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TOWN OF PAGOSA SPRINGS, COLORADO
REPORT OF EXAMINATION AND FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

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Table of Contents

	Page No.
Independent Auditor's Report	1
Management's Discussion and Analysis	2-5
Basis Financial Statements:	
Statement of Net Assets	6
Statement of Activities	7
Balance Sheet all Governmental Funds	8
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	9
Statement of Revenue, Expenditures and Changes in Fund Balances Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Statement of Revenue, Expenditures and Changes in Fund Balance Budget and Actual General Fund	12
Statement of Revenue, Expenditures and Changes in Fund Balance Budget and Actual Conservation Trust	13
Proprietary Funds Statement of Net Assets	14
Proprietary Funds Statement of Revenues, Expenses and Changes in Fund Net Assets	15
Proprietary Funds Statement of Cash Flows	16-17
Notes to Financial Statements	18-30
Supplemental Information:	
Statement of Revenue, Expenses and Changes in Net Assets Budget and Actual (Non-GAAP) Proprietary Fund	31-32
Other Information	
Supporting Schedule of Counties, Cities and Towns Annual Statement of Receipts and Expenditures for Roads, Bridges and Streets	
Local Highway Finance Report	33-34

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INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Pagosa Springs, Colorado as of and for the year ended December 31, 2008, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit a reasonable basis for our opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities and each major fund, of the Town of Pagosa Springs, Colorado, as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis beginning on page 2 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Local Highway Finance Report and other supplemental schedules consisting of budgetary comparison schedule for the Sanitation Fund and Geothermal Fund are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Michael C. Branch
Certified Public Accountant
January 30, 2009

TOWN OF PAGOSA SPRINGS

MANAGEMENT DISCUSSION AND ANALYSIS

This section of the Town of Pagosa Springs' annual financial report presents our discussion and analysis of the Town's financial performance during the fiscal year, which ends December 31, 2008. Please read it in conjunction with the Town's financial statements, which follows this section.

FINANCIAL HIGHLIGHTS

Sales tax collected in 2008 totaled approximately \$3,284,645 and resulted in a decrease of 2% when compared to 2007. The Town lodging tax rate is 4.9% and resulted in approximately \$358,904 for 2008. These revenues are restricted for tourism or tourism related capital improvements and are reflected in the Town Tourism Committee budget which is reviewed and approved by the Town Council annually. The Town mill levy remains unchanged at 1.557 mills.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of two parts — management's discussion and analysis (this section), and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the Town's:

The first two statements are *government-wide financial statements* that provide both *long-term and short-term* information about the Town's overall financial status.

The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the Town's operations in more detail than the government-wide statements.

The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending. Governmental funds include the General and Conservation Trust Fund.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Town-wide Statements

The Town-wide statements report information about the Town as a whole using accounting methods similar to those used by private companies. The statement of net assets includes all of the Town's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two Town-wide statements report the Town's net assets and how they have changed. Net assets, the difference between the Town's assets and liabilities are one way to measure the Town's financial health or position.

Over time, increases or decreases in the Town's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the Town, one needs to consider additional non-financial factors such as changes in the Town's tax base, and the condition of the Town buildings along with major capital improvements.

The Town-wide financial statements of the Town include all of the *Governmental activities*. Most of the Town's basic services are included here. Sales taxes finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the Town's most significant *fund* — not the Town as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by State law and by bond covenants.

The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The Town has the following funds:

Governmental funds — All of the Town's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Total net assets increased by \$2,015,914. Cash increased \$415,546. Total current assets increased by \$439,163.

The Town's total governmental revenues were \$5,173,503. Over 74% of the Town's revenues came from sales taxes.

Governmental Activities

Property tax revenues remain about the same as the previous year due to this was not an assessment year.

General Fund Budgetary Highlights

Actual expenditures (including reserves) were \$1,478,714 below budget amounts. Actual revenues were less than budgeted amounts, by \$879,818.

CAPITAL ASSETS

At the end of 2008, the Town had invested in a broad range of capital assets, including land, equipment and buildings.

Town's Capital Assets

Land	\$ 1,000,000
Streets	8,832,719
Buildings	2,608,438
Equipment	645,840
Geothermal	118,473
Sanitation	<u>3,708,336</u>
Totals	16,913,806
Less Accumulated Depreciation	(1,288,954)
Net Capital Assets	\$ 15,624,852

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town's Management.

TOWN OF PAGOSA SPRINGS
 Statements of Net Assets
 December 31, 2008

	Primary Government		
	Governmental Activities	Business Type Activities	Total
ASSETS			
Current assets			
Cash	\$ 1,362,342	\$ 2,121,887	\$ 3,484,229
Cash held by County	932	494	1,426
Account receivables	754,098	71,086	825,184
Tax receivables	103,567	97,331	200,898
Due from other funds	3,257		3,257
Total Current Assets	<u>2,224,196</u>	<u>2,290,798</u>	<u>4,514,994</u>
Capital Assets			
Fixed assets net of depreciation	12,634,663	2,990,189	15,624,852
Total Assets	<u>\$ 14,858,859</u>	<u>\$ 5,280,987</u>	<u>\$ 20,139,846</u>
LIABILITIES			
Current liabilities			
Accounts Payable and Accrued	\$ 465,484	\$ 8,728	\$ 474,212
Deferred revenue	103,567	97,331	200,898
Current portion of long term debt	179,197	91,112	270,309
Due other funds		3,257	
Impact fees	141,359		141,359
Total Current Liabilities	<u>889,607</u>	<u>200,428</u>	<u>1,086,778</u>
Long term liabilities			
Bonds payable	1,038,460	1,754,814	2,793,274
Total Liabilities	<u>\$ 1,928,067</u>	<u>\$ 1,955,242</u>	<u>\$ 3,880,052</u>
Net Assets			
Capital assets net of related debt	\$ 11,417,006	\$ 1,444,441	\$ 12,861,447
Reserved for emergencies	201,240		201,240
Designated for Impact & Health	319,698		319,698
Unrestricted	992,848	1,881,304	2,874,152
Total Net Assets	<u>\$ 12,930,792</u>	<u>\$ 3,325,745</u>	<u>\$ 16,256,537</u>

See accompanying notes

TOWN OF PAGOSA SPRINGS
Statement of Activities
For the Year Ended December 31, 2008

Functions/Programs	Program Revenues			Net (Expense) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Miscellaneous Grants	Governmental Activities	Business- Type Activities	Total
Governmental Activities:						
General Government	\$ 1,964,335	\$ 445,675	\$ 816,755	\$ (701,905)		\$ (701,905)
Public safety	853,501			(853,501)		(853,501)
Public works	369,109			(369,109)		(369,109)
Total	<u>3,186,945</u>	<u>445,675</u>	<u>816,755</u>	<u>(1,924,515)</u>		<u>(1,924,515)</u>
Business-type Activities:						
Enterprise funds	715,493	549,739			(165,754)	(165,754)
Total	<u>715,493</u>	<u>549,739</u>			<u>(165,754)</u>	<u>(165,754)</u>
Governmental and Business- Type Activities Totals	<u>\$ 3,902,438</u>	<u>\$ 995,414</u>	<u>\$ 816,755</u>	<u>\$ (1,924,515)</u>	<u>\$ (165,754)</u>	<u>\$ (2,090,269)</u>
General revenues:						
Taxes				3,837,364	112,088	3,949,452
Other				22,870		22,870
Interest				50,839	44,508	95,347
Plant investment					129,600	129,600
Interest expense				(69,361)	(21,725)	(91,086)
Total General Revenues				<u>3,841,712</u>	<u>264,471</u>	<u>4,106,183</u>
Changes in net assets				1,917,197	98,717	2,015,914
Net assets, January 1, 2008				<u>11,013,595</u>	<u>3,227,028</u>	<u>14,240,623</u>
Net assets, December 31, 2008				<u>\$ 12,930,792</u>	<u>\$ 3,325,745</u>	<u>\$ 16,256,537</u>

See accompanying notes

TOWN OF PAGOSA SPRINGS, COLORADO
 Balance Sheet
 Governmental Funds
 December 31, 2008

	Governmental Fund Types		
	General	Conservation Trust	Total Governmental Funds
ASSETS			
Cash	\$ 1,276,052	\$ 86,290	\$ 1,362,342
Cash held by County	932		932
Account receivables	754,098		754,098
Taxes receivable	103,567		103,567
Due from other funds	3,257		3,257
Total Assets	\$ 2,137,906	\$ 86,290	\$ 2,224,196
LIABILITIES			
Accrued expenses	\$ 214,520	\$	\$ 214,520
Account payables	250,964		250,964
Deferred revenue	103,567		103,567
Impact fees	141,359		141,359
Total Liabilities	710,410		710,410
FUND EQUITY			
Fund Balances:			
Reserved for Parks		86,290	86,290
Reserved for emergencies	201,240		201,240
Designated for impact & health	319,968		319,968
Undesignated	906,558		906,558
Total Fund Equity	1,427,766	86,290	1,514,056
TOTAL LIABILITIES AND FUND EQUITY	\$ 2,138,176	\$ 86,290	\$ 2,224,466

See accompanying notes

TOWN OF PAGOSA SPRINGS
 Reconciliation of the Governmental Funds Balance Sheet
 To the Statement of Net Assets
 For the Year Ended December 31, 2008

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

Total fund balance - governmental funds	\$ 1,513,786
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Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

The cost of capital assets is	\$ 14,271,670	
Accumulated depreciation is	<u>(1,637,007)</u>	
		12,634,663

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consists of:

Capital Lease		<u>(1,217,657)</u>
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Total net assets - governmental activities	\$ <u>12,930,792</u>
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See accompanying notes

TOWN OF PAGOSA SPRINGS, COLORADO
Statement of Revenue, Expenditures and
Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2008

	General	Conservation Trust	Total Governmental Funds
REVENUE			
Taxes	\$ 3,837,364	\$	\$ 3,837,364
Licenses & permits	144,912		144,912
Intergovernmental and grants	739,710	77,045	816,755
Charges for services	267,010		267,010
Fines and forfeits	33,753		33,753
Interest	49,992	847	50,839
Other	22,870		22,870
Total Revenue	5,095,611	77,892	5,173,503
General government	1,647,834		1,647,834
Public safety and Courts	853,501		853,501
Public works	369,109		369,109
Parks and recreation	549,056	157,627	706,683
Public support	88,832		88,832
Capital road maintenance, debt service	3,042,072		3,042,072
Total Expenditures	6,550,404	157,627	6,708,031
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(1,454,793)	(79,735)	(1,534,528)
FUND BALANCE BEGINNING OF YEAR	2,882,289	166,025	3,048,314
FUND BALANCE END OF YEAR	\$ 1,427,496	\$ 86,290	\$ 1,513,786

See accompanying notes

TOWN OF PAGOSA SPRINGS
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 In Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2008

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

Net change in fund balances – total government funds	\$(1,534,528)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	3,376,022
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The net effect of various miscellaneous transactions involving capital assets (depreciation) is to increase net assets.	(103,335)
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>179,197</u>
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Change in net assets of governmental activities	<u>\$ 1,917,356</u>
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TOWN OF PAGOSA SPRINGS, COLORADO
Statement of Revenue, Expenditures and Changes in
Fund Balance Budget and Actual
General Fund
Year Ended December 31, 2008

	General Fund			
	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUE				
Taxes	\$ 3,959,155	\$ 3,959,155	\$ 3,837,364	\$ (121,791)
Licenses & permits	129,000	129,000	144,912	15,912
Intergovernmental	1,785,205	1,785,205	739,710	(1,045,495)
Charges for services	119,700	119,700	267,010	147,310
Fines and forfeits	55,000	55,000	33,753	(21,247)
Interest	35,000	35,000	49,992	14,992
Other	25,000	25,000	22,870	(2,130)
Total Revenue	6,108,060	6,108,060	5,095,611	(1,012,449)
EXPENDITURES				
General government	1,452,055	1,452,055	1,647,834	(195,779)
Public safety and Courts	843,393	843,393	853,501	(10,108)
Public works	338,835	338,835	369,109	(30,274)
Parks and recreation	583,044	583,044	549,056	33,988
Public support	95,806	95,806	88,832	6,974
Capital outlay and debt service	4,485,453	4,485,453	3,042,072	1,443,381
Total Expenditures	7,798,586	7,798,586	6,550,404	1,248,182
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(1,690,526)	(1,690,526)	(1,454,793)	235,733
FUND BALANCE BEGINNING OF YEAR	2,882,289	2,882,289	2,882,289	-
FUND BALANCE END OF YEAR OF YEAR	\$ 1,191,763	\$ 1,191,763	\$ 1,427,496	\$ 235,733

See accompanying notes

TOWN OF PAGOSA SPRINGS, COLORADO
Statement of Revenue, Expenditures and Changes in
Fund Balance Budget and Actual
Conservation Trust
For Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUE				
Intergovernmental Interest	\$ 45,000	\$ 45,000	\$ 77,045 847	\$ 32,045 847
Total Revenue	45,000	45,000	77,892	32,892
EXPENDITURES				
Parks	45,000	157,628	157,627	1
Total Expenditures	45,000	157,628	157,627	1
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	(112,628)	(79,735)	32,893
FUND BALANCE BEGINNING OF YEAR	166,025	166,025	166,027	-
FUND BALANCE END OF YEAR OF YEAR	\$ 166,025	\$ 53,397	\$ 86,292	\$ 32,893

See accompanying notes

TOWN OF PAGOSA SPRINGS, COLORADO
Proprietary Funds
Statement of Net Assets
December 31, 2008

	Business-type Activities Enterprise Funds		
	Sanitation Fund	Geothermal Fund	Totals
ASSETS			
Current Assets			
Cash	\$ 2,015,521	\$ 106,366	\$ 2,121,887
Account receivables	70,739	347	71,086
Taxes receivable	97,331		97,331
Cash with County	494		494
Total Current Assets	2,184,085	106,713	2,290,798
Capital Assets			
Fixed assets, net	2,434,790	555,399	2,990,189
Total Assets	4,618,875	662,112	5,280,987
LIABILITIES			
Current liabilities			
Leave time	\$ 8,728	\$	\$ 8,728
Deferred revenue	97,331		97,331
Bonds payable, current	91,112		91,112
Due to other funds		3,257	3,257
Total Current Liabilities	197,171	3,257	200,428
Long term liabilities	1,754,814		1,754,814
Total Liabilities	1,951,985	3,257	1,955,242
Net Assets			
Capital assets net of debt	889,042	555,399	1,444,441
Unrestricted	1,777,848	103,456	1,881,304
Total Net Assets - Fund Level	\$ 2,666,890	\$ 658,855	\$ 3,325,745

See accompanying notes

TOWN OF PAGOSA SPRINGS, COLORADO
Proprietary Funds
Statement of Revenues, Expenses and
Changes in Fund Net Assets
December 31, 2008

	Business-type Activities Enterprise Funds		
	Sanitation Fund	Geothermal Fund	Totals
Operating Revenue:			
Service fees	\$ 495,263	\$ 54,476	\$ 549,739
Total Revenue	<u>495,263</u>	<u>54,476</u>	<u>549,739</u>
Operating Expenses:			
Personnel	82,216	5,961	88,177
Commodities	174,422	10,921	185,343
Contractual	331,654	6,985	338,639
Depreciation	79,686	23,648	103,334
Total Expenses	<u>667,978</u>	<u>47,515</u>	<u>715,493</u>
Income (Loss) From Operations	<u>(172,715)</u>	<u>6,961</u>	<u>(165,754)</u>
Non-Operating Revenue (Expense)			
Property tax	112,088		112,088
Interest expense	(21,725)		(21,725)
Interest income	44,508		44,508
Plant investments	129,600		129,600
Total Non-Operating Revenue	264,471	-	264,471
Changes in Net Assets	91,756	6,961	98,717
Net Assets Beginning of Year	<u>2,575,134</u>	<u>651,894</u>	<u>3,227,028</u>
Net Assets End of Year	<u>\$ 2,666,890</u>	<u>\$ 658,855</u>	<u>\$ 3,325,745</u>

See accompanying notes

TOWN OF PAGOSA SPRINGS, COLORADO
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2008

	Business-type Activities Enterprise Funds		
	Sanitation	Geothermal	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers	\$ 448,190	\$ 82,789	\$ 530,979
Cash Paid for Expenses	(582,765)	(23,867)	(606,632)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(134,575)	58,922	(75,653)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Payment of Interest on Bonds	(21,725)		(21,725)
Net Change in Loans	1,299,767		1,299,767
Tap Fees	129,600		129,600
Interest and Grants	44,508		44,508
CASH FLOWS FROM (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES	1,452,150		1,452,150
CASH FLOWS FROM NON CAPITAL ACTIVITIES:			
Taxes	112,088		112,088
CASH FLOWS FROM NON CAPITAL ACTIVITIES	112,088		112,088
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,429,663	58,922	1,488,585
CASH AND CASH EQUIVALENTS:			
Beginning of Year	585,858	47,444	633,302
End of Year	\$ 2,015,521	\$ 106,366	\$ 2,121,887

See accompanying notes

TOWN OF PAGOSA SPRINGS, COLORADO
Proprietary Funds
Combining Statement of Cash Flows
For The Year Ended December 31, 2008

(continued)

RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES

	Sanitation	Geothermal	Totals
Operating Income (Loss)	\$ (172,715)	\$ 6,961	\$ (165,754)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Increase Cash with County			0
Depreciation	79,686	23,648	103,334
Decrease in Accounts Payable	5,527		5,527
(Increase) Decrease in Accounts Receivable	(47,073)	28,313	(18,760)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (134,575)	\$ 58,922	\$ (75,653)

See accompanying notes

TOWN OF PAGOSA SPRINGS, COLORADO

Notes to Financial Statements

Year Ended December 31, 2008

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Pagosa Springs, Colorado operates under the statutes governing municipalities of the State of Colorado. The Town operates under a Board form of government and provides the following services as authorized by State statutes: highway and streets, culture-recreation, public improvements, public safety (police), planning and zoning and general administrative services.

The accounting policies of the Town of Pagosa Springs, Colorado conform to generally accepted accounting principles. The following is a summary of such significant policies:

Principles Determining Scope of Reporting Entity

The Town's combined financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board's (GASB) Codification of Government Accounting and Financial Reporting Standards, include whether:

the organization is legally separate; the Town holds the corporate powers of the organization; the Town appoints a voting majority of the organization's board; the Town is able to impose its will on the organization; the organization has the potential to impose a financial benefit/burden on the Town; there is fiscal dependency by the organization on the Town. Based on the aforementioned criteria, the Town of Pagosa Springs has no component units.

Fund Accounting

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

They report the following major funds:

General Fund is the Town's primary operating fund. It accounts for all financial resources of the Town except these required legally or by sound financial management to be accounted for in another fund.

Conservation Trust Fund is used to account for lottery revenue received from State.

Measurement Focus, Basis of Accounting, and Financial Statements Presentations

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurements focus and the accrual basis of accounting, as are the proprietary fund statements.

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

TOWN OF PAGOSA SPRINGS, COLORADO
Notes to Financial Statements
December 31, 2008

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentations
(continued)

As a general rule the effect of Interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Town's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available spendable resources. This means that only current liabilities are generally included on their balance sheets.

All governmental fund types used the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end.

Property and specific ownership taxes are reported as receivables and deferred revenue when levied and as revenues when collected in the following year.

Grants and entitlement revenues are recognized when compliance with matching requirements are met. A receivable is established when the related expenditures exceed revenue receipts.

Expenditures are recorded when the related fund liability is incurred with the exception of general obligation and capital lease debt service which is recognized when due and certain sick and retirement pay which are accounted for as expenditures when expected to be liquidated with expendable financial resources.

The proprietary fund types are accounted for on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. The measurement focus in these funds is on the flow of economic resources and emphasizes the determination of net income. All assets and all liabilities associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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

TOWN OF PAGOSA SPRINGS, COLORADO
Notes to Financial Statements
December 31, 2008

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentations
(continued)

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

Budgets and Budgetary Accounting

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

- (1) In accordance with the State statutes, prior to September 1, the Town Clerk submits to the Town Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the two preceding years. The State statutes require more detailed line item budgets be submitted in summary form. In addition, more detailed line item budgets are included for administration control. The level of control for the detailed budgets is at the department head function level.
- (2) Public hearings are conducted to obtain taxpayer comment.
- (3) Prior to December 31, the budget is legally adopted through passage of a resolution.
- (4) The Town Clerk is required to present a monthly report to the Town Board explaining any variance from the approved budget.
- (5) Formal budgetary integration is employed as a management control device during the year for all funds of the Town of Pagosa Springs.
- (6) Budgets for the General, Debt Service, Capital Projects, Special Revenue Funds and Fiduciary Funds are adopted on a basis consistent with generally accepted accounting principles (GAPP).
- (7) Colorado State statutes require the adoption of a budget for proprietary funds. The budgets for Sanitation Fund and Geothermal fund are prepared essentially on the modified accrual basis of accounting.
- (8) Appropriations lapse at the end of each calendar year.
- (9) The Town Board may authorize supplemental appropriations during the year.

Joint Ventures

The Town of Pagosa Springs participates in special purpose joint ventures, which are not part of the Town's reporting entity. Additional information regarding the Town's participation in joint ventures is provided in Note One. The following is the joint venture in which the Town participates:

TOWN OF PAGOSA SPRINGS, COLORADO
Notes to Financial Statements
December 31, 2008

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Colorado Intergovernmental Risk-Sharing Agency

The Town of Pagosa Springs is one of 98 local governments, which are members of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is an organization created in 1982 by an intergovernmental agreement solely to provide property and casualty coverage to its members. Coverage is provided through polling of self-insured losses and the purchase of stop-loss insurance coverage. In 1987, CIRSA/WC was formed as a separate pool by intergovernmental agreement to provide coverage to its members under the Colorado Workmen's Compensation Act. Both CIRSA and CIRSA/WC are governed by a seven-member board elected by and from its members. The governing board is autonomous as to budgeting and fiscal matters.

Reserves

The Town records reserves to indicate that a portion of the fund balance is legally segregated for a specific future use.

Following is a list of all reserve accounts used by the Town and a description of each:

Reserved for Emergencies – In compliance with the Tabor Amendment to the Constitution of the State of Colorado, General Fund equity is reserved for future emergencies.

Revenue Recognition - Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1 and are due and payable February 28 and July 31. All unpaid taxes levied January become delinquent on August 1. Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year-end. Property taxes levied on December 31 are shown as receivable with an offsetting deferred revenue at December 31. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

Cash Deposits and Cash Equivalents

Cash deposits at December 31, 2008, consisted of certificates of deposit with banks and savings and loans and cash in demand deposit accounts. For purposes of the statements of cash flows, the Water and Garbage Funds consider all such highly liquid deposits with an original maturity of less than three months to be cash equivalents.

NOTE (2) RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

TOWN OF PAGOSA SPRINGS, COLORADO

Notes to Financial Statements

December 31, 2008

NOTE (3) CAPITAL ASSETS, DEPRECIATION AND AMORTIZATION

The Town's property and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. Proprietary and component unit capital assets are also reported in their respective fund and combining component units financial statements. Donated assets are stated at fair market value on the date donated. The Town generally capitalized assets with cost of \$1,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives in years, for depreciable assets are as follows:

Buildings	50
Furniture, machinery and equipment	5-10

	Balance January 1, 2008	Additions	Deletions	Balance December 31, 2008
Non-depreciable Assets:				
Land	\$ 1,000,000	\$	\$	\$ 1,000,000
Total non-depreciable Assets	1,000,000			1,000,000
Depreciable Assets:				
Buildings	2,608,438			2,608,438
Equipment and vehicles	645,840			645,840
Infrastructure	5,456,717	3,376,022		8,832,739
Total Depreciable Assets	8,710,995	3,376,022		12,087,017
Less Accumulated Depreciation	(748,087)	(259,646)		(1,007,733)
Total Net Assets	\$ 8,962,908	\$ 3,116,376	\$	\$ 12,079,284

Business-Type Activities

A summary of changes in enterprise funds capital assets is as follows:

	Balance January 1, 2008	Additions	Deletions	Balance December 31, 2008
Sewer Fund:				
Land	\$ 16,376	\$	\$	\$ 16,376
Sewer system	3,457,144			3,457,144
Equipment and vehicles	87,426			87,426
Accumulated Depreciation	(1,046,469)	(79,687)		(1,126,156)
Total Sewer Fund, net	\$ 2,514,477	\$ (79,687)	\$ 0	\$ 2,434,790

TOWN OF PAGOSA SPRINGS, COLORADO
Notes To Financial Statements
December 31, 2008

NOTE (3) CAPITAL ASSETS, DEPRECIATION AND AMORTIZATION (continued)

	Balance Jan. 1, 2008	Additions	Deletions	Balance Dec. 31, 2008
Geothermal Fund:				
Geothermal System	\$ 1,182,419	\$	\$	\$ 1,182,419
Equipment & vehicles	2,254			2,254
Accumulated Depreciation	<u>(605,626)</u>	<u>(23,648)</u>		<u>(629,274)</u>
Total Geothermal Fund, net	<u>\$ 579,047</u>	<u>\$ (23,648)</u>	<u>\$</u>	<u>\$ 555,399</u>

NOTE (4) CASH AND DEPOSITS

At December 31, 2008, the District had the following cash and investments:

Deposits \$ 3,524,367

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2008, the State regulatory commissioners had indicated that all financial institutions holding deposits for the District are eligible public depositories.

Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2008, the District had bank deposits of \$3,524,367 collateralized with securities held by the financial institutions' agents but not in the District's name.

Cash and Investments

The District is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, custodial and concentration risk criteria in which local governments may invest which include:

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

TOWN OF PAGOSA SPRINGS, COLORADO
Notes to Financial Statements
Year Ended December 31, 2008

NOTE (5) PENSION PLANS

Policemen's Pension

The New Hire fund is administered by the Fire and Police Pension Association (of Colorado), which is a multi-employer comprehensive plan. An actuarial study is performed annually. All new hire employees are covered by the plan and contribute 8% of their base salary. The Town is required to at least match the employee contributions. As of December 31, 2008 all police are eligible and participating in the plan.

The Town's total pension contributions for 2008 were \$32,235 for a payroll of \$402,938.

The normal retirement date shall be the date on which a member has completed at least twenty-five years of active service and has attained the age of sixty. There are provisions for early retirement. The normal retirement benefit shall be two percent of the average of the member's highest three years base salary multiplied by the member's years of service prior to age sixty-five, not to exceed twenty-five years. A Deferred Vested Benefit allows a member who terminates with at least ten years of active service to leave their contributions in the fund and when they attain age sixty-five, to be eligible to receive an annual benefit equal to two percent of the average of their highest three years salary multiplied by their years of active service not to exceed twenty-five years. A member may upon termination elect to have their accumulated contributions refunded to them in a lump sum.

In addition to receiving their accumulated contributions, the member shall receive five percent of their total accumulated contributions as interest. Members of this fund and their employees are currently each contributing at the rate of eight percent of base salary.

FPPA issues a publicly available report that includes financial statements and required supplementary information. That report maybe obtained by writing to Fire and Police Pension Association, Two DTC, 5290 DTC Parkway, #100, Englewood, Colorado 80111.

NOTE (6) RECEIVABLES

Receivables at December 31, 2008 consist of the following:

	<u>General Fund</u>	<u>Enterprise Fund</u>
Accounts Receivable	\$ 113,003	\$ 347
Property tax	103,567	
Sales tax	618,697	
Cigarette tax	2,491	
Source Gas	1,312	
Cable TV	2,701	
HUFT	4,928	
Telephone	<u>10,965</u>	
	<u>\$ 857,664</u>	<u>\$ 347</u>

TOWN OF PAGOSA SPRINGS, COLORADO

Notes to Financial Statements

Year Ended December 31, 2008

NOTE (7) PROPERTY TAX

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1st and are payable in two installments (on or before the last day of February and June 15th) or in total by April 30th. The County bills and collects the property taxes and remits the funds to the Town. Property tax revenue is recognized when levied to the extent that it results in a current receivable with an offset to deferred revenue.

NOTE (8) RISK MANAGEMENT

The Town is exposed to various risks of loss, related to injuries of employees while on the job and to property and casualty losses. The Town has joined together with other municipalities to form the Colorado Intergovernmental Risk Sharing Agency to insure against said risk.

The Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity, was formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, C.R.S. (1985 Repl. Vol.), as amended, 29-1-201 et. seq., C.R.S. (1977 Repl. Vol.), as amended, 29-13-102, C.R.S. (1977 Repl. Vol.), as amended, and Colorado Constitution, Article XIV, Section 18(2).

The purpose of CIRSA is to provide members with a defined liability and property coverage and to assist members in preventing losses to municipal property by reducing injuries to persons or property that might result in claims being made against members of CIRSA, their employees or their officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the Bylaws, any member of CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at a reasonable cost. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The Bylaws shall constitute the substance of the intergovernmental contract among the members. The Town of Pagosa Springs, Colorado is one member out of a total of ninety-nine towns and cities. CIRSA is directed by a seven-member board of directors composed of municipal officials from member cities and towns.

Board directors are nominated and elected by members to two year staggered terms and must meet at least monthly to direct CIRSA operations.

The participants have control over the financial operation of CIRSA only in their ability to elect board members and their ability to change the bylaws. CIRSA has no formal budgeting requirements.

TOWN OF PAGOSA SPRINGS, COLORADO
Notes To Financial Statements
Year Ended December 31, 2008

NOTE (8) RISK MANAGEMENT (continued)

Summary of financial information:	
Balance sheet date	12/31/07
Total assets	\$ 66,291,264
Total liabilities	<u>\$ 32,691,419</u>
Total equity	\$ 33,599,845
Revenue	\$ 26,490,950
Expenses	<u>18,997,029</u>
Excess of revenue over expenses	<u>\$ 7,493,921</u>

The December 31, 2008 financial statement was not available when this report was issued.

NOTE (9) CCOERA RETIREMENT PLAN

The Colorado County Officials and Employees Retirement Association (Association) was established to serve as trustee and provide continuing administration of a trust fund for retirement benefits of eligible county and municipal officers and county, municipal, and special district employees. The Association established a defined contribution plan called the Colorado County Officials and Employees Retirement Plan (Plan) through which contributions of the employers are combined with contributions of the employees and invested in income earning instruments for the benefit of Plan participants. Any county, municipality, or special district of the State of Colorado may, with the consent of the Association, can become a member of the Association and participate in the Plan by adopting it for its officers and employees.

Employees and officers of Association members are required to participate in the Plan after the completion of one year of service, but participation is optional for all elected board officers. The Plan is controlled by a five-member governing board selected in accordance with Colorado State statutes.

Employer contributions to the Plan is 5% of compensation. Employee contributions must match employer contributions and are funded on a current basis. Employees may make additional voluntary contributions not to exceed 10% of compensation.

Participants vest in employer contributions and in the earnings, losses, and changes in the fair market value of the Plan at 20% per year, as adopted by the Town. Participants are immediately vested 100% in their own contributions and earnings. In the event that an Association member withdraws from the Plan, the participant balances for that member shall become immediately vested 100%. Contributions by the Town to the plan were \$ 73,997 for a payroll of \$1,479,940.

TOWN OF PAGOSA SPRINGS, COLORADO
Notes to Financial Statements
Year Ended December 31, 2008

NOTE (9) CCOERA RETIREMENT PLAN (continued)

Net earnings or losses are allocated quarterly to Plan participants. The allocation is based on each participant's balance as of the beginning of that quarter. Participants receiving benefit payments upon retirement or termination are allocated earnings through the date of the distribution.

Benefit payments are made as of the effective date of each participant's retirement or termination. At retirement, each participant has the option of receiving their vested balance in cash or having the Association place the funds in a bank account maintained under the joint control of the Association and the retiring individual. Any employer contribution forfeited by a participant due to termination of employment before becoming fully vested is returned to the member county, municipality, or special district.

The Association may at any time elect to terminate the Plan. In the event of such termination, each participant shall become 100% vested.

In addition to participating in the Plan, each participant may elect to contribute to a deferred compensation plan. Through the deferred compensation plan, a member employer defers payment of a portion of an employee's current salary and deposits the deferred payment with the Association upon a participant's retirement or termination of employment, the Association may begin payment of this deferred amount, and until then, all rights and interest in the deferred compensation plan remain vested with the employer.

Both the retirement plan and the deferred compensation plan were amended July 1, 1991 to allow Participants to self-direct the investment of their funds. Participants may self-direct employee and deferred contributions and earnings, and employer contributions and earnings, in which they are 100% vested. The governing board selected six Fidelity Investment funds (Magellan Fund, Contra Fund, Growth and Income Portfolio, Global Bond Fund, Intermediate Bond Fund and the Retirement Money Market Portfolio) for the investment of self-directed funds. The board continues to manage all other investments of the Plan. If no written directions are received from a participant, the participant's funds are automatically invested in the board managed assets.

Summary of financial information:	
Balance sheet date	06-30-08
	(000)
Total assets	\$ 877,600
Total liabilities	<u>410</u>
Total availability for benefits	877,190
Revenues and contributions	\$ 61,489
Expenses and benefits	<u>63,148</u>
Excess of revenue over expenses	<u>\$ (1,659)</u>

TOWN OF PAGOSA SPRINGS, COLORADO
Notes to Financial Statements
Year Ended December 31, 2008

NOTE (10) BUDGET APPROPRIATION

There was not a supplemental budget in 2008.

NOTE (11) DEFICIT RETAINED EARNINGS

The Geothermal Fund has a negative retained earnings resulting from depreciation of the system. This will not change for many years.

NOTE (12) TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities, and other specific requirements of State and local governments. The amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment. However, the Town has made certain interpretations of the amendment's language in order to determine its compliance.

NOTE (13) LEASES AND COMMITMENTS

The Town of Pagosa Springs, the Pagosa Springs Community Facilities Coalition, Archuleta County and Wells Fargo Bank have entered into a series of leases to facilitate the financing, of a multi-use community center building. They include the following:

Ground Lease Agreement

This agreement, dated May 1, 2001, is between the Town of Pagosa Springs and the Coalition. The Town has legal title to the 2.5 acre community center site. In this agreement, the Town leased to the Coalition, for a period of fifty years, this site for ten dollars a year.

This agreement, dated May 1, 2001 is between the Town of Pagosa Springs and Wells Fargo Brokerage Services, LLC. In this agreement, the Town entered into a lease purchase financing transaction through Wells Fargo Brokerage Services, LLC for consideration of \$1,717,000. This agreement is on a year-to-year basis and shall be renewable for successive periods not to exceed ten years. The Town secured this lease purchase with the 51% portion of the Community Center, for which the Town has legal title. The balance of the space was conveyed to the Coalition and the County. The Town shall pay a lease payment of \$223,682 per year.

Lease Between Coalition and Archuleta County

This agreement, dated July 17, 2001 is between the Coalition and Archuleta County. By this agreement, the County leased from the Coalition, 2,591 square feet of space in the new Community Center, including 930 feet of kitchen space.

TOWN OF PAGOSA SPRINGS, COLORADO
Notes to Financial Statements
Year Ended December 31, 2008

NOTE (13) LEASES AND COMMITMENTS (continued)

Agreement for Construction and Use of a Community Center (as amended).

This agreement, dated May 1, 2001, and amended first on June 5, 2001 and a second time on June 20, 2001, is between the Town and the Coalition. It was entered into for the purpose of providing for the construction, operation, maintenance and use of a Community Center. It states that the Town shall pay approximately \$1,700,000 of the construction costs, a CDBG Grant will amount to \$500,000, the County will pay \$124,000 and the Coalition will pay the balance. The term of the lease is fifty years.

NOTE (14) CAPITAL LEASE

<u>Long Term Debt</u>	<u>Beginning Of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
Capital Lease	\$ 1,384,990	\$	\$ 167,333	\$ 1,217,657
	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Remaining Balance</u>
	2009	\$ 179,197	\$ 57,497	\$
	2010	188,086	48,608	1,038,460
	2011	197,414	39,280	850,374
	2012	207,206	29,488	652,960
	2013	217,483	19,211	445,754
	2014	228,271	8,423	228,271
		\$ 1,217,657	\$ 202,507	\$

The Town entered into a full pay out capital lease purchase agreement with Wells Fargo on the Town's 51% ownership in the Community Center. The amount financed was \$2,145,184 and is payable at \$118,348 semi annually including interest at 4.75%.

NOTE (15) BONDS PAYABLE

Bonds payable at December 31, 2008 are comprised of the following:

General Obligation Sewer Bonds, issued May, 1977, are due in annual installments of \$15,000 plus 5% interest through 1989. The bonds were due and payable in 1989 and were paid when coupons were turned in to Pagosa Springs Sanitation. Bonds totaling \$10,000 are still outstanding as of December 31, 2008 and are currently due and payable.

A note payable to Water Pollution Control Revolving Fund in the original amount of \$640,000. Total loan is \$370,118. Note is payable in semi-annual payments of \$25,234 including interest at 4.5%.

TOWN OF PAGOSA SPRINGS, COLORADO
Notes to Financial Statements
Year Ended December 31, 2008

NOTE (15) BONDS PAYABLE (continued)

Note to State of Colorado Energy and Mineral Impact assistance program in the amount of \$15,000,000 payable \$120,364 per year at 5% interest until 2028.

<u>Year</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
2009	\$ 180,831	\$ 91,112	\$ 89,719	\$ 1,754,814
2010	170,831	85,008	85,823	1,669,806
2011	170,831	89,089	81,742	1,580,717
2012	170,831	93,368	77,463	1,487,349
2013	170,831	97,854	72,977	1,389,495
2014-2018	753,221	460,077	293,144	929,418
2019-2023	601,819	408,305	193,514	521,113
2024-2028	601,819	521,113	80,706	-
	\$ 2,821,014	\$ 1,845,926	\$ 975,088	

Net Change in Debt

<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
\$ 546,159	\$ 1,500,000	\$ 200,233	\$ 1,845,926

There are a number of limitations and restrictions contained in the various bond indentures. The District believes to be in compliance with all significant limitations and restrictions.

NOTE (16) BUDGET LAW

There was no violation of budget law.

Supplementary Information



GEOHERMAL				TOTALS			
Budgeted Amounts		Actual	Variance-Favorable (Unfavorable)	Budgeted Amounts		Actual	Variance-Favorable (Unfavorable)
Original	Final			Original	Final		
\$ 50,000	50,000	\$ 54,476	\$ 4,476	\$ 450,000	\$ 450,000	\$ 549,739	\$ 99,739
50,000	50,000	54,476	4,476	450,000	450,000	549,739	99,739
5,921	5,921	5,961		72,716	72,716	88,177	(15,461)
2,000	2,000	6,985	(4,985)	242,300	242,300	229,199	13,101
20,675	20,675	10,921	9,754	527,675	527,675	294,783	232,892
28,596	28,596	23,867	4,769	842,691	842,691	612,159	230,532
21,404	21,404	30,609	9,205	(392,691)	(392,691)	(62,420)	330,271
				750,000	750,000		(750,000)
				114,129	114,129	112,088	(2,041)
				(95,295)	(95,295)	(220,667)	(125,372)
				25,000	25,000	129,600	104,600
				9,000	9,000	43,217	34,217
				3,000,000	3,000,000	1,500,000	(1,500,000)
				(3,831,571)	(3,831,571)	-	3,831,571
				(28,737)	(28,737)	1,564,238	1,592,975
21,404	21,404	30,609	9,205	(421,428)	(421,428)	1,501,818	1,923,246
		(23,648)				(103,316)	
						200,233	
						(1,500,000)	
		651,894				3,227,028	
		\$ 658,855				\$ 3,325,763	

Other Information

SUPPORTING SCHEDULE OF COUNTIES, CITIES AND TOWNS ANNUAL
STATEMENT OF RECEIPTS AND EXPENDITURES FOR ROADS,
BRIDGES AND STREETS