Pagosa Springs Sanitation General Improvement District Preliminary Budget 2010

Fiscal Year January 1, 2010 to December 31, 2010

Approved December 17, 2009

Table of Contents

	Page
2010 Budget Message	1
Assessed Valuation and Mill Levies	2
Certification of Tax Levies	3-5
Summary of Revenues and Expenditures	6
PSSGID Revenues	7
PSSGID Expenditures	8
Addendum A – Department Summary	9-10
Addendum B – Debt Service	11
Highway 160 Water Pollution Control Revolving Fund Loan	12

PAGOSA SPRINGS SANITATION GENERAL IMPROVEMENT DISTRICT 2010 BUDGET MESSAGE

David Mitchem
Town Manager

The 2010 budget for the Pagosa Springs Sanitation General Improvement District (PSSGID or the District) was approved on December 17, 2009. The District revenue sources are property taxes, service fees and plant investment fees. The 2010 assessed valuation for the District is $49,817,106, up from $45,418,292 in 2009. The 2010 mill levy of 2.004 mills, plus a refund/abatement of .012 mills, will generate $100,431.

Estimated revenues of $721,931 (includes mill levy and use fees) plus an estimated 2009 fund balance of $846,076 will result in $1,568,007 being available for operations and capital improvements. Expenditures are set not to exceed $913,553. This shows a 2010 estimated year-end unrestricted reserve of $1,568,007.

Adoption of PSSGID Resolution 2007-06, the District established a new enterprise to receive funding for a new treatment facility. In 2008, the District prepared to build the new Waste Water Treatment Facility (WWTF) and secured financing for the new facility through a rate fee increase. In 2009, the District returned the DOLA loan funding due to the Districts inability to begin the construction and the accumulation of interest on the loan. The District was forced to look in other directions and is currently working with the State of Colorado for alternative options. A pilot study and the installation of headworks are budgeted for 2010. This future capital improvement project is a result of work in cooperation with the Colorado Department of Health and Public Safety to resolve a number of non-compliance issues with the District's effluent limits.

In 2009, the District implemented an economic development incentive program which decreased plant investment fees (PIF); a 100% rebate in the latter part of 2009 and a 50% reduction in 2010 per Resolution 2009-01. The current rates and fees have remained the same from the August 5, 2008, Ordinance 2008-03, increasing the service fee to $37.50 per month per ERT and plant investment fee to $4,400 per ERT.

In 2009, the District completed a large amount of point repairs in the collection system along with other system upgrades that is keeping the system operational. In 2010 more of the same type of repairs and excavation of some other areas will help keep the District moving forward in its maintenance of the collection system.

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

Town of Pagosa Springs
P.O. Box 1859
551 Hot Springs Boulevard
Pagosa Springs, CO 81147
P: (970) 264-4151
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ASSESSED VALUATION AND MILL LEVIES

YEAR	**2008**	**2009**	**2010**
ASSESSED VALUATION	41,308,124	45,418,292	49,817,106
MILL LEVY	2.545 Mills	2.143 Mills	2.016 Mills
TOTAL REVENUES	$105,129	$97,331	$100,431

I, Ross Aragón, the duly qualified President, in and for the Pagosa Springs Sanitation General Improvement District, do hereby certify that the above and foregoing is a true, complete and accurate copy of the adopted budget for the year 2010, regularly introduced, read and adopted at the Regular Meeting of the Board of Directors of said District, held therein on the 17th day of December 2009 A.D.

ATTEST:

April Hessman, Secretary

BY:

Ross Aragón, President
Pagosa Springs Sanitation General Improvement District

_____ County Tax Entity Code DOLA LGID/SID _____ / _____

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners[1] of Archuleta County, Colorado.

On behalf of the Pagosa Springs Sanitation General Improvement District, (taxing entity)[A]

the Board of Directors (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 assessed valuation of: $ 49,817,106 (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: *12/11/2008* (mm/dd/yyyy) for budget/fiscal year *2010* (yyyy).
(not later than Dec. 15)

PURPOSE (see end notes for definitions and examples)	**LEVY**[2]		**REVENUE**[2]
1. General Operating Expenses[H]	.9	mills	$ 44,835
2. <**Minus**> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction[I]	< >	mills	$ < >
SUBTOTAL FOR GENERAL OPERATING:	.9	**mills**	**$ 44,835**
3. General Obligation Bonds and Interest[J]		mills	$
4. Contractual Obligations[K]	1.104	mills	$ 54,998
5. Capital Expenditures[L]		mills	$
6. Refunds/Abatements[M]	.012	mills	$ 598
7. Other[N] (specify):		mills	$
		mills	$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	2.016	**mills**	**$ 100,431**

Contact person: (print) April Hessman Daytime phone: (970) 264-4151 ext 237

Signed: Title: Secretary

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).

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: Water Treatment Loan
   Title:
   Date: 11/1/1997
   Principal Amount: $640,000
   Maturity Date: 11/1/2016
   Levy: 1.104
   Revenue: $54,998

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 GEN IMP DIST New District:

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

In accordance with 39-5-121(2)(a) and 39-5-128(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:	$45,418,292
Current Year's Gross Total Assessed Valuation:	$49,817,106
(-) Less TIF district increment, if any:	$0
Current Year's Net Total Assessed Valuation:	$49,817,106
New Construction*:	$1,261,458
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 (29-1-301(1)(b) C.R.S.)***:	$0
Taxes collected last year on omitted property as of August 1 (29-1-301(1)(a) C.R.S.):	$0.00
Taxes Abated or Refunded as of August 1 (39-10-114(1)(a)(I)(B) C.R.S.):	$616.52

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 (DLG52 & 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*:	$283,294,132
ADDITIONS TO TAXABLE REAL PROPERTY: Construction of taxable real property improvements**:	$6,735,651
ANNEXATIONS/INCLUSIONS:	$21,990
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 levies must be certified to the Board of County Commissioners no later than December 15, 2009 .

PSSGID SUMMARY OF REVENUES AND EXPENDITURES

	2008 Budget	2008 Actuals	2009 Budget	2009 Estimate	2010 Budget
REVENUES					
Taxes and Assessments	514,129	607,350	728,736	667,800	691,131
Charges for Services	34,000	174,104	98,500	123,962	30,800
Intergovernmental Revenue	3,750,000	1,500,000	3,250,000	0	0
Total All Revenues	**4,298,129**	**2,281,454**	**4,077,236**	**791,762**	**721,931**
Prior Year Fund Balance	**613,655**	**585,306**	**2,179,765**	**2,256,746**	**846,076**
Total Available	**4,911,784**	**2,866,760**	**6,257,001**	**3,048,508**	**1,568,007**
EXPENDITURES					
Personnel	80,295	82,216	94,290	72,922	102,317
Contractual	552,000	123,021	147,500	126,000	145,500
Commodities	195,300	177,214	170,500	208,625	190,269
Capital Improvements	65,295	21,725	200,832	1,654,885	50,468
Treatment Plant Upgrade	3,861,571	205,837	5,200,484	140,000	425,000
Total Expenditures	**4,754,461**	**610,014**	**5,813,606**	**2,202,432**	**913,553**
Fund Balance	**157,323**	**2,256,746**	**443,395**	**846,076**	**654,454**
Restricted 3% Tabor Reserve	**9,000**	**0**	**12,369**	**0**	**21,658**
Unrestricted Reserve	**148,323**	**2,256,746**	**431,026**	**846,076**	**632,796**

PAGOSA SPRINGS SANITATION GENERAL IMPROVEMENT DISTRICT ENTERPRISE

Revenue		2008 Budget	2008 Actual	2009 Budget	2009 Estimate	2010 Budget	
	TAXES AND ASSESSMENTS						
53-38-100	Monthly Collections	400,000	495,263	622,500	570,000	582,700	
53-38-310	Property Tax	105,129	103,236	97,331	90,000	100,431	a
53-38-320	Special Ownership/MVL	9,000	8,851	8,905	7,800	8,000	
	subtotal	**514,129**	**607,350**	**728,736**	**667,800**	**691,131**	
	CHARGES FOR SERVICES						
53-38-200	Plant Investment Fees	25,000	129,600	64,800	101,500	17,600	
53-38-600	Misc. Interest	9,000	21,983	17,500	21,000	12,000	
53-38-610	Misc. Receipts	0	1,287	1,200	1,462	1,200	
53-38-900	Penalty	0	21,234	15,000	0	0	
	subtotal	**34,000**	**174,104**	**98,500**	**123,962**	**30,800**	
	Total for Taxes/Charges for Service	**548,129**	**781,454**	**827,236**	**791,762**	**721,931**	

	INTERGOVERNMENTAL REVENUE					
53-38-500	DOLA Treatment Plant Grants	750,000		1,250,000	0	0
53-38-550	CWRPA WWTP Loan	2,000,000		2,000,000	0	0
53-38-650	DOLA WWTP Loan	1,000,000	1,500,000	0	0	0
	subtotal	**3,750,000**	**1,500,000**	**3,250,000**	**0**	**0**
	Total Annual Revenue	**4,298,129**	**2,281,454**	**4,077,236**	**791,762**	**721,931**
	Prior Year Ending Fund Balance	613,655	585,306	2,179,765	2,256,746	846,076
	Total Revenues	**4,911,784**	**2,866,760**	**6,257,001**	**3,048,508**	**1,568,007**

PAGOSA SPRINGS SANITATION GENERAL IMPROVEMENT DISTRICT ENTERPRISE							
Expenditures		**2008 Budget**	**2008 Actual**	**2009 Budget**	**2009 Estimate**	**2010 Budget**	
	PERSONNEL						
53-40-110	District Manager	49,588	58,475	49,588	49,207	49,588	
53-40-110	Treatment Plant Operator	0	0	20,000	0	18,780	
53-40-111	Part-time Labor and Training	15,000	7,771	7,000	7,000	10,000	
53-40-131	FICA	3,793	4,086	5,323	4,300	5,230	
53-40-132	Health Insurance	9,435	9,226	9,900	9,956	15,300	
53-40-134	Pension	2,479	2,658	2,478	2,459	3,418	
	Subtotal	**80,295**	**82,216**	**94,290**	**72,922**	**102,317**	
	CONTRACTUAL						
53-40-221	Bookkeeping	25,000	25,000	25,000	25,000	25,000	
53-40-224	Audit	2,000	1,912	2,500	2,500	2,500	
53-40-226	Attorney/Legal	5,000	32,512	30,000	8,500	10,000	
53-40-227	Contractural Services with Streets Dept	0	0	20,000	20,000	10,000	
53-40-228	Studies/Other Contractual Services	0	0	25,000	20,000	75,000	1
53-40-438	Engineering	500,000	43,597	25,000	30,000	3,000	
53-40-460	Project Bonding and Insurance	20,000	20,000	20,000	20,000	20,000	
	Subtotal	**552,000**	**123,021**	**147,500**	**126,000**	**145,500**	
	COMMODITIES						
53-40-202	Office Supplies	1,000	126	1,000	2,000	2,500	
53-40-220	Vehicle Maintenance, Fuel, Mileage	2,000	7,155	3,000	4,025	4,500	
53-40-223	County Treasurer Fees	0	1,076	0	1,500	2,169	
53-40-402	Postage/Telephone	1,500	855	2,200	1,800	1,800	
53-40-408	Maintenance, Repairs, Supplies	160,000	136,691	125,000	160,000	140,000	
53-40-434	Utilities, Electricity	30,000	30,741	33,000	33,000	33,000	
53-40-436	Uniforms	800	571	800	800	800	
53-40-439	Laboratory Analysis	0	0	5,500	5,500	5,500	
	Subtotal	**195,300**	**177,214**	**170,500**	**208,625**	**190,269**	
	CAPITAL IMPROVEMENTS						
53-40-450	Capital Improvement Loan	50,468	16,275	50,468	50,468	50,468	b
53-40-470	HWY 160 Sewer Line Extension	0	0	0	0	0	
53-40-480	CWRPA Loan 1 Repayment	14,827	5,451	0	0	0	
53-40-495	DOLA Loan ($1.5 mil)	0	0	120,364	1,575,000	0	
53-40-510	New Vehicle	0	0	30,000	29,417	0	
	Subtotal	**65,295**	**21,725**	**200,832**	**1,654,885**	**50,468**	
	TREATMENT PLANT UPGRADE						
53-40-490	CWRPA Direct Loan Repayment ($2 mil)	30,000	0	20,064	0	0	
53-40-505	Treatment Plan	3,831,571	205,837	5,180,420	140,000	425,000	c
	Subtotal	**3,861,571**	**205,837**	**5,200,484**	**140,000**	**425,000**	
	TOTAL EXPENDITURES	**4,754,461**	**610,014**	**5,813,606**	**2,202,432**	**913,553**	

a .9 mill max for general operations $55,000 max for contractural obligations
b Term of Loan until November 1, 2016
c Completion of headworks and dredging

1 Pilot Study

Addendum A
Department Summary

PAGOSA SPRINGS SANITATION GENERAL IMPROVEMENT DISTRICT

Description:
The PSSGID mission is to protect the environment and the health of the public by providing wastewater treatment for the Town of Pagosa Springs and out lying areas. The District operates in accordance with Colorado Department of Public Health & Environment and the Environmental Protection Agency regulations as authorized by the Clean Water Act, the National Pollutant Discharge Elimination System (NPDES) permit program controls water pollution by regulating point sources that discharge pollutants into waters of the United States. Compliance with these regulations ensures the quality of our water that discharges to the San Juan River meets regulatory standards. The sanitation system includes 190,000 feet of collection main sewer lines with 475 manholes and 3 lift stations that flows into .494 MGD subsurface aerated lagoons. There are currently 800 customers using approximately 1455 equivalent units.

Core Services:
The department's primary service is to provide the rate payers a quality utility service that includes operating the waste water treatment plant, cleaning, inspecting and repairing the collection system. The department staff responds to emergency calls 24 hours per day, year-round and responds to customer questions and concerns on a timely basis.

Town Manager

Sanitation District Manager (FT)

Staff Summary

Full Time Staff	__1__
Part Time Staff	__0__
Vacant Positions	__0__

2009 Accomplishments:
In 2009, the district has been able to complete 27 point repairs to the collection system. The district manager continued to work with the district's engineering firm and state regulatory agencies to plan for and design the modifications to the wastewater treatment plant. Replaced 18 lagoon control valves to allow operation of the lagoons bypassing and siphon discharge points.

2010 Goals:
In 2010, the district hopes to be implementing modifications to the lagoons that will meet the CDPHE effluent standards also removal of two million gallons of sludge from all three cells and installing headworks to remove trash and other debris from the lagoons. Continue to do as much I & I abatement of the collection system as possible.

Addendum B
Debt Service

WATER POLLUTION CONTROL REVOLVING FUND
LOAN REPAYMENT SCHEDULE
Pagosa Springs Sanitation District

On or before the first of each date, commencing on May 1, 1998 the Governmental Agency shall pay the amount set forth below:

update on longer option

LOAN AMOUNT:	$640,000
INTEREST RATE:	4.50%
TERM (YEARS):	20

INTEREST DATE: 11/01/97

PAYMENT DATES	PAYMENT	PRINCIPAL	REMAINING PRINCIPAL	CALCULATED INTEREST	CALCULATED INTEREST ALLOCATION FOR AUTHORITY PURPOSES ONLY: INTEREST	ADMIN. SURCHARGE
			$640,000.00			
05/01/98	$25,233.62	$10,833.62	$629,166.38	$14,400.00	$8,400.00	$6,000.00
11/01/98	$25,233.62	$11,077.38	$618,089.00	$14,156.24	$8,656.24	$5,500.00
05/01/99	$25,233.62	$11,326.62	$606,762.38	$13,907.00	$8,907.00	$5,000.00
11/01/99	$25,233.62	$11,581.47	$595,180.91	$13,652.15	$9,152.15	$4,500.00
05/01/00	$25,233.62	$11,842.05	$583,338.86	$13,391.57	$8,891.57	$4,500.00
11/01/00	$25,233.62	$12,108.50	$571,230.36	$13,125.12	$9,125.12	$4,000.00
05/01/01	$25,233.62	$12,380.94	$558,849.42	$12,852.68	$8,852.68	$4,000.00
11/01/01	$25,233.62	$12,659.51	$546,189.91	$12,574.11	$9,074.11	$3,500.00
05/01/02	$25,233.62	$12,944.35	$533,245.56	$12,289.27	$8,789.27	$3,500.00
11/01/02	$25,233.62	$13,235.59	$520,009.97	$11,998.03	$8,498.03	$3,500.00
05/01/03	$25,233.62	$13,533.40	$506,476.57	$11,700.22	$8,700.22	$3,000.00
11/01/03	$25,233.62	$13,837.90	$492,638.67	$11,395.72	$8,395.72	$3,000.00
05/01/04	$25,233.62	$14,149.25	$478,489.42	$11,084.37	$8,084.37	$3,000.00
11/01/04	$25,233.62	$14,467.61	$464,021.81	$10,766.01	$7,766.01	$3,000.00
05/01/05	$25,233.62	$14,793.13	$449,228.68	$10,440.49	$7,940.49	$2,500.00
11/01/05	$25,233.62	$15,125.97	$434,102.71	$10,107.65	$7,607.65	$2,500.00
05/01/06	$25,233.62	$15,466.31	$418,636.40	$9,767.31	$7,267.31	$2,500.00
11/01/06	$25,233.62	$15,814.30	$402,822.10	$9,419.32	$6,919.32	$2,500.00
05/01/07	$25,233.62	$16,170.12	$386,651.98	$9,063.50	$6,563.50	$2,500.00
11/01/07	$25,233.62	$16,533.95	$370,118.03	$8,699.67	$6,199.67	$2,500.00
05/01/08	$25,233.62	$16,905.96	$353,212.07	$8,327.66	$5,827.66	$2,500.00
11/01/08	$25,233.62	$17,286.35	$335,925.72	$7,947.27	$5,447.27	$2,500.00
05/01/09	$25,233.62	$17,675.29	$318,250.43	$7,558.33	$5,058.33	$2,500.00
11/01/09	$25,233.62	$18,072.99	$300,177.44	$7,160.63	$5,160.63	$2,000.00
05/01/10	$25,233.62	$18,479.63	$281,697.81	$6,753.99	$4,753.99	$2,000.00
11/01/10	$25,233.62	$18,895.42	$262,802.39	$6,338.20	$4,338.20	$2,000.00
05/01/11	$25,233.62	$19,320.57	$243,481.82	$5,913.05	$3,913.05	$2,000.00
11/01/11	$25,233.62	$19,755.28	$223,726.54	$5,478.34	$3,478.34	$2,000.00
05/01/12	$25,233.62	$20,199.77	$203,526.77	$5,033.85	$3,033.85	$2,000.00
11/01/12	$25,233.62	$20,654.27	$182,872.50	$4,579.35	$2,579.35	$2,000.00
05/01/13	$25,233.62	$21,118.99	$161,753.51	$4,114.63	$2,114.63	$2,000.00
11/01/13	$25,233.62	$21,594.17	$140,159.34	$3,639.45	$2,139.45	$1,500.00
05/01/14	$25,233.62	$22,080.03	$118,079.31	$3,153.59	$1,653.59	$1,500.00
11/01/14	$25,233.62	$22,576.84	$95,502.47	$2,656.78	$1,156.78	$1,500.00
05/01/15	$25,233.62	$23,084.81	$72,417.66	$2,148.81	$948.81	$1,200.00
11/01/15	$25,233.62	$23,604.22	$48,813.44	$1,629.40	$429.40	$1,200.00
05/01/16	$25,233.62	$24,135.32	$24,678.12	$1,098.30	$598.30	$500.00
11/01/16	$25,233.38	$24,678.12	$0.00	$555.26	$55.26	$500.00
	$968,877.32	$640,000.00		$318,877.32	$216,477.32	$102,400.00