

BAYFIELD

COLORADO ♦ *Where Stars Shine Bright*

**Town of Bayfield
Annual Budget
2018**

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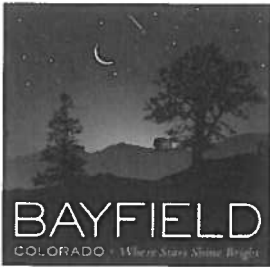
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BUDGET MESSAGE

The adoption of the 2018 Budget comes after many months of hard work from the Board of Trustees and Town staff. One workshop and a public hearing were conducted in October and November to arrive at a balanced budget. The efforts extended will assist the Town of Bayfield in preparing for its future.

One of the primary objectives that guides the Board of Trustees during the annual budget process and remains consistent over the years is compliance with statutory requirements as outlined in the “Local Government Budget Law of Colorado”. Colorado Revised Statutes 29-1-101 et. seq. and 29-1-118, require the Town, after allowing for public input, adopt an appropriation resolution establishing legal authority to expend monies. This legal authority is complemented by a detailed budget, which explains how funds will be utilized. “Colorado Budget Law” requires the Town adopt a balanced budget and charges the Board of Trustees with the duty of enforcing limits established by the adopted appropriation and budget policies. Further the law requires that the budgetary basis of accounting be clearly stated. The Town of Bayfield utilizes a modified accrual method for its budgetary basis of accounting.

Budget Highlights

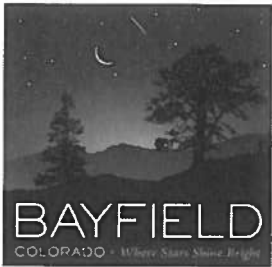
The 2018 Budget includes ten (10) separate funds: General, Capital, Sewer, Water, Garbage, Transportation, Street, Conservation Trust, SID Debt Service, and Equipment Replacement Funds.

A summary of each fund’s budgeted expenditures follows

General Fund		\$1,889,971
Capital Improvement Fund		\$352,125
Sewer Fund		\$1,038,589
Water Fund		\$993,887
Garbage Fund		\$136,035
Transportation Fund		\$500,000
Street		\$1,484,759
Conservation Trust Fund		\$42,922
SID Debt Service Fund		\$139,125
Equipment Replacement Fund		\$18,700
Total		\$6,596,113

GENERAL FUND

The budgeted revenues and transfer in to the General Fund include a 1% decrease from the 2017 Budget, primarily due to decrease in grant revenues. Additionally, the loan from the General Fund to the Sewer fund for the sewer camera was paid in full relinquishing future obligation to transfer a portion of the financial resources in from the Sewer Fund. The General Fund budget includes a flat forecast in county shared sales tax and Town sales tax collections for 2018, in comparison to estimated 2017 figures. Property tax revenue includes a 6% increase based on 2017 assessed values. Property is reassessed every two years on odd years. The three major sources of revenue (County Shared Sales Tax, 1% of the Town Sales Tax, and Property Tax) account for 75% of the financial resources in the General Fund. There are four grant revenues included in the 2018 Budget including a \$4,025 JAG Grant for a fingerprint system, \$11,000 for a CDOT DUI/Seatbelt enforcement grant, \$21,000 toward a Department of Local Affairs “Best and Brightest” Intern grant, and \$25,000 for an Energy and Mineral Impact Assistance grant for update of the comprehensive plan.



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On the expenditure side, the General Fund budget includes a decrease in staff levels by one FTE. The Program Coordinator position with the Parks and Recreation Department will not be filled. The duties of the position will be fulfilled by temporary part-time employees assigned to the specific programs. Staff intends to evaluate staffing and determine if this is the most effective and efficient means or if the Program Coordinator position is necessary. The budget also includes request for funds for town hall cleaning service. In addition to duties at the Senior Center, the Senior Service Coordinator position includes Town Hall cleaning duties. Staff intends to privately contract for cleaning services and reassign the Senior Services Coordinator to assist with parks and recreation registration and Town Hall administrative services, when not providing senior services.

The budget includes funding for one-half of the School Resource Officer (SRO) position in the Bayfield Marshal's Office. The position was grant funded for a four year period, with a 10% incremental decline in the percentage provided each year. The grant requires that the Town continue funding the position for a minimum of one year after the grant expires. The Bayfield School District has historically paid for one-half of the personnel costs for the position not covered by the grant; and executed a Memorandum of Understanding (MOU) to continue paying for one-half the personnel costs for one School Resource Officer position for one year, without the grant. The SRO program has been successful and provides a necessary service. The Town is hopeful that the strong relationship with the School District continues. The General Fund also includes expenditures for the Municipal Intern position, which is partially funded by the Department of Local Affairs through its Best and Brightest Internship Program. This is the second and final year of the internship grant funds. Staff again is hopeful that we can retain the employee in the position, but future revenues will dictate.

The 2018 budget includes less than 2% increase in employee health insurance costs, a 3% increase in general liability insurance, and a 16% increase in workers compensation. The budget includes a 2.5% budgeted salary adjustment for merit increases ranging from 1 - 2.5%. The budget also includes donations for selected community organizations.

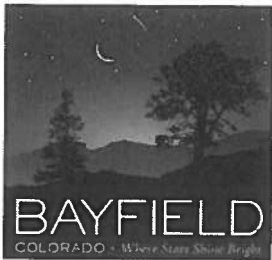
The General Fund includes \$50,000 for the remaining portion of the update to the Town's Comprehensive Plan. The \$100,000 project was started in 2017 and is partially funded through a \$50,000 Energy and Mineral Impact Assistance grant from DOLA, with the remaining \$50,000 locally matched from General Fund reserves. Additionally, the 2018 budget includes \$50,000 for a telecommunications planning effort, which the Town included as a goal in the Colorado Office of Economic Development Community Assessment. The 2018 budget also includes spend down of fund balance for bear proof receptacles in the parks and security fencing for events. Finally, the budget spends down \$1,600 in reserves, which the Town still retains from a BP America donation to the Senior Center. The Senior Board has requested that the Town use those proceeds to subsidize participation fees for senior exercise programs. Other significant General Fund expenses include dispatch, information technology, building official, and legal services.

CAPITAL IMPROVEMENT FUND

The 2018 Capital Improvement Fund budget has traditionally included the annual Town Hall debt service. Fortunately the Town retired the Town Hall debt in 2017. The 2018 Capital Improvement Fund proposes to continue funding the equipment replacement fund for future replacement of vehicles and equipment; and \$50,000 for Town Hall, which includes replacement of carpet and the placement of security glass for reception areas. Finally, the Capital Improvement Fund budget includes a transfer of \$200,000 to the Street Fund to partially assist with the Dove Ranch drainage challenges.

SEWER FUND

In the Sewer Fund, the budget includes an expenditure of \$349,265 in annual debt service for the wastewater treatment plant loan from the Colorado Water Resources and Power Development Authority (CWRPDA); \$36,547 for the debt service



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associated with infiltration loan from the CWRPDA; and \$28,838 for a transfer back to the General Fund for debt repayment for the decommissioning of the wastewater lagoons. Other significant expenditures from financial reserves include \$50,000 for update to the Wastewater Collection Plan, \$25,000 for a user rate study, \$75,000 to rebuild the Sunrise Lift Station, and \$20,000 to relocate the shop building from Gem Village to the Wastewater Treatment Plant site. No change in the rate structure is proposed, with current rate at \$49.74/ERT/month. The budget includes 35% of personnel costs for the public works department.

WATER FUND

The Water Fund budget includes expenditures of \$53,500, for water shares and ditch fees and \$25,000 for continued water rights adjudication. The budget includes \$18,697 for annual debt service, \$40,000 for treatment chemicals, \$50,000 for an update to the Water Master Plan, \$25,000 for a user rate study, and \$6,955 for the Water Fund's portion of the property and general liability insurance. The budget includes \$260,000 as a projected expense to participate in the extension of the LAPLAWD water line west of Bayfield in the Town's service area, \$25,000 for upgrades to the water treatment facility, and \$6,000 for a pump station on the Schroeder Ditch. The budget includes a significant reduction in fund balance primarily from participation in the LAPLAWD water line extension. The Water Fund budget also includes transfer of \$79,800 to the Sewer Fund to pay for plant investment fees associated with the new Water Treatment Plant discharging effluent into the sanitary sewer system. The La Plata Archuleta Water District (LAPLAWD) will also pay the Water Fund directly for its share of fees amounting to \$34,200. The budget also includes setting aside money for future projects including meters and radios, water rights, plant expansion, water tank expansion, ditch piping, and tank recoating. The budget includes 25% of the personnel costs for the public works department. No change in water rates are proposed.

GARBAGE FUND

The Garbage Fund budget includes \$136,035 in annual revenues and \$136,035 in expenditures. The Budget does not include any rate increase to the monthly garbage rates at \$11.15/residential poly cart and \$3.30 for additional poly carts. The primary expense is the contract with Transit Waste for weekly residential garbage service. There is an annual CPI increase to the contract which is estimated at 2% for 2018.

TRANSPORTATION FUND

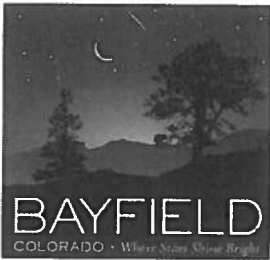
The Transportation Fund was established upon receipt of \$6,800,000 from the Colorado Department of Transportation (CDOT), through the Maintenance Incentive Pilot Program for the transfer of US Highway 160 B to the Town of Bayfield. Monies are to be utilized for transportation related expenses and are to be accounted for separately. The completion of the bridge project has significantly reduced the ending fund balance in the transportation fund. The Transportation Fund budget includes a \$500,000 transfer to the Street Fund to assist with 2018 street maintenance projects.

STREET FUND

The Street Fund was established in accordance with Ordinance 391 approved by the Board of Trustees on September 1, 2015. In addition to 1% of the Town's sales tax, the budget includes revenues legally marked for road and street maintenance including the portion of the State Highway User Tax proceeds and the portion of the County Road & Bridge Property Tax, as well as other revenues that may have some nexus with streets and roads including Specific Ownership Tax, Natural Gas Franchise Fees, Cable Television Franchise Fees, Right-of-Way fees, and Overweight Vehicle Fees. The budget also includes transfer of \$200,000 from the Capital Improvement Fund and \$500,000 transfer from the Transportation Fund to the Street Fund for 2018. Expenses include the Public Works Departments portion of street expense, that portion equates to 45% of the personnel costs, and a portion of the administration expense typically at 10%. The street maintenance project currently proposed is \$500,000 for mill and overlay of local streets including Mesa Avenue, Tamarack, Palo Verde, and Westview; \$40,000 for annual crack sealing; and \$10,000 for patching

CONSERVATION TRUST FUND

The Conservation Trust Fund was established to accurately account for the Colorado Lottery proceeds received through the State of Colorado Conservation Trust Fund program. The monies received are earmarked for the establishment and



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continued upkeep of new conservation and park areas. The 2018 budget for the Conservation Trust Fund includes \$40,000 in expenditures for Joe Stephenson and the River Bank parcel site specific planning. The budget includes \$22,460 in Energy and Mineral Impact Assistance grant funding, which was awarded in September of 2016. The budget also includes \$2,922 for playing surface treatment and materials.

SPECIAL IMPROVEMENT DISTRICT

The Special Improvement District (SID) Debt Service Fund was established to account for the receipt of revenues from a special assessment on properties in the Business Center for improvements to the Business Center. The Fund accounts for the annual debt service payments on the bonds issued for the improvements. The bonds were issued for a 20 year term in 2001, but with early payment from select properties, the Town is on track to retire remaining bonds by July of 2019.

EQUIPMENT REPLACEMENT FUND

The Equipment Replacement Fund includes proposed expenditures for vehicles and equipment. The budget includes \$18,700 for one replacement RTV for the Parks and Recreation Department. Revenues are derived from other funds through transfers and interest income.

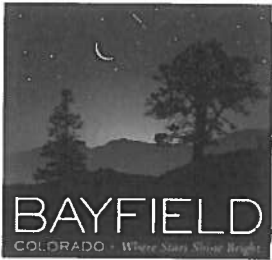
OUTLOOK

The nation's economic condition appears to have positive momentum. Southwestern Colorado continues to experience economic growth, but the decline in gas production has tempered the growth. The voters for the Town of Bayfield approved a 1% sale tax increase to help fund streets and storm water maintenance and improvements to prevent further decline. The sales tax has accumulated collections and will be a tremendous help to the future maintenance of the Town's infrastructure. Additionally, the retirement of the Town Hall Lease Purchase Agreement will further assist in providing funds for street and storm water maintenance. The Town continues to successfully leverage local financial resource with grants funds from various sources.

The Town is in relatively stable financial position, which affords the Town the opportunity to continue to provide current levels of service. Although the 2018 Budget calls for the spend down of fund balance in certain funds, the Town still holds reserves in all funds to offset any dramatic decline in revenues. The Town's most significant revenue is collections from the county shared sales tax. The sales tax collections have increased in 2017, but are not anticipated to continue to climb, as there appears to be some slowing in retail activity in La Plata County. The Town sales tax collections also increased in 2017, but at a nominal rate. While the populous continues to moves toward more on-line retail, Dollar General did construct a new store in Bayfield in 2017. It is not yet determined whether the new store brings new retail sales to the community or simply cannibalizes other retail activity, but the additional commercial development is a positive step for the Town.

Development has not returned to the pace of the early 2000's, but there has been significant positive growth in the single family residential market. Commercial construction activity improved in 2017 with construction of the new retail store and additional flex space in the Bayfield Business Center. Tailwinds Nutrition continues to experience exponential growth in manufacture of a growing sports drink product for endurance athletes and was named a Colorado Company to watch. Mexican Tile Design also continued growth with on-line sales.

Better broadband connection is now a possibility from the installation of a fiber optic backbone in the Town of Bayfield. The Town is exploring the leveraging of those assets with private providers and evaluating further expansion. The Town replaced two bridges on Bayfield Parkway, which included pedestrian facilities on, under and proximate the bridges.



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The Town also replaced water filter media in the existing water treatment plant, completed a park, open space, trail and recreation plan, completed a wayfinding signage plan, and began updating the Comprehensive Plan.

As evident in the 2018 Budget, the Town continues to spend significant resources and effort to address infrastructure needs. For 2018 the Town will continue street maintenance to prolong the life of the streets and participate in the extension of a water line to Gem Village.

The future is bright for Bayfield, and the 2018 Budget is prepared to assist the Town in providing those necessary services required of a fully functioning municipality.

Sincerely,

Chris S. La May

Town Manager

General Information

HISTORY

There are many theories as to where the earliest inhabitants of the Pine River Valley came from, but the most accepted theory seems to be that they were nomadic hunters from Asia known as "The Folsom People", named for an archeological find near Folsom, NM. These ancient tribes were said to have crossed the Bering Strait when the Ice Age had created a land bridge and traveled throughout most of the western part of our continent, and eventually migrating down into what is now Colorado. Little record exists of the habitation of these ancient desert people except for proof of their beautiful stone tools and links of ancestry to the Anasazi Indians, a very civilized tribe, small of stature, who forged and farmed the Western Slope of the Rockies.

Eventually, European Explorers would initiate many changes upon the American Indian during the 1500's. There are records of many adventurers who came to make their fortune in the Southwest, but the first were probably the Spaniards who embellished intriguing stories of abundant gold and silver. In 1540, Francisco Coronado and his contingency of 250 armored soldiers pressed northward from Mexico to verify these persistent rumors of treasure. Francisco Coronado and his men ruthlessly pillaged Indian pueblos along the way.



Coronado and his men marching thru Mexico

Coronado's soldiers records didn't make mention of problems with any "Ute" Indians during their travels, but stories of attacks by the dark-skinned "Uticahs" were widely circulated among the Spaniards during trading with the Plains Indians

in the early 1600's. About 80 Uticahs were eventually captured and punished for horse thievery by means of slave labor in Coronado's gold and silver mines. Eventually, the brutal treatment and extremely difficult working conditions would result in many deaths among the captives. The Spaniards attempted to round up more Uticahs to replace the increasing numbers of slave deaths, but they were hampered drastically in their attempts as their wily adversaries had become very skilled riders on their stolen Spanish ponies. The slave hunters resolved to focus on the more docile "Plains" and "Navajo" tribes for their slave trade and by the late 1600's, the Spaniards had begun trading horses with the Uticahs in return for slaves from other tribes. This led to Spanish ponies being distributed throughout the Southwest.

The lure of riches continued to bring in Spanish and French explorers during the 1700's. Although the different Indian tribes that inhabited the area were not pleased to see these white invaders, they established a much more respectful relationship with the French. These friendships would eventually lead to the establishment of trading posts deep in Indian territory and increasing animosity between the Spanish and French settlers. In 1799 a French Canadian mining expedition journeyed into present day Southern Colorado where they joined a band of Capote Ute, saving them from a certain slaughter at the hands of a much larger force of Comanche. In return for their help, the natives led the expedition to the summit of the Continental Divide near Wolf Creek Pass, where they did in fact, hit some big strikes near Summitville and the east side of the San Juan River. Hunting details from these mining sights were said to have traveled westward to the heights above Pagosa Springs and Vallecito during leaner years caused by drought.

By the 19th Century, word of great treasures in the new world had spread throughout Europe sparking wide-spread interest in the Rocky Mountain Regions. More and more people would venture westward, enjoying the plentiful farmlands and following the lure of great riches. Railroads were built across the continent to move

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HISTORY

people, supplies and equipment to new locations and before long the “Wild West” was tame. The exciting news of seemingly endless discoveries of gold and silver during the 1870’s sparked a rush of greedy prospectors and various mining companies toward what is now Denver, into the San Juan’s, and all the way down to the present day Durango area.



Mill Street Celebration circa 1910

The end of the American Civil War and the “Homestead Act” of 1862 caused many released soldiers and wandering souls from the east to drift west, and soon many found their way to the Pine River Valley area. The area, however, was still a part of the Ute Reservation. Many white settlers were moving onto the Ute land but, unlike the explorers, they didn’t just come for a while and then move on; they came and began farming, ranching, and setting up stores to furnish supplies for even more settlers. Confrontations were plentiful. The Indians were being crowded out and finally, the Bruno Agreement, an unfair treaty reached in 1873, dishonestly imposed more hardships on the natives and cut their territory even further. Chief Ouray skillfully negotiated on the part of the Southern Utes to retain their last remaining piece of land in Colorado



Ute Chief Ouray

As settlers continued to venture in, ranches sprang up along the edges and bottom of the wildest part of the valley where the rivers actually join, and other ranches were located up both of the individual rivers. Other people chose to settle down on the area below where the rivers combined, which was known as the Los Pinos or “Pine River”. These hardy settlers were soon followed closely by a number of others. The original settlement in the Pine River Valley was named Los Pinos and it consisted of approximately fifteen families. The first settler who had claimed to be in the Pine River Valley was John Taylor, who arrived sometime between 1871 and 1873.

Bayfield was originally a ranching community that was homesteaded by George Morrison and later sold to R.C. and Clarence Hensley. In 1894, it was sold to William A. and Laura E. Bay from Missouri who settled where Bayfield itself is situated. Their original home still stands at 225 Pearl Street (the street being named after Mr. Bay’s daughter).



Bayfield Store & Post Office circa 1890

Feeling that the area needed a supply town, the Bays would donate eighty of the original acres of land in April of 1898 for the Town to be laid out. A second family, the Schiller’s, also donated land in April of 1898 to the Town. This acreage was later incorporated on August 18, 1906 with long time resident George Wheeler as its first mayor. It became the trading and social center for the farmers and ranchers in the Pine River Valley. The first newspaper, The Bayfield Blade was published

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by Dan Eggar and in its' many reports are found the stories of Bayfield's heritage.



1st Mayor George Wheeler

The Town received its name after a flip of a coin between Mr. Bay and Mr. Schiller. Mr. Bay won the honor of naming the community and thus the name of Bayfield was established. If Mr. Schiller had won, the town would have been called "Schillerville". Bayfield co-founder Warren Schiller appears to be the original owner of property which would eventually become the first restaurant in town in 1898 when he leased the property to F. M Anderson. Mr. Anderson was reported to have hosted gambling and sold liquor in his establishment with neither of these activities believing to have been licensed. The property would change hands several times, eventually being purchased by Jack Glenn who began a grocery and dry goods business that would last for some 25 years.



Glenn Brothers Store circa 1911

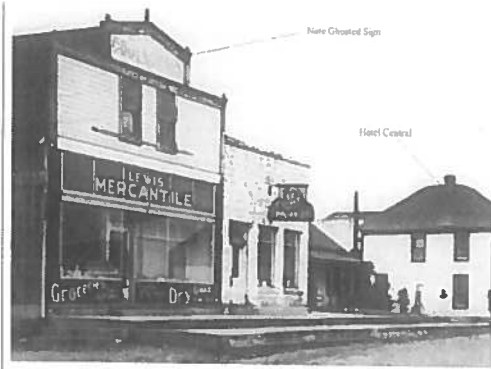
On December 23, 1899 H.C. Schroder bought a sizable section of land, on the south side and west end the "main street", building the first mill in the community and likely also providing the district's street name: Mill Street. Mill Street remains the main street in downtown today. Mr. Schroder would also build his residence and a store on the northern part of the property, eventually selling the mill to Dr. Newland and Mel Springer who formed The Newland & Springer Mercantile & Milling Co. The mill and mercantile would change hands many times through the years eventually housing businesses such as a pool hall and a liquor store within its walls.

As with most settlement communities, Bayfield would have an early establishment of churches. The Calvary Presbyterian Church of the Pine River was organized on March 6, 1898. It would be joined by the Free Methodist Church organizing on June 25th, 1897 and the Union Church incorporating in 1901. These churches would provide homes to a variety of denominations, and had memberships that would fluctuate significantly over time. The economic base of the Pine River Valley was agriculture, ranching, and lumber production prone to significant market fluctuations. Another of the first businesses in the future Town of Bayfield was a general store established in 1900 by the Coulson Brothers. The brothers operated a very successful enterprise until 1912 when a new owner purchased the stock of goods and leased the store building, warehouse, elevator and lumber yard, some of which was across adjoining Pine Street. The new firm was called the Bayfield Mercantile, Co. and it operated from 1912 until the late 1920's. The brothers continued to own the property, returning to run a general merchandise store during the Depression, and eventually selling the land in 1944. Cecil Lewis purchased the business and changed the name to Lewis Mercantile. The business remained in operation as a food market until as late as 1959

General Information

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when two-thirds interest was sold to Esther and C.J. Moberly and a one-third interest to Glade E. Stowell. The business continued to operate under the Lewis Mercantile name on this site until 1977, possibly 1979, when the business was moved to a location on the north side of US Highway 160. The building remained and was operated as a Shur-Value Food Market until 1984 by Mr. Stowell.



Lewis Mercantile circa 1945

Another town resident, Marion Drury, acquired the lot at 11 W Mill Street where he built his blacksmith shop. This lot was sold in 1914 to L.E. Jenkins who erected a stone building and established the Bayfield Drug Store. The drug store would remain for several years, changing its use from groceries, to a meat locker, to a creamery, to a five and dime, to an antique store and eventually in 1978 to the Bayfield Town Hall building.

In 1904 the first doctor, Dr. Ellis W. Newland opened an office in Town. Dr. Newland built his home in Bayfield, arriving in 1900 and over the years he would own several pieces of property in the town. Dr. Newland is credited with caring for cases of diphtheria and a typhoid fever epidemic as well as owning the first automobile in Bayfield. The growing community felt it was time to build a dedicated school and land was purchased in 1906 from town co-founder Warren Schiller for \$400. Prior to the construction of the first school, students gathered in places like the Union Church and the Woodmen of the World Hall. In 1906-1907 the local school district constructed the first school within the town limits of the newly incorporated Bayfield. The school was a wood-frame two-story

building with two classrooms on each floor. The high school was located at the top with the lower level being used for the elementary grades. Due to overcrowding, in 1923 a new high school was completed and the State of Colorado approved a Standard School in Bayfield in 1923. Many additions and changes have occurred to the first building and in 1946, Bayfield decided it needed a meeting place for citizens and a building where the youth could engage in athletics. Up to this time, many such community events were hosted in the large room above Akers Garage, on Mill Street. A fundraising committee was formed to build the new gym, and in a true community effort after much fundraising, donated material and labor, the gym was completed in 1948. The area of the first school as well as the gym are still included in the Bayfield School District properties today.

In 1910 F.A. Irwin, William Glassner, and W.A. Bay incorporated the Farmers and Merchants Bank in Bayfield. In 1911 the Corporation constructed a building to house the business at 15 E Mill Street where it stayed until it apparently went bankrupt in 1924. The building housed many organizations to follow, eventually becoming the home of a free public library established by the Bayfield Study Club around 1934. The front portion of the building was rented to the US Post Office. Originally the first mail was delivered by Pony Express to the Los Pinos post office whose name was later changed to the Bayfield Post Office. Progress came to Bayfield after its 1906 incorporation, and by 1910, the building at 105 W Mill Street owned by the Coulson Brothers would house the telephone exchange for Bayfield. Mrs. Ware was in charge and the pay station from the post office moved to this location. The building would operate as the telephone exchange into the late 1930s or early 1940's.

In 1911, a wood frame hotel owned by Joe Cudney was constructed and was aptly named "Hotel Central". The hotel was in operation by various proprietors until 1929. Sometime between 1917 and 1919, a garage was constructed at 17 W Mill Street where it subsequently burned. The garage owned by F.

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Akers and L. Jenkins, was rebuilt with two stories housing a dance hall, auditorium, high school basketball court and meeting place on its' second floor. The building still bears a faint painted sign on the outside, stating "Akers Motor Co. Garage."



Akers Garage circa 1922

In October of 1911, a flood washed out part of the town of Bayfield. There was much debate over water rights and how to delegate such rights so as to meet the needs of ranchers both in the upper and lower Pine River Valley. After the June and September floods of 1927 washed out several bridges and caused terrible damage, it was generally agreed upon that something had to be done to solve the water shortage problem as well as flood control. After years of studies and meetings, a plan was successfully negotiated and the "Pine River Project" was drawn up and signed by President Franklin D. Roosevelt on June 17, 1937. A dam and reservoir were built, further helping shape the face of Bayfield.

The Town of Bayfield is still home to a variety of the old business and home locations including the W.A Bay house where town co-founders William and Laura Bay raised their three children, the H.C. Schroder House where one of the earliest settlers to the Pine River Valley built his home, and the Dr. E. W. Newland House said to have been run as the first hospital in Bayfield. After more than 100 years, Bayfield is still at its' heart a traditional neighborhood with a strong sense of community.

General Information

Size & Location

The Town of Bayfield is a small municipality located in the eastern part of La Plata County in Southwestern Colorado. It is located about 18 miles east of Durango and 50 miles west of Pagosa Springs on Highway 160. The Town was incorporated in 1906 and boasts a population of 2573. The San Juan Mountain range is located to the east and the La Plata Mountains loom to the west. Closer to the Town is the HD Mountain Range, where many residents like to escape for hikes and peaceful outdoor experience. Nestled in the Pine River Valley next to the Los Pinos River at an elevation of 6900 feet, Bayfield offers the best of all worlds with mountain ranges on two sides and spectacular desert landscapes on the other two.

Climate

The climate of Bayfield boasts moderate temperatures and low humidity year round. Lots of sunshine make the winter days seem mild and comfortable. Most of the snowfall occurs from January through March. The elevation of 6900 feet contributes to the well-defined seasons. The average rain fall is 20 inches per yer and snowfall is 108 inches. The Town has about 269 days of sunshine per year and the July high is around 84 degrees. Because of Bayfield's proximity to both the desert and mountain landscapes, residents can choose to spend a day on renowned ski slopes, or enjoying an afternoon hike at the abundant maze of trails offered nearby.

Population and Household Growth

The Town of Bayfield is located in the eastern portion of the highly sought after La Plata County. The 2016 census reported an increase of 273 residents from 2010 and an increase in housing units of 369 between 2000 and 2010. Since 2010, Bayfield's population continues to grow at a moderate pace, 1.8% per year. There was a significant increase in both families (25-34 year olds with dependent children under age 9)

as well as non-family households (over 55 population of empty nesters) from 2000 to 2010. La Plata County, where Bayfield is located, is expected to show brisk growth between 2015 and 2025. The largest amount of this growth is forecast for those between 70 to 79 years of age. Working age adults in all age groups, except for 50 to 59 are also projected to see increases. In-migration to the county will be driven by the need for replacement workers for older adults aging out of the county's current labor force and also to meet the demand for jobs driven by the increasing population. Due to the forecast growth in working age adults, there is also growth in the number of children. This mirrors the growth of family households.

Age Distribution

The 2010 Census reports the Town of Bayfield's median age as 34.1 years with 8.3% being in the 5 to 9 year age range reflecting the influx of working age adults who have started families in the recent years.

Education

The Town of Bayfield has a higher share than the state of its population with high school diplomas at approximately 28% for the 25 and older age groups. Additionally, the Town has approximately 23% of the same population who have obtained a bachelor's degree or higher.

Household Incomes

Reflecting the "bedroom community" function as well as the limited presence of low income and rental housing, the Town of Bayfield income distribution shows that Bayfield has a smaller share of households earning between \$10,000 and \$39,999, than the state and a much larger share of households earning between \$50,000 and \$125,000, than the state. The median household income estimate in 2016 was \$64,087.

General Information

Employment and Commuting

Commuting plays an important role in the economy of the area because not all workers live where they work. This is very true for the Town of Bayfield where a majority of the workforce commute to surrounding areas for their employment. "The LEHD On the Map, 2016" showed that just over 11% of the jobs in Bayfield are held by residents and 89% of the jobs are held by people who live outside the town. Considering Bayfield's labor force, about 8% work in Bayfield and roughly 92% are employed outside of the town.

Miscellaneous Statistics

❖ The Bayfield Marshal's Office consists of 8 sworn officers, 1 marshal, 2 sergeants, 4 deputies, and 1 investigator. Additionally one of the deputies serves in the capacity as the School Resource officer and the department has a full time administrative assistant on staff. All of the members work from the Bayfield Marshal's Office located adjacent to the Bayfield Town Hall. The Marshal's office fleet includes 6 marked patrol vehicles, 1 unmarked patrol vehicle, 1 utility trailer and 1 search vehicle. The Town of Bayfield is an exceptionally safe town and enjoys a very low crime rate.



❖ Bayfield has a water fund that supports 15.5 miles of water distribution lines serving the Town and its residents. Current treatment capacity is 1.3 million gallons per day and a recent partnership with La Plata Archuleta Water District has produced a plant expansion to further serve needs of residents located further from town.

The Town of Bayfield took over the Bayfield Sanitation District at the beginning of 2007 and now controls and maintains the Bayfield Wastewater system and the Gem Village Wastewater System. The Town recently built a fully mechanical Wastewater Treatment Plant that treats approximately 600,000 gallons of sewage per day.

❖ The Town's drinking water comes from the Pine River and is treated and maintained by the Town of Bayfield Public Works Department. The water plant operation requires a Class A license and the department currently employs a Class A operator and a Class B operator on staff for the day to day operations.

❖ The Town of Bayfield's Parks and Recreation Department maintains and runs 6 parks in the town limits. Structures for events, ball fields, open space, biking and walking paths, playground equipment, and a skateboard park are just a few of the available amenities for town residents. Additionally, the Parks and Recreation Department is responsible for the running of several youth and adults sports programs including Flag Football, Spring and Fall Soccer, Basketball, Volleyball, Coed Indoor Soccer, Coed Volleyball and Softball. An estimated 1031 youths participated in sporting programs in 2016.



❖ In 2017, the Town of Bayfield began working to produce a Comprehensive Land Use Plan as well as a completing a Parks and Recreation Master Plan in order to help plan for the future growth and needs of its residents.

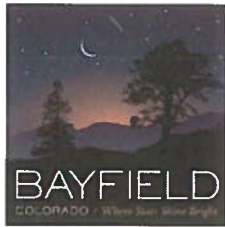
❖ The Town of Bayfield maintains and serves its residents with a local Senior Center and food bank. The Senior Center is staffed by 1 full time

General Information

Miscellaneous Statistics

employee and is open 3 days a week providing meals, games, informational resources, and exercise classes to it's members. The food bank is open daily 8-5 and is located within the Town Hall building.

- ❖ In 2016, the Town of Bayfield contracted with Avant Marketing to produce a new logo and tag line for the Town, updating and refreshing the Town image. "Where Stars Shine Bright" was selected and is being integrated into the Town's work including upcoming plans for new wayfinding and location signage in 2018 and beyond.



- ❖ There are 4 schools located in the Town of Bayfield 1 high school, 1 middle school, 1 elementary and 1 primary school. Bayfield Early Education Programs (BEEP) offers quality early childhood education for children ages 3 to 5 and there are 2 choices for higher education within a 30 miles radius to the Town.
- ❖ The Lavenia McCoy Public Library or Pine River Library which was founded in 1930 as the Bayfield Study Club and was formally formed into the Pine River Public Library District in 1972 is located in the heart of the expanded business district and boasts a large community room, 45 public computers, 2 smaller meetings rooms, a children's imagination room, and a community garden in addition to it's almost 40,000 items. The library was awarded the Best Small Library in America in 2014 by the Library Journal.



- ❖ There are many recreational opportunities just miles from the Town of Bayfield. Vallecito Lake is just 10 miles north and Navajo Lake is 18 miles southeast. Both lakes are a short half hour drive and offer recreational, boating and fishing opportunities. The Weminuche Wilderness, San Juan National Forest, and Bureau of Land Management lands surround the Town on almost all sides providing hiking, backpacking, camping, snow shoeing, cross country skiing and hunting opportunities at various times throughout the year. Wolf Creek Ski Area is 1 ½ hours to the east and Purgatory Resort is about 1 hour north as well as the San Juan National Forest providing downhill and cross country skiing opportunities within a few minutes of Bayfield. Mountain biking, river rafting, rock climbing, hiking, fishing, and many other activities make Bayfield extremely popular with outdoor lovers.

- ❖ The Pine River Heritage Museum was founded in 2003 by a group of local pioneers and in December 2010 the Pine River Valley Heritage Society opened its doors in the Town of Bayfield's historic downtown on Mill Street. The museum's mission is to collect, preserve, protect and interpret the history and heritage of the Pine River Valley.



Cultural Opportunities & Events

There are many cultural activities and events both in and around Bayfield. The Town itself celebrates during the year with four main activities: The Spring Fling celebration with an Easter egg hunt, 5K and other festivities; The Fourth of July parade and fireworks; Heritage Days and Sheep Trailing in the fall with a parade, BBQ dinner and sheep moving; and the Olde Fashioned Christmas with visits from Santa, chili, cookies and lots of activities for the kids. Just

General Information

18 miles west of Bayfield is Durango which has a large variety of cultural activities including movies, plays, music festivals, restaurants, the Durango-Silverton Narrow Gauge Train and Train Museum, the Diamond Circle Melodrama, Bar-D Chuckwagon, a river walk, an arts center and a few museums.



Organization

The Town of Bayfield is a statutory town, regulated by state statutes. The Town operates with a council-manager form of government creating the Town's legislative and governing body. The Town Board consists of the Mayor, elected to serve a four-year term and six trustees whom are also elected to serve four-year terms and are required to be Town residents. This form of government operates with the Town Board of Trustees as the policy body and the Town Manger as the Chief Executive-Administrative officer of the town government. The Board provides legislative direction while the manager is responsible for the day-to-day administrative operations of the Town based on the Board's direction.

The Town Board appoints a town attorney, a municipal judge, and several members to separate boards and commissions to administer and advise on the operations of certain services.

The Town Manger is responsible for hiring and supervising Town employees, including the Public Works Director, the Finance Director, the Town Clerk, the Parks and Recreation Director and the Bayfield Town Marshal.

Services

The Town provides a full range of local government services including police protection, municipal court, planning and zoning, building permitting, finance, general administration, street and road maintenance, public improvements, parks and recreation, and utility services.

Resources:

Sperlings Best Places –

www.bestplaces.net/climate/city/Colorado/bayfield

Colorado Travel News –

<https://dino3535.wordpress.com/Bayfield-vallecito-lake-history/>

www.census.gov

Bayfield Historic Walking Tour Cultural Histories research by Nik Kendziorski, M.A.

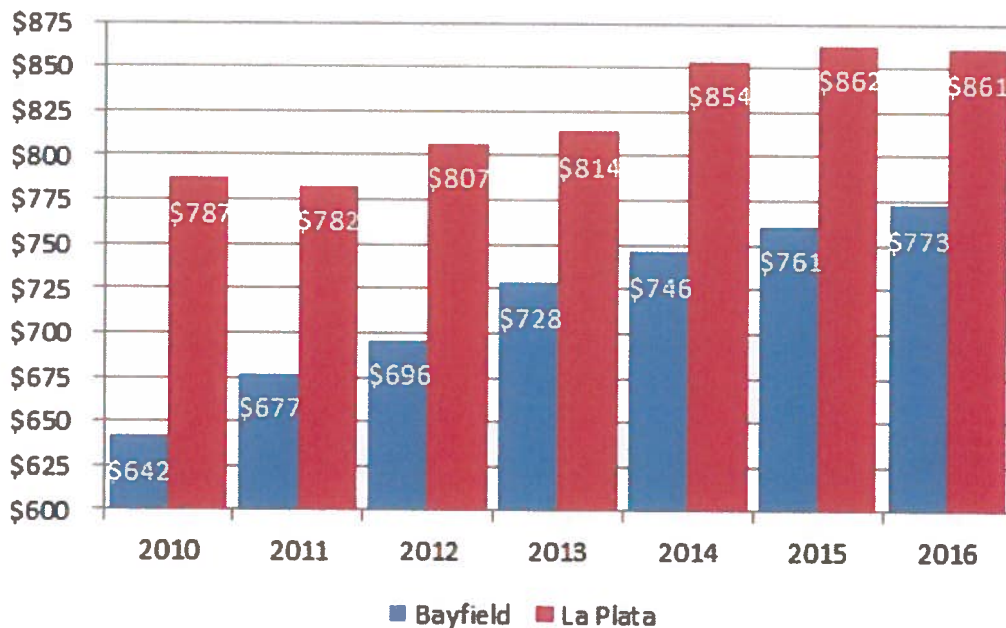
www.bayfieldgov.org

Colorado Department of Local Affairs Bayfield Demographic and Economic Profile 2017

General Information

Principal Job Industry Shares			
Sector Name		Bayfield	La Plata
Agriculture		0.7%	2.8%
Mining		2.6%	2.2%
Utilities		0.3%	0.4%
Construction		15.7%	10.2%
Manufacturing		60.0%	2.3%
Wholesale Trade		4.8%	2.0%
Retail Trade		13.2%	10.6%
Transportation & Warehousing		0.7%	2.1%
Information		1.1%	1.6%
Finance and Insurance		1.7%	3.2%
Real Estate and Rental and Leasing		2.1%	3.8%
Professional and Technical Services		4.3%	6.3%
Management of Companies		0.5%	0.2%
Administrative and Waste Services		7.7%	3.8%
Educational Services		0.1%	1.6%
Health Care and Social Assistance		3.6%	11.2%
Arts, Entertainment, and Recreation		0.2%	3.6%
Accommodation and Food Services		9.2%	9.9%
Other Services		3.0%	5.1%
Government		27.9%	17.1%

Average Weekly Wage

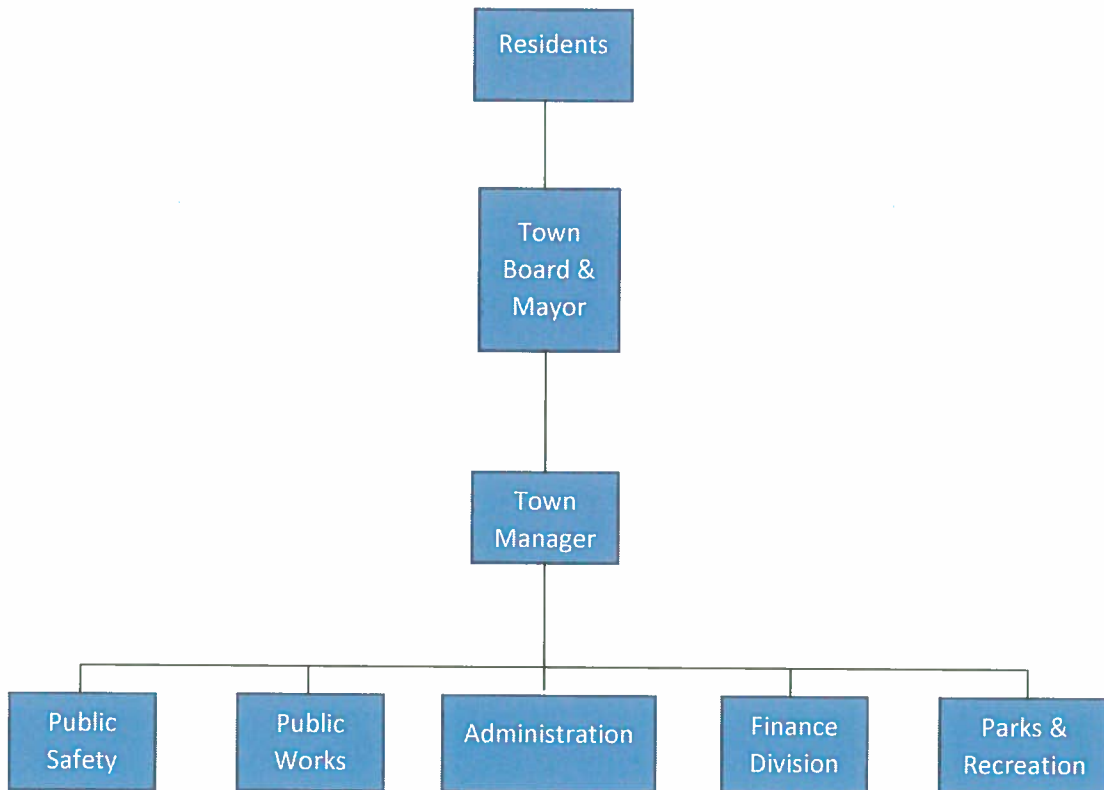


Community Vision

Bayfield is a safe, livable community, with a small town feel striving to become a multigenerational, diverse community that maintains its values while progressively pursuing ongoing sustainability of economic resources, natural resource stewardship and livability. We are committed to the promotion of a vibrant business community balanced by recreational and educational opportunities in order to foster a unique and complete community for future generations.

TOWN OF BAYFIELD

Organizational Chart



**TOWN OF BAYFIELD
ELECTED OFFICIALS
2018**

TOWN BOARD

Matthew Salka
Michelle Yost
Jordan Pierce
Kristen Dallison
Brenna Morlan
Matthew Nyberg
Kelly Polites

Mayor
Mayor Pro-tem
Trustee
Trustee
Trustee
Trustee
Trustee

TOWN OF BAYFIELD
Executive Officers
2018

Kathleen Cathcart

Town Clerk

Erin Dunavant

Director of Finance

Ron Saba

Director of Public Works

Joseph McIntyre

Marshal

Rebecca Eisenbraun

Director of Parks & Recreation

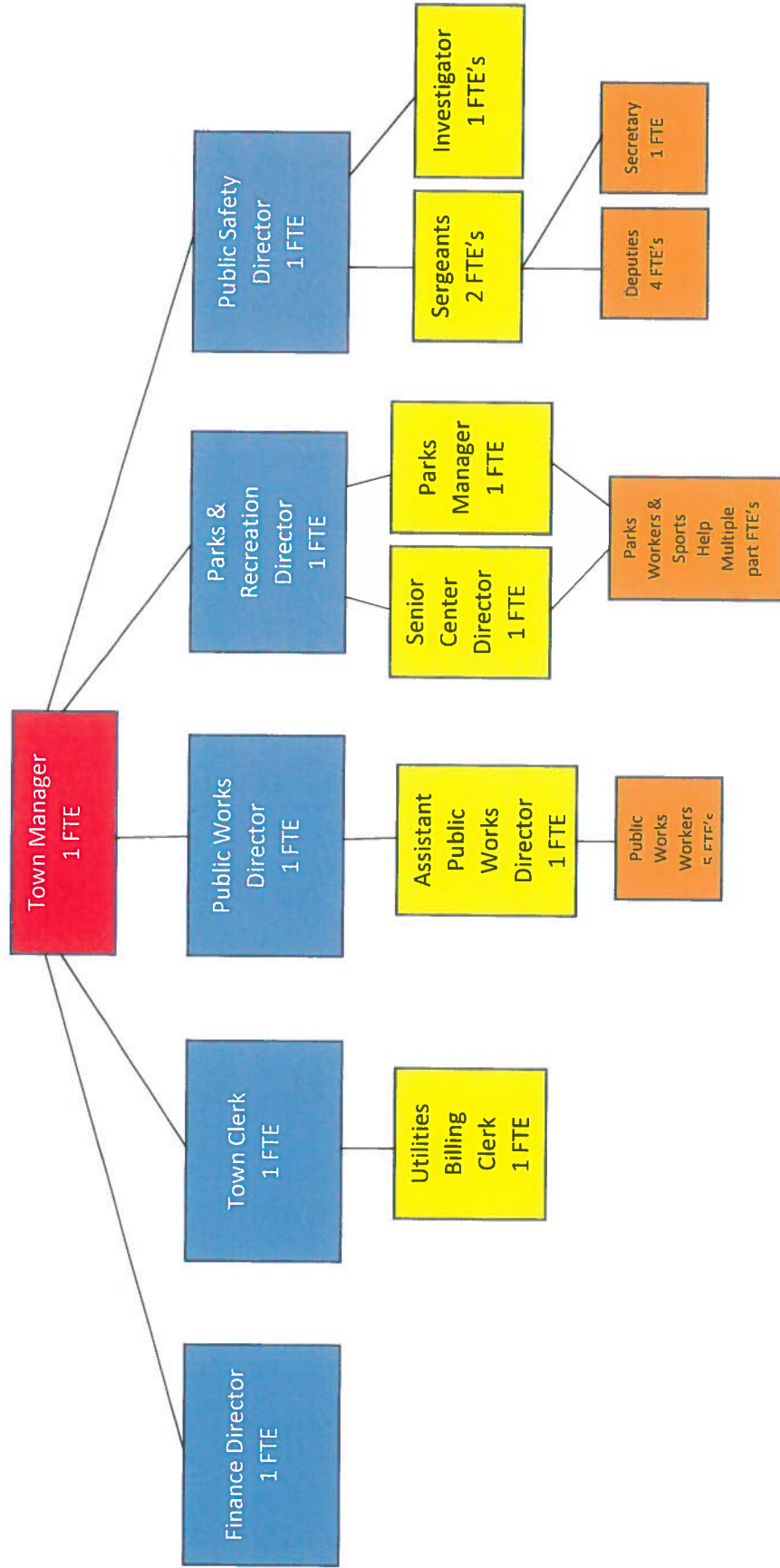
Jeffrey Robbins

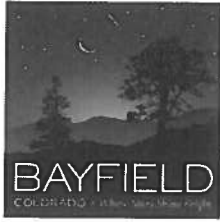
Town Attorney

James Casey

Municipal Judge

Town of Bayfield FTE's By Department





TOWN OF BAYFIELD BUDGETARY PROCESS

The Town of Bayfield budgetary process begins in June of each fiscal year. The Finance Director prepares budgeting forms for each fund consisting of the line item, requested amount of funding, and space for explanations of changes in the budgetary request year to year. In addition, these forms are then given to the appropriate Department Head to compile their expenditure/expense needs along with any unexpected/unusual revenues. The Finance Director also provides forms related to singular capital expenditure requests and personnel position request forms to each Department Head. The forms must be returned to the Finance Director by July 31st.

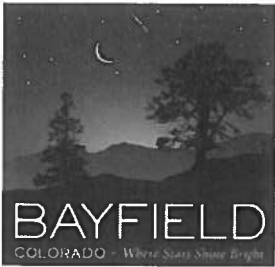
ANNUAL OPERATING BUDGET

All Department Heads are asked to carefully review their current operating budgets and to anticipate any future requirements for the next fiscal year. The intent of the budget is to retain the current level of services provided to Town citizens, taking into account increased rates of materials and supplies, as well as increases necessary to fund Federal, State, or Local mandates. Any request for new personnel carry an expectation of a departmental staffing plan with explanation of the duties, need, and cost estimate for the additional position. Single capital expenditure requests require 3 price quotes for items equal to or exceeding the \$5000 mark and explanation of need and plan for use for all items. Once the Department Heads have completed their individual budget forms, personnel request forms, and capital expense forms, they are turned into the Finance Director who then compiles a preliminary budget document including the previous year's final audited numbers, the current year's budgeted numbers, the current year's amount spent to date, the remainder of the current year's budget, the estimated final spending for the current year, the requested amount for the upcoming fiscal year, one time capital outlay requests for the upcoming fiscal year, and the final total for the upcoming fiscal year. Additionally, the Finance Director advertises in the local paper and on social media for Non-Profit funding support requests from local agencies wishing to be included in the upcoming fiscal year budget. The proposed numbers are included in the preliminary budget.

TOWN MANAGER/FINANCE DIRECTOR REVIEW

Once the preliminary budget is completed, the Town Manager and the Finance Director schedule time to prepare the revenue estimates for the upcoming year. This item is generally

completed in late August after the Certification of Valuation is received from the county. After the revenue projections are completed, the Town Manager and the Finance Director begin a review of the requested expenditure/expense needs of each fund. The Finance Director has extensive records of the past spending on operating expenses such as fuel, electricity, water and sewer usage, garbage disposal, and postage. This information is used to make educated estimates in costs for the current year end as well as the new fiscal year. State statues requires that the Budget officer must submit a proposed budget to the governing body no later than October 15th. Additionally, the governing body must publish a "Notice of Budget" upon receiving the proposed budget.



OVERVIEW OF FUNDS

Each individual fund is a separate accounting entity having its own assets, liabilities, revenues, and expenditures. Town financial resources are allocated to and accounted for in individual funds based on legal or administrative restrictions or requirements.

- **General Fund**

The General Fund (010) is the Town's operating fund - the general purpose fund. It is used to account for all financial resources except those that are required to be accounted for in other funds.

It contains expenditures such as support services, Town Manager, Town Clerk & Finance, Public Safety, Parks and Recreation, and Police Pension.

- **Capital Improvement Fund**

The Capital Improvement Fund (040) is for the revenues and expenditures associated with the acquisition or construction of major capital expenditures, except those paid for by enterprise funds.

- **Enterprise Funds**

Enterprise funds are created to deliver specific service that are usually funded by user fees or charges.

The Sewer Fund (030) is for the operations of the Wastewater Treatment and Collection System.

The Water Fund (050) is for the operations of the Water Treatment Plant and Distribution System.

The Garbage Fund (060) is for trash collection services.

- **Transportation Fund**

The Transportation Fund (070) is used to account for financial resources related to transportation. This fund was started with the transfer of monies from the Colorado Department of Transportation for the devolution of US Highway 160 B (Bayfield Parkway).

- **Street Fund**

The Street Fund (071) is used to account for financial resources related to streets and storm water. The fund was created in 2016 upon a 1% voter approved Town Sales Tax.

- **The Conservation Trust Fund**

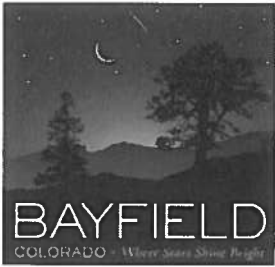
The Conservation Trust (020) fund holds lottery proceeds that are distributed to the Town on a per capita basis. These funds are restricted in their use for new park and conservation sites or maintenance of such.

- **Special Improvement District (SID) Debt Service Fund (011)**

The Town is a pass-thru for the assessments that are paid by property owners of the Special Improvement District (SID) in the Bayfield Business Park. Assessments are collected by the County Treasurer and distributed to the Town of Bayfield who pays the interest and principal on the bonds for the SID infrastructure.

- **Equipment Replacement Fund**

The Equipment Replacement Fund (090) was created in 2009 to set aside funds on an annual basis for the acquisition of vehicles and equipment. The amount set aside is based on the estimated life of the asset plus a percentage of the estimated replacement cost.



SUMMARY OF DEBT BY FUND

Sewer Operating & Capital Fund

Description: Colorado Water Resources & Power Development Authority Water Pollution Recovery Fund Loan (WPRF)

Date of Origin: 8/1/2007

Amount: \$4,780,000

Date of Retirement: 8/1/2028

Annual Payment: \$343,165

Description: Loan from General Fund for Lagoon Decommissioning

Date of Origin: 7/5/2013

Amount: \$475,038

Date of Retirement: 7/24/2032

Annual Payment: \$28,838

Description: Colorado Water Resources & Power Development Authority for Infiltration

Date of Origin: 2/22/13

Amount: \$600,000

Date of Retirement: 11/1/2033

Annual Payment: \$36,547

Water Operating & Capital Fund

Description: Energy Mineral Impact Assistance Loan (DOLA)

Date of Origin: 9/1/2003

Amount: \$233,000

Date of Retirement: 9/1/2022

Annual Payment: \$18,697

Special Improvement District (SID)

Description: Special Revenue Bonds

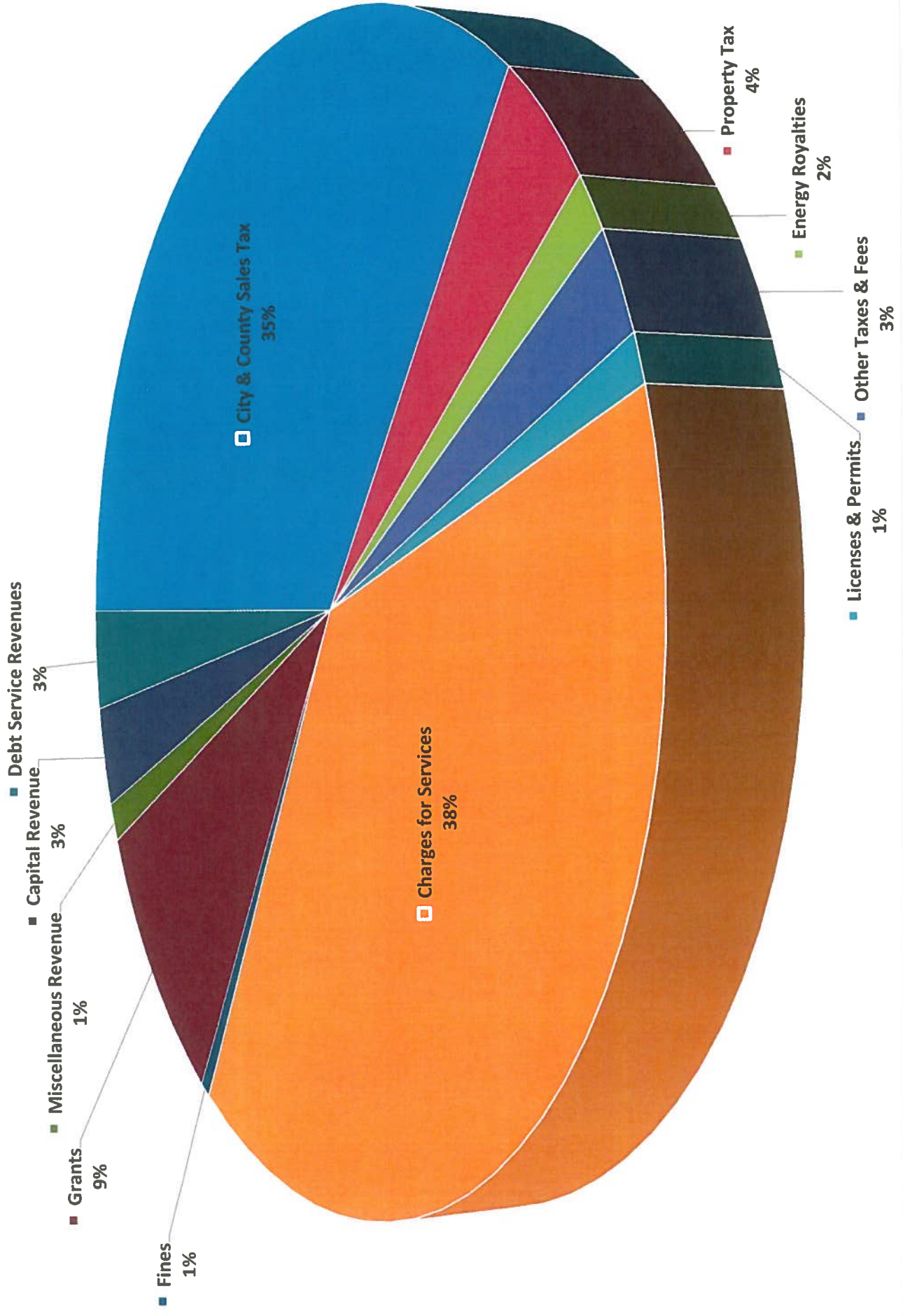
Date of Origin: 5/1/2001 *Rate Adjusted 10/1/2003

Amount: \$1,700,000

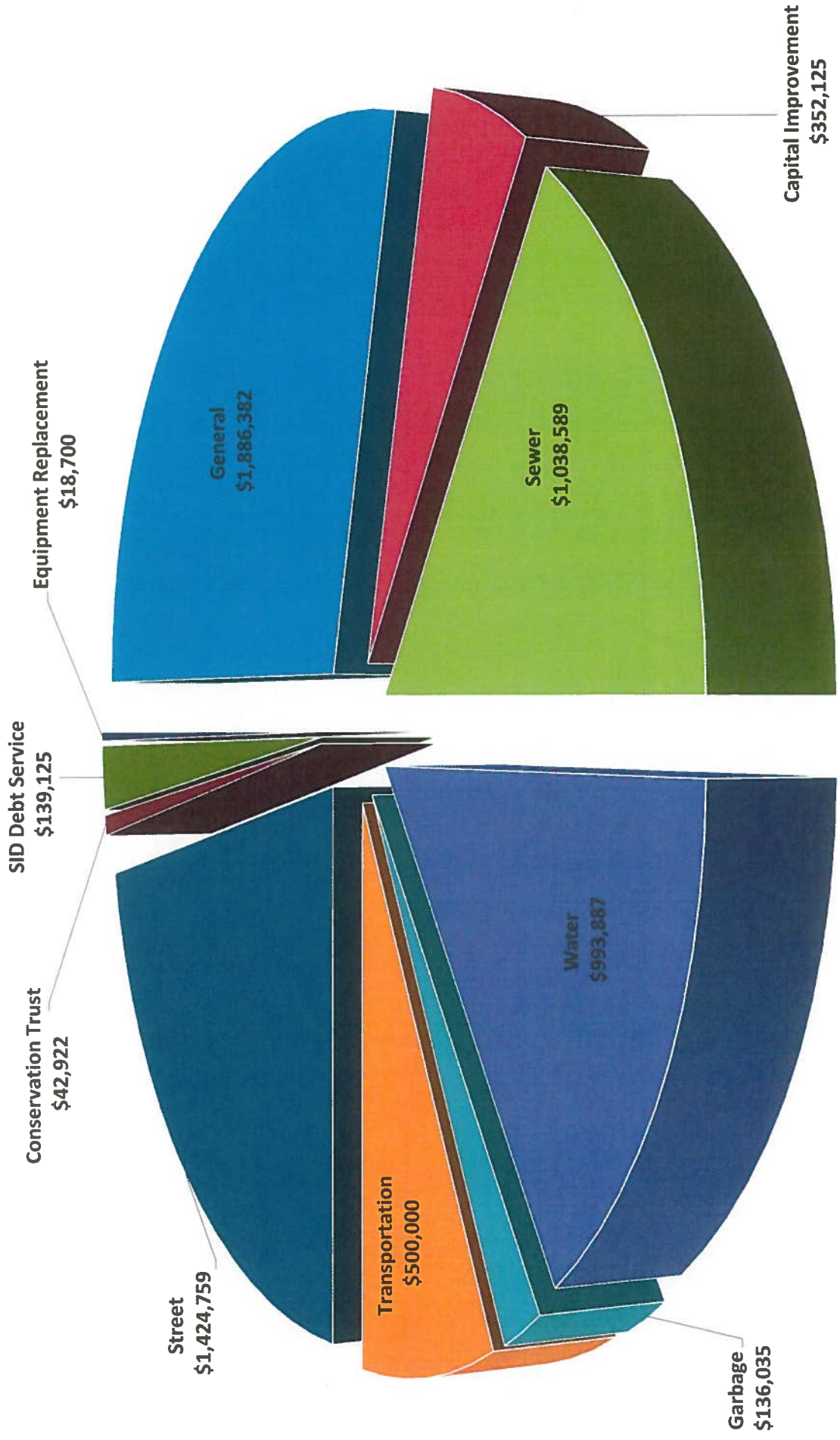
Date of Retirement: 7/3/2020

Annual Payment: \$145,325

Town of Bayfield 2018 Town - Wide Revenues

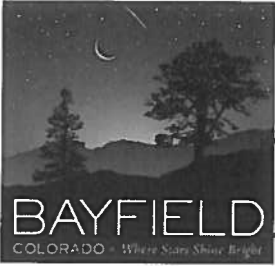


Town of Bayfield 2018 Expenses by Fund



Town of Bayfield Expenditures and Revenues 2018 Budget

Funds and Sub Funds	Sub Funds	Percent of Total Budget	Fund Expenditures	Fund Revenues	Fund Expenditures Covered by Revenues
General		1.06%	69,850	1,400,141	2004.50%
	Administration & Support Services	8.51%	561,520	136,121	24.24%
	Public Safety	12.94%	853,637	188,180	22.04%
	Parks & Recreation	6.14%	404,963	80,777	19.95%
Capital Improvement		5.34%	352,125	352,595	100.13%
Sewer		15.75%	1,038,589	1,107,555	106.64%
Water		15.07%	993,887	665,550	66.96%
Garbage		2.06%	136,035	136,035	100.00%
Transportation		7.58%	500,000	-	0.00%
Streets		22.51%	1,484,759	1,345,087	90.59%
Conservation Trust		0.65%	42,922	47,530	110.74%
SID		2.11%	139,125	147,105	105.74%
Equipment Replacement		0.28%	18,700	132,777	710.04%
Total All Programs		100.00%	6,596,112	5,739,453	87.01%



GENERAL FUND

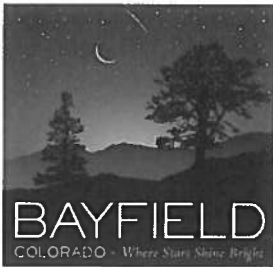
General Fund

The General Fund is the Town's operating fund or general purpose fund. It is used to account for all financial resources of the Town except those required to be accounted for in other funds. It contains expenditures such as support services, Town Manager, Town Clerk & Finance, Public Safety, and Parks & Recreation.

Budget Summary

Total General Fund Revenues & Transfers In—\$1,805,219

Total General Fund Expenses & Transfers Out—\$1,889,971



GENERAL GOVERNMENT & ADMINISTRATION

General Fund

General Government

The Town of Bayfield is a statutory town and operates under a council-manager form of government. This form of government operates with a town board of trustees as a policy body and a town manager as the chief executive-administrative officer of the town government. In the council-manager form of government, the board provides legislative direction while the manager is responsible for the day-to-day administrative operations of the Town based on the board's direction. The Town of Bayfield's board consists of six members and an elected Mayor.

Town Manager

The Town Manager is the Chief Executive Officer of the Town and is directly responsible to the Town Board of Trustees for planning, organizing, and directing the activities of all Town departments and agencies under his authority. The Town Manager is responsible for appointing and supervising Town employees, preparing and submitting the proposed annual budget, recommending approval of municipal ordinances and regulations, and implementing policies established by the Board of Trustees.

Town Clerk & Finance

The Town Clerk's office maintains and certifies records of all Town business, including resolutions, meeting minutes, official deeds, leases, contracts and agreements. In addition, it is the duty of the Town Clerk to administer all municipal elections and to provide and manage all petition forms for any purpose under the provisions of the State statutory requirements. The Town Clerk's Office handles the posting of all public notices, the administration and maintenance of liquor and business licenses. The Town Clerk also oversees utility billing, cash receipting, payroll and assists with human resource related duties. The Administrative Assistant reports to the Town Clerk.

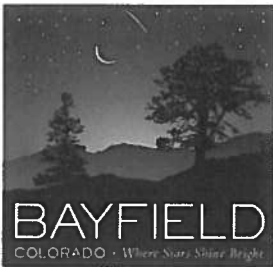
The Finance Director provides general fiscal services including preparing and monitoring the budget, overseeing the annual audit, general ledger oversight, sales tax analysis, and investment management. The primary focus of the Finance Director is to provide accurate, timely, and useful information to support effective decision making.

Mission Statement:

The Town Government of Bayfield is dedicated to serving our citizens with integrity and professionalism by providing quality services and infrastructure that protect and enhance the quality of life through planning and progressive leadership.

Budget Summary

Total General Government Administrative Expenses — \$630,063



BUDGET NARRATIVE

I. General Fund

The 2018 General Fund Budget is presented with revenues and expenditures balanced. That is, the amount of anticipated revenues plus other financing sources is equivalent to the amount of proposed expenditures. The 2018 budget includes \$1,805,219 in revenues and transfers in and \$1,889,971 in expenditures, with a proposed \$84,752 spend down of fund balance. The General Fund budget includes a 1% decrease from the 2017 budget primarily due to a decrease in grant revenues. Other items of note are a decrease in FTE's by one with the Program Coordinator position in Parks and Recreation not being filled. Transversely, the budget will include requests for funds for Town Hall cleaning services as the Senior Services Coordinator will step out of this roll to fill other needs.

A. Revenues

1. Taxes and Fees

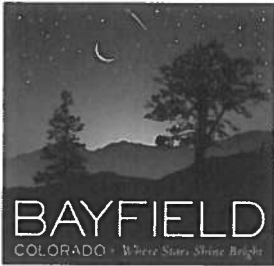
The 2018 Budget includes a flat forecast in county shared sale tax and Town sales tax collections for 2018. Based on the December 1, 2017 Certified Valuation information provided by the County Assessor, the Town will experience a 6% increase in property tax revenues. The Town continues to pursue options for new retail businesses to increase revenue, but at this point the Town is not aware of any solidified developments in 2018.

2. Intergovernmental Revenue

The 2018 Budget includes \$91,448 in High Intensity Drug Trafficking Area (HIDTA) funds for reimbursement of a portion of the costs for an investigator position assigned to the Southwest Colorado Drug Task Force. Also included in this portion of the budget is funding for one-half of the School Resource Officer (SRO) position in the Bayfield Marshal's Office. The position was previously grant funded for a four year period. The Bayfield School District via MOU will continue to pay for one-half of the personnel costs of the position.

3. Licenses and Permits

The 2018 Budget includes a flat prediction in License and Permit fees collected from building permits, business licenses and other fees. The available sites for single family home construction in the area are very limited, and thus, the Town has begun accounting for the leveling out of this activity in the General Fund. The Town anticipates the current level of activity will remain into 2018.



BUDGET NARRATIVE

4. Charges for Services

The budget includes a 5.2% decrease in charges for services, primarily driven by a decrease in county utility fees and VIN inspection services. The county will be closing its DMV office all but one day a week and with a decrease in these office hours comes an expected decrease in the need for VIN Inspection services and use of utilities at the local office.

5. Senior Center

The budget includes a forecasted increase of \$940 in revenues for the Senior Center in 2018. This increase is related to the continued increase in the Senior program called Stretch & Flex.

6. Fines

The 2018 budget includes a \$1500 increase in revenue in court fines and traffic surcharges as reflected in the actual dollars collected in recent years.

7. Grants

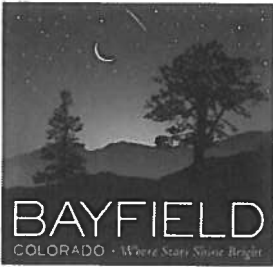
The budget for 2018 includes a \$4,025 Bureau of Justice Assistance JAG grant for a new fingerprinting system for the Bayfield Marshal's Office. The budget also includes grant revenue for Marshal's Office CDOT/DUI and Seat belt enforcement. Two additional grants are included in the 2018 budget, A DOLA Energy Impact grant to aid in development of a comprehensive plan (\$25,000) and a DOLA "Best and Brightest" Intern grant (\$21,000).

8. Miscellaneous

The 2018 miscellaneous section of the general fund budget contain multiple interest income line items as well as the revenue line for the food bank. The budget for 2018 shows decreases primarily related to the removal of the funds for downtown contributions. Money that is received for the food bank is specifically earmarked for those purposes.

9. Transfers

The General Fund will receive an annual debt payment from the Sewer Fund for completion of the decommissioning of the wastewater lagoons located at the wastewater treatment plant. The funds formerly received as a payment for the purchase of a new sewer camera in 2013 were paid off in 2017. The 2018 decommissioning payment is budgeted at \$21,139.



BUDGET NARRATIVE

B. Expenditures

1. General Government

The 2018 budget shows an increase in expenses for the general government accounts. Staffing levels will be decreased by one FTE which saves funding however, there are still significant expenditures including \$16,613 for the Intern position, \$48,685 for the General Funds portion of the Liability/Property Insurance, \$30,000 for the Town Building Inspection services, \$105,000 for planning and zoning including the telecommunications planning effort, \$29,000 for the Town's attorney services, \$11,000 for the Town's portion of the CDOT DUI/Seatbelt Grant, \$35,700 for computer support and maintenance, and \$46,055 for community funding.

2. Public Safety

Public Safety expenditures in the 2018 budget reflect a .7% decrease over the 2017 Budget. Significant expenditures include \$89,561 for emergency dispatch services, \$12,350 for computer support and maintenance, \$14,000 for fuel, and \$11,200 for telephones.

3. Parks and Recreation

Parks and Recreation reflects a 1.8% decrease from the 2017 budget. The 2018 Budget includes \$18,000 in the Supplies-Park Maintenance line item to purchase much needed fertilizer for all of the park fields as well additional tools needed for day to day operations. In addition, there is a new line item called computer software intended for the purpose of purchasing scheduling software for the department to make day to day tasks much more fluid.

5. Senior Center

The Senior Center expenses for the 2018 budget increased 7.3%. The senior center coordinator position which was reallocated to the Senior Center expenses continues to be the largest outgo in this department. The position spends three days of the week at the Senior Center. Additionally, the Senior building is requiring more upkeep with age and the budget reflects this with \$10,000 proposed to be spent on building maintenance items.

6. Police Pension

The Town pays \$109.02 per month to the widow of a deceased Marshal. That expense is accounted for in the General Fund

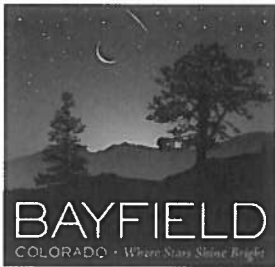
GENERAL FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Taxes & Fees:					
010 3 3000 0001	County Sales Tax	860,645.00	846,469	877,858	877,858
010 3 3000 0005	City Sales Tax	269,949.56	265,969	267,918	267,918
010 3 3000 0010	Property Tax	204,844.13	198,824	198,824	209,827
010 3 3000 0015	Property Taxes Delinquent	181.95	50	159	50
010 3 3000 0035	BP Royalties	6,676.81	6,150	7,973	8,337
010 3 3000 0045	Cigarette Tax	4,670.64	4,530	4,347	4,400
010 3 3000 0060	Motor Vehicle Reg 602	4,536.00	4,560	4,487	4,211
010 3 3000 0065	Motor Vehicle Reg 603	6,592.50	6,472	6,273	5,975
	Total Taxes & Fees	1,358,096.59	1,333,024	1,367,838	1,378,575
Intergovernmental Revenue:					
010 3 3050 0005	HIDTA	88,783.67	89,000	87,400	91,448
010 3 3050 0007	School Resource Officer MOU Contribution	10,526.25	16,510	14,354	35,686
	Total Intergovernmental Revenue	99,309.92	105,510	101,754	127,134
Licenses & Permits:					
010 3 3100 0005	Building Permits	57,043.40	36,000	41,049	30,302
010 3 3100 0010	Business Licenses	15,705.00	15,850	15,850	15,850
010 3 3100 0015	Liquor Licenses	1,362.50	1,280	1,063	1,360
010 3 3100 0020	Development Fees	16,665.38	6,000	15,500	12,000
010 3 3100 0021	Right of Way Fees	125.00	-	50	-
010 3 3100 0030	Dog Licenses	165.00	200	70	100
	Total Licenses and Permits	91,066.28	59,330	73,582	59,612
Charges for Services:					
010 3 3200 0001	Court Costs	1,777.00	1,025	1,373	1,480
010 3 3200 0005	NSF Checks	140.00	100	180	200
010 3 3200 0010	Mosquito Control Fee	14,527.77	14,400	14,830	14,785
010 3 3200 0015	County Utility Fees Received	4,262.84	4,000	4,280	752
010 3 3200 0020	Indoor Soccer	1,601.00	2,700	1,458	1,450
010 3 3200 0025	Co-Ed Volleyball	2,097.43	2,180	1,750	1,750
010 3 3200 0030	Co-Ed Softball	4,400.00	4,400	6,370	4,400
010 3 3200 0035	Men's Softball	6,575.00	6,575	7,555	6,575
010 3 3200 0043	Yoga	2,901.00	2,920	2,870	2,562
010 3 3200 0050	Recreation Center Fees	20.00	180	20	20
010 3 3200 0055	Youth Basketball	6,040.00	5,880	5,880	6,040
010 3 3200 0060	Youth Flag Football	3,080.00	2,420	3,285	3,080
010 3 3200 0065	Youth Soccer	19,460.00	20,000	16,645	14,000
010 3 3200 0070	Youth Volleyball	2,695.00	2,625	2,935	2,830
010 3 3200 0075	Youth Sponsorships	4,910.00	5,000	6,080	5,000
010 3 3200 0080	4th of July	11,405.00	11,300	6,255	6,300
010 3 3200 0081	Fireworks	-	-	5,000	5,000
010 3 3200 0085	Concession Stand	1,832.86	750	2,301	1,850
010 3 3200 0090	Facility Use Rentals	3,380.00	4,100	4,800	5,520
010 3 3200 0095	Field Space Rental	3,188.00	375	3,000	3,000
010 3 3200 0110	Spring Festival	1,895.00	2,000	2,720	2,500
010 3 3200 0200	VIN Inspections	12,110.00	11,800	10,550	9,000
010 3 3200 0225	Fiber Lease	5,970.78	1,440	725	2,250
010 3 3200 0250	Services Performed	351.30	300	500	500
	Total Charges for Services	114,619.98	106,470	111,363	100,844

GENERAL FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
Fines:					
010 3 3300 0001	Court Fines	21,292.43	20,000	18,908	21,000
010 3 3300 0005	Traffic Surcharge	4,518.57	3,800	4,285	4,300
	Total Fines and Forfeitures	25,811.00	23,800	23,193	25,300
Grants:					
010 3 3400 0040	Post Training Backfill Grant	-	-	664	-
010 3 3400 0041	In Service Continuing Education Grant	-	-	8,158	-
010 3 3400 0050	CDOT DUI/Seatbelt Grant	13,708.91	20,845	10,000	11,000
010 3 3400 0055	JAG Grant 29-JR-01-78-1	-	-	-	-
010 3 3400 0058	JAG Grant SRO Yr 3 - 2015-DJ-15-008675	50,985.23	-	-	-
010 3 3400 0059	JAG Grant SRO Yr 4 - 2015-DJ-15-008675	-	31,988	39,009	-
010 3 3400 0061	JAG Grant Fingerprints -2017-DJ-17-01-2-1	-	-	-	4,025
010 3 3400 0070	Downtown Colorado Inc Grant (DOLA)	5,507.04	-	-	-
010 3 3400 0071	Downtown Implementation Grant (DOLA)	16,529.99	11,250	10,161	-
010 3 3400 0072	Comp Plan (DOLA) - Energy Impact	-	50,000	25,000	25,000
010 3 3400 0073	DOLA Intern	-	21,000	21,000	21,000
	Total Grants	86,731.17	135,083	105,170	61,025
Miscellaneous:					
010 3 3600 0001	Food Bank Donations	2,353.00	1,000	1,200	1,000
010 3 3600 0002	Marshal Scholarship Fund Donations	2,696.67	3,200	1,900	2,450
010 3 3600 0005	Interest Income	9,247.88	9,160	8,817	8,122
010 3 3600 0015	Miscellaneous Income	956.29	1,000	3,045	1,000
010 3 3600 0025	Miscellaneous Income (P&R)	-	-	10	-
010 3 3600 0030	Marshal Miscellaneous Revenue	4,101.00	4,300	7,503	5,400
010 3 3600 0036	Interest Income Marshal Scholarship	19.89	15	40	36
010 3 3600 0040	DOJ - Asset Forfeiture	2,355.00	2,800	2,000	2,355
010 3 3600 0045	Fuel Tax Rebate	3,003.23	3,100	2,789	2,900
010 3 3600 0060	Downtown Contribution	1,993.00	2,000	-	-
	Total Miscellaneous	26,725.96	26,575	27,303	23,263
Senior Citizen Center:					
010 3 3700 0020	Senior Center Rental Fees	3,437.50	4,200	4,800	4,200
010 3 3700 0026	Senior Center Contributions	1,460.29	1,200	1,421	1,200
010 3 3700 0030	Senior Center Activities	1,165.26	1,200	250	500
010 3 3700 0032	Stretch & Flex	542.50	360	1,500	2,000
	Total Senior Citizen Center	6,605.55	6,960	7,971	7,900
	General Fund Operating Revenues	1,808,966.45	1,796,752	1,818,175	1,783,653
Transfers:					
010 3 3900 0030	Transfer from Sewer (Decommissioning Loan) 6 of 19	-	21,139	28,838	21,566
010 3 3900 0031	Transfer from Sewer (Camera)	-	13,308	13,308	-
	Total Transfers	-	34,447	42,146	21,566
	General Fund Operating Revenues & Transfers	1,808,966.45	1,831,199	1,860,321	1,805,219

GENERAL FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
GENERAL GOVERNMENT EXPENSES					
Town Board:					
010 4 4111 0142	Workers Compensation Insurance	157.91	117	120	136
010 4 4111 0144	Medicare	136.30	139	136	139
010 4 4111 0145	PERA	1,167.80	1,315	1,174	1,315
010 4 4111 0190	Mayor Salary	2,400.00	2,400	2,400	2,400
010 4 4111 0191	Town Board Salary	7,000.00	7,200	7,200	7,200
010 4 4111 0200	Town Board Payroll Taxes	-	29	-	-
010 4 4111 0205	Town Board Meetings	1,315.07	1,350	700	1,350
010 4 4111 0208	Ordinances & Proceedings	4,867.00	2,000	2,800	5,000
010 4 4111 0221	Training, Travel & Meetings	1,438.17	2,500	1,153	2,500
010 4 4111 0225	Membership Dues	3,632.73	3,600	3,851	3,850
	Total Town Board	22,114.98	20,650	19,534	23,890
Town Manager's Office:					
010 4 4131 0100	Town Manager's Vehicle	3,947.48	3,900	3,900	3,900
010 4 4131 0111	Town Manager's Salary	52,304.86	55,065	55,065	55,066
010 4 4131 0141	Unemployment Insurance	185.38	214	212	215
010 4 4131 0142	Workers Compensation Insurance	254.42	188	193	219
010 4 4131 0143	Health Insurance	9,873.30	15,360	11,787	12,199
010 4 4131 0144	Medicare	936.41	1,033	1,061	1,039
010 4 4131 0145	PERA	8,468.72	9,763	9,447	9,820
010 4 4131 0146	Membership Dues	847.00	850	900	900
010 4 4131 0221	Training, Travel & Meetings	771.24	2,000	5,221	4,000
010 4 4131 0345	Telephone	629.35	630	640	630
010 4 4131 0350	Personnel Relations	1,242.45	500	1,800	2,500
010 4 4131 0355	Intern Position	-	16,200	16,854	16,613
	Total Town Manager	79,460.61	105,703	107,080	107,101
Planning & Development:					
010 4 4135 0015	Planning & Zoning	21,371.55	107,203	35,000	105,000
010 4 4135 0016	Postage	370.00	420	425	420
010 4 4135 0020	Building Inspector	42,458.81	26,250	39,650	30,000
010 4 4135 0355	Engineering	5,638.26	3,000	11,575	5,000
010 4 4135 0365	Economic Development	700.00	3,500	102	3,500
010 4 4135 0370	Downtown Development	15,052.76	2,000	1,881	2,500
	Total Planning & Development	85,591.38	142,373	88,633	146,420
Town Clerk & Finance:					
010 4 4151 0111	Town Clerk's Salary	23,873.57	26,278	26,278	26,935
010 4 4151 0112	Finance Director's Salary	32,041.70	31,669	31,669	32,263
010 4 4151 0113	Admin Assistant's Salary	3,418.73	3,523	3,523	3,588
010 4 4151 0141	Unemployment Insurance	209.76	184	188	188
010 4 4151 0142	Workers Compensation Insurance	486.64	439	450	511
010 4 4151 0143	Health Insurance	12,545.79	11,947	11,632	11,899
010 4 4151 0144	Medicare	992.40	891	889	910
010 4 4151 0145	PERA	9,573.40	8,421	8,510	8,602
010 4 4151 0211	Office Supplies	8,836.31	8,500	8,500	8,500
010 4 4151 0220	Membership Dues	373.33	400	427	500
010 4 4151 0221	Training, Travel & Meetings	289.45	3,000	400	3,000
	Total Town Clerk & Finance	92,641.08	95,252	92,465	96,896
Elections:					
010 4 4155 0001	Elections	704.85	1,000	-	1,000
	Total Elections	704.85	1,000	-	1,000

GENERAL FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
Municipal:					
010 4 4160 0005	Municipal Judge	6,600.00	7,200	7,200	7,200
	Total Municipal	6,600.00	7,200	7,200	7,200
Administrative:					
010 4 4165 0250	Photocopier	1,976.80	2,000	2,185	2,500
010 4 4165 0332	Advertising	3,849.26	2,000	3,500	3,500
010 4 4165 0354	Auditing	5,017.81	5,000	3,517	3,517
010 4 4165 0381	Postage	1,841.35	1,700	1,659	1,500
010 4 4165 0513	Insurance	45,931.51	45,824	47,174	48,685
010 4 4165 0525	Attorney	28,790.48	25,000	22,750	29,000
010 4 4165 0610	Uniform Allowance	1,546.71	750	750	750
	Total Administrative	88,953.92	82,274	81,535	89,452
Town Hall:					
010 4 4170 0228	Water & Sewer Charges	6,557.14	4,500	4,950	6,000
010 4 4170 0344	Natural Gas	3,278.01	3,800	2,500	3,500
010 4 4170 0345	Telephone	820.36	820	850	825
010 4 4170 0346	Security System Telephone Line	3,347.64	3,325	3,400	3,400
010 4 4170 0348	Garbage Collection Town Hall	-	-	233	230
010 4 4170 0379	Electricity	11,643.35	17,500	11,623	17,000
010 4 4170 0382	Internet	1,711.20	1,710	1,711	1,711
010 4 4170 0385	Building Maintenance	12,393.10	7,500	14,000	19,120
	Total Town Hall	39,750.80	39,155	39,266	51,786
Information Technology:					
010 4 4175 0001	Computer Support & Maintenance	35,645.67	35,000	44,269	35,700
010 4 4175 0005	Website	466.90	380	690	1,075
010 4 4175 0010	Computer Equipment	4,149.65	1,000	35	1,000
010 4 4175 0015	Fiber Lease Hook-Up	3,360.78	-	-	-
	Total Information Technology	43,623.00	36,380	44,994	37,775
Non-Departmental:					
010 4 4180 0010	Pre-Employment Testing	109.84	100	55	110
010 4 4180 0015	Direct Deposit Payroll Fees	270.00	260	300	270
010 4 4180 0016	NSF Fees	55.00	50	50	60
010 4 4180 0020	Mosquito Control	3,191.00	5,000	2,930	
010 4 4180 0030	Property Tax Treasurer's Fee	4,052.84	3,976	4,837	
010 4 4180 0050	Property Tax Abatements	450.14	50	-	50
010 4 4180 0140	Comp Time Buy Out	7,721.77	-	-	-
010 4 4180 0141	Comp Time Buy Out Unemployment	5.51	-	-	-
010 4 4180 0144	Comp Buy Out Medicare	26.18	-	-	-
	Total Non-Departmental	15,882.28	9,436	8,172	490
Grants:					
010 4 4185 0014	CDOT DUI/ Seatbelt Grant	14,840.91	20,845	13,644	11,000
010 4 4185 0016	Post Training Backfill Grant	-	-	-	-
010 4 4185 0017	Downtown Implementation	22,825.38	22,500	19,833	-
010 4 4185 0018	In Service Continuing Education Grant	-	-	8,538	-
	Total Grants	37,666.29	43,345	42,015	11,000

GENERAL FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
Community Funding:					
010 4 4188 0015	Regional Housing Alliance	14,283.00	2,622	2,622	-
010 4 4188 0019	La Plata Homes Fund	-	9,040	9,040	9,040
010 4 4188 0020	La Plata Family Youth Services	7,800.00	7,800	7,800	7,800
010 4 4188 0025	La Plata County Economic Alliance	5,000.00	5,000	5,000	5,000
010 4 4188 0030	SW Transportation Dues	341.00	341	341	341
010 4 4188 0045	Region 9 Economic Development	1,838.00	1,216	1,216	1,216
010 4 4188 0046	Small Business Development	-	622	622	622
010 4 4188 0051	Project Merry Christmas	-	1,000	1,000	-
010 4 4188 0052	Aspen Club	-	-	-	500
010 4 4188 0053	BEEP (Bayfield Early Education Programs)	-	-	-	3,000
010 4 4188 0054	Friends of the Pine River Library	-	-	-	1,000
010 4 4188 0055	Bayfield Family Center	5,000.00	5,000	5,000	2,500
010 4 4188 0056	San Juan Resource Conservation & Development Council	-	-	-	2,500
010 4 4188 0057	Pine River Shares	-	-	-	2,500
010 4 4188 0065	Axis Health (Southwest Mental Health)	1,500.00	1,500	1,500	1,500
010 4 4188 0070	Community Connections	1,000.00	1,000	1,000	1,200
010 4 4188 0075	Southwest Colorado Council of Governments	6,018.00	6,940	6,418	7,336
010 4 4188 0079	Pine River Heritage Society	500.00	-	-	-
	Total Community Funding	43,280.00	42,081	41,559	46,055
Miscellaneous:					
010 4 4195 0779	Miscellaneous Expense	1,558.75	-	35	-
010 4 4195 0781	GIS Data Recorder	41.62	-	3,448	-
	Total Miscellaneous	1,600.37	-	3,483	-
	Total General Government Expenses & Transfers	557,869.56	624,849	575,936	619,066



PUBLIC SAFETY

General Fund

Public Safety Department

The Bayfield Marshal's Office (the Public Safety Department) is responsible for maintaining general public safety in and around the Bayfield area. The Marshals services include patrol, law enforcement, criminal investigation, safety monitoring during special events, animal control, code enforcement and emergency response.

Mission Statement:

To embrace our community and enhance the quality of life through partnerships, problem solving, protecting life, liberty and property, preventing crime and reducing the fear of crime on a daily basis. We accomplish this mission by living our core values, providing exceptional customer service, maintaining technical excellence, and respecting individual liberties and personal dignity.

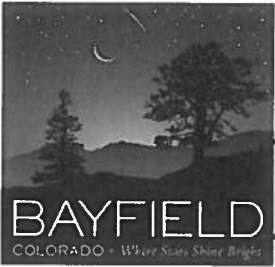
Budget Summary

Total Public Safety Expenditures—\$853,637

GENERAL FUND

		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
PUBLIC SAFETY EXPENSES					
Public Safety Wages & Benefits:					
010 4 4211 0001	Marshal's Salary	74,639.51	78,657	78,657	80,626
010 4 4211 0002	Corporal Salary	53,715.41	54,262	54,262	55,618
010 4 4211 0003	Corporal Salary	53,845.72	54,262	54,262	55,618
010 4 4211 0004	Deputy's Salary	45,864.40	45,987	45,987	46,792
010 4 4211 0005	Deputy's Salary	47,143.26	47,410	47,410	47,202
010 4 4211 0006	Deputy's Salary	47,100.90	47,762	47,762	48,251
010 4 4211 0007	Deputy's Salary (SRO)	45,936.56	46,379	46,379	48,599
010 4 4211 0017	Marshal's Secretary's Salary	14,548.09	30,546	30,546	32,108
010 4 4211 0018	Holiday Pay & Comp Time	7,750.10	7,000	7,000	7,500
010 4 4211 0020	Investigator's Salary	64,227.00	57,628	57,628	59,355
010 4 4211 0125	Overtime	-	2,000	2,000	2,000
010 4 4211 0141	Unemployment Insurance	1,408.85	1,389	1,389	1,423
010 4 4211 0142	Workers Compensation Insurance	21,982.12	15,874	16,479	18,482
010 4 4211 0143	Health Insurance	102,638.22	129,347	110,134	112,973
010 4 4211 0144	Medicare	6,641.85	6,712	6,871	6,875
010 4 4211 0145	PERA	1,999.28	2,444	3,600	2,569
010 4 4211 0146	FPPA	34,155.15	34,588	34,528	35,365
010 4 4211 0148	FPPA D & D	5,550.09	5,621	5,823	5,747
010 4 4211 0150	Tuition Reimbursement	-	-	624	2,000
	Total Public Safety Wages & Benefits	629,146.51	667,868	651,341	669,103
Public Safety Operations:					
010 4 4212 0225	Uniform Allowance	3,156.49	5,000	4,000	4,600
010 4 4212 0226	Shooting Supplies	3,819.26	4,000	5,056	4,500
010 4 4212 0228	Detox (Axis Health)	3,542.52	3,706	3,706	3,453
010 4 4212 0231	Fuel	13,937.98	12,700	14,547	14,000
010 4 4212 0233	Parts Inventory	3,297.73	3,000	3,000	3,000
010 4 4212 0239	Tires	1,244.72	2,600	2,600	2,600
010 4 4212 0316	Dispatch Services	93,321.16	90,000	89,561	89,561
010 4 4212 0340	Computer Support & Maintenance	12,152.40	12,000	12,175	12,350
010 4 4212 0360	Equipment Maintenance	4,037.31	5,020	6,969	5,000
010 4 4212 0362	Communications Maintenance & Equipment	963.19	1,000	239	2,000
010 4 4212 0391	Chemical Analysis	283.78	900	70	500
010 4 4212 0394	Impound Fees	1,505.00	580	1,000	1,000
010 4 4212 0397	Marshal Scholarship Fund	1,005.00	1,000	2,000	1,000
010 4 4212 0398	Equipment Purchase/Replacement	2,205.24	3,700	2,000	7,725
010 4 4212 0450	Lexipol	3,267.00	3,267	3,267	3,267
010 4 4212 0451	E FORCE	-	-	-	2,968
	Total Public Safety Operations	147,738.78	148,473	150,191	157,524
Public Safety Admin:					
010 4 4213 0211	Office Supplies	7,496.82	6,000	7,500	6,500
010 4 4213 0215	Postage	786.55	825	997	850
010 4 4213 0220	Membership Dues	-	800	1,430	1,305
010 4 4213 0221	Training, Travel & Meetings	5,163.32	1,700	6,417	1,700
010 4 4213 0332	Advertising	302.75	300	-	300
010 4 4213 0345	Telephone	11,168.58	10,900	11,053	11,200
010 4 4213 0382	Internet	1,461.33	1,300	1,270	1,300
	Total Public Safety Admin	26,379.35	21,825	28,666	23,155

GENERAL FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
Public Safety Capital Outlay:					
010 4 4215 0005	Communications Equipment	-	1,000	1,145	-
010 4 4215 0010	EFORCE	732.32	-	2,968	-
	Total Public Safety Capital Outlay	732.32	1,000	4,113	-
Public Safety Miscellaneous:					
010 4 4295 0700	SRO Grant Set Aside	-	17,500	17,500	-
010 4 4295 0710	DOJ - Asset Forfeiture	2,864.66	2,500	1,950	2,355
010 4 4295 0720	La Plata County Mounted Patrol	-	500	500	500
010 4 4295 0781	Miscellaneous Expense (PS)	4,790.60	500	3,000	1,000
	Total Public Safety Miscellaneous	7,655.26	21,000	22,950	3,855
	Total Public Safety Expenses	811,652.22	860,166	857,261	853,637



PUBLIC WORKS

General Fund

Public Works Department

The Public Works Department is responsible for maintenance and improvements to the Town's infrastructure. They are responsible for snow plowing and removal, road and street repairs and improvements, sidewalks, street cleaning, and landscaping. Public Works also oversees the water and sewer systems for residents and businesses located within the Town. Most capital improvement projects are managed through this program.

The water and sewer revenues and expenses are maintained in separate enterprise funds. These funds contain line items to account for their portion of the administrative services that are done on behalf of these funds as well as the portion of each employee's time that is spent working in these areas

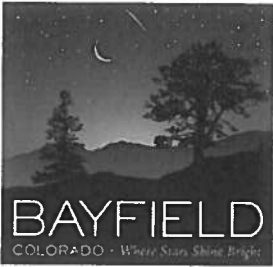
Mission Statement:

To construct and maintain critical infrastructure needs including water, sewer, and roads that exceed the expectations of Bayfield residents.

Budget Summary

Total Public Works Expenditures— as of the 2016 budget cycle, all previous General Fund revenues and expenses related to the Public Works Department have been relocated in the newly formed Street Fund.

GENERAL FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
PUBLIC WORKS EXPENSES					
Public Works Wages & Benefits:					
010 4 4318 0110	Public Works Director's Salary	487.92	-	-	-
010 4 4318 0111	First PW Assistant's Salary	330.21	-	-	-
010 4 4318 0112	Second PW Assistant's Salary	291.77	-	-	-
010 4 4318 0113	Third PW Assistant's Salary	335.22	-	-	-
010 4 4318 0116	Fourth PW Assistant's Salary	333.79	-	-	-
010 4 4318 0117	Fifth PW Assistant's Salary	274.39	-	-	-
010 4 4318 0118	Sixth PW Assistant's Salary	291.49	-	-	-
010 4 4318 0121	Temporary Labor	94.43	-	-	-
	Total Public Works Wages & Benefits	2,439.22	-	-	-
Public Works Operations:					
010 4 4320 0360	Equipment Maintenance & Repair	1,000.00	-	-	-
	Total Public Works Operations	1,000.00	-	-	-
	Total Public Works Expenses	3,439.22	-	-	-



PARKS & RECREATION

General Fund

Parks and Recreation Department

The Parks and Recreation Department is responsible for numerous recreational activities including youth and adult sports, special events and senior citizen activities. It is responsible for the building and maintenance of the municipal parks infrastructure. The department also oversees the operations of the Senior Citizen Center.

Mission Statement:

To provide all citizens of Bayfield the opportunity to participate in a full range of quality recreational programs and enjoy well-maintained park facilities

Budget Summary

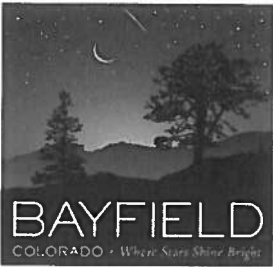
Total Parks and Recreation Expenditures—\$404.963

GENERAL FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
PARKS & RECREATION OPERATING EXPENSES					
Wages & Benefits					
010 4 4400 0111	Director's Salary	56,676.61	59,365	59,365	58,425
010 4 4400 0112	Program Coordinator 1	38,001.00	38,853	31,635	-
010 4 4400 0114	Seasonal Employees Wages	52,058.43	23,500	51,000	43,080
010 4 4400 0131	Parks Manager's Salary	8,705.69	33,891	42,000	34,112
010 4 4400 0141	Unemployment Insurance	456.06	467	582	407
010 4 4400 0142	Workers Compensation Insurance	10,472.61	7,739	7,941	9,010
010 4 4400 0143	Health Insurance	21,979.62	28,492	25,128	23,026
010 4 4400 0144	Medicare	2,165.83	2,256	2,344	1,966
010 4 4400 0145	PERA	20,812.01	21,318	23,686	18,580
	Total Wages & Benefits	211,327.86	215,881	243,682	188,606
Adult Sports & Athletics:					
010 4 4410 0401	Indoor Soccer	474.98	475	735	475
010 4 4410 0405	Co-Ed Volleyball	468.47	730	635	730
010 4 4410 0410	Co-Ed Softball	1,346.86	1,200	2,141	1,500
010 4 4410 0415	Men's Softball	3,881.48	2,500	1,128	2,800
010 4 4410 0420	Women's Softball	722.94	500	-	500
010 4 4410 0423	Yoga	-	250	-	250
	Total Adult Sports & Athletics	6,894.73	5,655	4,639	6,255
Youth Sports & Athletics:					
010 4 4420 0001	Youth Basketball	1,142.49	1150	971	1,150
010 4 4420 0002	Youth Flag Football	925.98	500	877	700
010 4 4420 0003	Youth Soccer	4,799.98	3900	3,060	3,900
010 4 4420 0004	Youth Volleyball	320.97	350	350	400
010 4 4420 0015	Recreation Sponsorship	590.00	600	550	600
010 4 4420 0020	Youth T-Shirts	4,951.10	6000	6,000	6,500
	Total Youth Sports & Athletics	12,730.52	12,500	11,808	13,250
Park Expenses:					
010 4 4430 0220	Supplies - Park Maintenance	19,584.96	18,000	18,000	18,000
010 4 4430 0223	Garbage Services	-	1,375	697	700
010 4 4430 0228	Water & Sewer	11,369.05	8,800	10,500	11,400
010 4 4430 0231	Fuel	2,546.91	3,400	2,472	3,000
010 4 4430 0233	Portapot Services	4,238.61	4,500	3,500	4,350
010 4 4430 0235	Tree Removal	2,150.00	5,000	1,881	5,000
010 4 4430 0360	Equipment Maintenance	4,139.83	5,000	5,000	5,000
010 4 4430 0379	Electricity	5,051.65	7,000	7,802	7,000
010 4 4430 0380	Natural Gas	384.48	580	365	500
010 4 4430 0385	Equipment Rental	3,968.20	3,500	2,900	3,500
010 4 4430 0390	Wetlands Monitoring	-	-	-	2,500
	Total Park Expenses	53,433.69	57,155	53,118	60,950
Special Events:					
010 4 4440 0005	Spring Festival	3,956.26	4,400	4,893	4,800
010 4 4440 0015	Fireworks	8,070.48	6,000	8,000	8,000
010 4 4440 0016	4th of July	3,694.67	5,500	3,684	4,000
010 4 4440 0020	Old Fashioned Christmas	2,175.78	1,900	1,900	2,100
	Total Special Events	17,897.19	17,800	18,477	18,900

GENERAL FUND

		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
Senior Citizen Center:					
010 4 4450 0001	Senior's Activities	462.94	900	464	500
010 4 4450 0111	Senior Coordinator's Salary	31,743.29	32,470	32,470	33,089
010 4 4450 0141	Unemployment Insurance	95.34	97	97	99
010 4 4450 0143	Health Insurance	5,205.69	5,953	5,658	5,991
010 4 4450 0144	Medicare	449.59	471	458	480
010 4 4450 0145	PERA	4,348.27	4,448	4,448	4,533
010 4 4450 0211	Office Supplies - Senior Center	225.62	300	658	500
010 4 4450 0221	Training, Travel & Meetings - Senior Center	-	100	-	100
010 4 4450 0223	Garbage Services - Senior Center	1,372.97	1,355	1,426	1,550
010 4 4450 0228	Water & Sewer Charges - Senior Center	2,432.13	2,150	2,470	2,150
010 4 4450 0344	Natural Gas - Senior Center	2,613.41	3,190	1,532	2,500
010 4 4450 0345	Telephone - Senior Center	1,270.28	1,256	1,306	1,350
010 4 4450 0366	Building Maintenance - Senior Center	12,942.96	6,400	6,400	10,000
010 4 4450 0379	Electricity - Senior Center	3,379.06	3,500	4,316	3,500
010 4 4450 0513	Insurance - Senior Center	4,113.96	4,139	3,667	4,739
010 4 4450 0550	BP Donation Expenditures	-	1,000	373	1,600
	Total Senior Center	70,655.51	67,729	65,743	72,681
Food Bank:					
010 4 4460 0001	Food Bank	1,838.50	1,000	1,000	1,000
	Total Food Bank	1,838.50	1,000	1,000	1,000
Administrative:					
010 4 4470 0211	Office Supplies	1,014.36	1,200	1,400	3,387
010 4 4470 0220	Membership Dues	336.00	1,200	367	650
010 4 4470 0221	Training, Travel & Meetings	313.40	2,500	44	2,500
010 4 4470 0225	Uniform Allowance	1,142.29	1,000	1,000	1,000
010 4 4470 0332	Advertising	299.99	500	863	500
010 4 4470 0345	Telephone	1,192.05	1,500	1,144	1,500
010 4 4470 0346	Internet	496.80	500	497	500
010 4 4470 0347	Computer Software				1,455
010 4 4470 0381	Postage	495.00	580	570	500
010 4 4470 0410	Background Checks	629.00	1,200	800	1,200
010 4 4470 0513	Insurance	3,122.92	3,122	4,106	3,478
010 4 4470 0520	Midschool Lease	6,600.00	6,600	6,600	6,600
	Total Administrative	15,641.81	19,902	17,390	23,270
Miscellaneous:					
010 4 4480 0005	Recreation Center	491.99	200	200	200
010 4 4480 0010	Concession Stand	1,764.19	1,700	2,100	1,700
	Total Miscellaneous	2,256.18	1,900	2,300	1,900
Parks:					
010 4 4491 0001	Park Improvements	6,308.22	13,100	9,000	18,152
	Total Capital Expenses	6,308.22	13,100	9,000	18,152
	Total Parks & Recreation Operating Expenses	398,984.21	412,622	427,157	404,963

GENERAL FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
POLICE PENSION FUND EXPENSES					
Police Pension Fund Expenses:					
010 4 4500 0100	Pension Paid to Recipient	1,308.24	1,308	1,308	1,308
Total Police Pension Expenses		1,308.24	1,308	1,308	1,308
Transfers:					
010 4 4512 0756	Transfer to Transportation	-	388,568	-	-
010 4 4512 0757	Transfer to Street Fund	200,000.00	-	-	-
Total Transfers		200,000.00	388,568	-	-
Debt:					
010 4 5000 0001	Bad Debt Expenses	-	-	2	-
		-	-	2	-
Total General Fund Expenditures & Transfers		1,973,253.45	2,287,513	1,861,664	1,889,971
BEGINNING FUND BALANCE		1,418,574.00	1,253,899	1,254,287	1,252,944
Revenues & Transfers In		1,808,966.45	1,831,199	1,860,321	1,805,219
Expenses & Transfers Out		1,973,253.45	2,287,513	1,861,664	1,889,971
ENDING FUND BALANCE		1,254,287.00	797,585	1,252,944	1,168,192
Assigned for Food Bank		2,482.00	2,482	2,511	2,511
Assigned for Senior Center BP Donation		11,241.42	11,241	10,868	9,268
Assigned for Marshal Scholarship Program		2,880.00	3,382	3,231	3,231
Assigned for Daily Incarceration Fees		2,000.00	2,000	2,000	2,000
Assigned for SRO Position Match		52,500.00	69,550	-	-
Assigned for DOJ Asset Forfeiture		1,000.00	3,578	405	405
Restricted for Wetland Maintenance & Monitoring		50,000.00	10,000	10,000	10,000
Non spendable (loan to sewer/inventory)		373,443.00	373,443	373,443	351,877
TABOR Reserve (3% of Expenditures)		59,197.60	68,625.39	55,850	56,699
Unallocated Operating Reserve		699,542.98	253,283	794,636	732,201
TOTAL ENDING FUND BALANCE		1,254,287.00	797,585	1,252,944	1,168,192



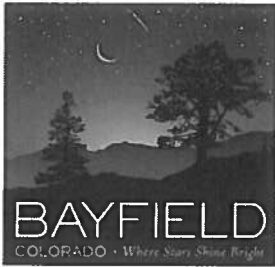
CAPITAL IMPROVEMENT FUND

The Capital Improvement Fund is used to account for financial resources to be used for the acquisition or construction of major capital expenditures (other than those financed by the Enterprise Funds). These expenditures include buildings and construction projects and transfers to the Equipment Service Fund for vehicle and equipment expense. The Capital Fund's primary source of revenue is a percentage of sales tax collections and grant revenues. In 2018, 33% of city sales tax revenue is committed to this fund.

Budget Summary

Total Revenues —\$352,595

Total Expenditures—\$352,125



BUDGET NARRATIVE

II. Capital Improvement Fund

The 2018 Capital Improvement Fund Budget is presented with revenues and expenditures balanced. That is the amount of anticipated revenues plus other financing sources is equivalent to the amount of proposed expenditures. The 2018 budget includes \$352,595 in revenues and \$352,125 in expenditures. The final payment on the Town Hall building was completed in 2017 which significantly frees up resources in this fund.

A. Revenues

1. Tax and Fees

The 2018 Budget reflects revenues in the Capital Improvement Fund from a 33% share of the City Sales Tax monies as well as Severance Tax and Federal Mineral Leasing funds. This total is projected to be \$327,918 in 2018.

2. Charges for Services

Charges for Services in the 2018 Budget decrease significantly with the cut back of services of the county DMV office. The collection of a county lease payment for use of building space in the Bayfield Town Hall went to one day a week

3. Grants

The 2018 budget shows no funds in the grants portion of the Capital Improvement Fund for this year.

4. Miscellaneous

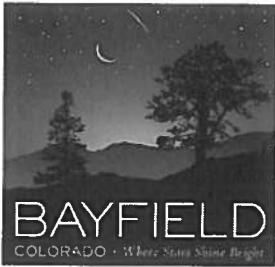
The 2017 Budget accounts for \$6,400 in revenues for interest income in the Capital Improvement Budget.

5. Transfers

No transfers are planned for in the 2018 budget.

6. Parks and Recreation Capital Improvement

The 2018 Budget includes Parks Facility Impact Fees budgeted at \$4,080 and minimal interest at \$960.



BUDGET NARRATIVE

B. Expenditures

1. Building and Infrastructure

The 2018 Budget includes \$50,000 for the purchase of bullet proof glass for the reception windows of both the Administrative and Marshal's office in an attempt to ensure the safety of staff as well as to replace the aging carpet in Town Hall.

2. Property

The 2018 Budget does not includes any projects of this type.

3. Miscellaneous

The miscellaneous section shows no expenses this year.

4. Debt Service

The total debt owed on the Town Hall building construction was paid off in 2017, and the 2018 budget is free of the annual payments attached to this item.

5. Transfer

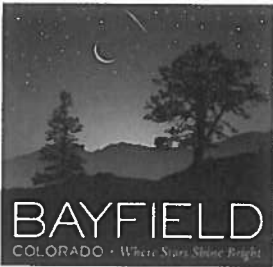
There are two transfers in 2018 from the Capital Improvement Fund. They will be \$102,125 to the Equipment Replacement Fund for the annual depreciation of vehicles and equipment and to assist with the future purchase of new vehicles and equipment as well as a transfer to the Street Fund to partially aid in the Dove Ranch drainage challenges. The transfer amount is budgeted at \$200,000.

CAPITAL IMPROVEMENT FUND

		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Taxes:					
040 3 3900 0001	City Sales Tax	269,949.61	265,969	264,551	267,918
040 3 3900 0003	Severance Tax	33,946.47	30,000	29,410	30,000
040 3 3900 0004	Federal Mineral Leasing	58,317.29	30,000	27,052	30,000
	Total Taxes	362,213.37	325,969	321,013	327,918
Grants:					
040 3 3910 0036	GO CO Grant Park Land Acquisition	295,479.15	-	-	-
	Total Grants	295,479.15	-	-	-
Charges for Services:					
040 3 3920 0001	County Lease Payment	39,460.32	40,644	40,644	6,807
	Total Charges for Services	39,460.32	40,644	40,644	6,807
Miscellaneous:					
040 3 3930 0361	Interest Income	8,067.41	6,400	15,500	12,830
	Total Miscellaneous	8,067.41	6,400	15,500	12,830
	Total Capital Fund Revenues	705,220.25	373,013	377,157	347,555
PARKS & RECREATION CAPITAL					
REVENUES					
Capital Revenue:					
040 3 3940 0020	In Lieu of Parks Fee	-	-	2,328	-
040 3 3940 0021	Park Facility Impact Fees	11,016.00	4,080	6,120	4,080
	Total Capital Revenue	11,016.00	4,080	8,448	4,080
Miscellaneous:					
040 3 3930 0362	Interest Income (P & R Capital)	1,163.32	300	672	540
040 3 3930 0363	Interest Income (Park Facility)	189.72	191	431	420
		1,353.04	491	1,102	960
	Total Parks & Recreation Capital Fund Revenues	12,369.04	4,571	9,550	5,040
	Total Capital Improvement Revenue and Transfers	717,608.97	377,584	386,707	352,595

CAPITAL IMPROVEMENT FUND

		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
EXPENSES					
Buildings & Infrastructure:					
040 4 4920 0006	Town Hall	-	20,000	-	50,000
	Total Buildings & Infrastructure	-	20,000	-	50,000
Property:					
040 4 4941 0001	Park Land Acquisition	426,247.00	-	5,730	-
	Total Property	426,247.00	-	5,730	-
Debt Service:					
040 4 4980 0001	Town Hall Debt 10 of 10	267,861.88	267,862	267,862	-
	Total Debt Service	267,861.88	267,862	267,862	-
Transfers:					
040 4 4990 0002	Transfer to Equipment Fund	102,125.00	102,125	102,125	102,125
040 4 4990 0003	Transfer to Street Fund	92,282.00	60,000	60,000	200,000
	Total Transfers	194,407.00	162,125	162,125	302,125
	Total Capital Improvement Expenses	888,516.70	449,987	435,717	352,125
	Capital Improvement Fund Beginning Fund Balance	334,440.00	147,781	163,532	114,523
	Revenues	717,608.97	377,584	386,707	352,595
	Expenses	888,516.70	449,987	435,717	352,125
	ENDING FUND BALANCE	163,532.27	75,378	114,523	114,993
	<i>Assigned for Park in Lieu</i>	42,459.00	42,459	52,227	52,227
	<i>Assigned for Park Facility Fees</i>	22,819.00	32,319	40,440	44,520
	<i>Assigned for TABOR Reserve 3% Expenditures)</i>	26,655.50	600	8,207.76	1,500
	Unallocated Operating Reserve		-	13,648	16,745
	Capital Improvement Fund Ending Fund Balance	163,532.27	75,378	114,523	114,993



SEWER FUND

The Sewer Fund was created when the Town took over the Bayfield Sanitation District in 2007. The Town built a fully mechanical Wastewater Treatment Plant in 2009. This plant is designed to treat approximately 600,000 gallons of wastewater per day. Gem Village wastewater is pumped to the Bayfield Wastewater Treatment Plant. The Public Works Department is responsible for the operations of the plant.

The budgets for sewer operating and capital were merged together beginning in 2013. This fund contains all of the revenues and expenses associated with managing the wastewater collection and treatment systems. As an enterprise fund, the costs of providing these services to the public are recovered primarily through user charges. The capital portion of this fund is funded primarily with tap fees, which are assessed for any sewer connection made to any of the sewer lines or mains owned by the Town. Tap fees are paid at the time of building permit for all new construction.

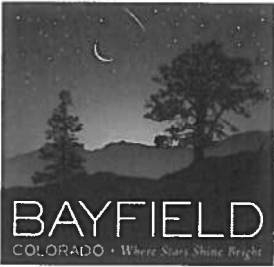
The Sewer Fund contains line items for non-cash expenditures. These amounts are annually reserved sums intended to carryover for future purchases. The future purchases include:

Plant Upgrade - \$1,229,959 is set aside in 2018 to address future needs for upgrades and expansion of the Wastewater Treatment plant.

Budget Summary

Total Sewer Revenues—\$1,107,555

Total Sewer Expenditures—\$1,038,589



BUDGET NARRATIVE

III. Sewer Fund

The 2018 Sewer Fund budget is presented with revenues and expenditures balanced. That is the amount of anticipated revenues plus other financing sources is equivalent to the amount of proposed expenditures. The 2018 budget includes \$1,107,555 in revenues and \$1,038,589 in expenditures.

A. Revenues

1. Charges for Services

The 2018 Budget includes \$923,596 from the most significant source of revenue, charges for services. These monies are the monthly sewer charges from customers receiving sewer services from the Town. User rates were unchanged for 2018 at \$49.74/ERT/month.

2. Miscellaneous

The 2018 Budget includes \$9,459 in interest income.

3. Transfer

The 2018 Budget includes \$79,800 in transfers from the water fund reflecting usage at the new water treatment facility.

4. Loan Proceed

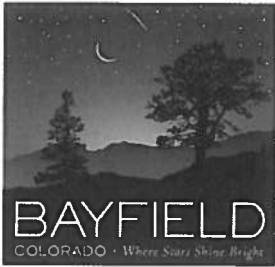
The 2018 Budget includes no loan proceeds.

5. Capital Revenues

The capital revenues is an estimate of the sewer plant investment fees. This estimate is based on past developments and is reserved for future capital improvements. The 2018 Budget reflects \$94,700 of these fees.

6. Grants

The grant section does not include any proposed funds for 2018.



BUDGET NARRATIVE

B. Expenditures

1. Salary and Benefits

The 2018 budget includes a break down of salaries and benefits based on percentages to each of the funds utilizing the services of various staff members. The Sewer Fund includes \$220,036 for salaries and benefits.

2. Collection and Transmission

The 2018 budget for Collection and Transmission items in the Sewer Fund remained stable with little change from 2017.

3. Sewer Treatment

The 2018 budget reflects changes in the Sewer Treatment section with a 8.6% increase in expenditures. The increase is driven by an increase in generator maintenance costs as well as chemicals.

4. General Operations

The 2018 budget is consistent with the 2017 budget for infiltration repairs and contract operations lines.

5. Administrative

The 2018 Sewer Fund budget for Administrative items reflects a significant increase in expenditures. This change is due in large part to the addition of consulting services, \$25,000 for a user rate study, and \$50,000 to update the Wastewater Collection Plan.

6. Debt Service

The annual payment of debt service for the Waste Water Treatment Facility is included in the 2018 Budget. In addition, the fourth payment of the CWRPDA loan for infiltrations is budgeted in 2018.

7. Capital Outlay

The 2018 Sewer Fund budget includes \$75,000 to rebuild the Sunrise Lift Station, and \$20,000 to relocate the shop building from Gem Village to the Wastewater Treatment Plant site.

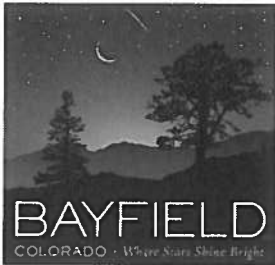
7. Transfers

The transfer of funds from the Sewer Fund to the Equipment Replacement fund allows for purchase of needed equipment as well as replacement of worn out items both in 2018 and in future years. In addition, yearly payments to the General Fund for monies borrowed to complete the Decommissioning of the Sewer Lagoons are due from this portion of the fund.

SEWER FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Charges for Services:					
030 3 3000 0001	Sewer Fees	918,064.39	916,513	928,843	923,596
		918,064.39	916,513	928,843	923,596
Miscellaneous:					
030 3 3920 0001	Miscellaneous Income	144.00	-	-	-
030 3 3300 0361	Interest Income	5,420.95	5,280	11,362	9,459
		5,564.95	5,280	11,362	9,459
SEWER CAPITAL					
Capital Revenue:					
030 3 3900 0001	Plant Investment Fees	205,950.00	60,500	167,110	94,700
	Total Capital Revenue	205,950.00	60,500	167,110	94,700
	Sewer Operating Revenue	1,129,579	982,293	1,107,315	1,027,755
Transfers:					
030 3 3930 0003	Transfer from Water Fund (Plant Investment)	-	-	-	79,800
	Total Transfers	-	-	-	79,800
	Sewer Fund Operating Revenues and Transfers	1,129,579	982,293	1,107,315	1,107,555

SEWER FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
EXPENSES					
Salary & Benefits:					
030 4 4000 0000	Salaries & Benefits (Reclass Account)	(962.10)	-	-	-
030 4 4050 0111	Town Manager's Salary	19,321.07	20,395	20,395	20,395
030 4 4050 0112	Town Clerk's Salary	8,818.78	9,733	9,733	9,976
030 4 4050 0113	Finance Director's Salary	4,633.70	4,590	4,590	4,676
030 4 4050 0114	Admin Assistant's Salary	13,577.44	14,092	14,092	14,353
030 4 4050 0116	Intern's Salary	-	6,000	6,000	6,153
030 4 4050 0117	Public Work's Director's Salary	22,424.01	23,527	23,527	23,794
030 4 4050 0118	1st PW Assistant's Salary	14,689.04	14,014	14,014	14,928
030 4 4050 0119	2nd PW Assistant's Salary	10,608.90	10,541	10,541	10,234
030 4 4050 0120	3rd PW Assistant's Salary	12,634.53	12,155	12,155	12,293
030 4 4050 0121	4th PW Assistant's Salary	12,828.81	12,216	12,216	10,234
030 4 4050 0122	5th PW Assistant's Salary	11,609.94	10,804	10,804	11,251
030 4 4050 0123	6th PW Assistant's Salary	11,144.84	11,022	11,022	10,234
030 4 4050 0125	Overtime	6,660.97	8,800	8,800	8,800
030 4 4050 0141	Unemployment Insurance	205.76	447	208	446
030 4 4050 0142	Workers Compensation Insurance	2,195.82	1,519	1,725	1,768
030 4 4050 0143	Health Insurance	27,473.41	37,673	18,437	38,001
030 4 4050 0144	Medicare	966.24	2,162	1,005	2,154
030 4 4050 0145	PERA	19,188.56	20,425	9,543	20,347
030 4 4050 0146	GASB 68 PERA	4,771.00	-	-	-
030 4 4050 0355	Salary Adjustments	-	-	-	-
	Total Salary & Benefits	202,790.72	220,115	188,807	220,036
Collection & Transmission:					
030 4 4052 0233	Repairs & Maintenance	9,542.73	6,000	13,000	6,000
030 4 4052 0234	Generator Maintenance	1,180.00	860	1,095	1,166
030 4 4052 0235	UNCC - Sewer	389.65	350	417	350
030 4 4052 0379	Electricity	7,361.94	8,000	7,767	8,000
	Total Collection & Transmission	18,474.32	15,210	22,279	15,516
Sewer Treatment:					
030 4 4152 0211	Supplies	13,446.07	700	250	700
030 4 4152 0228	Water & Sewer Charges	19,249.86	10,000	20,831	10,000
030 4 4152 0229	Testing	3,854.83	3,500	7,291	3,500
030 4 4152 0230	Permit Fee & Sludge Testing	4,835.69	5,000	3,795	5,000
030 4 4152 0233	Repairs & Maintenance	20,708.55	20,000	30,000	20,000
030 4 4152 0234	Generator Maintenance - Treatment	1,262.43	1,675	1,384	2,181
030 4 4152 0250	Chemicals	5,216.88	5,300	16,637	11,300
030 4 4152 0344	Natural Gas	1,845.53	1,800	1,292	1,800
030 4 4152 0379	Electricity	51,646.57	56,000	54,293	56,000
030 4 4152 0380	Garbage Service & Removal	672.00	700	617	700
030 4 4152 0381	Sludge Removal	8,100.00	9,900	7,412	11,500
030 4 4152 0382	SCADA Support	3,750.00	5,000	5,000	7,500
030 4 4152 0390	Grease Removal	2,870.00	2,500	635	2,500
	Total Sewer Treatment	137,458.41	122,075	149,437	132,681
General Operations:					
030 4 4260 0240	Infiltration Repairs	3,788.20	5,000	165	5,000
030 4 4260 0241	Vehicle Maintenance & Repair	2,320.95	2,500	2,500	2,500
030 4 4260 0251	Contract Operations	-	2,000	-	2,000
	Total General Operations	6,109.15	9,500	2,665	9,500

SEWER FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
Administrative:					
030 4 4301 0030	Treasurer's Fee Lien Collection	894.31	-	-	-
030 4 4301 0208	Ordinances & Proceedings	-	2,000	200	2,000
030 4 4301 0211	Office Supplies	797.66	800	1,521	800
030 4 4301 0221	Training, Travel & Meetings	1,803.40	2,200	1,105	2,200
030 4 4301 0231	Fuel	3,000.00	3,000	3,000	3,000
030 4 4301 0345	Telephone	1,754.45	2,000	1,685	2,000
030 4 4301 0354	Auditing	4,375.00	4,400	4,245	4,650
030 4 4301 0355	Engineering	4,618.97	5,000	4,568	10,000
030 4 4301 0380	Advertising	-	200	-	200
030 4 4301 0381	Postage	2,432.27	2,300	2,023	2,300
030 4 4301 0382	Internet	1,087.36	1,150	2,103	1,150
030 4 4301 0513	Insurance	17,269.60	15,611	16,531	17,388
030 4 4301 0514	Sewer Back-Up Policy	-	1,000	-	1,000
030 4 4301 0515	Computer Support & Maintenance	6,076.20	6,000	5,588	6,000
030 4 4301 0516	Consulting Services	-	-	-	75,000
030 4 4301 0525	Attorney	4,297.89	2,000	160	4,000
	Total Administrative	48,407.11	47,661	42,729	131,688
Debt Service:					
030 4 4310 0001	WWTF Loan (11 of 22)	133,470.94	343,165	341,904	349,265
030 4 4310 0002	Infiltration Loan (4 of 20)	10,915.59	36,547	36,587	36,547
		144,386.53	379,712	378,491	385,812
Capital Outlay:					
030 4 4900 0001	Wastewater Treatment Plant	170.14	-	-	-
030 4 4900 0008	GIS Data Recorder	124.88	-	4,789	-
030 4 4900 0009	Camera Purchase	-	8,000	-	-
030 4 4900 0011	SCADA Alarms install	-	10,000	7,034	-
030 4 4900 0012	Flow Meters - Gem Village Lift/RV Park	-	12,000	11,178	-
030 4 4900 0013	Sunrise Lift Station ReBuild	-	-	-	75,000
030 4 4900 0014	Shop Relocation	-	-	-	20,000
	Total Capital Outlay	295.02	30,000	23,001	95,000
SEWER CAPITAL					
Other:					
030 4 5000 0001	Interest Expense (Bond)	(2,218.66)	-	-	-
030 4 5000 0002	Bad Debt Expense	-	-	144	-
		(2,218.66)	-	144	-
	Total Sewer Operating Expense	555,702.60	824,273	807,552	990,233
Transfers:					
030 4 4325 0002	Transfer to Equipment Fund	19,518.00	19,518	19,518	19,518
030 4 4325 0003	Transfer to General (Decommissioning Loan) 5 of 20	-	28,383	28,838	28,838
030 4 4325 0004	Transfer to General (Camera) 5 of 5	-	13,574	13,574	-
	Total Transfers	19,518.00	61,475	61,930	48,356
	Total Sewer Expenses & Transfers	575,220.60	885,748	869,482	1,038,589
	Sewer Fund Beginning Fund Balance	1,042,661.00	1,213,940	1,597,020	1,834,853
	Revenues	1,129,579	982,293	1,107,315	1,107,555
	Expenses	575,220.60	885,748	869,482	1,038,589
	Sewer Fund Ending Fund Balance	1,597,019.74	1,310,485	1,834,853	1,903,819
	Assigned for Plant Upgrade	748,933.00	909,620	1,055,459	1,229,959
	Assigned for Operations/Maintenance Reserve	88,772.00	90,006	86,948	86,092
	Unassigned Fund Balance	759,314.74	310,859	692,446	587,768



WATER FUND

The Water Fund is an enterprise fund that is funded with revenues from user fees paid for the operation of the water treatment and delivery system. The Town's drinking water comes from the Pine River. Water is treated and facilities are maintained by the Town's Public Works Department.

There are approximately 15.5 miles of water distribution lines that service the Town and its residents. In 2016 the Town and the La Plata Archuleta Water District (LAPLAWD) upgraded and expanded the water treatment plant. The plant's treatment capacity was expanded to 1.0 million gallons per day, with the Town receiving 250,000 gallons per day and LAPLAWD reserving 750,000 gallons per day. Together the water treatment plant has a capacity of 2.5 million gallons per day and the water storage capacity is 1.7 M.G.D. The Town Board adopted a policy to maintain 1,000 gallons of water storage per household per day in order to ensure adequate water availability for fire fighting, drought reserve and minor river contamination, due to forest fires and/or erosion.

The Water Capital and Operating Funds were merged together beginning in the 2014 budget. The capital portion is primarily funded with water tap fees which are assessed for any water connection made to any of the water mains owned by the Town. Tap fees are paid at the time of building permit for all new construction.

The Water Fund budget contains line items for non-cash expenditures. These amounts are annually reserved sums intended to carryover for future projects. The future projects include:

New Meters and Radio Reads - Approximately \$10,000 is being set aside each year to replace the meters which have expected lives of 20 years. Budgeted reserves are \$75,490

Assigned for Water Rights - \$4,664 is held in reserve from collection of cash payments in-lieu of conveyance of water rights.

Ditch Piping - Approximately \$10,000 is being set aside each year to pipe sections of the ditch to alleviate water loss issues. Budgeted reserves are \$90,000.

Water Tank Expansion - Approximately \$10,000 is being set aside each year for an additional tank to increase storage capacity. Budgeted reserves are \$70,000.

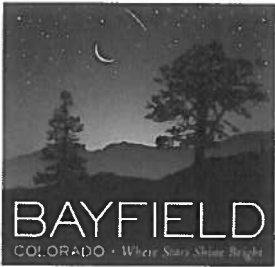
Line Replacement & New Lines - Monies have been accumulating to allow for replacement of old lines which break or that lack capacity to carry the amount of water needed. Budgeted reserves are currently \$360,000.

Plant Expansion - \$1,030,891 is being set aside for the expansion of the existing water plant as the Town grows and includes more residents with utility needs. This amount corresponds to the revenue received from water plant investment fees.

Budget Summary

Total Water Revenues—\$665,550

Total Water Expenditures—\$993,887



BUDGET NARRATIVE

IV. Water Fund

The 2018 Water Fund budget is presented with revenues and expenditures balanced. That is the amount of anticipated revenues plus other financing sources is equivalent to the amount of proposed expenditures. The 2018 budget includes \$665,550 in revenues and \$993,887 in expenditures, with a proposed spend down of fund balance equivalent to \$328,337.

A. Revenues

1. Charges for Services

The 2018 budget includes water fees collected on a monthly basis, as well as penalties and interest on these services. The revenue is budgeted with an \$11,500 increase for the 2018 budget. Collections are tied to the demand for irrigation in the summer months. The weather patterns are unpredictable and the budget is conservative. The Town is predicting a collection of \$525,000 in water sales for the Town. The water salesman continues to be utilized by residents outside of Town and those revenues are expected to remain steady based on previous year collections. The increase is due to the continued setting of water meters thus bringing in revenues for the supplies.

2. Miscellaneous

The 2018 Budget includes \$700 in interest income and \$800 for turn off/on fees.

3. Capital Revenue

The capital revenues are an estimate of the water plant investment fees. This estimate is based on past developments and is reserved for future capital improvements. The plant investment fees (tap fees) are forecasted to be \$66,000 for 2018.

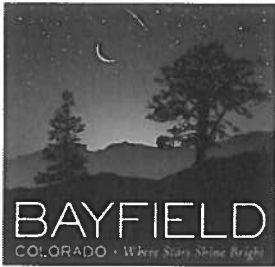
B. Expenditures

1. Salary and Benefits

The 2017 budget includes a break down of salaries and benefits based on percentages to each of the funds utilizing the services of various staff members. The Water Fund includes a budgeted total of \$183,700 for salaries and benefits.

2. Water Storage

The 2018 budget includes a \$5,000 decrease in the water storage section of the water fund with all other items remaining steady. The Town is adjudicating water rights and the cost of the process is being accounted for in 2018.



BUDGET NARRATIVE

3. Pumping Costs

The 2018 budget for pumping costs has increased to \$4,500, with the only cost being electricity, which is attributable to primary use of the Los Pinos Ditch for delivery of raw water.

4. Water Treatment

The 2018 budget for water treatment shows an increase in expenditures in testing, SCADA support, engineering, and the addition of a new line item— natural gas. With a larger plant, these costs are anticipated to increase. The total of \$159,500 also includes \$45,000 in electricity.

5. Transmission and Distribution

The transmission and distribution for 2018 shows an increase from 2017. An increase in the water meters and supplies line is budgeted in order to replace parts that are being used. Additionally, new lines have been added including Natural Gas, GIS Mapping Services, and Reapirs and Maintenance to more correctly account for expenses.

6. Administrative Costs

Administrative costs in the 2018 water fund budget have increased considerably rfrom the 2017 budget. The large increase is to account for the proposed update to the Water Master Plan and \$25,000 toward a user rate study.

7. Miscellaneous

The Town plans to spend \$2,500 for vehicle maintenance in relation to the water fund.

8. Debt Service

The 2018 budget for the water fund includes one payment of debt service from the water fund. The DOLA loan interest and principal payment is \$18,697.

9. Capital Outlay

The 2018 Water Capital budget reflects three expenses under the heading Capital Outlay. These expenditures include \$260,000 towards the LAPLAWD waterline improvement, \$2,500 for the water treatment plant facility upgrade, and \$6000 for a pump station on the Schroeder Ditch.

10. Transfers

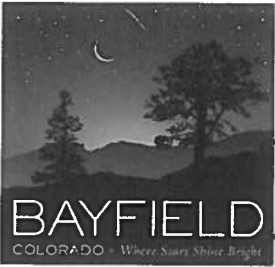
The 2018 budget reflects two transfers from the Water Fund. \$10,735 will be transferred to the Equipment Replacement Fund for the water funds portion of depreciation expense of vehicles and equipment. And \$79,800 will be transferred to the Sewer Fund to pay for plant investment fees associated with the new Water Treatment Plant discharging effluent into the sanitary sewer system.

WATER FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Charges for Services:					
050 3 3000 0001	Water Sales	574,542.66	525,000	598,029	525,000
050 3 3000 0002	Penalties & Interest	13,774.27	13,000	15,362	13,000
050 3 3000 0005	Water Salesman	33,487.03	30,000	38,702	30,000
050 3 3000 0010	Hydrant Meter Deposits	205.50	-	6,043	-
050 3 3000 0015	Water Meters & Supplies	24,846.45	10,000	25,000	20,000
050 3 3000 0020	GIS Mapping Services		-	-	1,500
	Total Charges for Services	646,855.91	578,000	683,136	589,500
Grants:					
050 3 3200 0001	DOLA Grant Waterline Improvements	236,064.40	-	-	-
		236,064.40	-	-	-
Miscellaneous:					
050 3 3100 0001	Turn On/Off Fees	810.00	420	1,190	800
050 3 3100 0361	Interest Income	785.76	885	717	700
	Total Miscellaneous	1,595.76	1,305	1,907	1,500
WATER CAPITAL					
Charges for Services:					
050 3 3900 0001	Plant Investment Fees	183,079.27	66,000	146,370	66,000
050 3 3900 0002	Cash in Lieu of Water Rights	1,135.00	-	-	-
	Total Charges for Services	184,214.27	66,000	146,370	66,000
Miscellaneous:					
050 3 3920 0001	Interest Income Colotrust	4,792.42	5,040	10,368	8,500
050 3 3920 0002	Interest Income (In Lieu of Water Rights)	24.60	33	51	50
	Total Miscellaneous	4,817.02	5,073	10,419	8,550
	Total Water Revenue	1,073,547.36	650,378	841,831	665,550

WATER FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
EXPENSES					
Salary & Benefits:					
050 4 4000 0000	Salaries & Benefits (Reclass Account)	(762.76)	-	-	-
050 4 4330 0111	Town Manager's Salary	14,490.82	15,296	15,296	15,296
050 4 4330 0112	Town Clerk's Salary	6,614.06	7,299	7,299	7,482
050 4 4330 0113	Finance Director's Salary	4,633.70	4,590	4,590	4,676
050 4 4330 0114	Admin Assistant's Salary	13,577.29	14,092	14,092	14,353
050 4 4330 0116	Intern's Salary	-	4,500	4,500	4,615
050 4 4330 0117	Public Works Director's Salary	18,686.66	19,606	19,606	19,828
050 4 4330 0118	1st PW Assistant's Salary	12,240.87	11,678	11,678	12,440
050 4 4330 0119	2nd PW Assistant's Salary	8,840.75	8,784	8,784	8,528
050 4 4330 0120	3rd PW Assistant's Salary	10,528.76	10,129	10,129	10,244
050 4 4330 0121	4th PW Assistant's Salary	10,690.67	10,180	10,180	8,528
050 4 4330 0122	5th PW Assistant's Salary	9,674.97	9,003	9,003	9,375
050 4 4330 0123	6th PW Assistant's Salary	9,287.40	9,185	9,185	8,528
050 4 4330 0140	Overtime	7,286.78	8,800	8,800	8,528
050 4 4330 0141	Unemployment Insurance	173.58	373	176	372
050 4 4330 0142	Worker's Compensation Insurance	2,005.20	1,390	1,593	1,618
050 4 4330 0143	Health Insurance	22,510.70	31,949	14,530	32,316
050 4 4330 0144	Medicare	814.42	1,803	828	6,360
050 4 4330 0145	PERA	16,083.55	17,035	7,997	10,614
050 4 4330 0146	GASB 68 PERA	4,013.00	-	-	-
050 4 4330 0355	Salary Adjustments	-	-	-	-
	Total Salary & Benefits	171,390.42	185,692	158,267	183,700
Water Storage:					
050 4 4331 0227	Ditch Fees Los Pinos/Schroeder	17,130.83	22,000	12,951	22,000
050 4 4331 0228	PRID	11,795.47	31,500	11,795	31,500
050 4 4331 0232	Water Rights Adjudication	-	25,000	20,000	20,000
	Total Water Storage	28,926.30	78,500	44,747	73,500
Pumping Costs:					
050 4 4332 0379	Electricity	4,425.36	3,500	3,399	4,500
	Total Pumping Costs	4,425.36	3,500	3,399	4,500
Water Treatment:					
050 4 4333 0228	Water & Sewer Charges	9,638.28	13,500	1,567	13,500
050 4 4333 0229	Testing	7,830.37	11,160	8,500	12,500
050 4 4333 0230	Permit Fees	465.00	2,500	465	2,500
050 4 4333 0231	Natural Gas	-	-	-	5,000
050 4 4333 0233	Repairs & Maintenance	16,014.72	19,500	19,500	19,500
050 4 4333 0250	Chemicals	25,374.83	40,000	30,000	40,000
050 4 4333 0300	Computer	1,817.66	2,000	-	2,000
050 4 4333 0310	SCADA Support	4,798.00	5,000	5,000	7,500
050 4 4333 0355	Engineering	2,572.59	5,000	12,000	12,000
050 4 4333 0356	Electricity	35,028.22	30,000	45,322	45,000
	Total Water Treatment	103,539.67	128,660	122,353	159,500

WATER FUND					
		Actual 2016	Budget 2017	2017 Actual	Budget 2018
Transmission & Distribution:					
050 4 4334 0229	Supplies	19,872.66	17,875	16,000	17,875
050 4 4334 0230	Water Meters & Supplies	15,888.99	10,000	18,254	16,000
050 4 4334 0231	Fuel	4,000.00	4,000	4,000	4,000
050 4 4334 0300	Electricity	5,159.82	5,400	5,819	5,400
050 4 4334 0301	Natural Gas			164	600
050 4 4334 0500	GIS Mapping Services	-	-	-	1,500
050 4 4334 0901	Hydrant Replacement	-	1,500	42	6,000
050 4 4334 0905	Repairs & Maintenance	-	-	-	5,000
050 4 4334 0906	Tank Maintenance	153.93	8,000	5,414	-
050 4 4334 0960	UNCC - Water	389.70	350	424	400
Total Transmission & Distribution		45,465.10	47,125	50,117	56,775
Administrative Costs:					
050 4 4336 0030	Treasurer's Fee Lien Collection	75.01	125	-	125
050 4 4336 0208	Ordinances & Proceedings	179.00	500	-	500
050 4 4336 0211	Office Supplies	751.67	800	1,101	1,000
050 4 4336 0221	Training, Travel & Meetings	1,351.35	3,500	1,174	3,500
050 4 4336 0238	Safety Equipment	-	500	33	1,500
050 4 4336 0344	Natural Gas	2,890.40	5,000	2,900	-
050 4 4336 0345	Telephone	1,776.26	1,500	1,886	1,800
050 4 4336 0354	Auditing	4,375.00	4,400	4,117	4,400
050 4 4336 0380	Advertising	-	200	-	200
050 4 4336 0381	Postage	2,473.12	2,500	2,027	2,500
050 4 4336 0382	Internet	1,087.32	1,150	1,289	1,100
050 4 4336 0383	Computer Support & Maintenance	6,076.20	5,200	6,088	11,600
050 4 4336 0513	Insurance	6,107.84	6,244	13,584	6,955
050 4 4336 0525	Attorney	1,177.50	2,500	1,500	2,500
050 4 4336 0530	Consulting Services	-	-	-	75,000
050 4 4336 0600	Rodent Control	-	500	90	500
Total Administrative Costs		28,320.67	34,619	35,789	113,180
Miscellaneous:					
050 4 4336 0720	Vehicle Maintenance	2,691.63	2,500	2,500	2,500
Total Miscellaneous		2,691.63	2,500	2,500	2,500
Debt Service:					
050 4 4910 0002	DWARF Interest on Bonds	316.77	-	-	-
050 4 4910 0003	Interest & Principal DOLA Loan (15 of 19)	5,409.25	18,697	18,697	18,697
		5,726.02	18,697	18,697	18,697
WATER CAPITAL					
Capital Outlay:					
050 4 4900 0036	LAPLAWD Water Line Improvement	-	260,000	-	260,000
050 4 4900 0037	Water Treatment Plant Upgrade	-	-	-	25,000
050 4 4900 0041	Meter Reader	-	-	-	-
050 4 4900 0050	GIS Data Recorder	129.04	-	6,973	-
050 4 4900 0060	Security Cameras	-	2,500	2,500	-
050 4 4900 0070	Media Filter Replacement	-	55,000	40,000	-
050 4 4900 0080	Schroeder Pump	-	-	-	6,000
Total Capital Outlay		129.04	317,500	49,473	291,000

WATER FUND					
		Actual 2016	Budget 2017	2017 Actual	Budget 2018
Miscellaneous:					
050 4 5000 0001	Bad Debt Expense	-	-	56	-
Total Miscellaneous		-	-	56	-
Total Water Expenses		390,614.21	816,793	485,398	903,352
Transfers:					
050 4 4800 0001	Transfer to Equipment Fund	10,735.00	10,735	10,735	10,735
050 4 4800 0002	Transfer to Sewer Fund (Plant Investment)	-	-	-	79,800
Total Transfers		10,735.00	10,735	10,735	90,535
Total Water Expenses & Transfers		401,349.21	827,528	496,133	993,887
Water Fund Beginning Fund Balance		1,653,452.00	1,461,136	2,325,650	2,671,349
Revenues		1,073,547.36	650,378	841,831	665,550
Expenses		401,349.21	827,528	496,133	993,887
Water Fund Ending Fund Balance		2,325,650.15	1,283,986	2,671,349	2,343,012
<i>Assigned for Tank Recoating</i>		<i>50,000.00</i>	<i>52,500</i>	<i>51,819</i>	<i>61,819</i>
<i>Assigned for Meters & Radio Reads</i>		<i>66,000.00</i>	<i>65,490</i>	<i>65,490</i>	<i>75,490</i>
<i>Assigned for Water Rights</i>		<i>3,465.00</i>	<i>4,621</i>	<i>4,664</i>	<i>4,664</i>
<i>Assigned for Line Replacement and New Lines</i>		<i>10,741.00</i>	<i>0</i>	<i>0</i>	<i>360,000</i>
<i>Assigned for Plant Expansion</i>		<i>699,250.00</i>	<i>794,840</i>	<i>964,891</i>	<i>1,030,891</i>
<i>Assigned for Water Tank Expansion</i>		<i>60,000.00</i>	<i>62,500</i>	<i>62,500</i>	<i>70,000</i>
<i>Assigned for Ditch Piping</i>		<i>80,000.00</i>	<i>82,500</i>	<i>82,500</i>	<i>90,000</i>
Unassigned fund balance		1,356,194.15	33,835	1,439,486	650,148
Water Fund Ending Fund Balance		2,325,650.15	1,283,986	2,671,349	2,343,012



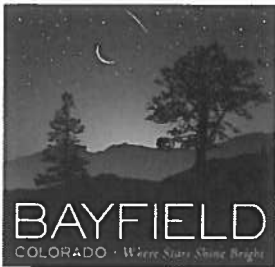
GARBAGE FUND

The Garbage Fund is an enterprise fund and is designed to be funded with user charges for the costs of providing services to the general public. The Town of Bayfield has a contract with a trash collection provider who provides trash collection to all residents that request service. The fees collected from residents pay for the trash collection service and additional services including the annual clean-up.

Budget Summary

Total Garbage Revenues—\$136,035

Total Garbage Expenditures—\$136,035



BUDGET NARRATIVE

V. Garbage Fund

The 2018 Garbage Fund Budget is presented with revenues and expenditures balanced. That is, the amount of anticipated revenues plus other financing sources is equivalent to the amount of proposed expenditures. The 2018 budget includes \$136,035 in revenues and \$136,035 in expenditures.

A. Revenues

1. Charges for Services

The 2018 Garbage Fund budget shows the majority of its revenues being collected in garbage fees. The budget amount to revenue in 2018 for this line item is \$135,260. The remainders of the revenues are collected thru clean up fees and interest earned.

B. Expenditures

1. Salary and Benefits

The 2018 budget includes a break down of salaries and benefits based on percentages to each of the funds utilizing the services of various staff members. The Garbage Fund includes a budgeted total of \$5960 for salaries and benefits.

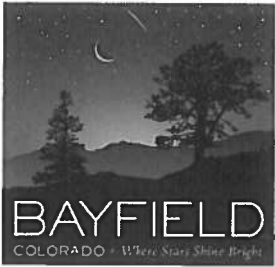
2. Operations

The 2018 budget for the garbage fund includes its largest expense in the operations section of the budget. The waste control contract for removal of trash in the Town of Bayfield is anticipated to cost \$126,970 for 2018. Residential garbage collections rates remain unchanged at \$11.15/residential poly cart and \$3.30 for additional poly carts.

3. Administrative

The only expenses in the administrative portion of the garbage fund budget for 2018 are office supplies and the garbage funds portion of the proposed computer support and maintenance and auditing contracts.

GARBAGE FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Charges for Services:					
060 3 3482 0100	Garbage Fees	129,114.96	131,000	134,101	135,260
060 3 3482 0150	Clean-Up Fees	442.50	500	735	735
	Total Charges for Services	129,557.46	131,500	134,836	135,995
Miscellaneous:					
060 3 3483 0361	Interest Income	35.46	40	36	40
	Total Miscellaneous	35.46	40	36	40
	Total Garbage Fund Revenue	129,592.92	131,540	134,872	136,035
EXPENSES					
Salary & Benefits:					
060 4 4000 0000	Salaries & Benefits (Reclass)	40.01	-	-	-
060 4 4200 0111	Town Manager's Salary	966.00	1,020	1,020	1,020
060 4 4200 0112	Town Clerk's Salary	440.95	487	487	499
060 4 4200 0113	Finance Director's Salary	463.38	459	459	468
060 4 4200 0114	Admin Assistant's Salary	1,697.26	1,761	1,761	1,794
060 4 4200 0016	Intern's Salary	-	300	300	308
060 4 4200 0141	Unemployment Insurance	10.49	12	12	12
060 4 4200 0142	Worker's Compensation Insurance	107.00	120	120	-
060 4 4200 0143	Health Insurance	861.08	1,302	1,214	1,239
060 4 4200 0144	Medicare	50.59	58	56	59
060 4 4200 0145	PERA	488.84	552	545	560
060 4 4200 0355	Salary Adjustments	-	-	-	-
	Total Salary & Benefits	5,125.60	6,071	5,974	5,960
Operations:					
060 4 4300 0001	Waste Control Contract	119,723.95	123,060	125,320	126,970
060 4 4300 0003	Spring Clean Up	564.00	1,000	689	1,000
	Total Operations	120,287.95	124,060	126,009	127,970
Administrative:					
060 4 4324 0146	GASB 68 PERA	133.00	-	-	-
060 4 4324 0211	Office Supplies	350.09	350	-	350
060 4 4324 0220	Computer Support & Maintenance	607.68	600	609	600
060 4 4324 0381	Postage	-	1,000	500	1,000
060 4 4324 0526	Auditing	125.00	125	121	155
	Total Administrative	1,215.77	2,075	1,230	2,105
	Total Garbage Fund Expenses	126,629.32	132,206	133,212	136,035
	Total Garbage Fund Expenses and Transfers	126,629.32	132,206	133,212	136,035
	Garbage Fund Beginning Fund Balance	38,848.00	41,510	41,812	43,472
	Revenues	129,592.92	131,540	134,872	136,035
	Expenses	126,629.32	132,206	133,212	136,035
	Garbage Fund Ending Fund Balance	41,811.60	40,844	43,472	43,472



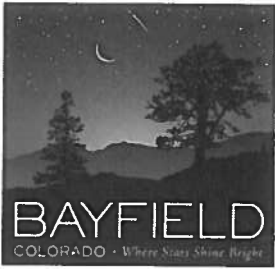
TRANSPORTATION FUND

The Transportation Fund was created in 2011 when the Town took over Highway 160B, now renamed Bayfield Parkway, from the State of Colorado. This fund is used to account for financial resources to be used for transportation related expenses. The Transportation Fund monies were transferred to the Town and are required to be accounted for separate from other funds.

Budget Summary

Total Transportation Revenues—\$0

Total Transportation Expenditures—\$500,000



BUDGET NARRATIVE

VI. Transportation

The Transportation Fund was a new addition to the budget of the Town of Bayfield in 2011. The fund was created primarily to manage the revenues and funds obtained in the transfer of U.S. Highway 160 B through the Colorado Department of Transportation (CDOT) Maintenance Incentive Pilot Program (MIPP). The funds must be used for transportation related expenses. The fund is presented with revenues and expenditures balanced. The anticipated amount of revenues plus other financing sources is \$0 and the expenditures are \$500,000. A significant spend down of funds occurred in 2017 with the completion of the twin bridges project.

A. Revenues

1. Interest

There are no budgeted revenues for the 2018 transportation fund budget.

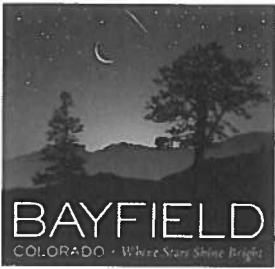
B. Expenditures

1. Street Repairs

The 2018 transportation fund contains one budgeted expenditure for the year of \$500,000 for a transfer to the street fund to assist with street maintenance projects.

TRANSPORTATION FUND

		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Transfers:					
070 3 3444 0300	Transfer from General Fund	-	388,568	-	-
	Total Transfers	-	388,568	-	-
Grant:					
070 3 3200 0001	Bridge Replacement Grant	-	1,386,000	2,533,520	-
070 3 3200 0002	TAP Grant	-	261,000	-	-
		-	1,647,000	2,533,520	-
Interest:					
070 3 3444 0361	Interest Income	2,229.18	1,000	1,100	-
		2,229.18	1,000	1,100	-
	Total Transportation Fund Revenues	2,229.18	2,036,568	2,534,620	-
EXPENSES					
Street Repairs:					
070 4 4000 0040	Repairs and Maintenance	25,195.83	-	-	-
	Total Street Repairs	25,195.83	-	-	-
Bridge Repairs:					
070 4 4100 0001	Bridge Replacement	5,278.05	5,167,917	4,800,000	-
070 4 4100 0005	Wetland Monitoring	-	2,950	-	-
		5,278.05	5,170,867	4,800,000	-
	Total Transportation Fund Expenses	30,473.88	5,170,867	4,800,000	-
Transfers:					
070 4 4800 0001	Transfer to Street Fund	-	-	-	500,000
	Total Transfers	-	-	-	500,000
	Transportation Fund Expenses and Transfers	30,474	5,170,867	4,800,000	500,000
	Transportation Fund Beginning Balance	3,160,531.00	3,134,299	3,132,286	866,906
	Revenues	2,229.18	2,036,568	2,534,620	-
	Expenses and Transfers	30,473.88	5,170,867	4,800,000	500,000
	Restricted Funds	3,132,286.30	-	-	-
	Transportation Fund Ending Balance	3,132,286.30	-	866,906	366,906



STREET FUND

The Street Fund was created in 2016 to house the voter approved 1% increase in Town Sales Tax revenues. The Street Fund contains additional revenues which have been earmarked for transportation related expenditures and which have traditionally been budgeted in the General Fund. Additionally, the fund will be supplemented in it's infancy with transfers from the General and Capital Improvement Funds. The expenses that were traditionally associated with Public Works streets program have been moved to this fund including salaries and benefits, operational, and administrative items. The contribution to the cost of the Road Runner Transit System for transit services was also moved. This fund contains line items to account for the portion of administrative services that are done on behalf of the street program.

Mission Statement:

To construct and maintain critical infrastructure needs including roads, sidewalks, and storm water systems that exceed the expectations of Bayfield residents.

Budget Summary

Total Street Fund Revenues—\$1,345,087

Total Street Fund Expenditures—\$1,484,759



BUDGET NARRATIVE

VII. Streets

The Street Fund was a new addition to the budget of the Town of Bayfield in 2016. The fund was created primarily to manage the revenues and expenditures of the streets and storm water infrastructure of the town and is primarily funded by a 1% Town Sales Tax increase approved by the voters in November of 2015. The fund is presented with revenues and expenditures balanced. The anticipated amount of revenues plus other financing sources is \$1,345,087 and the expenditures are \$1,484,759 with a spend down of fund balance of \$139,672.

A. Revenues

1. Taxes & Fees

There are three segments of budgeted revenues for the 2018 street fund budget. The first is taxes and fees obtained from transportation related items such as Highway User Tax, Specific Ownership Tax, Natural Gas Franchise Fees, TV Franchise Fees, and County Road and Bridge Funds. This section of the budget also includes the 1% share of the Town Sales Tax.

2. License & Permits

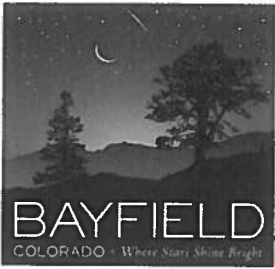
The license and permit revenues for the Street Fund are obtained thru Right of Way Fees and Overweight Vehicle Permits. This is a minimal revenue stream budgeted at \$300.

3. Grants

The Street fund contains a new section in the 2018 budget year housing grant funds. A budgeted revenue of \$250,000 is listed for the DOLA Energy and Mineral Impact grant for use of storm water repairs.

4. Transfers

Two transfers into the Street Fund in 2018 of \$200,000 and \$500,000 will help make up the total revenues.



BUDGET NARRATIVE

B. Expenditures

1. Wages & Benefits

The 2018 budget includes a break down of salaries and benefits based on percentages to each of the funds utilizing the services of various staff members. The Street Fund includes \$243,646 for salaries and benefits.

2. Public Works Streets

The 2018 budget includes \$554,000 in funding for a proposed mill and overlay of local streets including Mesa Avenue, Tamarack, Palo Verde, and Westview; \$40,000 for annual crack sealing; and \$10,000 for patching.

3. Public Works Operations

The 2018 budget includes the street funds portion for fuel for vehicles, shop maintenance supplies and tools, welding supplies and equipment maintenance and repairs unchanged from 2017.

4. Administrative

The street fund's portion of administrative costs for 2018 include \$5,000 in engineering fees and the portion of the street funds share of office supplies, postage, insurance and other operating costs.

5. Transit

The 2018 budget includes community funding for the Road Runner Transit of \$11,089.

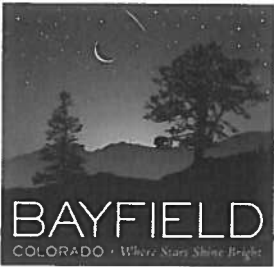
6. Capital

Capital projects include a single expense for stormwater improvements of \$500,000 in 2018.

STREET FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Taxes & Fees:					
071 3 3000 0005	City Sales Tax	269,949.63	265,969	267,918	267,918
071 3 3000 0020	Highway Users Tax	83,655.34	86,909	84,391	83,675
071 3 3000 0040	Specific Ownership Tax	17,473.73	17,000	20,248	18,000
071 3 3000 0050	Natural Gas Franchise Fee	10,748.86	10,000	10,000	10,000
071 3 3000 0055	TV Franchise Fee	2,779.27	1,500	1,628	2,500
071 3 3000 0070	County Road & Bridge Funds	12,098.60	11,863	12,000	12,519
		396,705.43	393,241	396,185	394,612
Licenses & Permits:					
071 3 3100 0006	Overweight Vehicle Permits	-	-	32,230	-
071 3 3100 0021	Right of Way Fees	300.00	300	625	300
		300.00	300	32,855	300
Grants:					
071 3 3700 0001	DOLA Energy Mineral Impact - Stormwater	-	-	16,443	250,000
		-	-	16,443	250,000
Interest:					
071 3 3800 0001	Interest Income	-	-	175	175
		-	-	175	175
Transfers:					
071 3 3900 0014	Transfer from General	200,000.00	-	-	-
071 3 3900 0015	Transfer from Capital	92,282.00	60,000	60,000	200,000
071 3 3900 0016	Transfer from Transportation	-	-	-	500,000
		292,282.00	60,000	60,000	700,000
	Total Street Fund Revenues	689,287.43	453,541	505,659	1,345,087

STREET FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
EXPENSES					
Wages & Benefits:					
071 4 4318 0110	Public Works Director's Salary	33,147.90	35,291	35,291	35,691
071 4 4318 0111	First PW Assistant's Salary	18,343.99	21,020	21,020	22,392
071 4 4318 0112	Second PW Assistant's Salary	12,909.58	15,811	15,811	15,350
071 4 4318 0113	Third PW Assistant's Salary	14,431.77	18,232	18,232	18,440
071 4 4318 0116	Fourth PW Assistant's Salary	15,612.66	18,325	18,325	15,350
071 4 4318 0117	Fifth PW Assistant's Salary	12,919.41	16,206	16,206	16,876
071 4 4318 0118	Sixth PW Assistant's Salary	13,331.50	16,532	16,532	15,350
071 4 4318 0121	Temporary Labor	(165.72)	2,000	2,000	2,000
071 4 4318 0125	Overtime	6,920.21	4,000	6,000	5,000
071 4 4318 0130	Town Manager's Salary	9,522.76	10,197	10,197	10,197
071 4 4318 0131	Town Clerk's Salary	4,346.52	4,866	4,866	4,988
071 4 4318 0132	Finance Director's Salary	4,564.44	4,590	4,590	4,676
071 4 4318 0133	Admin Assistant's Salary	1,672.82	1,761	1,761	1,794
071 4 4318 0134	Intern's Salary	-	3,000	3,000	3,076
071 4 4318 0141	Unemployment Insurance	855.78	497	871	493
071 4 4318 0142	Workers Compensation Insurance	7,734.28	5,541	5,853	6,452
071 4 4318 0143	Health Insurance	36,076.48	38,937	61,281	40,647
071 4 4318 0144	Medicare	3,996.25	2,405	4,047	2,381
071 4 4318 0145	PERA	20,215.69	22,719	39,551	22,493
	Total Public Works Wages & Benefits	216,436.32	241,930	285,435	243,646
Public Works Streets:					
071 4 4319 0005	Street Lighting	17,597.67	18,400	18,700	18,400
071 4 4319 0006	Street Cleaning & Supplies	2,638.56	1,700	-	1,700
071 4 4319 0007	Street Repairs & Maintenance	3,831.04	44,000	44,000	554,000
071 4 4319 0008	Concrete Repairs & Maintenance	4,908.50	10,000	9,500	10,000
071 4 4319 0015	Traffic Services- Striping	1,322.89	3,700	2,447	3,700
071 4 4319 0016	Traffic Services - Signs	325.33	1,500	500	1,500
071 4 4319 0019	Banners	-	3,000	3,066	6,000
071 4 4319 0020	Snow & Ice Removal	12,884.09	12,000	12,000	12,000
071 4 4319 0025	Weed Control	1,627.48	2,000	3,608	2,000
	Total Public Works Streets	45,135.56	96,300	93,821	609,300
Public Works Operations:					
071 4 4320 0231	Fuel	5,136.75	10,500	8,000	10,500
071 4 4320 0232	Shop Maint, Supplies & Tools	1,265.64	1,500	1,300	1,500
071 4 4320 0250	Welding Supplies	203.96	500	300	500
071 4 4320 0360	Equipment Maintenance & Repair	4,613.64	5,000	5,000	5,000
	Total Public Works Operations	11,219.99	17,500	14,600	17,500

STREET FUND					
		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
Public Works Administrative:					
071 4 4321 0211	Office Supplies	397.70	500	589	500
071 4 4321 0215	Postage	245.00	350	270	350
071 4 4321 0221	Travel, Training & Meetings	-	500	200	500
071 4 4321 0222	CDL Testing & Training	705.00	1,500	1,500	1,500
071 4 4321 0225	Uniform Allowance	2,258.06	2,500	2,500	2,500
071 4 4321 0228	Water & Sewer Charges	2,738.52	3,000	2,813	3,000
071 4 4321 0344	Natural Gas	1,694.52	2,500	1,250	2,500
071 4 4321 0345	Telephone	1,518.07	1,700	1,503	1,700
071 4 4321 0354	Auditing	-	-	-	1,550
071 4 4321 0379	Electricity	2,519.80	3,800	2,169	3,800
071 4 4321 0382	Internet	828.00	830	828	830
071 4 4321 0383	Computer Support & Maintenance	6,627.15	6,050	6,088	6,050
071 4 4321 0525	Attorney	2,411.00	2,500	-	2,500
071 4 4321 0942	Garbage Services	1,931.25	2,000	2,177	2,000
071 4 4321 0950	Engineering	2,854.84	5,000	5,000	5,000
071 4 4321 0960	Insurance	7,634.80	7,805	7,957	8,694
071 4 4321 0970	Road & Bridge Treasurer's Fee	104.37	237	-	250
	Total Public Works Admin	34,468.08	40,772	34,842	43,224
Transit:					
071 4 4322 0100	Road Runner Transit	8,000.00	8,000	8,000	11,089
		8,000.00	8,000	8,000	11,089
	Total Wages & Public Works Expenses	315,259.95	404,502	436,698	924,759
STREET CAPITAL					
Capital Outlay:					
071 4 4323 0023	GIS Data Recorder	120.70	-	6,928	-
071 4 4323 0024	Landscaping	28,058.14	-	-	-
071 4 4323 0025	Vehicle Lift	6,567.69	-	-	-
071 4 4323 0026	Stormwater Improvements	1,860.10	-	38,128	500,000
071 4 4323 0027	Backhoe and Implements	-	7,000	7,945	-
071 4 4323 0028	Bayfield Parkway and CR 509 Intersection Improvements	-	-	-	60,000
		36,606.63	7,000	53,001	560,000
	Total Street Expenses	351,866.58	411,502	489,699	1,484,759
	BEGINNING FUND BALANCE	-	297,447	337,421	353,380
	Revenues & Transfers In	689,287.43	453,541	505,659	1,345,087
	Expenses & Transfers Out	351,866.58	411,502	489,699	1,484,759
	Ending Fund Balance	337,421.00	339,486	353,380	213,708
	Assigned for Inventory	17,035.00	-	20,000	20,000
	Assigned for TABOR Reserve 3% Expenditures)	10,556.00	12,345	14,691	44,543
	Unallocated Operating Reserve	337,420.85	369,134	353,380	169,166
	TOTAL ENDING FUND BALANCE	337,421.00	339,486	353,380	213,708



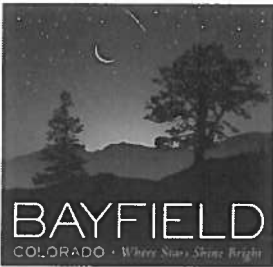
CONSERVATION TRUST FUND

The Conservation Trust Fund was established to accurately account for the Colorado Lottery proceeds that are received from the State of Colorado Conservation Trust Fund Program. The revenues in this fund are earmarked for the establishment and continued upkeep of new conservation and park areas. The Town has received grant funding to be used toward a park, open space, trails and recreation plan for the Town with the Lottery Funds being used as a match toward this grant.

Budget Summary

Total Conservation Trust Fund Revenues—\$47,530

Total Conservation Trust Fund Expenditures—\$42,922



BUDGET NARRATIVE

VIII. Conservation Trust Fund

The 2018 budget for the Conservation Trust Fund contains items that are related to the spending of conservation trust fund dollars, which are designated for specific purposes. The conservation trust fund budget is presented with revenues and other financing sources balanced with expenditures.

A. Revenues

1. Capital Revenue

The 2018 budget for the Conservation Trust Fund shows the total revenues for the year being contained in the capital revenue section. The revolving revenue occurs in the form of lottery funds and is budgeted at \$25,000. The remainder of the revenues budgeted are listed in the DOLA Planning Grant line item. The planned \$22,460 in revenues will be used toward a planning effort for the Town. Interest income is a nominal \$70.

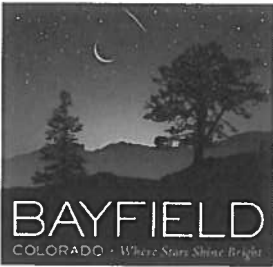
B. Expenditures

1. Capital Expense

There are two planned projects for 2018 including \$40,000 for a DOLA planning grant for Joe Stephenson and the River Bank parcel site specific planning and \$2,922 toward playing surface treatment and materials for engineered wood chips for the existing park playgrounds.

CONSERVATION TRUST FUND

		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Capital Revenue:					
020 3 3100 0005	Lottery Funds	28,208.23	30,000	24,448	25,000
020 3 3100 0030	DOLA Planning Grant	-	60,000	37,540	22,460
020 3 3100 0031	GO CO Library Park Grant	-	-	255,000	-
020 3 3100 0032	Library Contribution	-	-	163,500	-
020 3 3930 0361	Interest Income	72.70	70	66	70
	Total Capital Revenue	28,280.93	90,070	480,554	47,530
	Total Conservation Trust Fund Revenue	28,280.93	90,070	480,554	47,530
EXPENSES					
Capital Expense:					
020 4 4900 0010	Playing Surface Treatment & Materials	-	10,000	1,539	2,922
020 4 4900 0030	DOLA Planning Grant	228.41	80,000	80,000	40,000
020 4 4900 0031	Joe Stephenson Planning	-	40,000	-	-
020 4 4900 0040	Gosney Park Landscaping	-	5,000	-	-
020 4 4900 0050	GO CO Library Park Grant	-	10,000	450,000	-
	Total Capital Expense	228.41	145,000	531,539	42,922
	Total Conservation Trust Fund Expenses	228.41	145,000	531,539	42,922
	Conservation Trust Fund Beginning Fund Balance	89,539.00	120,657	117,592	66,607
	Revenues	28,280.93	90,070	480,554	47,530
	Expenses	228.41	145,000	531,539	42,922
	Restricted Funds	117,591.52	65,727	66,607	71,215
	Conservation Trust Fund Ending Fund Balance	117,591.52	65,727	66,607	71,215



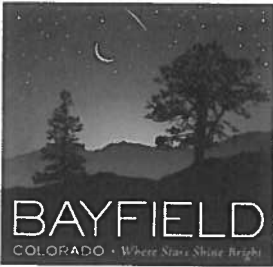
SPECIAL IMPROVEMENT DISTRICT FUND

The Special Improvement District (SID) Fund is a debt-service fund that was created in 2001 when the Town issued \$1,700,000 in special revenue bonds, which are payable from the assessments levied on the SID business district property owners. Assessments paid by the property owners are collected by the La Plata County Treasurer and then distributed to the town to pay the interest and principal of bonds for infrastructure constructed within the Bayfield Business Center. The bonds will be retired July 1, 2020.

Budget Summary

Total Special Improvement District Fund Revenues—\$147,105

Total Special Improvement District Fund Expenditures—\$139,125



BUDGET NARRATIVE

IX. Special Improvement District

The 2018 budget for the Special Improvement District (SID) Fund contains revenues and expenditures related to the 2001 issuance of special revenue bonds by the Town. The bonds are payable from assessments levied on the SID business district property owners. The full bonds will be retired in 2020.

A. Revenues

1. Debt Service Revenues

The 2018 budget for the special improvement district fund contains all of its revenues within the header of debt service revenues. All of the proposed \$146,725 in assessments are contained in the line item of special assessment and are paid by the business district property owners in the SID. The remainders of the revenues for this fund come from interest income.

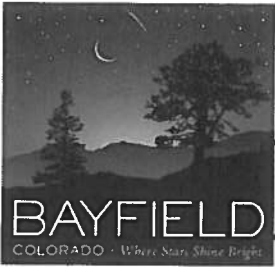
B. Expenditures

1. Debt Service Fund Expenditures

The special improvement district fund (SID) shows budgeted expenditures for 2018 that are only slightly varied from 2017. The principal payment for the bonds has decreased to \$125,000 with the interest payment decreasing to \$12,925 in 2018.

SID DEBT SERVICE FUND

		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Debt Service Revenues:					
011 3 3600 0001	Special Assessment	152,585.00	148,325	142,842	146,725
011 3 3600 0002	Interest Income	380.71	100	200	380
	Total Debt Service Revenues	152,965.71	148,425	143,042	147,105
EXPENSES					
Debt Service Fund Expenses:					
011 4 4700 0100	Principal on Bonds (Pmt 18 of 19)	125,000.00	125,000	120,000	125,000
011 4 4700 0200	Interest on Bonds (Pmt 18 of 19)	26,400.00	20,900	19,525	12,925
011 4 4700 0300	Transaction Fees	1,698.95	1,700	1,527	1,200
	Total Debt Service Expenses	153,098.95	147,600	141,052	139,125
	Beginning Fund Balance	59,232.00	60,026	59,099	61,088
	Revenues	152,965.71	148,425	143,042	147,105
	Expenses	153,098.95	147,600	141,052	139,125
	Restricted Funds	59,098.76	60,851	61,088	69,068
	Ending Fund Balance	59,098.76	60,851	61,088	69,068



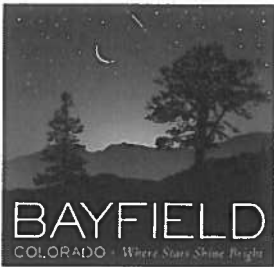
EQUIPMENT REPLACEMENT FUND

The Equipment Replacement Fund (ERF) was created in 2009 to set aside funds on an annual basis for the acquisition of high dollar equipment and vehicles. The amount set aside is based on the life of the asset plus the estimated replacement cost. Funds are transferred annually from the Capital Improvement Fund, the Water Fund, and the Sewer Fund. Revenues not expended in a given fiscal year are held in reserve for future vehicle and equipment replacement.

Budget Summary

Total Equipment Replacement Fund Revenues—\$132,777

Total Equipment Replacement Fund Expenditures—\$18,700



BUDGET NARRATIVE

X. Equipment Replacement Fund

The 2018 budget for the equipment replacement fund has been adjusted for shortages in previous years. The fund is designed as a “savings” fund in order to plan for purchase of future equipment and vehicles both new and replacement. The 2018 budget is presented with revenues exceeding expenditures by \$114,077.

A. Revenues

1. Transfers

The 2018 budget for revenues in the equipment replacement fund is typical of revenues in other budget years. Revenues are transferred from multiple other funds in order to pay for current equipment and vehicle replacement and save for future purchases. In 2018 the transfers from the capital fund, the water fund, and the sewer fund make up the majority of the revenues at \$132,378. The remaining revenue is interest of \$399.

B. Expenditures

1. Vehicles

A single vehicle purchase has been planned for in 2018. A RTV for the Parks & Recreation Department totaling \$18,700 is on the plan to replace an existing well used vehicle.

2. Equipment

No equipment purchases are planned for in 2018.

EQUIPMENT REPLACEMENT FUND

		Actual 2016	Budget 2017	Estimated 2017 Actual	Budget 2018
REVENUES					
Transfers:					
090 3 3900 0002	Transfer from Capital Fund	102,125.00	102,125	102,125	102,125
090 3 3900 0003	Transfer from Sewer Fund	19,518.00	19,518	19,518	19,518
090 3 3900 0004	Transfer from Water Fund	10,735.00	10,735	10,735	10,735
090 3 3910 0002	JAG Grant 29-JR-01-78-1 (Patrol Vehicle Portion)	40,000.00	25,000	25,000	-
	Total Transfers	172,378.00	157,378	157,378	132,378
Miscellaneous:					
090 3 3920 0001	Sale of Used Vehicles	1,000.00	-	3,169	-
090 3 3920 0361	Interest Income	392.03	370	399	399
	Total Miscellaneous	1,392.03	370	3,568	399
	Total Equipment Replacement Fund Revenue	173,770.03	157,748	160,946	132,777
EXPENSES					
Vehicles:					
090 4 4900 0010	Plow Truck	-	45,000	64,690	-
090 4 4900 0015	Patrol Vehicle	-	-	-	-
090 4 4900 0016	JAG Grant 29-JR-01-78-1 (Patrol Vehicle Portion)	79,120.30	50,000	50,353	-
090 4 4900 0017	P&R Truck	-	45,000	23,445	-
090 4 4900 0030	RTV (Parks and Rec)	-	-	-	18,700
	Total Vehicles	79,120.30	140,000	138,488	18,700
	Total Equipment Replacement Fund Expenses	79,120.30	140,000	138,488	18,700
	Equipment Replacement Fund Beginning Fund Balance	544,624.00	593,242	639,274	661,732
	Revenues	173,770.03	157,748	160,946	132,777
	Expenses	79,120.30	140,000	138,488	18,700
	Restricted Funds	639,273.73	610,990	661,732	775,809
	Equipment Replacement Fund Ending Fund Balance	639,273.73	610,990	661,732	775,809

Capital Assets Policy

Introduction

The purpose of the Capital Assets Policy is to present a uniform method of maintaining and updating the Town's capital asset records. Principles and processes incorporated into this policy are in accordance with generally accepted accounting principles (GAAP) and state law.

This policy encompasses all capital assets within the Town: land, land improvements, buildings, building improvements, infrastructure, water rights, machinery and equipment, vehicles, and public artwork. Capital assets are further distinguished as capital assets and non-capital assets.

Capital assets are those capital assets that meet the capitalization threshold as identified in Section II. State law requires the Town to maintain a current listing of capital assets, available for inspection at any time, and requires that an annual physical inventory is conducted. GAAP requires proper accounting for the acquisition and disposal of capital assets. Proper record keeping of the Town's capital assets also provides a management tool for budget and rate setting decisions.

Non-capital assets fall below the capitalization threshold and may include furniture, small tools and equipment (hand mowers, trimmers, etc.), and various telecommunications and computer equipment. Although not required, it may be important for departments to maintain inventories of non-capital capital assets for many reasons, including theft prevention, conducting condition assessments & future replacement estimate.

I. Capitalization Threshold

The current criteria requiring the capitalization of a capital asset is a cost or fair market value of \$5,000 or more and a useful life of one year or more.

II. Property Record Basis

The initial physical inventory and formal property record of capitalized capital assets was prepared by Michael Branch, CPA as of December 31, 1989. Since then, additions and deletions to the Town's capital assets have been maintained by Town staff. The capitalization threshold has increased several times since 1989, with assets falling below the new thresholds being deleted from the inventory.

III. Duties and Responsibilities

The Finance Department and various other Town departments have a role in the successful maintenance of the Town's capital asset records.

The Finance Department shall be responsible for the oversight of all duties and functions related to the capital asset management system, including:

- A. Update and maintain detailed records of all capital assets of the Town.
- B. Issue capital asset tags or assign asset numbers.
- C. Oversee annual physical inventories.
- D. Provide education and act as a resource for departments in the compliance of this policy.
- E. Generate capital asset reports as required or requested.

Other Town Departments have the following responsibilities:

- A. Custodianship of assets for the department.
- B. Attach capital asset tags to the capitalized assets as appropriate.
- C. Complete annual physical inventory of capital assets within the department.

- D. On a timely basis, report to the Finance Department all changes, transfers, surpluses, relevant alterations, acquisitions, and dispositions of capital assets (including lost or stolen items). The Capital Assets Disposition Form shall be used whenever applicable.

IV. Acquisition of Capital Assets

The purchase of capital assets is subject to the provisions of the Town's Purchasing Policy. All costs associated with the purchase of the asset shall be charged to a capital account within the Town's accounting system. Ancillary costs (shipping, installation, design, etc.) shall be included in the capitalized cost of the asset.

Donated assets shall be capitalized at the estimated fair value of the asset at the time of the donation. Finance staff shall determine the fair value of the asset based on the best information available, which may include original cost, age of the item, assessment of current condition, etc. Departments shall notify Finance staff within two business days of the acquisition of any donated assets.

At least annually, Finance staff shall provide inventory tags to the departments to attach to the newly acquired capital assets. Along with the tags, the departments shall receive a list that assigns the tag numbers to specific assets. As appropriate and practical, tags shall be attached to the asset in a conspicuous location that is easily accessible and allows for easy identification of the asset during the annual inventory, but in a location that does not interfere with the operation of the asset.

V. Annual Physical Inventory

Finance staff shall provide the various departments with the most recent list of capitalized assets assigned to their respective departments/divisions. Each department shall conduct an inventory to confirm the accuracy of the report and note all changes and discrepancies to the list. Departments shall return the completed inventories, complete with all notations, to the Finance Department in a timely manner (typically within two weeks).

VI. Disposition of Capital Assets

Capital assets may be disposed of in a number of ways, including: trade-in, sale, donation, scrapped, destroyed, etc. Departments are responsible to notify Finance in writing of all dispositions in a timely manner (typically within two business days).

When it is determined that a capital asset or any other commodity of the Town needs to be replaced or is no longer used by the department, the following order of disposition options shall be followed unless an option is determined to be unreasonable or impractical:

- A. Through email or other means of communication, make the asset available to all other departments in the Town for use within their operations. If the resulting transfer of the asset creates an overall increase in the Town's inventory or maintenance costs, such transfer must be approved by the Finance Director and/or Town Manager.
- B. If purchasing a new or similar asset, attempt to trade-in the old asset.
- C. Through advertising with CML or other government organizations (via newsletters, list serves, or other means of communication), attempt to sell the asset to another government entity.
- D. Attempt to sell the asset to a commercial business or to the public through advertising, public auction, bidding process, or other means of communication.
- E. Items with an estimated value less than \$5,000 may be donated to other government entities or other charitable organizations with the approval of the Town Manager or designee. Items with an estimated value greater than \$5,000 may be donated to other government entities or other charitable organizations with the approval of the Town Board.
- F. Through email or other means of communication, make the asset available to all employees. Any sale to employees shall require the submission of sealed bids, giving employees a minimum of one week to submit bids. To maintain the appearance of fairness, it may be appropriate for an employee outside the selling department to collect and open the bids. At

minimum, the bid opening shall be witnessed by an employee not submitting a bid. Submitters shall be notified of the bid opening time and place and may attend the bid opening if they so desire. The employee with the winning bid shall have two business days to provide payment to the Town for the asset. After two business days, the next highest bidder shall be considered the winning bid.

- G. The asset shall be properly trashed or destroyed.

Formal Bidding Policy

This Policy endeavors to secure supplies, equipment and contractual services of the highest quality at the least expense; to create an open and competitive arena and to encourage participation in bidding; to ensure all purchases and contracting is accomplished in the best interests of the Town.

- A. Formal Bidding — Generally: A formal (advertised) bidding process will be used when required by law or by the approved Purchasing Policy of the Town of Bayfield.
- B. Public Improvements by Contract: All construction of works of public improvement costing \$5,000 or more must comply with Colorado Revised Statute 31-15-712 as follows:

All work done by the Town in the construction of works of public improvement of five thousand dollars (\$5,000) or more shall be done by contract to the lowest responsible bidder on open bids after ample advertisement. It shall be unlawful for any person to divide a works of public improvement construction into two or more separate projects for the sole purpose of evading or attempting to evade the requirement that works of public improvement construction costing five thousand dollars or more be submitted to open bidding, unless the total cost of any such project would be less if divided into two or more projects than if submitted to open bidding as one project. If no bids are received or if, in the opinion of the Town Board, any of the bids are not acceptable for any reason or all bids received are too high, the Town may enter into negotiations concerning the contract. No negotiated price shall exceed the lowest responsible bid previously received. The Town is not required to advertise for and receive bids for such technical, professional, or incidental assistance as it may deem wise to employ in guarding the interest of the Town against the neglect of contractors in the performance of such work.

- C. Criteria for Consideration of Bids: Contracts shall be awarded to the lowest responsible and responsive bidder. In determining "lowest responsible and responsive bidder", in addition to price, the Town shall consider the following:
1. The ability and skill of the bidder to perform the contract or furnish the supplies or equipment required;
 2. Whether the bidder can perform the contract or furnish the supplies or equipment promptly, or within the time specified, without delay or interference;
 3. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
 4. The quality of performance by the bidder on previous contracts;
 5. Previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;
 6. Sufficiency of financial resources and ability of the bidder to perform the contract or furnish the supplies;
 7. The quality, availability and adaptability of the product, supplies or contractual services to the particular required use;
 8. The ability of the bidder to provide future maintenance and service;
 9. The response to the invitation for bids;

10. The number and scope of conditions that the bidder attaches to the bid.
 11. The ability to provide any required insurance bonds.
- D. Award of Contract to Other Than Lowest Bidder: When it appears appropriate not to make the award to the lowest bidder, a full and complete statement of the reasons for the recommendation shall be prepared by the Town Manager or his/her assignee, and presented to the Town Board for their approval.
- E. Award of Contract - Authority: Authority levels for award of contracts will follow the same dollar levels as the Authority to Purchase amounts in the approved Purchasing Policy.
- F. Quotes - Permitted When: Quotes, rather than formal bids, shall be permitted in the following cases:
1. Supplies or services, the availability of which is so limited that the normal bid process cannot be used or will result in substantially higher costs to the Town;
 2. The item or service has previously — within the preceding twelve months — been negotiated with the successful low bidder. No purchase shall be made pursuant hereto at a price higher than the previous bid of the supplier.
- G. Quotes — How Obtained: Quotes may be solicited by direct mail announcement to prospective suppliers or by telephone. A record shall be maintained of all quotes solicited and submitted and such records shall be open to public inspection.
- H. Request for Proposal (RFP): The purpose of the RFP is to procure equipment and/or services whenever the formal or informal bid procedures are not practical, not required by law or in the best interest of the Town. Dollar limitations for RFPs will be equivalent to formal and informal bidding limitations.
- I. Additional Legal Requirements: All bids must comply with federal, state, or local law or any requirements imposed by a granting agency.

Investment Policy

I. SCOPE

The purpose of this Investment Policy is to identify the types of securities and other forms of investment into which the Finance Director may invest Town funds and moneys.

II. INVESTMENT OBJECTIVES

The Town shall manage and invest its public funds within the guidelines established by the Colorado Revised Statutes with three primary objectives, listed in order of priority: (1) safety; (2) liquidity; and (3) yield.

The Town shall maintain a cash management program which includes collection of accounts receivable, disbursement of funds, and prudent investment of its available cash.

III. DELEGATION OF AUTHORITY

The Finance Director shall be the Town's investment officer, and shall be responsible for the Town's cash management program, including the administration of these Investment Policies. The Finance Director, under the supervision of the Town Manager, shall be responsible for authorizing new investments, for the sale or other disposal of securities and for the deposit or reinvestment of any proceeds in amounts not to exceed \$250,000, properly accounting for these investments, and maintaining proper internal controls of investment functions.

For purpose of this policy new investment shall be defined as investing funds with a new vendor at a new rate.

IV. AUTHORIZED INVESTMENTS

Town funds may be invested in any of the securities allowed by C.R.S. § 24-75-601.1.

V. ACCOUNTABILITY

The Finance Director shall furnish the Town Manager and the Town Board with a quarterly report listing all investments held by the Town. This report will include the amount of interest earned to date, allocated by fund. An annual report will be provided which will summarize investment activity for the year and will give the rate of return for the year. State and local laws require an annual audit of the financial records of the Town. That audit will include a review of all investment activity for the year to review compliance with these investment procedures.

VI. BROKER DEALER CRITERIA

The Town may only purchase term securities through a broker-dealer that holds a valid license issued by the Federal Securities Commission and by the Colorado Division of Securities.

Purchasing Policy

This policy endeavors to ensure equitable and impartial treatment of all vendors seeking to do business with the Town of Bayfield. It is meant to supply the needs of the Town, encourage effective economic competition, and ensure the Town's dollars are spent in a wise and prudent manner. This is the written policy from which the Town will develop and administer its purchasing procedures.

Responsibility: The Town Manager will assume the responsibility of purchasing agent for all departments, offices, and divisions of the Town.

- A. Authority to Purchase: The following personnel, within the established guidelines and budgetary restraints, will assist the Town Manager with purchasing decisions and will have the following authority:
1. The Town Manager, the Finance Department (consisting of the Finance Director & Town Clerk) & other assigned individuals, are hereby designated as the monitoring agents for acquisition of goods and services, in accordance with the approved budget.
 2. Authority to purchase is delegated by the Town Board to the Town Manager in accordance with the intent of the annual budget. Further delegation of purchasing authority is as follows:
 - a. The Town Board must approve any agreement, contractual obligation, change order, or purchase, greater than \$10,000.00.
 - b. The Town Board must approve any non-budgeted purchase of goods or services or contractual obligation in excess of \$1,000.
 - c. Department Heads may approve budgeted purchases of goods or services and contractual agreements up to \$10,000 with review and approval by Finance Department and Town Manager.
 - d. Department heads may approve budgeted purchases of goods or services in amounts up to \$5,000 with prior review and approval by the Finance Department or Town Manager.
 - e. Department Heads may approve non-budgeted purchases of goods or services not to exceed \$1,000, with prior review and approval by the Town Manager.
 - f. All employees with Department Head approval may purchase goods or services in a single purchase not to exceed \$500. All purchases should be made using Town accounts where possible, if a Town account is not available a Town credit card can be utilized. Reimbursement to the employee is conditional upon agreement with the purchase and signing of the receipt by the employee's immediate supervisor.
 - g. Purchase Orders are required for any purchases totaling more than \$500.00.
 - h. The Town Clerk may approve normal utilities, insurance, debt service and other established payments (to include memberships, uniforms, and other identified expenditures) without further review or approval.

6. Require vendors/suppliers to fulfill all terms and conditions of purchase orders and contracts.
 7. Follow all current purchasing procedures and make recommendations for revisions as necessary.
 8. Purchase goods and services from local vendors/suppliers, when their services and goods are within an economically competitive and quality range, and will best serve the Town.
 9. When the Town has a professional services agreement with a consultant, expenditures shall be consistent with the agreement.
- C. Cooperative Purchasing: The Town of Bayfield may participate in joint bidding with other public agencies if it is deemed in the best interest of the Town. Cooperative purchases are exempt from internal bidding guidelines. Cooperative purchasing does not relieve the Town from following Colorado State Law C.R.S. 31-15-712 pertaining to purchases of works of public improvement costing \$5,000 or more.

RESOLUTION NO. 384

A RESOLUTION OF THE TOWN OF BAYFIELD, COLORADO, ADOPTING A BUDGET FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2018 AND ENDING ON THE LAST DAY OF DECEMBER 2018

WHEREAS, the Town Finance Director has submitted a proposed budget to the Board of Trustees for its consideration; and

WHEREAS, upon due and proper notice, published in accordance of the law, said proposed Budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to file or register any objections to said proposed Budget; and


WHEREAS, where changes may have been made on the expenditures, like changes were made to the revenues so that the Budget remains in balance as required by law.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF BAYFIELD, COLORADO AS FOLLOWS:

- Section 1. That the Budget as submitted, amended, and summarized by fund on the attached Exhibit A, is hereby approved and adopted as the Budget of the Town of Bayfield for 2018.
- Section 2. That Budget hereby approved and adopted shall be signed by the Mayor and made a part of the public record of the Town.

Adopted this 5th day of December, 2017.

MAYOR:


Matthew Salka

Attest:


Kathleen S. Cathcart, Town Clerk

Exhibit A

Section 1. Estimated expenditures and transfers-out for each fund are as follows:

General Fund	\$1,889,971
Capital Improvement Fund	\$352,125
Sewer Fund	\$1,038,589
Water Fund	\$993,887
Garbage Fund	\$136,035
Transportation Fund	\$500,000
Street Fund	\$1,484,759
Conservation Trust Fund	\$42,922
SID Debt Service Fund	\$139,125
Equipment Replacement Fund	\$18,700
Total	\$6,596,113

Section 2. Estimated revenues and transfers in for each fund are as follows:

GENERAL FUND

From Unappropriated Fund Balance	\$84,752
From Sources other than General Property Tax	\$1,595,392
From General Property Tax Levy	\$209,827
TOTAL GENERAL FUND	\$1,889,971

CAPITAL IMPROVEMENT FUND

From Unappropriated Fund Balance	(\$470)
From Sources other than Sales Tax	\$84,677
From City Sales Tax	\$267,918
Transfers In	\$0
TOTAL CAPITAL IMPROVEMENT FUND	\$352,125

SEWER FUND

From Unappropriated Fund Balance	(\$68,966)
From Sources other than Fees	\$9,459
From Fees	\$1,018,296
Transfers In	\$79,800
TOTAL SEWER FUND	\$1,038,589

WATER FUND

From Unappropriated Fund Balance	\$328,337
From Sources other than Fees	\$10,050
From Fees	\$655,500
TOTAL WATER FUND	<u>\$993,887</u>

GARBAGE FUND

From Unappropriated Fund Balance	\$0
From Sources other than Fees	\$40
From Fees	\$135,995
TOTAL GARBAGE FUND	<u>\$136,035</u>

TRANSPORTATION FUND

From Unappropriated Fund Balance	\$500,000
Transfers In	\$0
From Sources other than Transfers	\$0
TOTAL TRANSPORTATION FUND	<u>\$500,000</u>

STREET FUND

From Unappropriated Fund Balance	\$139,672
From Sources other than Sales Tax	\$377,169
From City Sales Tax	\$267,918
Transfers In	\$700,000
TOTAL STREET FUND	<u>\$1,484,759</u>

CONSERVATION TRUST

From Unappropriated Fund Balance	(\$4,608)
From Sources other than Lottery Funds	\$22,530
From Lottery Funds	\$25,000
TOTAL CONSERVATION TRUST FUND	<u>\$42,922</u>

SID (DEBT SERVICE) FUND

From Unappropriated Fund Balance	(\$7,980)
From Sources other than Special Assessments	\$380
From Special Assessments	\$146,725
TOTAL SID (DEBT SERVICE) FUND	<u>\$139,125</u>

EQUIPMENT REPLACEMENT FUND

From Unappropriated Fund Balance	(\$114,077)
From Sources other than Transfers In	\$399
From Transfers In	\$132,378
TOTAL EQUIPMENT REPLACEMENT FUND	<u>\$18,700.00</u>

RESOLUTION NO. 385

A RESOLUTION OF THE TOWN OF BAYFIELD, COLORADO, TO SET THE MILL LEVY FOR THE YEAR 2018 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2018 BUDGET YEAR

WHEREAS, the Board of Trustees of the Town of Bayfield has adopted the annual 2018 budget in accordance with the Local Government Budget Law, on December 5, 2017; and

WHEREAS, the majority of the registered voters in the Town of Bayfield, in the 2003 general election voted in favor of establishing a 5.950 mill levy.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF BAYFIELD, COLORADO AS FOLLOWS:

Section 1. That for the purpose of meeting all general operating expenses of the Town of Bayfield during the 2018 Budget year, there is hereby levied a tax of 5.950 mills upon each dollar of the total valuation for assessment of all taxable property within the Town for the year 2017.

Section 2. That the Town Clerk is hereby authorized and directed to certify such mill levy to the County Commissioners of La Plata County, Colorado, as required by law.


Adopted this 5th day of December, 2017.

MAYOR:



Matthew Salka

Attest:



Kathleen S. Cathcart, Town Clerk

ORDINANCE NO. 411

AN ORDINANCE APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE TOWN OF BAYFIELD, COLORADO, FOR THE 2018 BUDGET YEAR.

WHEREAS, the Town of Bayfield adopted a Budget for the year 2018 as required by law, and

WHEREAS, the Town of Bayfield has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said Budget, and:

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the Budget to and for the purpose described below, so as not to impair the operations of the Town.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF BAYFIELD, COLORADO:

Section 1. That the following sums are hereby appropriated from the Revenue of each fund, to each fund, for the purpose stated for the 2018 Budget year:

GENERAL FUND	\$1,889,971
CAPITAL IMPROVEMENT FUND	\$352,125
SEWER FUND	\$1,038,589
WATER FUND	\$993,887
GARBAGE FUND	\$136,035
TRANSPORTATION FUND	\$500,000
STREET FUND	\$1,484,759
CONSERVATION TRUST FUND	\$42,922
SID DEBT SERVICE FUND	\$139,125
EQUIPMENT REPLACEMENT FUND	\$18,700

Section 2. This ordinance is necessary for the immediate preservation of the public safety, health, and welfare and shall be effective upon its adoption.

Passed and adopted this 5th day of December, 2017.

Mayor:


Matthew Salka, Mayor

Attest:


Kathleen S. Cathcart, Town Clerk

**AMENDED CERTIFICATION OF VALUATION BY
LA PLATA COUNTY ASSESSOR**

New Tax Entity

Date 12/01/2017

NAME OF TAX ENTITY: LA PLATA COUNTY GENERAL

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("3.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2017

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	\$1,815,518,670
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	\$1,757,127,140
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	\$0
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	\$1,757,127,140
5.	NEW CONSTRUCTION: *	5.	\$	\$18,480,510
6.	INCREASED PRODUCTION OF PRODUCING MINE: Ⓜ	6.	\$	\$0
7.	ANNEXATIONS/INCLUSIONS:	7.	\$	\$0
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: Ⓜ	8.	\$	\$0
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Ⓞ	9.	\$	\$8,520,680
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	\$2,248.42
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(1)(B), C.R.S.):	11.	\$	\$55,590.99

‡ 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 to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Ⓞ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR 'LOCAL GROWTH' CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2017

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	\$11,168,328,040
ADDITIONS TO TAXABLE REAL PROPERTY				
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	\$	\$152,640,450
3.	ANNEXATIONS/INCLUSIONS:	3.	\$	\$0
4.	INCREASED MINING PRODUCTION: §	4.	\$	\$0
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	\$	\$2,233,740
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	\$7,784,110
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	\$2,910,400
DELETIONS FROM TAXABLE REAL PROPERTY				
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$	\$2,607,850
9.	DISCONNECTIONS/EXCLUSIONS:	9.	\$	\$0
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	\$	\$3,727,850

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

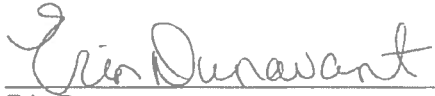
NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

CERTIFICATION OF APPROVED BUDGET

THE TOWN OF BAYFIELD

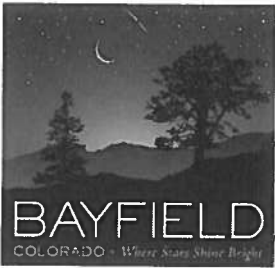
FOR BUDGET YEAR 2018

I, Erin Dunavant, Finance Director, certify that the attached document is a true and accurate copy of the adopted 2018 budget for the Town of Bayfield.

A handwritten signature in cursive script, reading "Erin Dunavant", written over a horizontal line.

Erin Dunavant
Town of Bayfield, Colorado
Finance Director

December 19, 2017



GLOSSARY OF TERMS

Accrual Accounting - Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded as incurred.

Audit – An annual accounting review of the Town’s financial operations by an independent party, as required by State law.

Assessed Valuation - The valuation set upon real estate and certain personal property by the county assessor as a basis for levying property taxes.

Asset - Resources owned or held by the Town which have a monetary value.

Available (Undesignated) Fund Balance - This refers to funds remaining from the prior year that are available for appropriation and expenditure in the current year. Also see Beginning Fund Balance.

Balanced Budget – Refers to a balance between revenues and expenditures. It may include the use of fund balance because a budget is considered balanced if reserves are used to complement revenues.

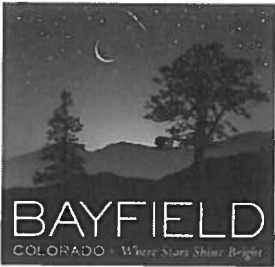
Beginning Fund Balance – Refers to funds left-over and remaining from previous years.

Bond - A Town issued debt instrument which is a promise to repay a specified amount of money (the face amount of the bond) on a particular date (the maturity date).

Budget - A plan of financial activity for a specified period of time indicating all planned revenues and expenses for the budget period. The Town's budget is based on a calendar year beginning January 1 and ending December 31 of the following year.

Budget Calendar - The schedule of key dates that the Town follows to prepare and adopt the annual budget. The Town's budget process spans several months, beginning in June and concluding in January.

Business License Fee – A fee for conducting business within the Town of Bayfield.



GLOSSARY OF TERMS

Capital Project / Capital Improvements - Major construction, acquisition, or renovation activities which add value or increase the useful life of the Town's physical assets to accommodate future growth. Also called capital improvements

Capital Improvement Fund - Capital projects funds are governmental funds used to account for financial resources to be used for the acquisition or construction of major capital expenditures (other than those financed by the Enterprise funds). The Town has two capital project funds – the Capital Improvement Fund and the Equipment Replacement Fund.

Charges for Services -The payment of a fee for direct receipt of a public service by the party who benefits from the service. A water bill is an example of user charge.

Cigarette Tax – Colorado State tax on wholesale distribution of cigarettes which is given to local government based upon the proportion of state sales tax collected in the municipality.

Community Development Block Grant (CDBG) – Federal grants funds that are available from the US Department of Housing and Urban Development (HUD) to implement a wide range of programs and projects dealing with neighborhood improvement and city services.

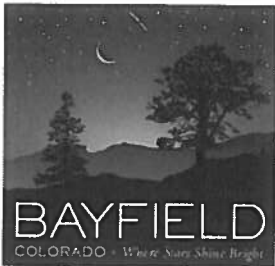
Conservation Trust Revenue – Revenue that is a portion of Colorado Lottery proceeds which are constitutionally mandated to be distributed directly to local governments based on population. Revenues are restricted to be used for acquiring and maintaining parks, recreation facilities and open space.

Contingency - A budgetary reserve that is not designated for a specific purpose. The contingency amount is set aside emergencies or unforeseen expenditures.

Debt Service – Principal and interest payments on outstanding bonds and borrowed funds.

Department - The basic organizational unit of government that is functionally unique in its delivery of services. The Town of Bayfield has five major departments: Town Manager, Town Clerk & Administration, Public Safety, Public Work's and Parks & Recreation.

Employee Benefits - Contributions made by the Town to meet commitments or obligations for employee benefits. Examples are the Town's share of costs for PERA (retirement), medical, dental, and vision insurance plans.



GLOSSARY OF TERMS

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure. They cease to be encumbrances when paid, canceled, or when the actual liability is created.

Ending Fund Balance — Refers to funds leftover and remaining at the end of the fiscal year.

Enterprise Fund – These funds are proprietary fund types which are operated like a private business, where the results indicate income or loss from operations. The intent of the government is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Town has three enterprise funds: Sewer, Water, and Garbage.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Federal Mineral Lease Revenue – Revenues from the leases of federal lands for mineral production. They are distributed to local governments based on the number of employee residences, permits, energy production, population and highway user miles in the energy impacted communities.

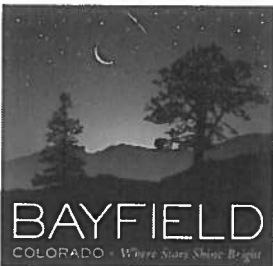
Fiscal Year - A 12 month period designated as the operating year for accounting and budgetary purposes in an organization. The Town's fiscal year is January 1 to December 31.

FPPA - Fire & Police Pension Association of Colorado is the retirement plan used by the Town of Bayfield for employees in the Public Safety office. Contributions by both the Town and the employees in Public Safety are used to administer this plan.

Full Time Equivalent Positions (FTE) - A part time position converted to the decimal equivalent of a full time position based on 2,080 hours per year. For example, a part time clerk working 20 hours per week would be the equivalent to 0.5 of a full-time position.

Fund - A fiscal entity with revenues and expenses that are segregated for the purpose of carrying out a specific purpose or activity based on legal or administrative restrictions.

Fund Balance – The accumulated balance between revenues and expenditures.



GLOSSARY OF TERMS

General Fund - This fund is the Town's primary operating fund and is used to account for services typically associated with local governments. It is used to account for activities that are not accounted for in the other funds such as support services, Town Manager, Town Clerk & Finance, Public Work's, Park's and Recreation, and Public Safety.

Goal - A statement of broad direction, purpose or intent based on the needs of the community. Departmental goals are articulated in their section of the budget document.

Grants - Contributions and cash from another government, private, or non-profit entity. They are generally restricted to be used for a specific purpose or activity.

Highway Users Tax (HUTF) - A Colorado state tax collected mostly from gasoline sales and vehicle registration and disbursed to local governments. Funds are dedicated to provide support for street improvements and maintenance.

Infrastructure - The physical assets of the Town including streets, water treatment and distribution facilities and equipment, wastewater treatment and collection facilities and equipment, public buildings and parks.

Intergovernmental Agreement (IGA) - A contract between governmental entities as authorized by State law.

Intergovernmental Revenue - Funds received from federal, state and other local governmental sources in the form of grants, shared revenues, and payments in lieu of taxes.

Interest Income - The amount of revenue earned on cash deposits and investments.

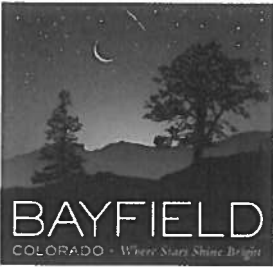
Liquor License - A license required for serving alcohol within the Town.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

Modified Accrual Accounting - Under the modified accrual basis of accounting, revenues are recognized when they become available and expenses are recorded when liabilities are incurred.

Mill Levy - A mill is 1/1000 of a dollar. The levy is assessed on the value assigned by the County Assessor and collected as property tax. The Town's Mill Levy is 5.950.

Net Assets - Assets minus liabilities; term used for the enterprise funds.



GLOSSARY OF TERMS

Objective - Something to be accomplished in specific, well defined, and measurable terms and that is achievable within a specific time frame. Each department has listed their objectives for the next fiscal year.

Obligations - Amounts that a government may be legally required to meet from its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Expenses - The cost for personnel, materials and equipment required for a department to function.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, and grant revenues. Operating revenues are used to pay for day-to-day services.

PERA – Stands for Public Employees Retirement Association, a retirement fund that replaces Social Security for Town employees.

Property Tax— Taxes collected by the town based on the estimated value of the property owned. Assessments are collected by the County Treasurer and administered to the Town of Bayfield.

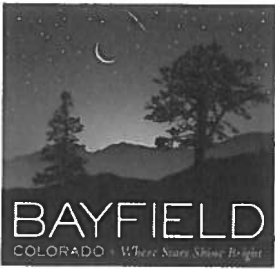
Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Revenue - Sources of income financing the operations of government.

Sales Tax — Taxes collected in both the town and the county on sales of retail goods and services. Revenues are distributed to local governments based on a percentage of the purchase price.

Special Improvement District (SID) Debt Service Fund - The Town is a pass-thru for the assessments that are paid by property owners of the SID business district. Assessments are collected by the County Treasurer and administered to the Town of Bayfield which pays the interest and principal of a bond for infrastructure constructed within the SID.

Specific Ownership Tax – Taxes collected from motor vehicle registrations which are allocated to the Town based on a proportion of property tax levied within La Plata County for the preceding year.



GLOSSARY OF TERMS

Severance Tax – A Colorado state tax imposed on the removal of nonrenewable resources such as crude oil, condensate and natural gas, coal bed methane and carbon dioxide. Revenues are distributed to local governments based on the number of employee residences, permits, production, population and highway user miles in the energy impacted communities.

TABOR – The Taxpayer's Bill Of Rights established in 1992 which restricts revenues for all levels of government (state, local, and schools). Under TABOR, state and local governments cannot raise tax rates without voter approval and cannot spend revenues collected under existing tax rates if revenues grow faster than the rate of inflation and population growth, without voter approval. The Town of Bayfield voted in 2004 to keep revenues above the Fiscal Spending limits.

Transfers - The movements of moneys between funds of the same governmental entity to reimburse costs or provide financial support.

Undesignated Fund Balance — Portions of fund balance not specifically reserved for certain purposes other than requirements of the designated fund.