



GRANBY SANITATION DISTRICT

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December 12, 2019

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

RE: Granby Sanitation District, LGID # 25007, 2020 BUDGET

To whom it may concern:

Attached is the 2020 budget for Granby Sanitation District in Grand County, Colorado submitted pursuant to Sec. 29-1-113, C.R.S. This budget was adopted on December 11, 2019. 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 is a true and accurate copy of the adopted Budget filed with this District.

Sincerely,

Tammara K. Granger
Budget Officer

enclosures

GRANBY SANITATION DISTRICT 2020 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 2018 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 2020 service fee revenues are based on an anticipated 3,218 single-family equivalent units multiplied by a \$32.00/month/SFE sewer service fee. Approximately 1,351 of which are to be served within the boundaries of Granby Sanitation District, 566 to be served by SilverCreek Water and Sanitation District and 1,301 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 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 2020 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. In 2016 a refinancing of the bond issue was completed by the Colorado Water Resources and Power Development Authority resulting in refunding credits which reduce loan interest. This savings began with the August, 2016 debt service payment.

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 50 plant investment fees is budgeted for 2020.

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 2020 and are also incorporated into the 2020 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 full-time plant operators, one full-time laborer, the 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. Cost-of-living increases may be considered and awarded, as well as merit increases 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 2020 emergency reserve fund balance is \$35,464.00, which is 3% of the estimated 2020 operating expenditures of \$1,182,120.00. 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. Capital expenditures of \$613,800.00 are included in the District's 2020 budget for the planning and design of solids handling facilities, an anoxic mixer, a snowplow, a trailer-mounted sewage pump, a vehicle lift, SCADA upgrades, a headworks lift station influent pump and collection system/manhole rehabilitation.

The budgetary basis of accounting used by the District for the 2020 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, 2019, AND ENDING THE LAST DAY OF DECEMBER, 2020.

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 9, 2019, 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 13, 2019, 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	\$ 8,699,963
Restricted Funds	<u>101,464</u>
	<u>\$ 8,801,427</u>

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

General Fund:	
From unappropriated surpluses	\$ 7,041,138
From sources other than general property tax	<u>1,760,289</u>
	<u>\$ 8,801,427</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.

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 2020 BUDGET YEAR.

WHEREAS, The Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on November 13, 2019, 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	\$ 1,182,120
Debt Service Payment	310,024
Capital Outlay	613,800
Capital Reserves	1,387,334
Unrestricted Operating Contingency	5,199,845
Emergency Reserve adjustment	6,840
Restricted Funds	<u>101,464</u>
Total General Fund	<u>\$8,801,427</u>

ADOPTED, this 11th day of December, A.D., 2019.

Vice - Debra L. Byrnes
President

Attest:

Cory M. Farrell
Secretary

RESOLUTION TO SET MILL LEVIES

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2019, TO HELP DEFRAY THE COSTS OF GOVERNMENT OF THE GRANBY SANITATION DISTRICT, COLORADO FOR THE 2020 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 December 11, 2019, and;

WHEREAS, the local 2019 valuation for assessment for Granby Sanitation District, as certified by the County Assessor is \$23,779,970.

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 2020 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 taxable year 2019.

Section 2. That for the purpose of meeting all general operating expenses of Granby Sanitation District during the 2020 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 taxable year 2019.

Section 3. That for the purpose of meeting all capital expenditures of Granby Sanitation District during the 2020 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 taxable year 2019.

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 11th day of December, A.D., 2019.

Vice- Debra J. Byrnes
President

Attest:

Cory M. Farrell
Secretary

GENERAL FUND BUDGET
GRANBY SANITATION DISTRICT
JANUARY 1, - DECEMBER 31, 2020

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	ACTUAL PRIOR YEAR 2018	ESTIMATED CURRENT YEAR 2019	\$32/mo/sfe FINAL BUDGET 2020
ESTIMATED REVENUES			
BEGINNING FUND BALANCES - JANUARY 1ST	3,901,903	5,378,536	7,041,138
OPERATING REVENUES			
Sewer Service Fees	1,141,004	1,188,317	1,224,512
Town of Granby Agreement	10,000	10,000	10,000
Compost Sales	1,722	1,386	1,000
Other - Miscellaneous	7,538	139,716	0
Sales Tax Service Fee	0	0	0
Other - Animal Shelter Rent	9,664	9,664	9,664
Other - Sale of Equipment	0	750	0
Total Operating Revenues	1,169,928	1,349,833	1,245,176
NON-OPERATING REVENUES			
Facility/Inclusion Fees	924,690	0	0
Plant Investment Fees	403,750	1,562,725	425,000
Interest Earned	79,052	129,258	90,113
CWRPDA Revenue Bond Proceeds	0	0	0
Total Non-Operating Revenues	1,407,492	1,691,983	515,113
TOTAL AVAILABLE FUNDS	6,479,323	8,420,352	8,801,427
ESTIMATED EXPENDITURES			
OPERATING EXPENSES			
ADMINISTRATION			
Director's Fees	4,800	6,300	9,600
Insurance	26,731	29,582	38,816
Permit Fees	7,962	8,017	8,778
Office	13,969	12,142	15,700
Legal	11,499	10,702	25,000
Audit	6,850	6,900	7,000
Dues	5,821	5,969	7,790
Administrative Salary	61,968	72,466	79,400
Election	52	0	5,000
	139,652	152,078	197,084
UTILITIES			
Telephone	3,814	4,230	12,942
Plant Heat	10,543	13,738	15,112
Electricity	86,320	97,193	115,506
Trash Removal	2,275	2,370	2,607
	102,952	117,531	146,167
PLANT OPERATIONS			
Plant Maintenance	31,672	70,005	108,966
Collection System	8,846	10,998	30,568
Engineering	19,400	8,500	25,000
Operation Salaries	223,145	267,917	324,083
Fringe Benefits	152,500	171,861	209,914
Payroll Taxes	4,465	5,417	6,586
Unemployment pmts in lieu of tax	0	0	0
Training and Travel	2,896	3,678	6,000
Auto and Truck	4,110	8,595	11,100
Operating Supplies	54,687	56,452	104,652
Compliance Lab Testing	8,130	10,867	12,000
	509,851	614,290	838,869
	752,455	883,899	1,182,120
TOTAL OPERATING EXPENSES			
NON-OPERATING EXPENSES			
Debt Service Pmts - CWRPDA revenue bond	298,118	311,372	310,024
Capital Outlay	50,214	180,000	613,800
Emergency Reserve Adjustment	0	3,943	6,840
TOTAL NON-OPERATING EXPENSES	348,332	495,315	930,664
UNRESTRICTED/RESTRICTED FUNDS			
Unrestricted	5,289,962	6,948,621	6,587,179
Restricted CWRPDA Revenue Bond Proceeds	0	0	0
Restricted Unemployment Reserve	66,000	66,000	66,000
Restricted Emergency Reserve	22,574	26,517	35,464
TOTAL UNRESTRICTED/RESTRICTED FUNDS	5,378,536	7,041,138	6,688,643
TOTAL EXPENDITURES	6,479,323	8,420,352	8,801,427
ENDING FUND BALANCE - DECEMBER 31st	0	0	0

GRANBY SANITATION DISTRICT
PROPOSED BUDGET WORKSHEET
BUDGET YEAR 2020

\$32/mo/sfe

	2018	2019	2019	2019	2020
	Actual	To Date	Budget	Estimated	Budget

OPERATIONS

BEGINNING FUND BALANCE	4,127,032	4,544,505	4,478,620	4,544,505	5,010,439
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REVENUES

Service Fees	1,141,004	880,299	1,153,344	1,188,317	1,224,512
Town of Granby Agreement	10,000	7,500	10,000	10,000	10,000
Compost Sales	1,722	782	1,000	1,386	1,000
Other - Miscellaneous	7,538	9,554	0	139,716	0
Sales Tax Service Fee	0	0	0	0	0
Other-Animal Shelter Rent	9,664	6,443	9,664	9,664	9,664
Other-Sale of Equipment	0	750	0	750	0
TOTAL REVENUES	1,169,928	905,328	1,174,008	1,349,833	1,245,176
FUNDS AVAILABLE	5,296,960	5,449,833	5,652,628	5,894,338	6,255,615

EXPENDITURES

ADMINISTRATION					
Director's Fees	4,800	3,800	9,600	6,300	9,600
Insurance	26,731	21,986	31,308	29,582	38,816
Permit Fees	7,962	7,667	8,778	8,017	8,778
Office	13,969	7,696	13,670	12,142	15,700
Legal	11,499	9,302	25,000	10,702	25,000
Audit	6,850	6,900	7,330	6,900	7,000
Dues	5,821	5,969	6,112	5,969	7,790
Administrative Salary	61,968	46,853	72,935	72,466	79,400
Election	52	0	0	0	5,000
	139,652	110,173	174,733	152,078	197,084

UTILITIES

Telephone	3,814	3,053	2,985	4,230	12,942
Plant Heat	10,543	8,848	11,012	13,738	15,112
Electricity	86,320	71,193	105,122	97,193	115,506
Trash Removal	2,275	1,767	2,550	2,370	2,607
	102,952	84,861	121,669	117,531	146,167

PLANT & COLLECTION

Plant Maintenance	31,672	14,687	80,874	70,005	108,966
Collection System	8,846	2,138	12,157	10,998	30,568
Engineering	19,400	375	20,000	8,500	25,000
Operation Salaries	223,145	162,597	279,018	267,917	324,083
Fringe Benefits	152,500	135,567	195,520	171,861	209,914
Payroll Taxes	4,465	3,328	5,839	5,417	6,586
Unemployment In Lieu Of Taxes	0	0	0	0	0
Training & Travel	2,896	928	5,000	3,678	6,000
Auto & Truck	4,110	4,535	7,435	8,595	11,100
Operating Supplies	54,687	43,402	41,587	56,452	104,652
Compliance Lab Testing	8,130	5,917	10,305	10,867	12,000
	509,851	373,474	657,735	614,290	838,869
	752,455	568,508	954,137	883,899	1,182,120

TOTAL OPERATING EXPENSE

ENDING FUND BALANCE	4,544,505	4,881,325	4,698,491	5,010,439	5,073,495
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NON-OPERATING

BEGINNING FUND BALANCE	-225,129	834,031	768,113	834,031	2,030,699
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REVENUES

Facility/Inclusion Fees	924,690	0	0	0	0
Plant Investment Fees	403,750	1,483,675	365,500	1,562,725	425,000
Interest Earned	79,052	86,461	76,804	129,258	90,113
CWRPDA Revenue Bond Proceeds	0	0	0	0	0
TOTAL REVENUES	1,407,492	1,570,136	442,304	1,691,983	515,113
FUNDS AVAILABLE	1,182,363	2,404,167	1,210,417	2,526,014	2,545,812

EXPENDITURES

Debt Service-CWRPDA rev bonds	298,118	311,372	311,372	311,372	310,024
Capital - Plant, Equip, Veh, Lines	50,214	61,868	500,000	180,000	613,800
Capital Reserves	0	0	0	0	1,387,334
Unrestricted/Restricted/Reserves	0	0	5,095,561	0	5,301,309
% Reserve Adjustment	0	0	1,975	3,943	6,840
TOTAL EXPENDITURES	348,332	373,240	5,908,908	495,315	7,619,307

ENDING FUND BALANCE

	834,031	2,030,927	-4,698,491	2,030,699	-5,073,495
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FUND BALANCE SUMMARY

Operating	4,127,032	4,544,505	4,698,491	4,544,505	5,073,495
Non-Operating	745,457	1,942,353	-4,698,491	1,938,182	-5,073,495
Unrestricted Operating Contingent	417,473	336,820	5,000,937	465,934	5,199,845
Restricted - Unemployment claims	66,000	66,000	66,000	66,000	66,000
% Emergency Reserve	22,574	22,574	28,624	26,517	35,464
TOTAL FUND BALANCE	5,378,536	6,912,252	5,095,561	7,041,138	5,301,309