

GRANBY SANITATION DISTRICT

P.O. Box 560
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December 11, 2014

Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203
Filed through DLG Electronic Filing Portal

RE: Granby Sanitation District, LGID # 25007, 2015 BUDGET

To whom it may concern:

Attached is the 2015 budget for Granby Sanitation District in Grand County, Colorado submitted pursuant to Sec. 29-1-113, C.R.S. This budget was adopted on November 12, 2014. If there are any questions regarding the budget please contact Tammy Granger at 970-887-2052, P.O. Box 560, Granby, Colorado 80446. The mill levy certified to the Grand County Commissioners is 0.000 mills.

I, Tammara K. Granger, District Administrator, hereby certify that the enclosed are true and accurate copies of the Adopted Budget and Certification of Tax Levies to the Board of County Commissioners.

Sincerely,

Tammara K. Granger
Budget Officer

enclosures

GRANBY SANITATION DISTRICT 2015 General Budget Information

Granby Sanitation District's Board of Directors follows the Local Government Budget Law, Colorado Revised Statute (C.R.S.) 29-1-101 through 29-1-115 in establishing the budgetary data reflected in the 2015 Budget and in the financial statements:

1. Prior to October 15, the budget officer submits to the District's Board a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain the taxpayer's comment.
3. Prior to December 15, the budget is legally adopted through passage of a resolution, making appropriation for the budget year.
4. Formal budgetary integration with current financial statements is employed as a management control device during the year at the Board of Director's monthly meetings.
5. The budget for the General Fund is adopted on a modified accrual basis except for debt service payments which are shown using the cash basis.
6. Appropriations lapse at the end of each calendar year.
7. The District's Board may authorize supplemental appropriations during the year.

Granby Sanitation District provides wastewater treatment services an area including the Town of Granby, areas adjacent to the Town and the SilverCreek Water and Sanitation District. The 2015 service fee revenues are based on an anticipated 2,892 single-family equivalent units multiplied by a \$32.00/month/SFE sewer service fee. Approximately 1,179 of which are to be served within the boundaries of Granby Sanitation District, 543 to be served by SilverCreek Water and Sanitation District and 1,170 served by the Town of Granby (outside of Granby Sanitation District boundaries). Sewer service fees increased from \$25.00 to \$26.50 on January 1, 2012. As of January 1, 2014, sewer service fees increased from \$26.50/sfe/month to \$32.00/sfe/month. In 1998 the District established an unrestricted operating contingency fund to be used to maintain and repair the District's aging plant equipment and collection system. In addition to sewer service fees, other revenues are generated from emergency sewer main cleaning for other public entities, the sale of District generated soil amendment and rent for the Grand County Animal Shelter facilities. In 2004 the District entered into an Agreement to Treat Sewage with the Town of Granby related to wastewater treatment for properties referred to as "exclusion lands." In 2006 The District entered into a second agreement with the Town of Granby related to wastewater treatment for properties referred to as "expansion lands." As a result, the District expects to receive \$10,000 in 2015 to reimburse the District for additional administrative and operational costs that are expected to be incurred. The Town of Granby needed these Agreements as part of their efforts to exclude properties previously served by SilverCreek Water and Sanitation District. These other revenues, in

addition to any surplus of sewer service fees minus operating expenses, will be added to the unrestricted operating contingency fund, which is included in the Ending Fund Balance. Likewise, there may be maintenance and repair items that will need to be funded from this unrestricted operating contingency fund and again, the change in this fund will be reflected in the Ending Fund Balance. The unrestricted operating contingency fund will accumulate any surplus or reflect spending from year to year. Plant investment fees and interest earned on the District's investments are added to the District's capital outlay fund.

In 2006 the District applied for and received a loan in the amount of \$4,810,728 through the Colorado Water Pollution Control Revolving Funds. This loan is administered by the Colorado Water Resources and Power Development Authority and is funded by the issue of revenue bonds. Voter approval for revenue bonds is not required since the District qualifies as an "enterprise" as defined by the TABOR Amendment. The District will make semi-annual debt service payments, which began on August 1, 2006 and will end August 1, 2027 and are included in the budget. The balance of the loan proceeds were spent in 2009 to fund the 1.0 mgd wastewater treatment plant expansion/upgrade project, which was completed in the fall of 2008.

Beginning April 4, 2012 plant investment fees increased from \$6,500.00 to \$8,500.00 for each single family equivalent after the Board of Directors' consideration of the estimated cost of plant expansion and the District's need to comply with current and future discharge permit requirements. Plant Investment Fees are used for capital improvements to the wastewater treatment plant or collection system. The sale of 5 plant investment fees is budgeted for 2015.

In 1992 the Board of Directors resolved to restrict a portion of the District's retained earnings to provide for potential unemployment claims. The District has always been self-insured for unemployment purposes and the Board of Directors decided it would be prudent to set aside funds for any potential claims. The Board increased the unemployment restricted funds from \$12,000 to \$66,000 in 2012, resulting in \$66,000 in the Ending Fund Balance.

The expenses for the District as listed in the budget are fairly self-explanatory. Budgeted legal fees are for both necessary and potential legal expenses anticipated by the District. It should be noted that legal fees may increase should unexpected litigation occur. There are funds available in the unrestricted operating contingency fund should additional expenses be incurred. The District's in-vessel composting facility to process the District's biosolids into a reusable "class A" biosolids product was put into operation in 2006. It is expected that the District will generate revenue from the sale of this compost product. Increases in fuel, electricity, plant heat, insurance premiums and operation and maintenance expenses have been experienced and are expected to continue in 2015 and are also incorporated into the 2015 budget. In 2013 an additional operating expenditure line was included to cover the cost of compliance laboratory testing that is anticipated as a requirement of the District's discharge permit renewal, and cannot be conducted in the District's on-site laboratory.

Salaries and Fringe Benefit expenses are related to the District's employees consisting of three plant operators, Operations Superintendent and District Administrator. Wage increases are budgeted throughout the year for the wastewater treatment plant operators in the event that advanced certifications are obtained. Merit increases may be considered and awarded based upon

performance evaluation results, budget status and economic conditions.

Even though the District is operating as an Enterprise Fund, as defined under the Tabor Amendment, the Board of Directors will set continue to fund an emergency reserve provision as provided for under the amendment. The 2015 emergency reserve fund balance is \$24,183.00, which is 3% of the estimated 2015 operating expenditures of \$806,101.00. This emergency reserve makes up the remainder of the Ending Fund Balance.

Capital outlay expenditures are for anticipated and contingent system improvements. These funds are budgeted for additions and upgrades to or expansion of the treatment plant, upgrades to the collection system or for potential expenditures necessary to upgrade the system due to increased Federal and State regulation. In 2008 the District's construction project to expand wastewater treatment capacity to 2.0 mgd, add some nutrient removal treatment and remodel administrative space was completed. Minimal capital expenditures are anticipated for 2015 and will be dependent upon the cost of expenditures and the revenue to support them. Budgeted capital expenditures for 2015 include: upgrade of the electrical controls to the influent pumps, concrete for plant garage floor, autoclave and electrical upgrades at compost facilities.

The budgetary basis of accounting used by the District for the 2015 budget is the modified accrual basis.

**RESOLUTION TO ADOPT BUDGET
(Pursuant to 29-1-108, C.R.S.)**

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, AND ADOPTING A BUDGET FOR THE GRANBY SANITATION DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE 1ST DAY OF JANUARY, 2015, AND ENDING THE LAST DAY OF DECEMBER, 2015.

WHEREAS, the Board of Directors for the Granby Sanitation District has appointed Tammara K. Granger, District Administrator, to prepare and submit a proposed budget to said governing body at the proper time and;

WHEREAS, Tammara K. Granger, District Administrator, has submitted a proposed budget to this governing body on October 8, 2014, for its consideration.

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 12, 2014, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

WHEREAS, whatever increases have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GRANBY SANITATION DISTRICT, COLORADO:

Section 1. That estimated expenditures for each fund are as follows:

General Fund	\$4,454,474
Restricted Funds	<u>90,183</u>
	<u>\$4,544,657</u>

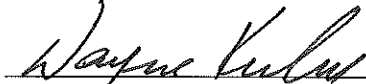
Section 2. That estimated revenues for each fund are as follows:

General Fund:	
From unappropriated surpluses	\$ 3,372,672
From sources other than general property tax	<u>1,171,985</u>
	<u>\$ 4,544,657</u>

Section 3. That the budget as submitted, amended, and summarized by fund, is approved and adopted as the budget of the Granby Sanitation District for the year stated above.

Section 4. That the budget hereby approved and adopted shall be signed by the President and Secretary, and made a part of the public records of the District.

ADOPTED, this 12th day of November, A.D., 2014.



President

Attest:



Secretary

RESOLUTION TO APPROPRIATE SUMS OF MONEY
(Pursuant to Section 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSES AS SET FORTH BELOW, FOR THE GRANBY SANITATION DISTRICT, COLORADO, FOR THE 2015 BUDGET YEAR.

WHEREAS, The Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on November 12, 2014, and;

WHEREAS, the Board of Directors has made provisions therein for revenue in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

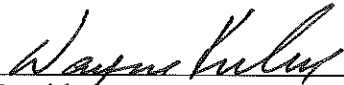
WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the Granby Sanitation District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GRANBY SANITATION DISTRICT, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated:

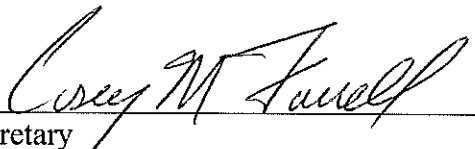
General Fund	
Current Operation Expenses	\$ 806,101
Debt Service Payment	338,074
Capital Outlay	78,000
Capital Reserve	46,605
Unrestricted Operating Contingency	3,186,093
Emergency Reserve adjustment	- 399
Restricted Funds	<u>90,183</u>
Total General Fund	<u>\$4,544,657</u>

ADOPTED, this 12th day of November, A.D., 2014.



President

Attest:



Secretary

RESOLUTION TO SET MILL LEVIES

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2014, TO HELP DEFRAY THE COSTS OF GOVERNMENT OF THE GRANBY SANITATION DISTRICT, COLORADO FOR THE 2015 BUDGET YEAR.

WHEREAS, the Board of Directors of the Granby Sanitation District has adopted the annual budget in accordance with the Local Government Budget Law, on November 12, 2014, and;

WHEREAS, the local 2014 valuation for assessment for Granby Sanitation District, as certified by the County Assessor is \$17,899,150.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GRANBY SANITATION DISTRICT, COLORADO:

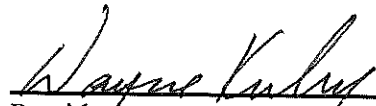
Section 1. That for the purpose of meeting all debt service obligation of Granby Sanitation District during the 2015 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2015.

Section 2. That for the purpose of meeting all general operating expenses of Granby Sanitation District during the 2015 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2015.

Section 3. That for the purpose of meeting all capital expenditures of Granby Sanitation District during the 2015 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2015.


Section 4. That the President is hereby authorized and directed to immediately certify to the County Commissioners of Grand County, Colorado, the mill levies for the Granby Sanitation District as hereinabove determined and set.

ADOPTED, this 12th day of November, A.D., 2014.



President

Attest:



Secretary

**RESOLUTION TO SET MILL LEVIES
AMENDED**

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2014, TO HELP DEFRAID THE COSTS OF GOVERNMENT OF THE GRANBY SANITATION DISTRICT, COLORADO FOR THE 2015 BUDGET YEAR.

WHEREAS, the Board of Directors of the Granby Sanitation District has adopted the annual budget in accordance with the Local Government Budget Law, on November 12, 2014, and;

WHEREAS, the local 2014 valuation for assessment for Granby Sanitation District, as certified by the County Assessor is \$17,876,420.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GRANBY SANITATION DISTRICT, COLORADO:

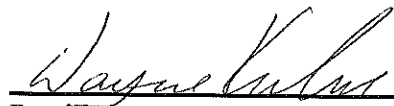
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Section 2. That for the purpose of meeting all general operating expenses of Granby Sanitation District during the 2015 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2015.

Section 3. That for the purpose of meeting all capital expenditures of Granby Sanitation District during the 2015 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2015.


Section 4. That the President is hereby authorized and directed to immediately certify to the County Commissioners of Grand County, Colorado, the mill levies for the Granby Sanitation District as hereinabove determined and set.

ADOPTED, this 10th day of December, A.D., 2014.



President

Attest:



Secretary *AS ACTING SECRETARY*

**GENERAL FUND BUDGET
GRANBY SANITATION DISTRICT
JANUARY 1, - DECEMBER 31, 2015**

2b

ESTIMATED REVENUES	ACTUAL PRIOR YEAR 2013	ESTIMATED CURRENT YEAR 2014	\$32/mo/sfe FINAL BUDGET 2015
BEGINNING FUND BALANCES - JANUARY 1ST	3,089,788	3,034,733	3,372,672
OPERATING REVENUES			
Sewer Service Fees	912,883	1,110,305	1,107,785
Town of Granby Agreement	10,000	10,000	10,000
Compost Sales	2,012	1,890	1,000
Other - Outside Services	0	0	0
Other - Miscellaneous	15,360	4,426	0
Other - Disconnect Valve Sales	0	0	0
Other - Animal Shelter Rent	8,000	8,000	8,000
Other - Sale of Equipment	1,000	0	0
Total Operating Revenues	949,255	1,134,621	1,126,785
NON-OPERATING REVENUES			
Facility/Inclusion Fees	0	1,000	0
Sewer Tap Fees	85,000	370,260	42,500
Interest Earned	3,033	2,713	2,700
CWRPDA Revenue Bond Proceeds	0	0	0
Total Non-Operating Revenues	88,033	373,973	45,200
TOTAL AVAILABLE FUNDS	4,127,076	4,543,327	4,544,657
ESTIMATED EXPENDITURES			
OPERATING EXPENSES			
ADMINISTRATION			
Director's Fees	6,000	6,100	8,000
Insurance	29,993	32,200	34,700
Permit Fees	6,404	9,835	7,205
Office	8,877	11,431	13,400
Legal	29,304	23,020	25,000
Audit	6,194	6,379	7,015
Dues	5,911	5,358	6,000
Administrative Salary	56,861	58,703	62,456
Election	0	1,782	0
	149,544	154,808	163,776
UTILITIES			
Telephone	4,329	4,546	4,682
Plant Heat	8,100	5,187	7,406
Electricity	86,687	94,240	109,200
Trash Removal	1,996	1,961	2,157
	101,112	105,934	123,445
PLANT OPERATIONS			
Plant Maintenance	62,246	60,105	52,500
Collection System	6,651	6,906	13,000
Engineering	7,348	3,000	5,000
Operation Salaries	228,680	237,380	235,800
Fringe Benefits	112,995	118,470	136,735
Payroll Taxes	4,581	4,760	5,495
Unemployment prmts in lieu of tax	0	0	0
Training and Travel	3,117	5,004	7,000
Auto and Truck	6,785	7,850	8,500
Operating Supplies	33,599	35,050	45,050
Compliance Lab Testing	7,399	6,127	9,800
Rulemaking Expenses	0	0	0
	473,401	484,652	518,880
	724,057	745,394	806,101
TOTAL OPERATING EXPENSES			
NON-OPERATING EXPENSES			
Debt Service Pmts - CWRPDA revenue bond	335,603	338,529	338,074
Capital Outlay	32,683	86,092	78,000
Emergency Reserve Adjustment	0	640	-399
TOTAL NON-OPERATING EXPENSES	368,286	425,261	415,675
UNRESTRICTED/RESTRICTED FUNDS			
Unrestricted-Operating Contingency	2,947,011	3,284,310	3,186,093
Unrestricted-Capital	0	0	46,605
Restricted CWRPDA Revenue Bond Proceeds	0	0	0
Restricted Unemployment Reserve	66,000	66,000	66,000
Restricted Emergency Reserve	21,722	22,362	24,183
TOTAL UNRESTRICTED/RESTRICTED FUNDS	3,034,733	3,372,672	3,322,881
TOTAL EXPENDITURES	4,127,076	4,543,327	4,544,657
ENDING FUND BALANCE - DECEMBER 31st	0	0	0

GRANBY SANITATION DISTRICT
PROPOSED BUDGET WORKSHEET
BUDGET YEAR 2015

2b

\$32/mo/sfe

	2013 Actual	2014 To Date	2014 Budget	2014 Estimated	2015 Budget
OPERATIONS					
BEGINNING FUND BALANCE	2,124,634	2,349,832	2,307,377	2,349,832	2,739,059
REVENUES					
Service Fees	912,883	831,047	1,095,040	1,110,305	1,107,785
Town of Granby Agreement	10,000	7,500	10,000	10,000	10,000
Compost Sales	2,012	1,368	1,000	1,890	1,000
Other-Outside Services	0	0	0	0	0
Other - Miscellaneous	15,360	4,416	0	4,426	0
Other-Disconnect Valve Sales	0	0	0	0	0
Other-Animal Shelter Rent	8,000	5,333	8,000	8,000	8,000
Other-Sale of Equipment	1,000	0	0	0	0
TOTAL REVENUES	949,255	849,664	1,114,040	1,134,621	1,126,785
FUNDS AVAILABLE	3,073,889	3,199,496	3,421,417	3,484,453	3,865,844
EXPENDITURES					
ADMINISTRATION					
Director's Fees	6,000	4,100	8,000	6,100	8,000
Insurance	29,993	24,585	35,700	32,200	34,700
Permit Fees	6,404	9,835	7,000	9,835	7,205
Office	8,877	5,835	12,400	11,431	13,400
Legal	29,304	16,480	25,000	23,020	25,000
Audit	6,194	6,379	6,820	6,379	7,015
Dues	5,911	5,358	6,200	5,358	6,000
Administrative Salary	56,861	39,244	61,044	58,703	62,456
Election	0	1,782	1,500	1,782	0
	149,544	113,598	163,664	154,808	163,776
UTILITIES					
Telephone	4,329	2,485	4,800	4,546	4,682
Plant Heat	8,100	2,617	11,450	5,187	7,406
Electricity	86,687	60,528	100,500	94,240	109,200
Trash Removal	1,996	1,392	2,220	1,961	2,157
	101,112	67,022	118,970	105,934	123,445
PLANT & COLLECTION					
Plant Maintenance	62,246	20,731	65,300	60,105	52,500
Collection System	6,651	6,406	7,000	6,906	13,000
Engineering	7,348	250	5,000	3,000	5,000
Operation Salaries	228,680	158,821	241,000	237,380	235,800
Fringe Benefits	112,995	94,055	141,500	118,470	136,735
Payroll Taxes	4,581	3,186	5,000	4,760	5,495
Unemployment In Lieu Of Taxes	0	0	0	0	0
Training & Travel	3,117	2,694	7,000	5,004	7,000
Auto & Truck	6,785	5,781	8,000	7,850	8,500
Operating Supplies	33,599	22,598	45,405	35,050	45,050
Compliance Lab Testing	7,399	5,264	11,573	6,127	9,800
Rulemaking Expenses	0	0	0	0	0
	473,401	319,786	536,778	484,652	518,880
	724,057	500,406	819,412	745,394	806,101
TOTAL OPERATING EXPENSE	2,349,832	2,699,090	2,602,005	2,739,059	3,059,743
ENDING FUND BALANCE					
NON-OPERATING					
BEGINNING FUND BALANCE	965,154	684,901	655,293	684,901	633,613
REVENUES					
Facility/Inclusion Fees	0	1,000	0	1,000	0
Plant Investment Fees	85,000	344,760	42,500	370,260	42,500
Interest Earned	3,033	1,844	3,000	2,713	2,700
CWRPDA Revenue Bond Proceeds	0	0	0	0	0
TOTAL REVENUES	88,033	347,604	45,500	373,973	45,200
FUNDS AVAILABLE	1,053,187	1,032,505	700,793	1,058,874	678,813
EXPENDITURES					
Debt Service-CWRPDA rev bonds	335,603	338,529	338,529	338,529	338,074
Capital - Plant, Equip, Veh, Lines	32,683	71,092	85,000	86,092	78,000
Capital Reserves	0	0	60,506	0	46,605
Unrestricted/Restricted/Reserves	0	0	2,818,937	0	3,276,276
% Reserve Adjustment	0	0	-174	640	-399
TOTAL EXPENDITURES	368,286	409,621	3,302,798	425,261	3,738,556
ENDING FUND BALANCE	684,901	622,884	-2,602,005	633,613	-3,059,743
FUND BALANCE SUMMARY					
Operating	2,124,634	2,349,832	2,602,005	2,349,832	3,059,743
Non-Operating	597,179	535,162	-2,602,005	545,251	-3,059,743
Unrestricted Operating Contingent	225,198	349,258	2,728,355	389,227	3,186,093
Restricted - Unemployment claims	66,000	66,000	66,000	66,000	66,000
% Emergency Reserve	21,722	21,722	24,582	22,362	24,183
TOTAL FUND BALANCE	3,034,733	3,321,974	2,818,937	3,372,672	3,276,276