



AGENDA
TOWN OF PARACHUTE
BOARD OF TRUSTEES WORK STUDY SESSION MEETING
MAY 21, 2015
222 GRAND VALLEY WAY, PARACHUTE, CO
5:15 P.M.

PLEASE SILENCE ALL CELL PHONES, PAGERS, AND HAND HELD DEVICES. THANK YOU.

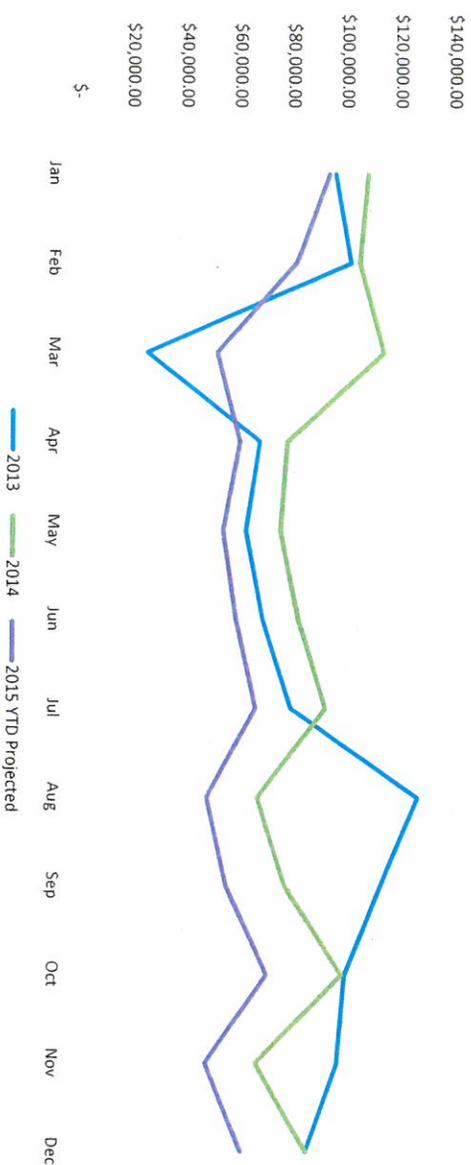
Schedule	Description	Presenter / Facilitator / Staff
5:15 – 5:25 PM	Presentation of Town Fiscal Status	• Stuart McArthur, <i>Town Manager</i>
5:25 – 5:40 PM	Presentation of Local Business Impact	• Wayne Clark, <i>Owner/Partner</i> • Gary Dean, <i>Owner/Partner</i> <i>Shell Stations / C Stores</i>
5:40 – 5:50 PM	Presentation of Marijuana Fiscal Impact	• Mark Smith, <i>Owner</i> <i>Green Cross</i>
5:50 – 6:15 PM	Discussion of Board of Trustees / Direction to Staff	• Board of Trustees

Town of Parachute
Sales Tax Trend Analysis - 2015
 Mostly Likely Scenario

Month Received	Month Paid*	Actuals										% Over / - Under Budget	YTD % Compared to 2014	Actual Compared to Budget
		2012	2013	2014	2014 YTD	2015	2015 YTD Projected	2015 Budget						
Jan	Nov	\$ 102,462.53	\$ 95,706.59	\$ 107,541.87	\$ 107,541.87	\$ 104,702.30	\$ 93,340.02	\$ 93,034.20	0.33%	-13.2%				
Feb	Dec	\$ 82,967.67	\$ 101,588.06	\$ 104,702.30	\$ 104,702.30	\$ 113,904.74	\$ 81,163.74	\$ 88,027.22	-7.80%	-22.5%				
Mar	Jan	\$ 70,051.54	\$ 25,564.29	\$ 113,904.74	\$ 113,904.74	\$ 78,277.62	\$ 51,821.09	\$ 63,761.46	-18.73%	-54.5%				
Apr	Feb	\$ 178,676.32	\$ 67,891.55	\$ 78,277.62	\$ 78,277.62	\$ 75,764.05	\$ 60,420.09	\$ 98,857.22	-38.88%	-22.8%				
May	Mar	\$ 196,401.77	\$ 62,753.99	\$ 75,764.05	\$ 75,764.05	\$ 82,490.46	\$ 54,359.71	\$ 101,923.05	-46.67%					
Jun	Apr	\$ 196,401.77	\$ 69,165.79	\$ 82,490.46	\$ 82,490.46	\$ 92,727.04	\$ 59,185.82	\$ 105,921.28	-44.12%					
Jul	May	\$ 196,401.77	\$ 79,877.98	\$ 92,727.04	\$ 92,727.04	\$ 67,447.53	\$ 66,530.43	\$ 112,296.42	-40.75%					
Aug	Jun	\$ 79,785.87	\$ 127,189.55	\$ 67,447.53	\$ 67,447.53	\$ 77,887.19	\$ 48,392.72	\$ 83,512.60	-42.05%					
Sep	Jul	\$ 82,319.43	\$ 113,405.91	\$ 77,887.19	\$ 77,887.19	\$ 99,147.71	\$ 55,883.04	\$ 83,265.97	-32.89%					
Oct	Aug	\$ 105,816.61	\$ 100,377.26	\$ 99,147.71	\$ 99,147.71	\$ 67,147.25	\$ 71,137.18	\$ 92,921.78	-23.44%					
Nov	Sep	\$ 57,266.18	\$ 97,548.24	\$ 67,147.25	\$ 67,147.25	\$ 86,001.23	\$ 48,177.27	\$ 67,547.54	-28.68%					
Dec	Oct	\$ 77,708.49	\$ 85,800.99	\$ 86,001.23	\$ 86,001.23	\$ 1,053,038.99	\$ 61,704.75	\$ 75,931.28	-18.74%					
Total		\$ 1,426,259.95	\$ 1,026,870.20	\$ 1,053,038.99	\$ 1,053,038.99	\$ 1,053,038.99	\$ 752,115.86	\$ 1,067,000.00	-29.51%	-28.58%	-29.51%			

* There is a two month delay of when sales tax paid and when received by the Town.

Sales Tax Trend



2015 BUDGET GENERAL FUND

GENERAL FUND REVENUES

DESCRIPTION	2013 Final	2014 Budget	2014 YTD Actual	2015 Budget	% of Budget
General Property Tax	\$ 362,031	\$ 283,780	\$ 306,994	368,100	27.97%
General Property Tax - Capital	37,929	29,790	32,842	38,640	2.94%
Specific Ownership Tax	19,228	-	-	-	0.00%
Town Sales Tax	1,038,730	997,000	1,052,861	752,116	57.15%
County Sales Tax	44,251	66,600	58,970	50,000	3.80%
Town Use Tax	3,938	4,000	614	1,000	0.08%
Lodging Tax	112,166	95,000	123,189	100,000	7.60%
Cigarette Tax	9,246	9,800	6,614	6,000	0.46%
Pen. & Int. Del. Tax	2,024	-	2,740	200	0.02%
Total Taxes	1,629,543	1,485,970	1,584,825	1,316,056	100.00%

LICENSES & PERMIT REVENUES

Franchise Revenue	5,389	3,500	3,247	2,500	27.47%
Liquor Licenses	1,280	900	2,405	1,000	10.99%
Sign Permit Fees	33	100	141	100	1.10%
Building Permit Fees	3,464	1,200	2,548	500	5.49%
P.D. Misc. Fees	1,214	1,100	19,815	1,100	12.09%
Certified VIN Inspections	48	-	60	100	1.10%
Animal Licenses	265	100	285	250	2.75%
Miscellaneous Revenues	10	20	75	50	0.55%
Business Licenses	2,375	2,100	2,035	2,500	27.47%
Contractors Licenses	1,295	950	1,075	1,000	10.99%
Total Licenses & Permits	15,373	9,970	31,687	9,100	100.00%

INTERGOVERNMENTAL REVENUES

State Mineral Serverance	144,696	140,000	139,776	140,000	37.09%
State Shared Mineral Lease	177,600	175,000	324,726	175,000	46.36%
DOLA Grant	-	-	-	62,500	16.56%
Federal Mineral Leasing District Grant	-	-	-	-	0.00%
M.V. Special Assessment	5,936	-	-	-	0.00%
Highwah User Tax Fund	38,678	-	-	-	0.00%
County Road & Bridge Fund	37,795	-	-	-	0.00%
Total Intergovernmental	404,705	315,000	464,502	377,500	100.00%

PLANNING & ZONING REVENUES

Planning & Zoning Fees	1,413	1,100	1,801	2,000	90.91%
Economic Development	-	-	-	-	0.00%
Street Impact Fees	-	-	-	-	0.00%
P & Z Charges for Services	148	150	1,095	200	9.09%
Main Street Cont Program	-	-	-	-	0.00%
Total Planning and Zoning	1,561	1,250	2,896	2,200	100.00%

FINE & FORFEITURE REVENUES

Municipal Court Fines	53,731	45,000	60,396	60,000	85.71%
Municipal Court Surcharge	8,367	7,000	10,135	10,000	14.29%
Credit Card Fee	63	-	277	-	0.00%
Total Fines and Forfeitures	62,161	52,000	70,807	70,000	100.00%

2015 BUDGET GENERAL FUND

MISCELLANEOUS REVENUES

Charges for Services	447	600	2,482	2,250	3.80%
Rental Income	9,605	6,700	9,031	6,700	11.31%
Credit Card Fee	224	200	408	200	0.34%
Oil / Gas Lease	53,878	30,000	66,521	50,000	84.39%
Photo Copy Sales	83	70	77	100	0.17%
Light the Way Project	10,000	-	-	-	0.00%
Refund of Expenditures	-	-	2,797	-	0.00%
Admin. Fee Trans. Water	-	1,500	-	-	0.00%
Admin. Fee Trans. Sewer	-	1,500	-	-	0.00%
Admin. Fee Trans. Garbage	-	300	-	-	0.00%
Total Miscellaneous	74,237	40,870	81,314	59,250	100.00%

SPECIAL REVENUES

Interest Revenues	6,993	5,500	5,384	5,500	98.21%
Financing Resources	43,518	-	-	-	0.00%
Sale of Fixed Asset	41,000	-	-	-	0.00%
Misc. Revenues	14	40	9,991	100	1.79%
Total Special Revenues	91,525	5,540	15,375	5,600	100.00%

TOTAL GENERAL FUND REVENUES	\$ 2,279,105	\$ 1,910,600	\$ 2,251,406	\$ 1,839,706
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2014 BUDGET GENERAL FUND EXPENDITURES

JUDICIAL EXPENSES

Wages	\$ 32,623	\$ 32,940	\$ 30,430	\$ 32,570	50.39%
Overtime	-	-	514	300	0.46%
Withholding	2,579	1,960	2,443	1,940	3.00%
Insurance Benefit	7,186	6,890	6,723	6,280	9.72%
Retirement Benefit	1,191	1,200	486	1,180	1.83%
Disability Ins	179	280	249	270	0.42%
Dues & Fees	20	20	20	20	0.03%
Training and Travel	-	-	175	700	1.08%
Office Supplies	1,544	600	1,716	600	0.93%
IT Support	372	250	880	250	0.39%
Operating Supplies	3,740	2,100	3,540	2,100	3.25%
Telephone	776	500	664	500	0.77%
Legal Fees	8,491	7,500	9,856	7,500	11.60%
Interperter Fees	585	650	698	700	1.08%
Youth Zone	7,000	7,000	7,000	7,000	10.83%
Workers Compensation	82	1,350	170	230	0.36%
Jury Trial Expenses	-	-	-	-	0.00%
Jury Fees	-	-	-	-	0.00%
Capital Outlay	672	2,500	2,017	2,500	3.87%
Total Judicial	67,040	65,740	67,582	64,640	100.00%

EXECUTIVE & LEGISLATIVE EXPENSES

Wages	198,476	171,640	183,526	177,110	38.10%
Overtime	-	-	2,202	1,200	0.26%
Withholding	15,829	10,210	14,712	10,540	2.27%
Insurance Benefit	65,550	47,160	40,910	34,160	7.35%
Retirement Benefit	8,541	8,580	6,332	8,300	1.79%

2015 BUDGET GENERAL FUND

Disability Ins	1,996	1,900	2,317	1,800	0.39%
HRA	73,597	85,000	66,440	85,000	18.29%
Fees & Dues	3,123	4,000	6,493	4,000	0.86%
Public Notices	5,194	3,500	953	3,500	0.75%
Training & Travel	5,826	9,520	17,924	3,500	0.75%
Office Supplies	2,474	3,500	2,558	3,500	0.75%
IT Support	2,964	2,500	2,960	2,500	0.54%
Operating Supplies	12,868	85,600	17,501	10,000	2.15%
Vehicle Supplies & Maint.	2,026	2,700	672	2,700	0.58%
Telephone	3,319	3,000	3,873	3,000	0.65%
Employee Appreciation	1,487	1,500	1,960	1,500	0.32%
Professional Services	-	-	15,355	-	0.00%
COLA	-	15,410	-	25,310	5.45%
Fuel/Motor Oil	3,291	4,200	1,103	4,200	0.90%
Workers Compensation	288	3,370	483	560	0.12%
Contingency	-	16,600	-	82,450	17.74%
Capital Outlay	20,337	2,320	617	-	0.00%
Total Exec. & Legis.	427,185	482,210	388,890	464,830	100.00%

FISCAL EXPENSES

County Treasurer Comm.	9,668	9,000	8,766	12,000	17.52%
Audit Services	13,169	13,800	9,500	9,500	13.87%
Insurance / Surety / Bonds	31,607	47,000	30,717	47,000	68.61%
Total Fiscal	54,443	69,800	48,983	68,500	100.00%

LEGAL EXPENSES

Attorney Fees	20,983	10,000	20,103	30,000	96.46%
Reimbursable Attny. Fees	2,910	1,100	637	1,100	3.54%
Total Legal	23,893	11,100	20,740	31,100	100.00%

ELECTION EXPENSES

Training & Travel	-	250	-	-	#DIV/0!
Office Supplies	-	300	-	-	#DIV/0!
Election Forms & Supplies	-	300	705	-	#DIV/0!
Clothing Allowance	-	-	-	-	#DIV/0!
Election Services	-	750	394	-	#DIV/0!
Total Election	-	1,600	1,100	-	#DIV/0!

BUILDING EXPENSES

Wages	22,104	21,410	15,496	24,550	46.14%
Overtime	-	-	580	200	0.38%
Withholding	1,701	1,270	1,258	1,460	2.74%
Insurance Benefits	4,984	4,980	4,415	6,270	11.78%
Retirement Benefits	969	1,070	636	1,230	2.31%
Disability Ins	251	250	182	280	0.53%
Operating Supp. & Maint.	7,749	6,000	10,022	6,000	11.28%
Building & Grounds Maint.	5,063	6,500	9,748	7,800	14.66%
Utilities	3,607	3,500	2,966	3,500	6.58%
Telephone	359	550	453	550	1.03%
Workers Compensation	854	470	1,305	1,370	2.57%
Capital Outlay	3,273	6,000	1,631	-	0.00%
Total Building	50,915	52,000	48,691	53,210	100.00%

2015 BUDGET GENERAL FUND

PLANNING & ZONING EXPENSES

Wages	19,488	47,860	42,495	67,280	23.65%
Overtime	-	-	1,827	1,000	0.35%
Withholding	1,545	1,600	1,782	4,000	1.41%
Insurance Benefits	3,435	19,440	16,377	22,800	8.01%
Retirement Benefits	834	2,440	1,815	3,360	1.18%
Disability Ins	5	180	477	740	0.26%
Fees & Dues	-	100	125	550	0.19%
Office Supplies	820	500	1,380	5,000	1.76%
IT Support	202	200	150	200	0.07%
Operating Supplies	2,151	13,800	9,340	13,800	4.85%
Telephone	539	500	1,199	500	0.18%
Required Mailings	-	450	97	450	0.16%
Professional Services	1,668	5,000	1,820	60,000	21.09%
Contracted Building Inspection	189	250	-	15,000	5.27%
Training & Travel	-	-	2,073	2,500	0.88%
Economic Development	-	5,000	5,000	87,000	30.58%
Reimbursable Fees	-	-	-	-	0.00%
Workers Compensation	95	330	218	290	0.10%
Capital Outlay	-	-	7,980	-	0.00%
Total Planning & Zoning	30,972	97,650	94,156	284,470	100.00%

LAW ENFORCEMENT EXPENSES

Wages	292,535	265,680	278,894	262,610	53.03%
Overtime Wages	11,356	12,000	8,636	12,500	2.52%
FPPA / D&D/Withholding	29,087	49,420	10,863	4,800	0.97%
Insurance Benefits	79,625	77,710	81,829	79,390	16.03%
Retirement	-	-	14,793	24,210	4.89%
Disability Ins	2,926	3,010	2,882	3,020	0.61%
Memberships / Dues	944	1,600	659	1,600	0.32%
Office Supplies	2,387	4,000	2,954	4,000	0.81%
Operating Supplies	11,044	8,000	9,279	8,000	1.62%
IT Support	1,107	1,800	2,730	1,800	0.36%
Police Officer Supplies	648	2,000	5,570	2,500	0.50%
Neighborhood Watch	157	1,000	310	1,000	0.20%
Mock DUI	-	-	-	-	0.00%
Vehicle Supplies & Maint.	6,680	6,500	4,248	8,000	1.62%
Explorer Post	-	-	-	-	0.00%
K9 Equipment	4,252	2,000	247	-	0.00%
Donation	329	-	(250)	-	0.00%
Vehicle Repairs	9,400	10,000	714	5,000	1.01%
Police Dept CD	-	-	-	-	0.00%
Utilities	1,546	1,100	1,291	1,100	0.22%
Telephone	4,562	4,500	3,353	4,500	0.91%
Advocate Safe House	500	500	500	500	0.10%
Colorado West	-	-	-	-	0.00%
Contractual Services	-	-	325	1,000	0.20%
Training / Travel	2,918	4,000	6,113	5,000	1.01%
Uniforms	9,356	8,500	3,667	9,000	1.82%
Fuel / Motor Oil	17,805	17,000	13,727	20,000	4.04%
Workers Compensation	6,766	5,210	10,978	11,660	2.35%
Contingency	-	1,000	-	-	0.00%

2015 BUDGET GENERAL FUND

Capital Outlay	115,021	11,900	8,850	12,000	2.42%
Vehicle Lease	18,492	12,000	12,328	12,000	2.42%
Total Law Enforcement	629,444	510,430	485,492	495,190	100.00%

RECORDS COORDINATOR EXPENSES

Wages	32,453	35,970	35,765	43,990	74.52%
Withholding	2,488	2,140	2,748	2,620	4.44%
Insurance Benefits	-	-	987	1,130	1.91%
Retirement Benefits	-	-	1,022	2,200	3.73%
Disability Ins	-	-	290	520	0.88%
Office Supplies	1,555	1,500	1,241	3,000	5.08%
IT Support	660	-	60	-	0.00%
Operating Supplies	1,545	1,650	2,015	3,000	5.08%
Utilities	1,546	1,350	1,366	1,350	2.29%
Telephone	905	800	1,153	800	1.36%
Training / Travel	-	200	49	200	0.34%
Workers Compensation	77	-	164	220	0.37%
Contingency	-	-	-	-	0.00%
Capital Outlay	785	-	-	-	0.00%
Total Records	42,013	43,610	46,859	59,030	100.00%

WEED & PEST CONTROL EXPENSES

Mosquito Control	7,150	7,300	-	-	0.00%
Weed Control	-	2,300	-	2,300	100.00%
Total Weed & Pest	7,150	9,600	-	2,300	100.00%

STREET & ALLEY EXPENSES

Wages	95,360	-	-	-	#DIV/0!
Overtime Wages	1,564	-	-	-	#DIV/0!
Withholding	7,573	-	-	-	#DIV/0!
Insurance Benefits	30,335	-	-	-	#DIV/0!
Retirement Benefits	3,872	-	-	-	#DIV/0!
Disability Ins	962	-	-	-	#DIV/0!
IT Support	102	-	-	-	#DIV/0!
Shop Supplies	9,943	-	-	-	#DIV/0!
Equipment Repairs	3,866	-	-	-	#DIV/0!
Old Town Hall Utilities	2,488	-	-	-	#DIV/0!
Utilities	8,195	-	-	-	#DIV/0!
Street Lights	38,023	-	-	-	#DIV/0!
Telephone	1,805	-	-	-	#DIV/0!
Engineering	-	-	-	-	#DIV/0!
Training / Travel	75	-	-	-	#DIV/0!
Street Striping	-	-	-	-	#DIV/0!
Street Maintenance	374	-	-	-	#DIV/0!
Parachute Ave Repair	-	-	-	-	#DIV/0!
Right-of-way Maintenance	1,050	-	-	-	#DIV/0!
Fuel / Motor Oil	5,620	-	-	-	#DIV/0!
Workers Compensation	3,075	-	-	-	#DIV/0!
Safety Program	-	-	-	-	#DIV/0!
Contingency	-	-	-	-	#DIV/0!
Capital Outlay	43,139	-	-	-	#DIV/0!
% of Vehicle Lease Pmt.	2,884	-	-	-	#DIV/0!

2015 BUDGET GENERAL FUND

Total Street & Alley	260,303	-	-	-	#DIV/0!
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ENGINEERING EXPENSES

Professional Services	14,922	10,000	11,854	20,000	92.17%
Reimbursable Fees	2,064	1,700	-	1,700	7.83%
Total Engineering	16,986	11,700	11,854	21,700	100.00%

PARKS

Wages	74,434	72,500	84,473	61,100	40.60%
Overtime Wages	-	300	1,459	1,500	1.00%
Withholding	5,764	4,320	6,771	4,440	2.95%
Insurance Benefits	17,434	20,740	17,237	7,060	4.69%
Retirement Benefits	2,645	3,370	2,543	2,230	1.48%
Disability Ins	637	780	707	400	0.27%
Operating Supplies & Maint.	20,588	22,000	17,178	22,000	14.62%
Utilities	8,759	8,000	6,749	8,000	5.32%
Contract Labor-Maintenance	-	-	1,826	-	0.00%
Contracted Trash Pickup	1,992	2,000	-	2,000	1.33%
Mosquito Control	-	-	7,300	14,600	9.70%
Fuel / Motor Oil	1,077	1,500	1,300	1,500	1.00%
Workers Compensation	2,351	1,380	2,950	4,200	2.79%
Safety Program	-	100	-	100	0.07%
Capital Outlay - Beasley Park	-	1,000	-	1,000	0.66%
Capital Outlay - Cottonwood	-	4,000	1,930	5,000	3.32%
Capital Outlay - Rest Stop	13,369	25,000	6,123	10,000	6.65%
Capital Outlay - McKay Park	-	2,200	-	5,000	3.32%
Capital Projects - Rest Stop	860	-	-	-	0.00%
Vehicle Lease	-	350	-	350	0.23%
Total Parks	149,911	169,540	158,545	150,480	100.00%

CONTRIBUTIONS EXPENSES

Contributions	15,916	17,300	17,990	85,110	100.00%
Total Contribution	15,916	17,300	17,990	85,110	100.00%

NON-DEPARTMENTAL EXPENSES

Transfer to Capital Improvement Fund	-	1,925,000	1,925,000	320,000	58.28%
Transfer to Debt Service Fund	-	-	-	-	0.00%
Transfer to Street & Alley Fund	-	160,000	160,000	160,000	29.14%
Transfer to Grant Fund	-	-	-	-	0.00%
Transfer to Reserve Fund	-	3,041,390	3,041,390	12,030	2.19%
Transfer to Water Fund	-	26,250	26,250	35,000	6.37%
Transfer to Wastewater Fund	-	-	-	22,000	4.01%
Contingency	-	-	-	-	0.00%
Total Non-Departmental	\$ -	\$ 5,152,640	\$ 5,152,640	\$ 549,030	100.00%

TOTAL GENERAL FUND EXPEND.	\$ 1,776,170	\$ 6,694,920	\$ 6,543,521	\$ 2,329,590	
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GENERAL FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ 4,993,450	\$ 5,496,385	\$ 5,496,385	\$ 1,204,270	
Emergency Reserve Capital	\$ 100,860	\$ 100,860	\$ 100,860	-	
TABOR Emergency Reserve	\$ 53,420	\$ 53,420	\$ 53,420	-	

2015 BUDGET GENERAL FUND

TOTAL REVENUES	\$	2,279,105	\$	1,910,600	\$	2,251,406	\$	1,839,706
TOTAL EXPENDITURES	\$	1,776,170	\$	6,694,920	\$	6,543,521	\$	2,329,590
Annual Net	\$	502,935	\$	(4,784,320)	\$	(4,292,115)	\$	(489,884)
Ending Available Fund Balance	\$	5,496,385	\$	712,065	\$	1,204,270	\$	714,386

GF Operating Exp	\$	1,780,560
TABOR Reserve	\$	53,420
Transfer to Reserve Fur	\$	12,030
Transfer to Capital Imp	\$	320,000
Annual Net	\$	(489,884)
FB After Transfer		(169,884)
Salary Savings		154,337
Net After Sal Savings		(15,548)
Contingency		19,950
Net after Contingency		4,402
COLA		22,270
Net after COLA		26,672
Transfer to CIP		-
Net after CIP Xfer		26,672

Beginning Fund Balance		1,204,270
TOTAL REVENUES		1,839,706
TOTAL EXPENDITURES		2,133,033.40
Annual Net		(293,328)
Ending Available Fund Balance		910,942



Town of Parachute

Attn: Stuart S McArthur
Town Manager

222 Grand Valley Way
P.O. Box 100
Parachute, CO 81635

RE: Request for Dispensary, MIP and OPC license for recreational sales of marijuana and related products

Dear Stuart,

As per our meeting of April 2015, please find enclosed our information package relative to obtaining the license set forth above. The package contains a summary of Green Cross Colorado, Economic Pro Forma, Job summary with wage scale and a conclusion.

Please contact me with any questions you might have:


Mark Smith
612.963.1820
austinenergygroup@gmail.com



Summary of Green Cross Colorado LLC

GCC has been in business since the inception of medical and now recreational marijuana and holds badge number 001. We have a manufacturing kitchen facility in Denver, in conjunction with 2 grows. We also have a grow in Rifle and are in the process of obtaining a kitchen license there as well. Our growth plan is to locate a dispensary in Parachute along with a manufacturing kitchen and grow facility.

Economic Pro Forma – Sales Tax and Add-On Tax

	<u>Gross Sales</u>	<u>3.75% tax</u>	<u>5% add tax</u>	<u>7% add tax</u>
Year 1	\$840,000	\$31,500	\$42,00	\$58,800
Year 2	\$1,260,000	\$47,250	\$63,000	\$88,200
Year 3	\$1,530,000	\$57,375	\$76,500	\$107,100
Year 4	\$1,720,000	\$64,500	\$86,000	\$120,400
Year 5	\$2,100,000	\$78,750	\$105,000	\$147,000

GCC will agree to pay a minimum of \$50,000 in guaranteed city tax in the unlikely event sales fall short

GCC will agree to pay a \$5,000/year licensing fee for all 3 licenses



Job Description and Wage Scale

Dispensary

Retail Sales \$12 to \$16 per hour plus benefits and commission

12 full time and 4 part time

Kitchen Staff \$14 to \$22 per hour plus benefits

16 full time and 9 part time

Grow Staff \$13 to \$18 per hour plus benefits

9 full time and 5 part time

Front Elevation and floor plan

(to be delivered at a later date)

Dispensary will have a western theme with a new glass store front, rusted metal awnings and reclaimed barn wood interior



Conclusion

GCC is a loyal employer and will be a good asset to the community. It will work hard to use local trades to build out its facilities and encourage a local work force. We appreciate the opportunity to present our plans and company to the City Council and the citizens of Parachute.

Jeffrey J. Conklin
jjc@mountainlawfirm.com

Sander N. Karp*
James S. Neu
Karl J. Hanlon
Michael J. Sawyer
James F. Fosnaught
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Lawyers*

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Patrick L. Barker

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Facsimile: (970) 945-7336
www.mountainlawfirm.com

****All correspondence should be sent to the
Aspen office*

May 14, 2015

MEMORANDUM

TO: Board of Trustees, Town of Parachute

FROM: Karp Neu Hanlon, P.C.

RE: Process for Permitting Recreational Marijuana

This memorandum discusses the ability of the Town to regulate marijuana business, the regulatory options available, and the process to allow for licensing of marijuana businesses pursuant to Amendment 64 (and regulations adopted pursuant thereto). The Town has adopted three (3) ordinances regulating marijuana: (1) Ordinance No. 656 - prohibiting the operation of marijuana cultivation facilities, product manufacturing, testing labs, and retail stores; (2) Ordinance No. 657 – updating zoning to allow for cultivation for personal use in various zone districts; and (3) Ordinance No. 655 – updating the criminal code for certain marijuana related offenses.

- I. Local Option. “A locality may prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores through the enactment of an ordinance or through an initiated or referred measure . . . provided, any initiated or referred measure to prohibit the operation . . . must appear on a general election ballot during an even numbered year.”
- II. Local Option - Prohibition.
 - a. Moratorium – a temporary ban on recreational marijuana related businesses giving the Town time to see how Amendment 64 is implemented at federal and state levels and in other municipalities. Moratorium must be accomplished by Ordinance.
 - b. Ban – Under the local option, the Town Council can vote to permanently ban all forms of marijuana businesses within Town boundaries (subject to the ban being lifted by a future Council). Ban must be accomplished by Ordinance after notice and

public hearing.

- c. Ban Does Not Impact Personal Use Rights – a Ban under the local option only impacts marijuana based businesses operating within a municipality’s jurisdiction. The following individual rights related to marijuana are “matters of statewide importance” which cannot be contravened by a municipality:
 - i. to grow up to 6 marijuana plants
 - ii. possess up to one ounce of marijuana
 - iii. gift up to one ounce of marijuana to someone over 21
 - iv. consume marijuana and marijuana related products.

III. Local Option - Allowing Marijuana Businesses.

- a. Four types of licenses – Municipality can choose to exclude any type of license from its jurisdiction:
 - i. Retail sales
 - ii. Marijuana cultivation
 - iii. Marijuana processing
 - iv. Marijuana testing lab
- b. State licensing and optional local licensing – Amendment 64 mandates that the State set up a licensing procedure for marijuana related businesses. HB 13-1317 and regulations adopted by the Colorado Department of Revenue implement the state licensing procedure. A local government can defer to the state licensing procedure. Or, similar to liquor licensing, a municipality may enact its own licensing process.
- c. A municipality can regulate the “time, place, manner and number of marijuana establishment operations” within its jurisdiction. Thus, the Town can address where a marijuana business may be located in its zoning code. The Town may designate when such businesses may be open and establish performance standards (i.e. security requirements). The Town can also set a cap on the total number of marijuana licenses (by category) that can be issued within its jurisdiction. The Town may adopt penalties for failing to comply with its regulations.
- d. The Town can apply its municipal sales tax to transactions involving recreational (but not medical) marijuana. A local jurisdiction can also impose a special tax on the sale of recreational marijuana – subject to compliance with TABOR.

IV. Process for New Regulations.

- a. If the Town decides to adopt the local option permitting some or all of the recreational marijuana establishments within the Town's jurisdiction, the Council will need to first rescind Ordinance No. 656 and adopt appropriate Code provisions related to: (a) licensing, (b) performance standards and restrictions on marijuana businesses, (c) fines and penalties for violating Town Code provisions, and (d) zoning for marijuana businesses (together with P&Z).
- b. Review the Town's criminal code to delete provisions that conflict with Amendment 64. Ordinance No. 655 has done to this a large extent.
- c. Review employment policy manual related to use of marijuana by employees. Amendment 64 states "nothing in this section is intended to require an employer to permit or accommodate the use, consumption, possession, . . . of marijuana in the workplace or to affect the ability of employers to have policies restricting the use of marijuana by employees."

**TOWN OF PARACHUTE
ORDINANCE NO. 656**

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO AMENDING CHAPTER 11.08 OF THE PARACHUTE MUNICIPAL CODE BY PROHIBITING THE OPERATION OF MARIJUANA CULTIVATION FACILITIES, MARIJUANA PRODUCT MANUFACTURING FACILITIES, MARIJUANA TESTING FACILITIES, AND RETAIL MARIJUANA STORES.

WHEREAS, Colorado voters approved an amendment to the Colorado Constitution known as Amendment No. 64 codified in Article XVIII, Section 16, which allows in part for the retail sale and cultivation of marijuana in the State of Colorado; and

WHEREAS, Article XVIII, Section 16 of the Colorado Constitution authorizes local governments, such as the Town of Parachute, to “prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities or retail marijuana stores through the enactment of an ordinance”; and

WHEREAS, the Board of Trustees has carefully considered the provisions of Article XVIII, Section 16 of the Colorado Constitution, and the impact of the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, and retail marijuana stores on the health, safety and welfare of the Town and its inhabitants, as well as the possible financial impacts on the Town, and the Board of Trustees has determined that such marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, and retail marijuana stores should not be located within the corporate limits of the Town.

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

Section 1. Findings and Legislative Intent. The Board of Trustees makes the following findings:

- A. The Board of Trustees finds and determines that Article XVII, Section 16 of the Colorado Constitution specifically authorizes the governing body of a municipality to enact an ordinance to prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, and retail marijuana stores.
- B. The Board of Trustees finds and determines after careful consideration of the provisions of Article XVIII, Section 16 of the Colorado Constitution and after evaluating the potential secondary impacts, including financial impacts, associated with the operation of marijuana cultivation facilities,

marijuana product manufacturing facilities, marijuana testing facilities, and retail marijuana stores that such land uses would have an adverse effect on the health, safety and welfare of the Town of Parachute and the inhabitants thereof.

- C. The Board of Trustees therefore finds and determines that as a matter of the Town's local land use and zoning authority, as a home rule municipality pursuant to the provisions of Article XX, Section 6 of the Colorado Constitution, and consistent with the authorization provided by Article XVIII, Section 16 of the Colorado Constitution, that no suitable location exists within the corporate limits of the Town of Parachute for the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, and retail marijuana stores.

Section 2. Authority. The Board of Trustees hereby finds and determines that it has the power and authority to adopt this Ordinance pursuant to:

- A. Article XVIII, Section 16 of the Colorado Constitution:
- B. The authority granted to home rule municipalities by Article XX of the Colorado Constitution;
- C. The powers contained in the Town of Parachute, Colorado, Home Rule Charter;
- D. The Local Government Land Use Control Enabling Act, Article 20 of Title 29, C.R.S.;
- E. Part 3 of Article 23 of Title 31, C.R.S. (concerning municipal zoning powers);
- F. Section 31-15-103, C.R.S. (concerning municipal police powers);
- G. Section 31-15-401, C.R.S. (concerning municipal police powers); and
- H. Section 31-15-501, C.R.S. (concerning municipal authority to regulate businesses).

Section 3. That Chapter 11.08 of the Parachute Municipal Code, concerning offenses relating to intoxicating liquor and drugs, is hereby amended to include the following additional Section:

11.08.150 Marijuana Cultivation Facilities, Marijuana Product Manufacturing Facilities, Marijuana Testing Facilities, And Retail Marijuana Stores – Prohibited.

- A. Definitions. For the purpose of this Section the following terms shall have the following meanings:
1. “Marijuana” shall have the same meaning as set forth in Section 16 (2)(f) of Article XVIII of the Colorado Constitution.
 2. “Marijuana Cultivation Facility” shall have the same meaning as set forth in Section 16 (2)(h) of Article XVIII of the Colorado Constitution.
 3. “Marijuana Product Manufacturing Facility” shall have the same meaning as set forth in Section 16 (2)(j) of Article XVIII of the Colorado Constitution.
 4. “Marijuana Testing Facility” shall have the same meaning as set forth in Section 16 (2)(l) of Article XVIII of the Colorado Constitution.
 5. “Retail Marijuana Store” shall have the same meaning as set forth in Section 16 (2)(n) of Article XVIII of the Colorado Constitution.
- B. It shall be unlawful for any person to operate, cause to operated, or permit to be operated, any marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, and retail marijuana stores within the Town of Parachute, and all such uses are hereby prohibited in any location within the Town, or within any area hereinafter annexed to the Town. A violation of this Section shall constitute a Class A municipal offense. Each and every day a violation of the provisions of this Section is committed, exists or continues shall be deemed a separate and distinct offense. The Town Attorney is hereby authorized to seek an injunction, abatement, restitution, or any other remedy necessary to prevent, enjoin, abate, or remove an establishment operated in violation of this Section.

THE FOREGOING ORDINANCE WAS INTRODUCED at a regular meeting of the Board of Trustees of the Town of Parachute, Colorado, a home rule municipality, on August 8, 2013. Copies were made available in written form for the members of the Board of Trustees’ review and the matter was held and considered for second reading at a meeting of the Board of Trustees held on September 12, 2013, and approved by the Mayor on September _____, 2013. This Ordinance was ordered published by title only as provided by the Home Rule Charter.

Copies of this proposed Ordinance were posted at Town Hall from the day after introduction before the Board of Trustees until the Ordinance became effective.

Dated August 8, 2013



BOARD OF TRUSTEES OF THE TOWN OF
PARACHUTE, COLORADO

By: Judith Beasley
Judith Beasley, Mayor

ATTEST:

S. Denise Chiaretta
S. Denise Chiaretta, Town Clerk

PUBLIC NOTICE

Public notice is hereby given that an Ordinance entitled:

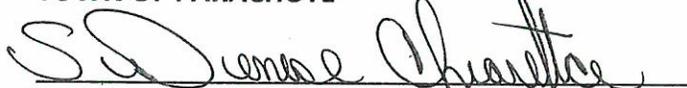
AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO AMENDING CHAPTER 11.08 OF THE PARACHUTE MUNICIPAL CODE BY PROHIBITING THE OPERATION OF MARIJUANA CULTIVATION FACILITIES, MARIJUANA PRODUCT MANUFACTURING FACILITIES, MARIJUANA TESTING FACILITIES, AND RETAIL MARIJUANA STORES.

was introduced before the Board of Trustees on August 8, 2013; that a copy of said Ordinance was posted continuously at Town Hall from that date until second reading; and that the Ordinance was approved at a regular meeting of the Board of Trustees held on September 12, 2013, and approved by the Mayor on September 16, 2013.

Copies of the adopted ordinance are available for inspection at the Town Hall, Parachute, Colorado and available on the internet at <http://www.parachutecolorado.com>.

Dated this 16 day of September, 2013.

TOWN OF PARACHUTE

A handwritten signature in cursive script, appearing to read "S. Denise Chiaretta", written over a horizontal line.

S. Denise Chiaretta, Town Clerk