals; and assisting other law enforcement and emergency service agencies.



2009 Accomplishments:

The known crime rate for Pagosa Springs, as measured by the number of reports generated, continues to decline and is thus far lower than at this time in 2008. As of September 21, 2009, the Department has generated 64 accident reports and 305 incident reports, compared to a total of 614 incident and accident reports in 2008. There are many factors that could provide a clearer picture of why this has happened; but it is not uncommon among other agencies throughout the nation. One possibility is that law enforcement is getting much better at what they do.

Administration:

The Police Department faced many challenges this year operating, as all Town Departments, on a reduced budget and in some cases, with fewer personnel. Consequently, the need to look for areas of cost saving and revenue generation became imperative and the Department was able to accomplish the following to this effect:

- a) Fee Schedule – implemented a new fee schedule for VIN inspections and Fingerprint services, (services previously provided to the public for free).

- b) Fine, Surcharge, and Point Schedule - adoption of a new fine, point, and surcharge schedule for violations of the Model Traffic Code. The change updated the current fine schedule and added surcharges that are comparable to what the State of Colorado collects for like violations.
- c) Grants – the Department continues to apply for grants to supplement equipment and training costs, as well as, fund additional traffic patrols. The NRA grant received this year funded the purchase of target stands and ammunition for firearms training and qualification. A Click-It-Or-Ticket Grant through the Colorado Department of Transportation provided funds for officers to be compensated for extra traffic patrol shifts during the Memorial Day to Fourth of July holidays targeting seatbelt enforcement and DUIs.
- d) Rifles – unused and/or seized firearms were sold to a Licensed Firearms Dealer for credit that was used to purchase new patrol rifles and upgrades for Department shotguns.
- e) Reports – worked with the District Attorney’s Office to streamline the report submission process by creating checklists and going paperless. All reports are submitted via email in pdf format and all digital evidence is transferred using a flash drive instead of burning CDs.

Additionally, the Department published an updated Operations Manual in February and initiated the destruction of records in compliance with the Town’s Records Retention Schedule, as endorsed by the Colorado State Archivist.

Investigations:

The investigations function saw an increase in cases involving fraud, scam, and identity theft. In addition to investigating these cases, a series of articles were written and provided to the newspaper to educate the public on the various scams to which they may be targeted. In order to reduce the amount of accrued comp time, thereby reducing unfunded liabilities, the Detectives provided both primary and backup/cover for uniform patrol as needed. The K9 unit provided tracking assistance not only to other law enforcement agencies but to search and rescue in Archuleta County and Mineral County.

Patrol:

The major challenge in Patrol in 2009 was to provide 24/7 coverage (regular shifts and on-call) while minimally staffed and at times understaffed. This was accomplished by the Officers’ flexibility with changing schedules, shifts, and days off to ensure the community had ample police coverage as the Department dealt with administrative issues involving personnel and comp time.

Public Relations:

The Department continues to foster positive relationships with the community through participation in community events, working with the school district and other community groups, and sponsoring Hunter Safety Classes with the Department of Wildlife. These relationships include but are not limited to community interaction with the K9, free child fingerprinting, and the uniform presence of parking enforcement in the downtown area.

2009 Goals:

The primary goal for 2009 is to maintain and/or increase our level of service within the parameters of a reduced budget. In order to meet the required budget cuts, while adjusting for a significant increase in cost for Combined Dispatch Services, the Department had to cut parking

enforcement. If financial circumstances improve, it is recommended that this function be incorporated back into the Department on a seasonal basis.

Additionally, the Department was notified by the Archuleta County Sheriff's Department that they would not be renewing the Inter-Governmental Agreement for the Narcotics Detective. This decision was made based on a noticeable lack of reliable information leading to substantial narcotics trafficking and workable cases since the initial 2007 cases and arrests. This coupled with the current District Attorney's philosophy on asset forfeiture cases has led both the Police Department and the Sheriff's Department to explore new methods in attacking drugs in our jurisdictions. Both Departments have decided to approach narcotics trafficking with the creation of dedicated Traffic Enforcement/Drug Interdiction Officers.

Another goal for 2010 is to finish bringing the Records Room into compliance with the Town retention schedule and updating Sleuth with cases the Department is required to retain permanently or for an extended period of time.

The administrative function is scheduled to start entering Department NIBRS (Uniform Crime Reporting Statistics) and Sexual Offender Registration data to CBI in 2010. This data has been previously entered by the Archuleta County Sheriff's Department/Dispatch. Had the Department not taken on the entering of this information, the user fees for Combined Dispatch would have been increased an additional \$12,000.00.

Begin preparations for transitioning in a new Chief of Police if the current Chief of Police retires in January 2011.

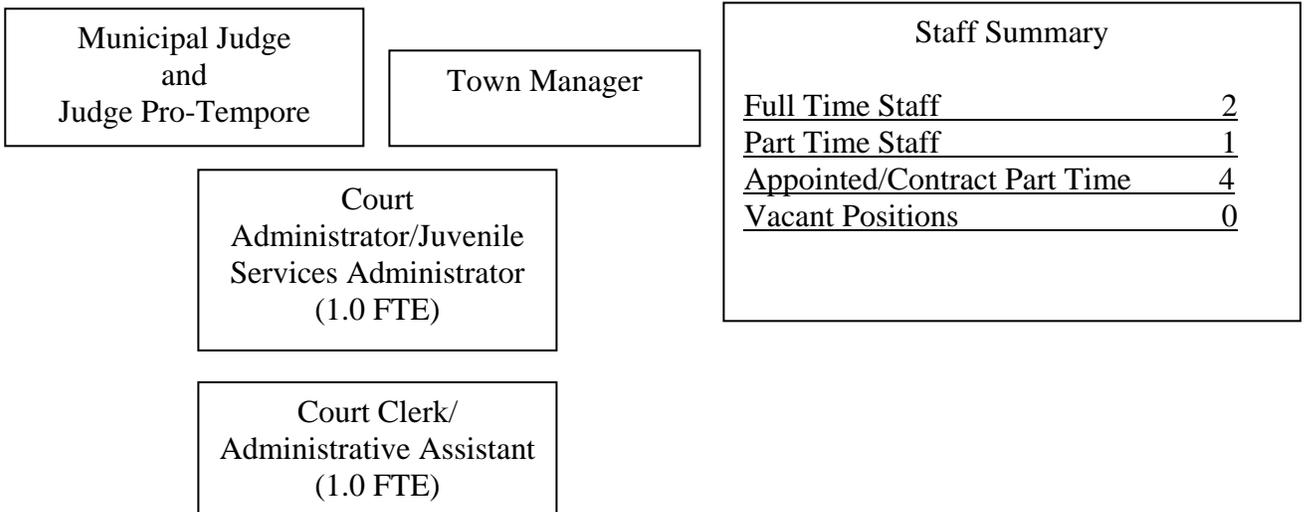
MUNICIPAL COURT DEPARTMENT

Description

The Pagosa Springs Municipal Court maintains an independent judiciary to dispense justice fairly and quickly. Municipal Court adjudicates adults and juveniles for status, petty, and misdemeanor offenses that occur within the Town’s corporate boundaries. Municipal Court adjudicates additional violations of the Municipal Code including, but not limited to, traffic, building, sign, and land use violations. Municipal Court works to hold juveniles accountable to the community for their criminal behavior by using pre-sentence staffings, creative sentencing, and by taking the time necessary to make a positive difference in their lives.

Core Services

Municipal Court is held two days per month to conduct arraignments, financial hearings, dispositional hearings, trials, sentencings, et.al. The Court/Juvenile Services Administrator provides full probation supervision for adults and juveniles adjudicated by the Court. This includes in-person contacts with youth and their families in the office, at the schools, or at the youths’ homes. The Juvenile Services Administrator performs drug and alcohol testing on adults and juveniles adjudicated by Municipal Court and assigns community service to youth and adults adjudicated by the Court. The Court Administrator and Court Clerk, when required, do pre-sentence investigations by interviewing offenders, researching the Colorado Crime Information Center (CCIC), contacting schools, contacting other Courts, and contacting other probation departments for background information on offenders. The 21-member, volunteer Community Youth Task Force (CYTF) has been staffing the youth of our community for over 20 years. Youth who are found guilty or enter a plea of guilty for their first criminal offense are ordered to appear with their families for this pre-sentence staffing. The Court Clerk serves as the Victim Witness Coordinator who issues subpoenas to victims and witnesses and prepares, sends, and receives Victim Impact Statements. The Court contracts with Josh Bramble MA LPC to offer quarterly drug and alcohol educational programs to youth adjudicated by the Court. The Court participates in a state evaluation process. The Juvenile Services Administrator and Court Clerk administer pre-tests and post-tests to youth adjudicated by the Court. The JSA completes recidivism measures for all youth who have exited the Juvenile Services Program six and twelve months after exit. This data is analyzed, annually, to produce statistical results for Municipal Court as well as aggregate data for the State of Colorado. Municipal Court tracks delinquency, substance abuse, and recidivism with this evaluation.



2009 Accomplishments

- The Town Council, by Ordinance No. 737, adopted the State of Colorado's new fine and surcharge schedule for violations of the Model Traffic Code.
- The Town Council appointed Judge Diane Knutson as Judge Pro-Tempore to replace Judge Burke Stancill who resigned in October 2008.
- Municipal Court continues to collect data on youth entering the Municipal Court system. On September 10, 2009, Municipal Court received evaluation results from the OMNI Institute for state fiscal year 2008-2009. Data is obtained by pre-testing and post-testing all youth who participate in the Court's Juvenile Services Program. The data indicates youth who participated in the Juvenile Services Program reduced their use of tobacco, alcohol, and illegal drugs. The data indicates program youth reduced many of their delinquent behaviors. The data also indicates the non-compliance of youth, while in the program, is 29.8%. Youth recidivism after program completion is 6.4%.
- Municipal Court received the Tony Grampsas Youth Services (TGYS) Grant for the 2008-2009, 2009-2010, and 2010-2011 State Fiscal Years. These are the 15th through 17th years Municipal Court has received this competitive funding. Due to state budget cuts, the Court's 2009-2010 award was reduced to \$13,487.
- On September 28, 2009, the Court Administrator/Juvenile Services Administrator had 102 cases under supervision.
- To date, in 2009, Municipal Court has received 53 Adult filings and 30 Juvenile filings.
- To date, in 2009, Municipal Court has received 102 traffic filings.
- Josh Bramble MA LPC has conducted three (3) drug and alcohol education sessions which reached 22 program youth. A fourth session is scheduled for December 2009.
- To date, Municipal Court has conducted 4 Community Youth Task Force (CYTF) meetings. A total of 25 community volunteers sat in attendance at these 4 meetings. These 4 meetings staffed a total of 16 youth.

2010 Goals

- Municipal Court is aware of the Town's need to continue operating with reduced expenditures in 2010. Municipal Court will maintain the viability and capacity of the department to sustain effective and successful programs given reduced budgets.
- With the creation of an additional full-time patrol officer position in the Police Department, Municipal Court anticipates court filings to increase. Municipal Court and the Juvenile Services Program will modify staff work schedules, if necessary, to continue implementing the Court's youth program, and providing case supervision, with fidelity.

- Per Resolution No. 2008-33, the Court, through the Town Manager, will request the Town Council restore the presiding Judge's salary to pre-2009 funding levels should revenues allow.
- Municipal Court staff will seek out grant funding to increase agency capacity and sustainability. If additional grant funding is acquired, Municipal Court will request an additional part-time staff position. This position would serve as Community Service Coordinator/Youth Advocate for 20 hours per week at \$12.50 per hour. A job description has been created and will be submitted with appropriate grant proposals.
- The Juvenile Services Program will continue to collect delinquency, substance abuse, and recidivism data on program youth 6 months and 12 months post program exit. This data will be analyzed by Colorado State University (CSU). The program's evaluation by Colorado State University is funded by the TGYS grant, so all data will be reported to the State of Colorado.
- Municipal Court and the Juvenile Services Program will participate in program and financial site visits/audits conducted by the State of Colorado.
- Municipal Court staff will continue researching the possibility of acquiring Court security. Providing appropriate match funding for a grant or paying an off-duty Police Officer may not be possible given the reduced budgets expected in 2010.
- Municipal Court staff will cooperate with all Town efforts to acquire a Staff Attorney/Town Prosecutor. The Court's current contract funding for prosecutorial services does not allow a prosecutor to be available to conduct Court business as often as necessary.
- Municipal Court and the Juvenile Services Program will continue to partner with new agencies and sustain partnerships with existing organizations and individuals to ensure Court activities and programs continue to operate with efficiency, productivity, and success in a time of reduced budgets.

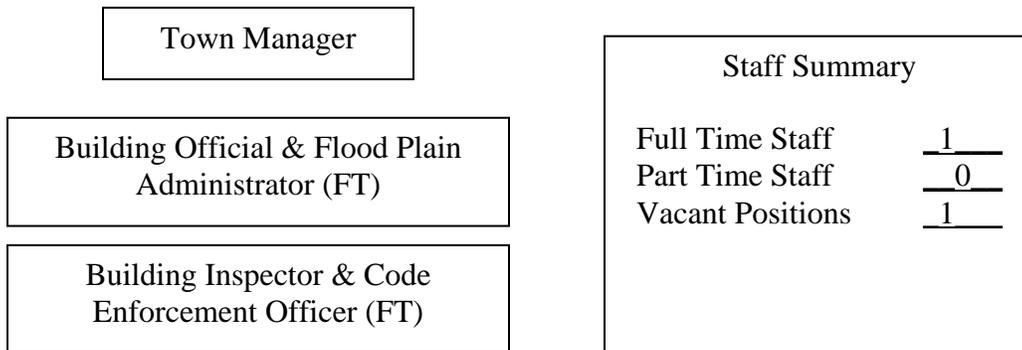
BUILDING DEPARTMENT

Description:

The department is charged with the enforcement of the building codes which are adopted by the Town to establish the minimum requirements to safeguard the public health, safety and general welfare through structural strength, means of egress facilities, stability, sanitation, adequate light and ventilation, energy conservation, and safety to life and property from fire and other hazards attributed to the built environment and to provide safety to fire fighters and emergency responders during emergency operations.

Core Services:

The Building Department’s primary function is to ensure buildings are safely designed and constructed for the citizens and visitors of Pagosa Springs, This is achieved through providing ongoing building safety education to citizens, designers and contractors through the plan review, permitting and inspection processes for the construction and renovation of residential and commercial buildings. The department also provides Town zoning ordinance, property maintenance and sign code enforcement and permitting as well as flood plain management and business licensing. The department provides co-operational support to the following, but not limited to, entities; PAWSD, Pagosa Springs Fire Protection District, Archuleta County and all other Town of Pagosa Springs Departments.



2009 Accomplishments:

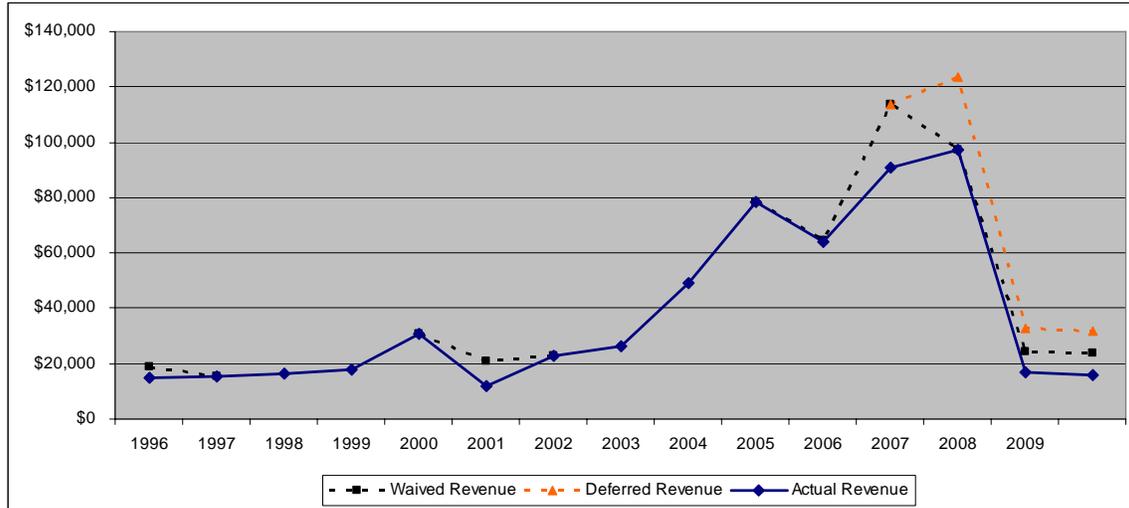
- Initiated and created a “One Stop Shop” for building permit application process. Previous to the implementation of this program, permit applicants were required to seek approval from various jurisdictional agencies and utility companies prior to full building permit approval. The applicant was required to contact each entity and make arrangements with them to have the plans reviewed and approved. With this new program the applicant simply brings the plan sets to Town Hall and the staff makes arrangements for all plan reviews and approvals.
- This department has striven to provide quick turn around times for all plan reviews. The Town Manager has stated publicly that we will work to cut development review turn around times in half and since this policy was implemented the reviews for Building Code compliance have been kept to 1-7 working days which is down from the previous 1-12 working day turn around times.
- Continued to provide “Next Day” inspection services to ensure costly construction delays are not attributed to the inspection process once construction has begun.

- Continued to provide “code education and support” to designers and builders so that as their level of understanding of the codes increases, the number of corrections during the plan review and field inspections continue to decrease, as they have recently done each year in the recent past which greatly improves the efficiency of the process.
- Methodically implemented the adopted Energy Code and achieved full demonstrated compliance by builders and designers.
- The department successfully drafted and received Town Council approval of the adoption of the revised Flood Damage Prevention Regulations as required by the Federal Emergency Management Administration. The entire ordinance was drafted by the Building Official and with only minor modifications by Town Legal Council, the ordinance was completed and approved resulting in substantial legal council cost savings.
- The department successfully continued its efforts to get all businesses to obtain a required business licenses as well as continued efforts to get currently licensed businesses to renew their yearly license.
- The above achievements were all accomplished while the department continued to provide “Next Day” inspection services and complete and thorough plan reviews (which helps ensure that major and costly problems with the building design can be rectified prior to being caught in the field during the inspection process).

2010 Goals:

- Continue and improve upon the “One Shop” concept.
- Make every attempt to continue and to improve upon permit turn around times.
- Continue to provide “Next Day” inspection services to ensure costly construction delays are not attributed to the inspection process once construction has begun.
- Continue to provide “code education and support” to designers and builders so that as their level of understanding of the codes increases, the number of corrections during the plan review and field inspections continue to decrease, as they have recently done each year in the recent past which greatly improves the efficiency of the process.

Building Permit Fees*



Year	Revenue	% Change	Rev. +waived	Rev. + deferred+ waived
1996	\$14,705	21%	\$18,830	
1997	\$15,365	5%	\$15,365	
1998	\$16,247	6%		
1999	\$17,895	10%		
2000	\$30,614	71%	\$30,614	
2001	\$11,717	-38%	\$21,009	
2002	\$22,627	93%	\$22,979	
2003	\$26,341	16%		
2004	\$49,239	87%		
2005	\$78,263	59%	\$78,263	
2006	\$63,851	-18%	\$64,495	
2007	\$90,956	42%	\$113,533	\$113,533
2008	\$97,462	7%	\$97,462	\$123,849
2009	\$16,777	-74%	\$24,246	\$32,762
2010	\$16,000	0%	\$24,000	\$32,000

*It is important to note that the % Change in fees collected does not account for waived fees. It does however, account for changes in deferred fees from year 2009 to the projected 2010 fees since the deferred fees were actually incurred in 2009. It is obviously unknown how many applicants will chose to defer payment of building permit fees in 2010 so for the sake of projection it is taken at the same rate as 2010 which was 50% of total fees incurred in 2010.

PLANNING DEPARTMENT

Description:

The town planning department's primary responsibility is providing direction to applicants and reviewing projects for compliance with town codes and policies. Additionally, the planning department works to fulfill the following: provide technical assistance to other departments; implement the adopted Comprehensive Plan, Downtown Master Plan and Regional Parks, Recreation, Open Space & Trails Master Plan; grant writing; ordinance development and drafting; code enforcement assistance; customer service; and staffing to Town Council, Planning Commission and Historic Preservation Board.

Core Services:

The primary responsibility of this department is the administration of the town's adopted Land Use & Development Code. The department also provides staff to the Town Council, Planning Commission, Board of Adjustments, Design Review Board and the Historic Preservation Board. Additional service provided is the development of long range land use planning, including administering the relevant sections of the comprehensive plan and downtown master plan and other long range planning initiatives as directed by town commissions and the Council.

Town Manager	Staff Summary
Director of Planning (Vacant)	
Associate Planner (FT)	
	Full Time Staff <u>1</u>
	Part Time Staff <u>0</u>
	Vacant Positions <u>1</u>

2009 Accomplishments:

Long Range Planning

- a) Adoption of the "Land Use & Development Code" and LUDC Administrative (User's) Manual in February 2009.

Current Planning

- a) To date: processed fourteen (5) Planning Commission applications, thirteen (2) Design Review Board applications and three (1) Board of Adjustment applications.
- b) Pending Annexations total 1,452 acres:
 - Blue Sky Ranch – 1356 total acres (pre-annexation agmt. approved by Council)
 - Blue Sky Village – 96 total acres

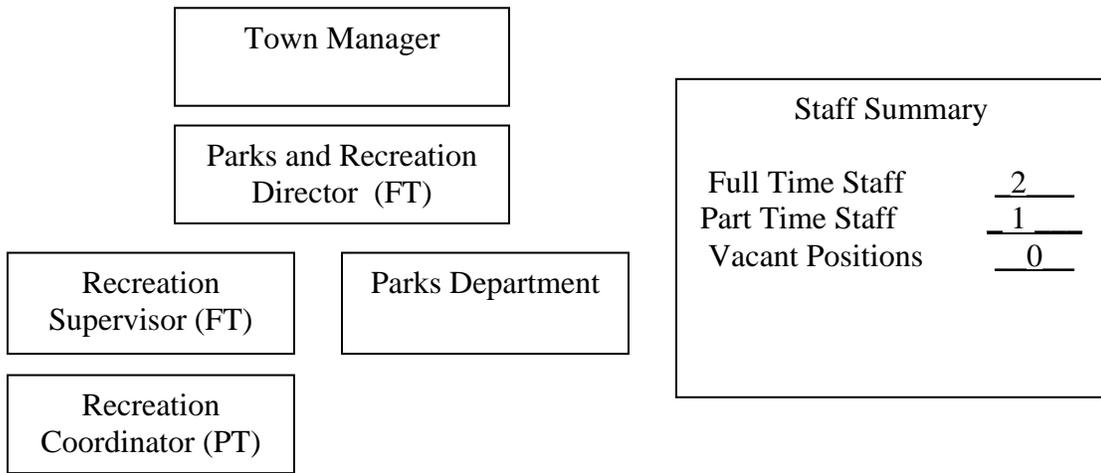
2010 Goals:

- a) Complete processing of pending annexations;
- b) Continue Town to Lakes trail easement negotiations, design/engineering and pursue grant funds for construction in cooperation with Archuleta County;
- c) Complete and adopt modified impact fee study with revised fees;
- d) Provide and coordinate training opportunities for appointed and elected officials in regards to planning techniques and projects.
- e) Continue to provide a positive business friendly office environment by providing the necessary information and direction for development applications.
- f) Complete the posting of all "Historic Property Designation Plaques" for the "Historic Preservation Board"
- g) Work with the TTC in the implementation of the Way Finding Signage Project.

RECREATION DEPARTMENT

Description: The recreation department provides and directs comprehensive recreation programs for the youth and adults in the community. The department also coordinates with other government agencies to identify opportunities to provide additional recreation planning and facilities, and reviews programs, policies, equipment, facilities, and events to ensure that the public’s recreation needs are being met. The department reports to the Town Manger and recommends and implements changes when appropriate to improve services and facilities. The department includes 2 full-time employees, 1 part-time (year-round) employee and 15-20 seasonal part-time employees (referees, umpires, instructors, etc.).

Core Services: The department administers 11 programs: youth basketball, adult basketball, baseball, adult softball, tee ball, soccer, youth volleyball, adult volleyball, youth tennis, Hooked on Fishing, and the “Pick-up Pagosa Country” anti-litter campaign. The administration of these programs includes the provision of equipment, instruction, team uniforms, game officials, awards, first aid, CBI background checks, and weekly news articles and press releases.



2009 Accomplishments: Despite budget restraints, to date the department has expanded program participation this year by an average of 11 percent over last year, which is consistent with the average of 11-percent growth over the past three years. The department will come in under budget for the fourth consecutive year, and revenues this year are on track to at least meet last year’s total, even though the Park Fun program was eliminated for this year. The department was able to secure the maximum reimbursement in GOCO grant funds while closing out the second phase of Yamaguchi Park, and has once again secured facility use agreements with the school district, PLPOA and Wyndham resorts which could allow recreation programming to expand in the future.

2010 Goals: Based on direction from Town Council, the department will continue to efficiently provide and market ample recreation opportunities for adults and youth in a cost-effective manner, and will identify grant opportunities which can be evaluated and pursued to improve new and existing facilities. The department will also continue to engage the school district and Archuleta County regarding opportunities to offset the Town’s cost of providing most of the community’s organized recreation programs.

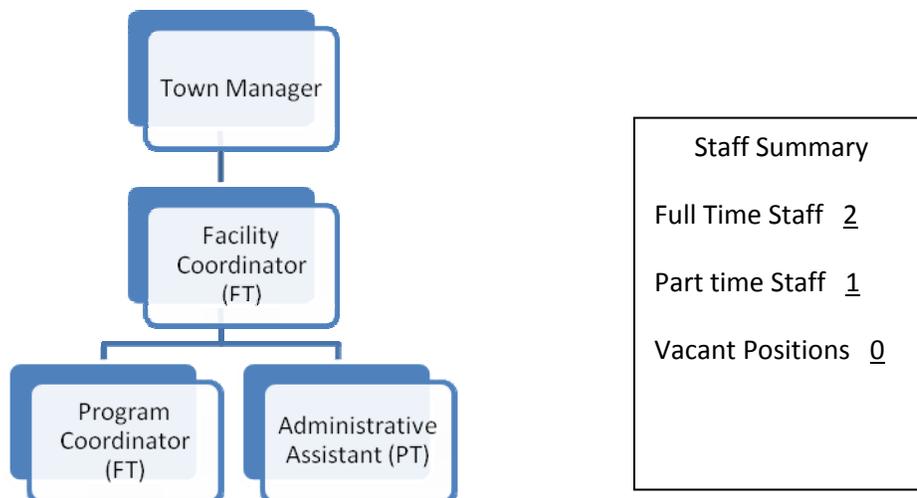
COMMUNITY CENTER DEPARTMENT

Description:

This department works to provide affordable services and space for all ages and diverse groups to gather for social, sports, civic, art and culture, educational, business and faith-based activities. This department creates and coordinates activities for the benefit of the entire community.

Core Services:

Daily operations of this department include scheduling reservations for room rentals, facilitating community events, workshops, classes, and programs held in the center, as well coordinating, advertising and hosting several community events.



2009 Accomplishments:

Designed and completed software program for room usage and rental calendar, for more efficient usage. Requested donations and received upgraded computers for public computer lab. Separated public computer lab from staff office computers for security purposes. Painted interior walls throughout building. Initiated guided lines for the rental fee program that is fair and equitable to everyone. Completed a wall advertising board for the purpose of renting space to business for advertising their business or event in order to generate another avenue of income for the Community Center.

Goals 2010:

Continue to research areas of funding sources and prepare grant proposals for the purchase of new equipment such as tables, convection oven and a generator for the entire building. Complete heat tapes of the roof for snow melt. Continue to develop new programs and events of interest to the public to better serve the community and to maximize the Community Center usage. Overall, the department will continue to provide quality experience for all users of the Community Center.

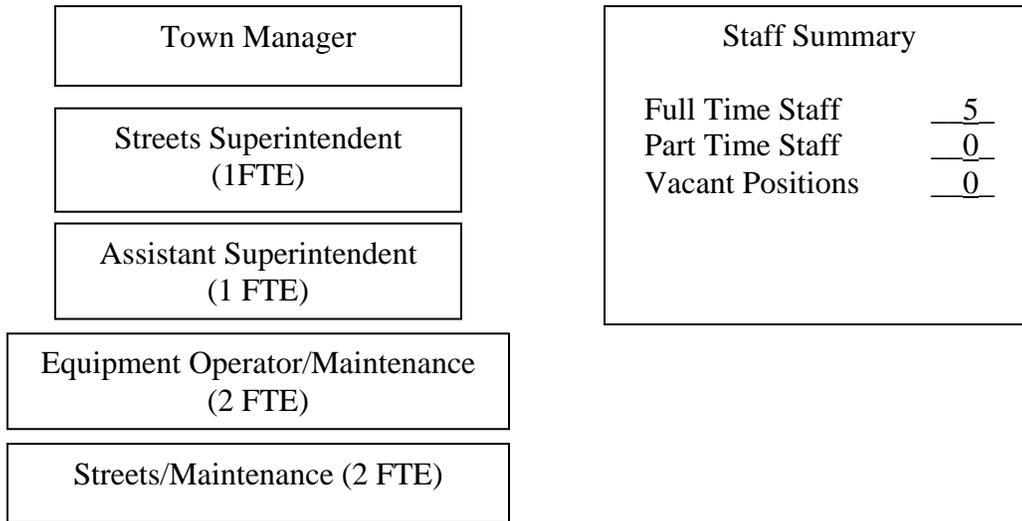
STREETS DEPARTMENT

Description:

The streets department provides year round service, construction and maintenance of all Town streets, signs and lighting, also service to the cemetery, parks & trail preservation, and maintenance of drainage and sidewalks. This department also assists other staff, when needed, with the town geothermal system and sanitation district.

Core Services:

- Maintaining all streets by filling pot holes and cracks, replacing asphalt where needed.
- Grading and applying additional base to gravel roads or chemical for dust control.
- Keeping lighting, signs and drainage in good condition.
- Plowing snow from all roads, alleys, streets, sidewalks and parking areas in the Town.
- Repairing and replacing cracked or broken sidewalks.
- Participating in special events and town functions as traffic control and fireworks team. Responsible for organization and participation of Town wide clean up weeks.
- General cemetery care and road maintenance, location and sale of plots.
- Geothermal service of leaks, temperature, and proper function.
- Service and maintenance to department vehicles and equipment, and organization and maintenance of Town shop property.
- Installation of banners, flags, and signs for special events in the Town.
- Coordinating with engineers, contractors and sub-contractors on capital projects.



2009 Accomplishments:

In 2009 the department kept up with and fulfilled all our daily duties, which included frequent plowing during an unusually harsh winter. Paving projects included Second Street and the Riverwalk from Hot Springs Blvd Bridge to the lower pedestrian bridge at the geothermal well. The filling of cracks on the Town's streets was completed. During the summer all drainage and other street duties were accomplished including the painting of crosswalks. Sidewalk projects included repair on the 4th Street sidewalk and the replacement of the Apache Street sidewalk between 5th and 6th street that was under warranty. The streets department worked with the geothermal department to complete upgrades needed in the geothermal system. The Hilltop

Cemetery along with the yearly cleanup had another road added for the Town residents. The streets department also improved the Reservoir Hill road and park to accommodate the increased use of the hill.

2010 Goals:

The department 2009 goals include continuing to maintain a high level of service to the Town for the maintenance and upkeep of the town's roadway system. The department will continue its cooperation with other departments and work to coordinate special projects as needed. The department will work with other town staff and engineering to coordinate capital improvements for 2010 that may include paving of Majestic Drive and Brookhill/Rainbow Drive, along with replacing deteriorating sidewalks in Town. If funds allow, the department will help facilitate the replacement of existing asphalt on the Riverwalk with concrete throughout downtown.

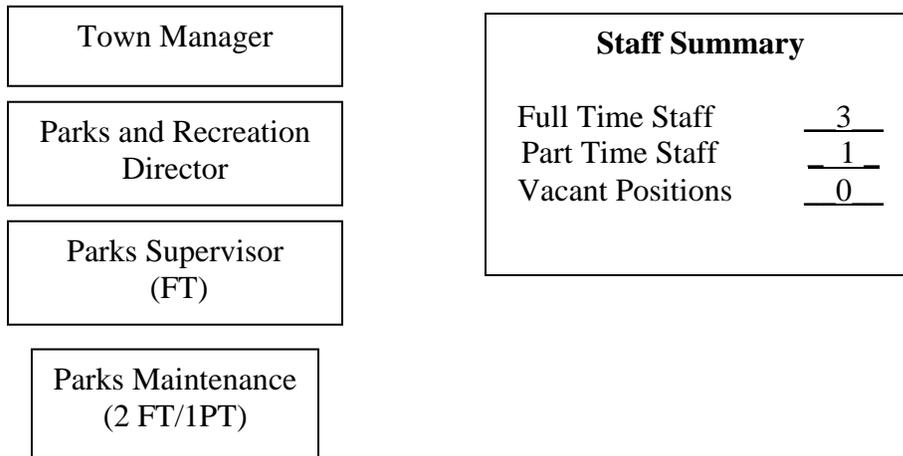
PARKS DEPARTMENT

Description:

This department maintains all existing park facilities within the town’s corporate boundaries and the grounds surrounding all town buildings. This department’s daily work includes coordinating with other town departments, other governmental entities and agencies, and individuals to monitor and maintain all park grounds and facilities for safety, aesthetics, ecological health, and compliance with governmental guidelines, and performs needed upgrades and maintenance operations.

Core Services:

Maintain all public grounds in the Town. Monitors and maintains the safety and aesthetic values of all Town grounds; ensures the maximum availability of Town facilities for visitors and residents alike; administers parks reservations for special events, and acts as Town liaison with parks users; coordinates with Recreation Department on field maintenance and scheduling; develops and plans new parks facilities and improves existing parks spaces; serves as horticultural consultants to the public and coordinates community-service horticultural projects; conducts snow-removal operations coordinated by the Streets Department; operates and maintains the ice-rink; and monitors and maintains mitigation areas including the town’s conservation easement.



2009 Accomplishments:

The Parks Department oversaw the establishment of the turf at the new athletic field of one acre at the south end of South Pagosa Park. The department continued the ongoing development of landscaping at Yamaguchi Park, and prepared for and administered the reservations for a growing number of events taking place in the Town’s parks, including the first-ever events on Lewis Street and at the Mary Fisher Park (the former Seeds of Learning site on San Juan St.). The department planted landscape materials on Lewis St. with the help of volunteers from the Mountain High Garden Club and the Southwest Land Alliance. Department personnel coordinated and worked on the river improvement project in March, bringing the Town back into compliance with Army Corps of Engineers and Colorado Division of Wildlife requirements and creating a very successful whitewater feature adjacent to the Chamber of Commerce Visitor Center, after which the Visitor Center grounds were repaired by Parks Department staff and landscaping on the north side of the river was enhanced. The Department was instrumental in many phases of the construction of the new Town Park pedestrian bridge, including the installation of the sleeving necessary for extending the raw water irrigation to the Mary Fisher Park, and the

preparation, planting and establishment of the landscaping on the bridge approaches. Parks staff also helped with the undergrounding of electrical utilities in Town Park, and with the placement of new lighting fixtures on the bridge and in the park. The department successfully oversaw the trails maintenance and invasive weed eradication work completed by the Southwest Community Corps for the fourth consecutive year, after obtaining grant funding for the program from La Plata Electric's Round-Up Foundation. The Department completed the necessary plumbing to irrigate the meadow on Reservoir Hill for the first time, enabling turf establishment for the benefit of the attendees of the festivals held on the hill. Road right-of-way weed control was provided in cooperation with the Streets Department as was snow removal during the winter season. Numerous trees were planted in 2009 under the Town Tree Grant Program. Monitoring of the conservation easement west of Town Hall was continued and wetlands mitigation areas were enhanced. Long-standing problems with raw water irrigation systems were addressed and solved. Fencing around the new turf at South Pagosa Park was installed. The department mowed, watered, weeded, trimmed, fertilized, and controlled pests on more than 160 acres of beautiful Pagosa Springs public parks.

2010 Goals:

In 2010, the department plans to continue the establishment of viable landscapes at Yamaguchi Park and at the Mary Fisher Park, on Reservoir Hill and at South Park. The department will be the liaison with the participating entities in the continuation of the river improvement project, coordinating the efforts necessary to construct two more whitewater features in the Town Park stretch of the San Juan. The department will work to develop a forestry management plan for Reservoir Hill. In sum, the department will continue to improve the quality and efficiency of Parks Department operations to ensure that the community will continue to enjoy the town's public spaces.

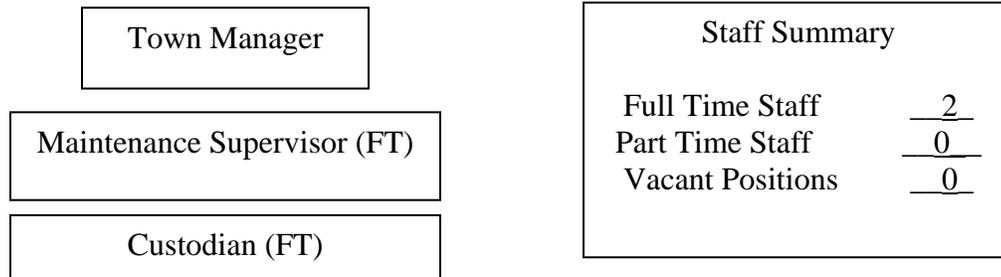
FACILITIES MAINTENANCE DEPARTMENT

Description:

The maintenance department performs a variety of facility and building maintenance and preventative maintenance duties for the Town building and facilities. Work performed includes skilled and semi-skilled carpentry, electrical, plumbing, and mechanical duties.

Core Services:

This department’s main duty is to provide preventative maintenance and repair, when needed, Town facilities, equipment and buildings by performing a variety of skilled and semi-skilled work. These duties also include investigating maintenance complaints; performing building safety inspections, and ensuring compliance with proper work methods and CIRSA recommendations. This department also maintains records of completed maintenance and repair work and responds to requests for emergency repairs. The staff order supplies and maintains an inventory of parts, schedule, direct and participate in remodeling of facilities. During the winter season, this department is responsible for removing snow from both the Town Hall and Community Center parking lots and walkways. This department also assists with the functions of the community center by moving furniture within and between buildings; sets-up rooms and meeting spaces, assisting in the set-up and take-down of necessary equipment used in events at the Community Center and is in charge of custodian services in the Town Hall and Community Center. This department also coordinates and directs the Town’s 4th of July fireworks presentation.



2009 Accomplishments:

In 2009, this department was successful in completing multiple issues at the Town Park gazebo including the installation of security lighting, the replacement of several windows broken from vandalism, along with the installation of a water pump to provide better water pressure at the Gazebo. The maintenance department installed 350 feet of heat tape on the Community Center roof to help with ice melt. This department has a huge hand in the yearly fireworks show and this year’s performance was spectacular. The dedication of the Community Center for Mayor Aragon was completed along with the installation of a plaque and lettering at the center. This department strives to continue the overall upkeep of the Town Hall and the Community Center.

2010 Goals:

In 2010, the department plans to continue its efficient maintenance program for the town facilities and continue to respond to facility emergencies/failures as well conduct preventative maintenance. Two improvement projects the department recommends completing in 2010 is (1) the construction of enclosures for the two dumpsters on town property in order to bring the sites into compliance with the town’s land use code and (2) to repair and restore the spalling concrete sidewalks on the north side of Town Hall.

LODGER’S TAX FUND (TOWN TOURISM COMMITTEE DEPARTMENT)

Description:

The Town Tourism Committee’s overall goals and objectives unify around bringing tourists to Pagosa Springs. The Committee consists of 11 Board members and one staff person.

Core Services:

- a) Promote Pagosa Springs as a tourist destination in a variety of ways
- b) Work with community to improve the experience that Pagosa Springs offers tourists

Town Manager	2009 Staff Summary
Town Tourism Committee Executive Director (PT)	
	Full Time Staff <u>0</u>
	Part Time Staff <u>1</u>
	Vacant Positions <u>0</u>
	Board Members <u>11</u>

2009 Accomplishments:

Products

- a) Worked with Pagosa Sun, Visitor Center to develop Official Visitor Guide
- b) Implemented Pagosa presence on popular social marketing outlets – facebook, youtube, twitter, etc.
- c) Interactive Media Kit on CD
- d) Videos promoting Pagosa and available activities
- e) New Logo and brand implementation

2009 Measurements:

- a) Currently, lodger’s tax shows an increase of 9.05% versus 2008 and a 2.31% increase versus 2007
- b) Fulfillment requests show an increase of 134.77% over 2008 and 190% over 2007.

2010 Goals:

- a) Begin implementation of Wayfinding & Signage Plan
- b) Increase focus on Public Relations efforts
- c) Continue to see growth in lodger’s tax and fulfillment requests

2010 Measurements:

- d) Increase lodger’s tax revenue over 2009
- e) Increase fulfillment requests over 2009

GEOTHERMAL ENTERPRISE FUND AND DEPARTMENT

Description:

The Geothermal Department serves a heating utility in which its primary service is to provide uninterrupted heat to its customers during the heating season. The geothermal heating system has been in service since December 1982.

Core Services:

Primary operations entail 24 hour per day, year-round monitoring of flows of raw geothermal water, balancing the heat exchange rates, pressures, customers BTU meters, repair leaks, and other repairs. This department provides

Town Manager	Staff Summary Full Time Staff <u> 0 </u> Part Time Staff <u> 2 </u> Vacant Positions <u> 0 </u>
Geothermal Supervisor (1 PT)	
Geothermal Maintenance (1 PT)	

2009 Accomplishments:

The department was successful in providing seasonal heat to its customers in the 08/09 period. The geothermal department completed the Rules and Regulations for which the Town Board passed. In the geothermal building staff was able to install a vortex air separator on the raw geothermal feed line to remove trapped air pockets and allow for better heat transfer in the heat exchanger this should provide higher heat capacity, in addition staff installed a bypass line. This bypass line will allow our raw feed customer better uninterrupted service while allowing us to maintain the heat exchanger. Staff installed two isolation valve sets into the east geothermal heating loops for leak detection.

2010 Goals:

The department will continue to provide a high level of service and continual heat to its customers during the 09/10 heating season. The geothermal department will be actively seeking out new customers to tie onto our system. Also the department will be putting forward ideas for Board approval of marketing of this utility.

Addendum C

Debt Service

SCHEDULE I-A

to
LEASE AND PURCHASE OPTION AGREEMENT

between

WELLS FARGO BROKERAGE SERVICES, LLC
as Lessor

and

TOWN OF PAGOSA SPRINGS, COLORADO
AND
PAGOSA SPRINGS FACILITIES COALITION, INC.
as Lessee

Pmt	Total Payment Due	Interest Payment Due	Principal Payment Due	After Payment Principal Balance	After Payment Termination Value	Payment Due Date	Annual Interest Amounts
	\$0.00			\$2,145,184.30		Aug 30, 2002	\$0.00
1	\$118,346.77	\$35,329.99	\$83,016.78	\$2,062,167.52	\$2,078,780.25	Jan 1, 2003	\$0.00
2	\$118,346.77	\$50,523.10	\$67,823.67	\$1,994,343.85	\$2,009,804.51	Jul 1, 2003	\$85,853.10
3	\$118,346.77	\$48,861.42	\$69,485.35	\$1,924,858.51	\$1,939,190.59	Jan 1, 2004	\$0.00
4	\$118,346.77	\$47,159.03	\$71,187.74	\$1,853,670.77	\$1,866,899.60	Jul 1, 2004	\$96,020.46
5	\$118,346.77	\$45,414.93	\$72,931.84	\$1,780,738.93	\$1,792,891.69	Jan 1, 2005	\$0.00
6	\$118,346.77	\$43,628.10	\$74,718.67	\$1,706,020.26	\$1,717,126.10	Jul 1, 2005	\$89,043.04
7	\$118,346.77	\$41,797.50	\$76,549.28	\$1,629,470.98	\$1,639,561.07	Jan 1, 2006	\$0.00
8	\$118,346.77	\$39,922.04	\$78,424.73	\$1,551,046.25	\$1,560,153.87	Jul 1, 2006	\$81,719.54
9	\$118,346.77	\$38,000.63	\$80,346.14	\$1,470,700.11	\$1,478,860.75	Jan 1, 2007	\$0.00
10	\$118,346.77	\$36,032.15	\$82,314.62	\$1,388,385.49	\$1,395,636.92	Jul 1, 2007	\$74,032.79
11	\$118,346.77	\$34,015.44	\$84,331.33	\$1,304,054.16	\$1,310,436.53	Jan 1, 2008	\$0.00
12	\$118,346.77	\$31,949.33	\$86,397.45	\$1,217,656.71	\$1,223,212.62	Jul 1, 2008	\$65,964.77
13	\$118,346.77	\$29,832.59	\$88,514.18	\$1,129,142.53	\$1,133,917.15	Jan 1, 2009	\$0.00
14	\$118,346.77	\$27,663.99	\$90,682.78	\$1,038,459.75	\$1,042,500.91	Jul 1, 2009	\$57,496.58
15	\$118,346.77	\$25,442.26	\$92,904.51	\$945,555.24	\$948,913.53	Jan 1, 2010	\$0.00
16	\$118,346.77	\$23,166.10	\$95,180.67	\$850,374.57	\$853,103.45	Jul 1, 2010	\$48,608.37
17	\$118,346.77	\$20,834.18	\$97,512.60	\$752,861.97	\$755,017.89	Jan 1, 2011	\$0.00
18	\$118,346.77	\$18,445.12	\$99,901.65	\$652,960.32	\$654,602.79	Jul 1, 2011	\$39,279.30
19	\$118,346.77	\$15,997.53	\$102,349.25	\$550,611.07	\$551,802.83	Jan 1, 2012	\$0.00
20	\$118,346.77	\$13,489.97	\$104,856.80	\$445,754.27	\$446,561.38	Jul 1, 2012	\$29,487.50
21	\$118,346.77	\$10,920.98	\$107,425.79	\$338,328.48	\$338,820.44	Jan 1, 2013	\$0.00
22	\$118,346.77	\$8,289.05	\$110,057.73	\$228,270.76	\$228,520.65	Jul 1, 2013	\$19,210.03
23	\$118,346.77	\$5,592.63	\$112,754.14	\$115,516.62	\$115,601.24	Jan 1, 2014	\$0.00
24	\$118,346.77	\$2,830.16	\$115,516.62	\$0.00	\$1.00	Jul 1, 2014	\$8,422.79

**Addendum D
Lodger's Tax Fund
2010 Budget**

TOWN TOURISM COMMITTEE 2010 BUDGET					
BUDGET SUMMARY	2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
TOTAL INCOME	\$373,170	\$358,904	\$355,000	\$352,372	\$395,000
TOTAL EXPENSE	\$494,852	\$437,494	\$337,950	\$389,733	\$383,042
NET ANNUAL CASH FLOW	-\$121,682	-\$78,590	\$17,050	-\$37,361	\$11,958
PRIOR FUND BALANCE	\$137,141	\$137,141	\$24,814	\$58,552	\$21,191
ENDING FUND BALANCE	\$15,459	\$58,551	\$41,864	\$21,191	\$33,149
INCOME	2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
Lodging Tax Income	\$337,000	\$357,754	\$330,000	\$345,000	\$375,000
Other Income	\$34,870	\$0	\$0	\$5,000	\$20,000
Co-Op Advertising	\$1,300	\$1,150	\$25,000	\$2,372	\$0
Total Income	\$373,170	\$358,904	\$355,000	\$352,372	\$395,000
EXPENSES	2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget
EXTERNAL MARKETING					
Branding/General Consulting/PR					
Brand/Mktg Consulting	\$50,000	\$27,371	\$0	\$0	\$0
Communications Plan	\$0	\$0	\$0	\$22,629	\$0
Public Relations	\$25,000	\$6,924	\$25,000	\$18,076	\$2,000
Agency Management (ad placement)	\$3,550	\$3,550	\$17,650	\$11,600	\$0
Media Kit Development	\$0	\$0	\$0	\$0	\$1,250
Postage	\$0	\$0	\$0	\$0	\$1,250
Total	\$78,550	\$37,845	\$42,650	\$52,305	\$4,500
Website					
Web Site Design/Upgrade/Enhancements	\$10,200	\$10,200	\$3,000	\$3,000	\$12,000
Web Site Maintenance/Domain Name Renew	\$6,600	\$6,600	\$900	\$885	\$200
Internet marketing plan/analytics	\$1,600	\$1,600	\$1,500	\$500	\$1,250
Internet Hosting	\$0	\$0	\$2,100	\$1,200	\$2,100
Total	\$18,400	\$18,400	\$7,500	\$5,585	\$15,550
Email					
Constant Contact	\$0	\$0	\$0	\$744	\$1,500
Total	\$0	\$0	\$0	\$744	\$1,500
Advertising					
Phone (866/877 #s)	\$125	\$200	\$200	\$200	\$200
Total	\$125	\$125	\$200	\$200	\$200
Media Placement					
REGIONAL MEDIA					
Grand Circle Travel Planner	\$0	\$0	\$0	\$0	\$0
AAA Tourbook	\$6,845	\$6,845	\$0	\$0	\$0
Woodalls	\$2,770	\$2,770	\$0	\$0	\$0
Travel Host	\$3,600	\$3,000	\$0	\$600	\$0
Inside / Outside	\$3,675	\$3,675	\$0	\$0	\$0
Mountain Gazette	\$7,480	\$7,480	\$0	\$0	\$0
Ski Country	\$610	\$610	\$0	\$0	\$0
IN-STATE					
COSVG	\$17,830	\$17,830	\$10,323	\$10,393	\$22,491
AAA Encompass	\$15,465	\$15,465	\$0	\$0	\$0
Summer Colorado Vacation Planner	\$0	\$0	\$2,441	\$2,353	\$2,000
Winter Colorado Vacation Planner	\$0	\$0	\$0	\$2,000	\$2,000
Colorado Directory	\$0	\$0	\$0	\$0	\$1,500
Directory Listing	\$0	\$0	\$0	\$0	\$550
CO Activity Center	\$3,545	\$3,545	\$0	\$0	\$0

<i>All Aboard</i>	\$1,045	\$1,045	\$0	\$0	\$0
<i>5280</i>	\$7,890	\$7,890	\$9,900	\$6,188	\$0
<i>Fearn's Traveler Map</i>	\$1,000	\$1,000	\$0	\$0	\$0
<i>Fearn's Colorado Activity Guide</i>	\$4,400	\$4,400	\$0	\$0	\$0
NEW MEXICO					
<i>NM Journey</i>	\$0	\$0	\$0	\$0	\$0
<i>NM Magazine</i>	\$10,897	\$10,897	\$12,600	\$9,225	\$0
<i>Around 505</i>	\$4,974	\$4,974	\$6,500	\$2,925	\$750
<i>Sante Fe Official Visitor Guide</i>	\$0	\$0	\$0	\$4,100	\$8,200
<i>Taos News Summer Guide</i>	\$1,986	\$1,986	\$0	\$0	\$0
LOCAL					
<i>Pagosa Sun (discretionary)</i>	\$175	\$175	\$0	\$311	\$0
<i>Creede Repertory Theater Program</i>	\$2,275	\$2,275	\$0	\$0	\$0
NEWSPAPER					
<i>Denver Post</i>	\$0	\$0	\$0	\$0	\$0
<i>Colorado Springs Gazette</i>	\$0	\$0	\$0	\$0	\$0
<i>Albuquerque Journal</i>	\$0	\$0	\$0	\$0	\$0
<i>Madden Media Newspaper Insert</i>	\$4,000	\$4,000	\$14,227	\$14,231	\$0
<i>DRO Herald Winter and Summer Guide</i>	\$1,075	\$1,075	\$2,260	\$2,776	\$2,776
ON-LINE					
<i>Colorado.com</i>	\$5,000	\$5,000	\$19,000	\$17,882	\$14,275
<i>Colorado-Directory.com</i>	\$2,800	\$2,800	\$0	\$0	\$0
<i>Gocolorado.com</i>	\$0	\$0	\$0	\$0	\$0
<i>TripAdvisor.com</i>	\$50	\$50	\$0	\$0	\$15,000
<i>Go-CO, TX, AZ.com</i>	\$0	\$0	\$0	\$0	\$1,000
<i>Texas Monthly (online)</i>	\$0	\$0	\$0	\$0	\$15,000
<i>Coloradoski.com</i>	\$400	\$400	\$0	\$0	\$0
<i>All Aboard</i>	\$500	\$500	\$0	\$0	\$0
<i>Pay per click (handled in-house)</i>	\$6,000	\$6,000	\$0	\$9,000	\$9,000
<i>On-line Discretionary</i>	\$1,000	\$1,000	\$0	\$0	\$0
OUTDOOR					
<i>Billboards (CO Sprgs.)</i>	\$13,500	\$13,500	\$13,000	\$10,000	\$0
<i>Billboards (Dallas, Houston)</i>	\$0	\$0	\$0	\$0	\$0
<i>Music in the Mountains (trade out)</i>	\$250	\$250	\$0	\$0	\$0
<i>Ad Reserve/Barnhart Placement</i>	\$0	\$0	\$9,749	\$0	\$0
Total Media	\$131,037	\$130,437	\$100,000	\$91,984	\$94,542
External Marketing: Collateral					
<i>Creative Production</i>	\$14,000	\$14,000	\$30,000	\$31,500	\$2,500
<i>Photography</i>	\$5,000	\$5,000	\$0	\$0	\$0
<i>Print Collateral (Visitor Guide)</i>	\$10,245	\$10,245	\$10,500	\$33,829	\$35,000
<i>Map Creation</i>	\$0	\$0	\$0	\$2,644	\$4,500
<i>Misc Printing</i>	\$500	\$500	\$500	\$270	\$0
<i>VC Sales Material</i>	\$0	\$0	\$0	\$0	\$0
Total	\$29,745	\$29,745	\$41,000	\$68,243	\$42,000
Research					
<i>Conversion/ADR</i>	\$15,000	\$3,750	\$0	\$11,250	\$0
Total	\$15,000	\$3,750	\$0	\$11,250	\$0
Trade Shows					
<i>Phoenix - Colorado Activity Center</i>	\$0	\$0	\$0	\$0	\$750
<i>Dallas - Colorado Activity Center</i>	\$0	\$0	\$0	\$0	\$750
<i>Albuquerque Ski Show</i>	\$0	\$0	\$0	\$0	\$1,000
<i>Denver Ski Show</i>	\$0	\$0	\$0	\$0	\$1,000
<i>Governor's Conference</i>	\$0	\$0	\$0	\$0	\$500
<i>Trade Shows</i>	\$4,500	\$4,500	\$6,000	\$4,577	\$0

Trade Show Discretionary (lodging, etc.)	\$8,100	\$8,100	\$5,000	\$4,568	\$1,000
Total	\$12,600	\$12,600	\$11,000	\$9,145	\$5,000
Memberships	\$1,525	\$1,525	\$1,600	\$1,600	\$0
SWCTR	\$4,000	\$4,000	\$4,000	\$4,000	\$2,000
Conferences	\$210	\$210	\$750	\$0	\$750
Total	\$5,735	\$5,735	\$6,350	\$5,600	\$2,750
TOTAL EXTERNAL MARKETING	\$291,192	\$238,637	\$208,700	\$245,056	\$166,042
SPECIAL EVENTS					
Grant Program					
Cross Country Groom	\$1,000	\$1,000	\$0	\$2,500	\$0
Fiber Fest	\$500	\$500	\$0	\$0	\$0
SJ Historical (\$1500.00 for signage)	\$1,300	\$1,300	\$0	\$0	\$0
Fishing Project	\$0	\$0	\$0	\$0	\$0
Chimney Rock Inter.	\$0	\$0	\$0	\$0	\$0
FolkWest	\$3,500	\$3,500	\$0	\$7,000	\$0
Balloon Rally	\$1,500	\$0	\$0	\$2,000	\$0
ACVAP Duathlon	\$1,700	\$1,700	\$0	\$2,000	\$0
Free Friday & IndieFest	\$4,000	\$4,000	\$0	\$0	\$0
Mountain Chile Cha Cha	\$2,500	\$2,500	\$0	\$0	\$0
Cruise-a-thong	\$850	\$850	\$0	\$0	\$0
Music Boosters	\$1,500	\$1,500	\$0	\$0	\$0
Square Top Reperatory Theatre	\$2,305	\$2,305	\$0	\$0	\$0
Farmer's Market	\$900	\$900	\$0	\$0	\$0
GECKO				\$6,300	
Pagosa Quality Fishing Project	\$25,000	\$25,000	\$0	\$0	\$0
Unknown	\$0	\$0	\$20,000	\$55	\$48,000
TOTAL SPECIAL EVENTS	\$46,555	\$45,055	\$20,000	\$19,855	\$48,000
CAPITAL PROJECTS					
Gateway/Signage Plan	\$20,000	\$20,000	\$0	\$0	\$20,000
TOTAL CAPITAL PROJECTS	\$20,000	\$20,000	\$0	\$0	\$20,000
VISITOR CENTER					
Operations/Maintenance	\$83,000	\$83,000	\$80,000	\$80,000	\$88,000
Sub-Total Operations/Maintenance	\$83,000	\$83,000	\$80,000	\$80,000	\$88,000
VC Office Supply					
Postage	\$2,500	\$2,500	\$0	\$10,080	\$0
Supplies	\$25	\$25	\$0	\$0	\$0
Sub-Total Office Supply	\$2,525	\$2,525	\$0	\$10,080	\$0
TOTAL VISITOR CENTER	\$85,525	\$85,525	\$80,000	\$90,080	\$88,000
EXECUTIVE DIRECTOR/PAYROLL					
Payroll	\$45,000	\$45,000	\$26,000	\$34,092	\$60,000
Office Supply	\$3,000	\$2,727	\$1,000	\$500	\$500
Promotiona/Giveaways	\$200	\$200	\$500	\$0	\$0
Retreat Expenses	\$3,030	\$350	\$1,500	\$150	\$500
Entertainment/Luncheons	\$350	\$0	\$250	\$0	\$0
TOTAL EXECUTIVE DIRECTOR/PAYROLL	\$51,580	\$48,277	\$29,250	\$34,742	\$61,000
TOTAL LODGER'S TAX EXPENSES	\$494,852	\$437,494	\$337,950	\$389,733	\$383,042