

THE BOARD OF TRUSTEES OF THE GRANGER-HUNTER IMPROVEMENT DISTRICT

PUBLIC NOTICE is hereby given by the Board of Trustees that Granger-Hunter Improvement District will hold a Public Hearing at 6:00 p.m. on Tuesday, November 14, 2023, at its main office located at 2888 South 3600 West, West Valley City, Utah. Trustees and members of the public are able to attend this meeting in person or electronically through www.ghid.org.

Agenda

A. PUBLIC HEARING

1. Call to Order and Welcome Visitors
2. Verification of Legal Notification Requirements
3. Motion to Open Public Hearing
4. Staff Presentation
5. Questions by Trustees
6. Invitation for Public Comments
 - (a) Acknowledgement of Public Comments Received
 - (b) Comments from Visitors
7. Motion to Close Public Comment Session
8. Staff Response and Summary
9. Motion to Close Public Hearing

B. FINANCIAL MATTERS

1. Consider Approval of Resolution 11-14-23.1 Adopting the District's Financial Plan, Budget and Other Fees for the Calendar Year Ending December 31, 2024.
2. Consider Approval of Resolution Adopting Final Tax Rates and Budgets Report 800C.

C. ADJOURN



GRANGER-HUNTER
IMPROVEMENT DISTRICT
VISITOR ENTRANCE

2024 Budget Presentation

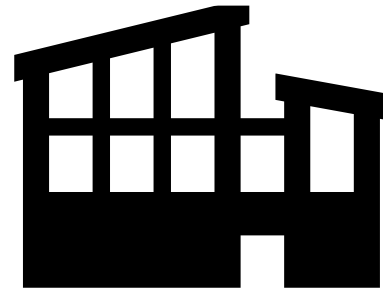
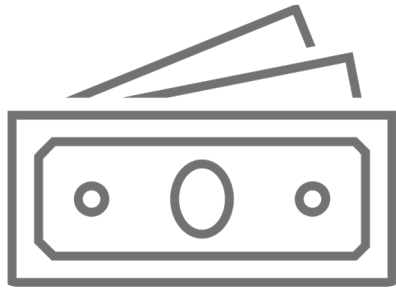
Improving quality of life today – creating a better tomorrow.



2024 Budget Overview

- Strategic Objectives/Budget Considerations
- 10-Yr Financial Projection
- Grant Awards
- Budget Summary
- Proposed Rates/Taxes

Budget Considerations



Fund the Future

10-Yr Capital Improvement & Financial Plan

Workforce Evolution

Compensation Plan/Training/Retention

Modern Utility

Innovation, SCADA, Analytics

Support Community

Community Growth/Public Safety, Lead & Copper



Budget Considerations



Environmental Stewardship

Customer Portal,
Leak Detection,
Conservation

Financial Strength

Days Cash on
Hand, Grants,
Bonding/Pay-
Go

Focus on Patrons

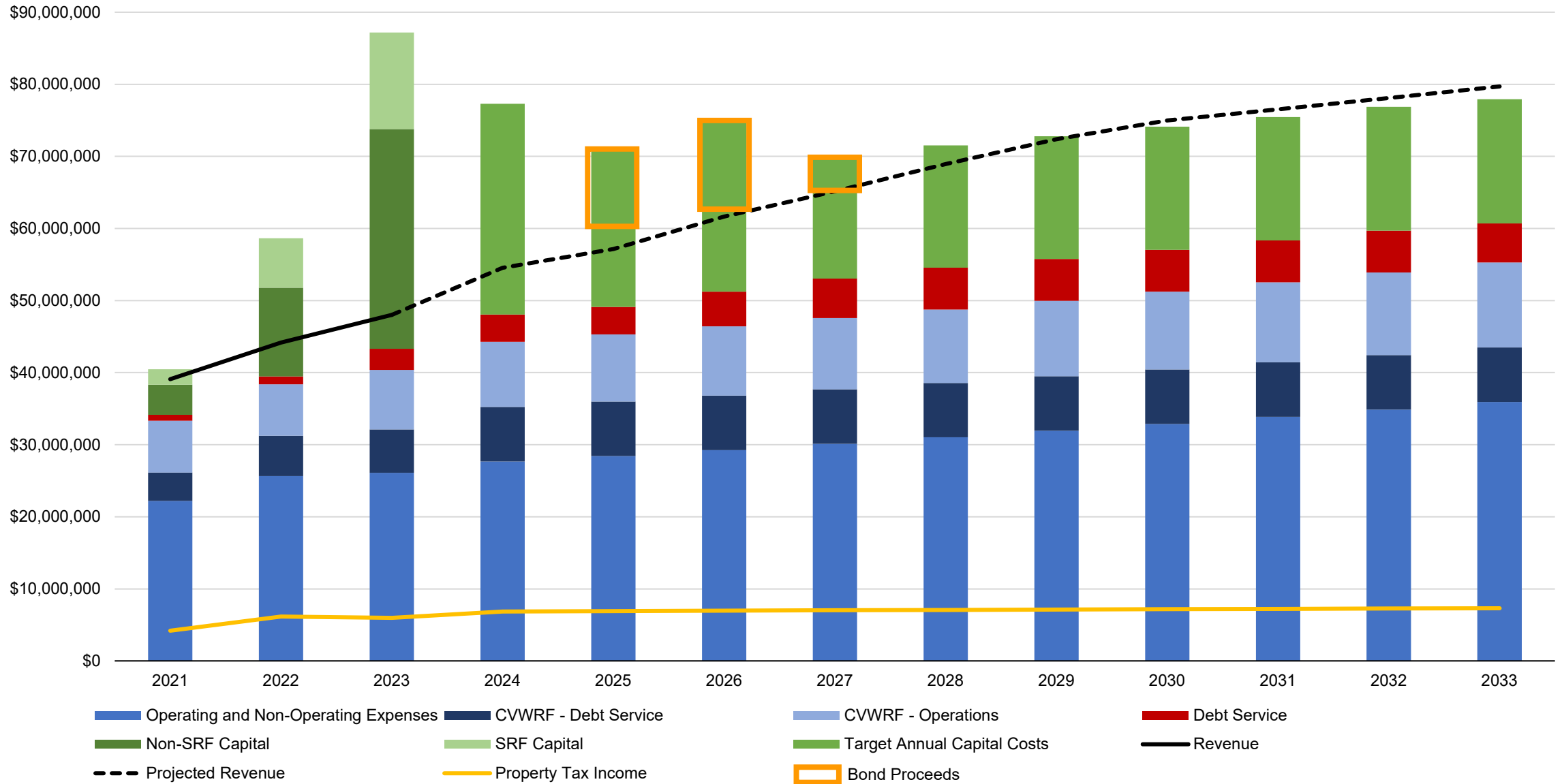
Transparency,
Emergency
Response,
Quality

Best Practices

AWWA, State
Drinking
Water, EPA



10-Year Financial Projection



Grant Awards



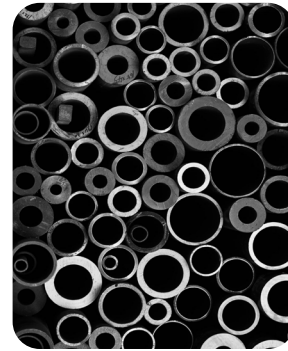
Redwood
Road

\$2.8M



Water
Treatment &
Well

\$5M + \$2.5M



Lead &
Copper

\$100k



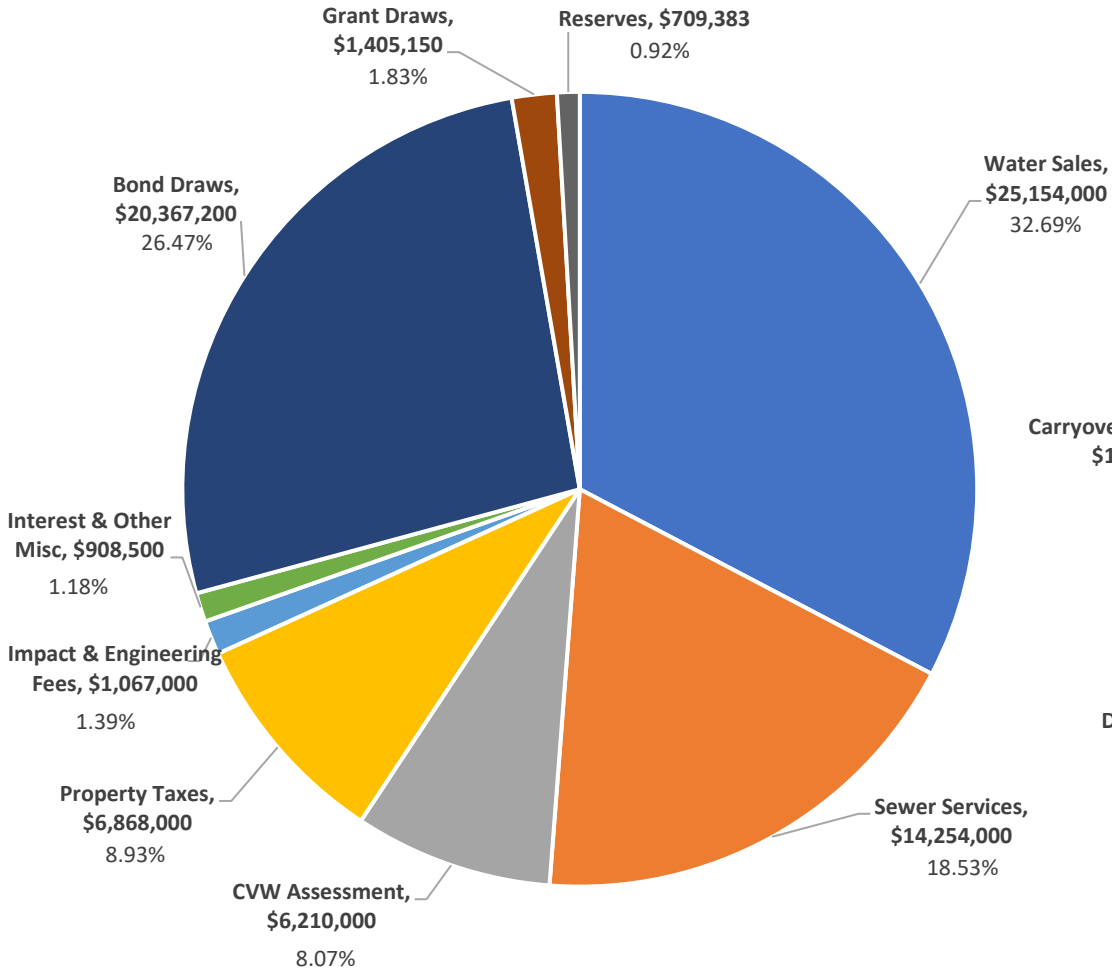
Hazard
Mitigation

\$120k

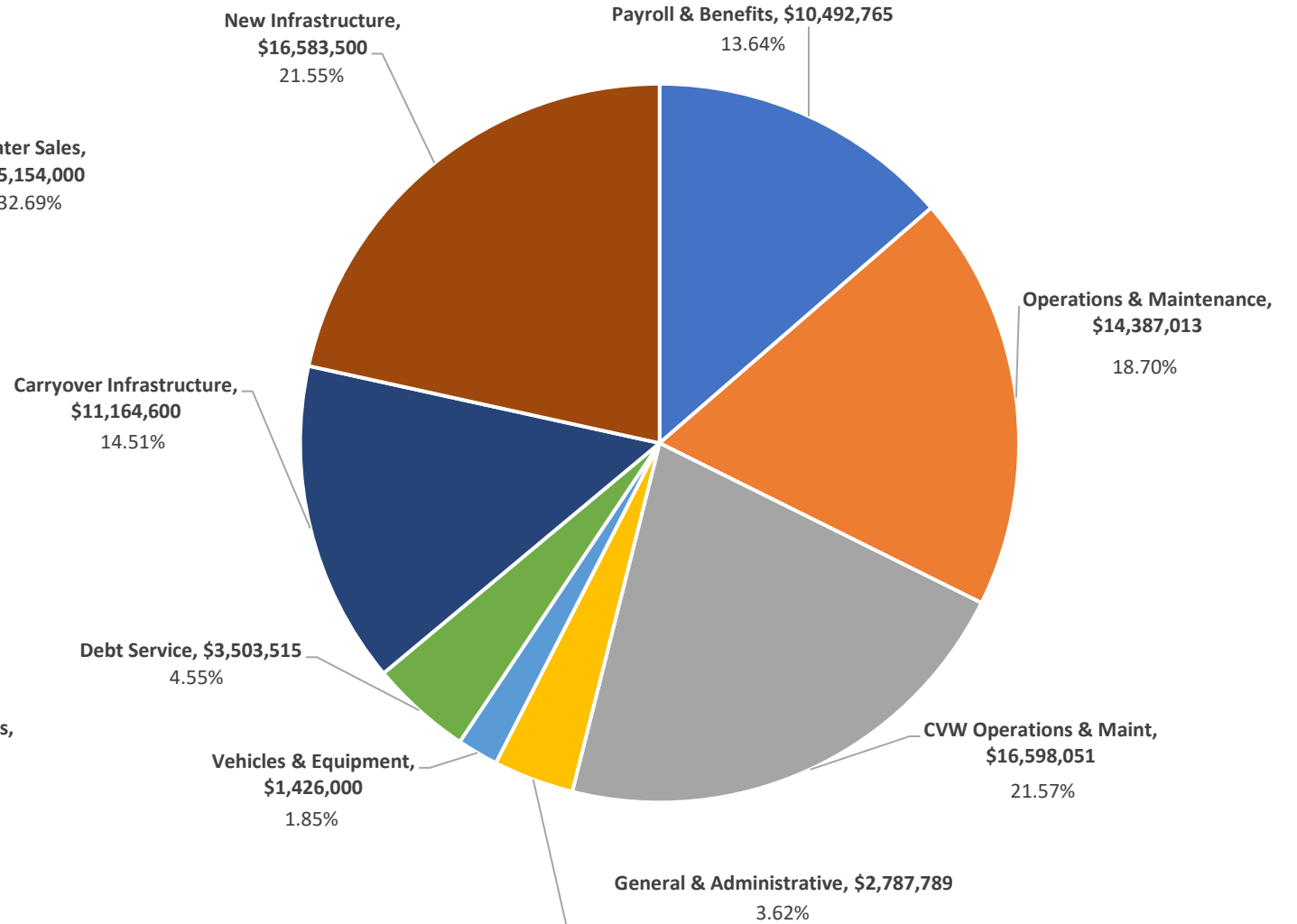


Budget Summary

Sources - \$76.9M



Uses - \$76.9M



*Operations & Maintenance of \$14.4M includes JVW water purchases of \$11.4M

Final 2024 Budget Changes



- Updated Revisions
 - Added additional grant/principal forgiveness revenue \$3.5M
 - Reduction in Tank Farm carryover from \$7.6M to \$4.5M due to project schedule change
 - 2023 budgeted CCTV Truck won't be finished until 2024 \$550K
 - Two 2023 budgeted dump trucks won't be finished until 2024 \$380K
 - Added carryover for Chesterfield & Warner exhaust vents \$150K
 - Addition of land and water use study \$100K
 - Updated CVW ownership % \$77K

Proposed 2024 Rate Increase

Water Rates by Customer Type	Tier 1* (0-7,000 gal.)	Tier 2* (7,001-15,000 gal.)	Tier 3* (15,001-45,000 gal.)	Tier 4* (45,001+ gal.)	Availability Fees
Residential - Current	\$1.50	\$2.10	\$3.00	\$4.00	\$16.50
Residential - Proposed	\$1.59	\$2.23	\$3.18	\$4.24	\$17.49
Non-Residential - Current	\$2.30	\$2.30	\$2.30	\$2.30	\$16.50-\$1,898
Non-Residential - Proposed	\$2.44	\$2.44	\$2.44	\$2.44	\$17.49-\$2,011

Wastewater Rates by Customer Type	Availability Fee	CVWRF Fee	Volume (per 1,000 gal.)
Residential – Current (REU)	\$15.50	\$11.50	\$1.50
Residential – Proposed (REU)	\$16.43	\$11.50	\$1.59
Non-residential – Current (REU)	\$15.50	\$11.50	\$1.50
Non-residential – Proposed (REU)	\$16.43	\$11.50	\$1.59

*For residential customers meters sizes 1 ½” – 10” will be moved to a tiered rate structure that adjusts based on meter size

**Proposed fees of Water and Wastewater rates will be an increase of 6%.

Proposed 2024 Property Tax Increase

2023 Tax Rate- 0.000494

Est 2024 Tax Rate - 0.000561

Est Revenue 2024- \$6,322,000

% TNT Increase- 13.6%



Property Tax Increase Examples

\$388,000 Residence

↑ \$105.42
\$119.80 (\$14.38/YR)

\$388,000 Business

↑ \$191.67
\$217.82 (\$26.15/YR)





GRANGER-HUNTER
IMPROVEMENT DISTRICT



2024 Final Budget

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Background

The District was organized January 13, 1950, and provides water and wastewater services to approximately 133,000 people in a 24.5 square mile area in the central portion of Salt Lake County. The boundaries of the District roughly parallel those of West Valley City. The principal offices are located at 2888 South 3600 West, in West Valley City, Utah. It employs about 78 people and operates and maintains water lines, water storage reservoirs, several deep-water wells, wastewater collection lines and several wastewater pump stations.

The Final 2024 budget for Granger-Hunter Improvement District (the District) was prepared in accordance with the District's **vision**: *Improving quality of life today – creating a better tomorrow*, the District's **mission**: *Stewards of water that is delivered clean and safe for daily use and collected responsibly to protect public health and our environment* and supports the District's **strategic plan**. This budget narrative will provide an overview of the framework the District believes will help it meet its objective.

Budget Process

The annual budget is created by the District's management as required by Utah law. Directors have a responsibility to submit their department budgets for consideration and are reviewed by management. The needs of a department are weighed against the needs of all departments, and priorities are established. Budgets for personnel and capital projects are also prepared, and input is received from management and directors. The budget is then organized and presented to the Board for comment, input, additional prioritization of needs and approval. Once the budget is adopted, it becomes the framework for applying District resources in the best manner to meet the needs of the customer.

Prior to adoption of the budget, the following steps have or need to occur:

- District management met with all Directors on August 14th, 2023, to receive inputs on each of the District's departments and capital budgets.
- The District's Budget Committee, consisting of one board member, the General Manager, the two Assistant General Managers and the Controller, met on August 21st, 2023, to discuss the preliminary budget numbers to put into the Tentative Budget.
- The Tentative Budget was presented and approved by the Board on October 12th, 2023.
- On October 12th, the Board established the time and place of the public hearing to consider adoption of the Final Budget and rate increases. The time and place is scheduled to be held on November 14th, 2023, at 6:00 p.m.
- When fee, rate or tax increases are considered (as is the case for the upcoming year), the District must publish notice in a location within the District that is most likely to be seen by its residents (Utah code 63G-30-102) 30 days prior to the meeting.

- The Board, by resolution, may adopt the budget and rate increase following the public hearing, but it must be adopted before January 1, 2024 before any expenditures occur.

Executive Summary

	Actual 2021	Actual 2022	Projected 2023 as of 10/24/2023	Budget 2023	Final Budget 2024	% Change
OPERATING REVENUES						
Operating Revenues	\$ 33,744,314	\$ 35,493,650	\$ 42,388,737	\$ 42,125,000	\$ 49,674,894	17.9%
Property Tax Revenues	4,182,876	6,147,887	6,304,191	5,894,660	6,868,000	16.5%
TOTAL OPERATING REVENUES	37,927,190	41,641,537	48,692,928	48,019,660	56,542,894	17.7%
OPERATING EXPENSES						
Payroll Wages & Benefits	7,882,823	8,860,610	9,345,205	9,518,441	10,492,765	10.2%
Maintenance and Tools	1,559,479	1,446,881	1,651,506	1,972,725	2,097,275	6.3%
Water Purchases	9,773,599	10,805,123	10,678,479	10,997,903	11,437,138	4.0%
Utilities	883,822	723,885	834,285	1,011,188	944,100	-6.6%
CVWRF	11,119,436	12,738,319	13,240,592	14,267,836	16,598,051	16.3%
Administrative	1,917,060	2,190,953	2,132,298	2,431,897	2,516,289	3.5%
Contingencies	-	-	-	180,000	180,000	0.0%
TOTAL OPERATING EXPENSES	33,136,219	36,765,771	37,882,365	40,379,990	44,265,618	9.6%
NET OPERATING REVENUES	4,790,971	4,875,766	10,810,563	7,639,670	12,277,276	60.7%
INDIRECT OPERATING EXPENSES	(8,175,981)	(8,094,770)	(8,270,000)	(8,670,000)	(8,691,000)	0.2%
NON-OPERATING REVENUE & EXPENSES						
Non-Operating Revenues	1,180,380	2,731,734	2,705,850	1,220,000	1,555,000	27.5%
Equipment Purchases	(599,810)	(686,432)	(1,498,150)	(1,498,150)	(1,426,000)	-4.8%
Debt Service	(978,085)	(1,237,509)	(2,206,847)	(2,934,538)	(3,503,515)	19.4%
NON-OPERATING REVENUE & EXPENSES	(397,515)	807,793	(999,147)	(3,212,688)	(3,374,515)	5.0%
NET REVENUES INCL DEPRECIATION	\$ (3,782,525)	\$ (2,411,211)	\$ 1,541,416	\$ (4,243,018)	\$ 211,761	-105.0%
Add Back Depreciation	8,010,624	7,903,638	8,100,000	8,500,000	8,500,000	0.0%
Add Noncash OPEB Accrual	20,625	19,800	14,000	14,000	433,000	
NET REVENUES	\$ 4,248,724	\$ 5,512,227	\$ 9,655,416	\$ 4,270,982	\$ 9,144,761	114.1%
CAPITAL EXPENDITURES		2022 Budget	2022 Budget	2023 Budget	Final 2024 Budget	
Water - Horizontal	\$ 3,310,000	\$ 5,412,500	\$ 5,412,500	\$ 15,740,000	\$ 10,615,000	-32.6%
Water - Vertical	10,469,500	20,090,000	20,090,000	16,777,000	12,636,000	-24.7%
Wastewater - Horizontal	1,902,000	3,605,000	3,605,000	9,039,000	2,190,000	-75.8%
Wastewater - Vertical	3,726,000	4,726,000	4,726,000	1,135,000	1,225,000	7.9%
General Facilities	1,897,000	2,524,500	2,524,500	1,181,000	932,500	-21.0%
TOTAL CAPITAL EXPENDITURES		\$ 21,304,500	\$ 36,358,000	\$ 43,872,000	\$ 27,598,500	-37.1%

Operating Revenue

Water and Wastewater Rates

For several year the District has implemented a tiered or “inclining block” water rate structure to encourage conservation efforts in accordance with State of Utah statutes. In 2024 the District is modifying its rate structure to increase water and wastewater revenue by approximately 9.3%. Early in 2022, the District completed a “master plan” by a third-party consultant that outlined the District’s infrastructure needs over the next 10 years. This plan recommends rate increases the District needs to implement to replace its’ capital infrastructure. Based on those recommendations and staff evaluations, the water and wastewater rates in 2024 will increase by 6%. The District also factored water usage of customers (conservation) into the 6% rate increase.

The 2024 tiered water rate structure is suggested as follows:

Availability fee will increase 6% from \$16.50 to \$17.49 per EDU.

Water tier rates for residential customers with meter sizes of $\frac{3}{4}$ ” or 1” will be based on the following table:

0 – 7,000 gallons	= \$1.59 per 1,000 gallons
7,001 – 15,000 gallons	= \$2.23 per 1,000 gallons
15,001 – 45,000 gallons	= \$3.18 per 1,000 gallons
All > 45,000 gallons	= \$4.24 per 1,000 gallons

For residential customers with a meter size of 1 $\frac{1}{2}$ ” or greater, they will be placed on a tiered rate schedule. Previously, those meter sizes received a flat rate for consumption. To understand what the tiers of those meter sizes are, refer to the rates and fees sheet in the budget pdf for 2024 consumption tiers and rates.

For non-residential customers, the District will apply a fixed rate of \$2.44 per 1,000 gallons.

The 2024 wastewater rate structure is suggested as follows:

Availability fee will increase 6% from \$15.50 to \$16.43 per EDU. The CVW will remain the same at \$11.50 per EDU. Additional charges will be based on an indoor usage charge of \$1.59 per 1,000 gallons. Indoor use is defined as water consumption billed in months December through April. Those customers who have grease interceptors will remain on specific rate tables that are based on the contaminants put into the District’s wastewater system.

Property Tax Revenues

During the June 2023 board meeting, the Board of Trustees formally announced their intent to raise property taxes in 2024 (Utah code 59-2-919). In the meeting, it was decided that the District would set a property tax revenue amount that would equal 18.4% of total operating costs excluding the CVW debt service payments. For the 2023 Budget, the Board decided that the District did not need to pursue a property tax increase.

18.4% of operating costs represent “public good” services the District provides, including but not limited to, fire protection, public health, ground water management and current and future debt service. The 2024 property tax rate is estimated to be set at 0.000561 or

an approximate 13.6% rate increase from the 2023 rate. As the District continues to replace its' aging infrastructure through bonding, it is anticipated that the amount of property tax revenue required will also increase, and the District will need to increase property tax revenue by going through the Truth-in-Taxation process in future tax years.

Operating Expenses

Payroll Wages & Benefits

The District is anticipating an increase in payroll wages and benefits in 2024. Payroll wages and benefits are expected to increase \$974k (10.2%) due to an increase in retirement buyout benefits as a result of an increase in the number of employees in 2024 who are eligible to retire from the District, a 3.0% merit increase, fully funding a certification program to help with employee retention and a significant increase in healthcare insurance premiums. The District has previously set aside sufficient funding to pay for the new potential 2024 retirement buyouts, and resident rates will not be impacted by this increase. When excluding the impact of the employee retirement buyout, the expected payroll wages and benefits will increase only (5.8%) from the previous year's budget.

To offset the substantial increases mentioned above, the District has decided to not fill 3 current open positions from 2023 in 2024 and will modify its current employee 401(k) program. The District will modify the 401(k) program as follows: lower the direct employee 401(k) contribution to 7% and offer employees a dollar for dollar match up to 5% of employees' salaries. Previously the District contributed a 11.5% direct contribution into employees' 401(k) accounts with no dollar match program.

Maintenance and Tools

With the District's aging infrastructure, it is necessary to allocate resources towards maintaining its water and wastewater lines and small and large meter infrastructure. Maintenance projects include, but are not limited to, repairing leaks and line breaks, cleaning wastewater lines and purchasing inventory to repair the system. This year the District is raising its maintenance budget by \$125k (6.3%) because of inflationary increases to general maintenance items including inventory parts, asphalt, cement, fill dirt and permits.

Water Purchases

Currently the District has a contract with Jordan Valley Water Conservancy District (JVW) to purchase 18,500 acre feet of water on an annual basis. This is a take-or-pay contract, meaning that if the District does not utilize 100% of its contract, JVW requires the District to pay the difference between the actual water delivered and its contract. If this occurs, JVW allows the District to take that water in the next calendar year at no cost, since this was purchased the previous year. In 2024, water purchases are expected to increase by \$439k (4.0%) due to higher expected charged rates in the latter half of 2024. Recently JVW has modified its policy that allows its wholesale customers to permanently reduce their contracts when other entities have step-up (increases) in their take-or-pay contracts. It is anticipated that the District will reduce its contract in future years, even as early as 2024.

Utilities

Utilities are expected to decrease by \$67k (6.6%) in 2024.

Central Valley Water Reclamation Facility (CVW)

The CVW treatment plant treats the wastewater of the District. The District is one of seven member entities that own the CVW treatment plant. Member entities pay their share of CVW operating and capital expenditures monthly. Operating expenses are allocated based on each entity's 12-month average of volume and strength of the wastewater as of the prior month. Capital costs are allocated based on each entity's 12-month average of volume and strength of wastewater as of August of the preceding year. The District's share of CVW operating costs are expected to be 25.9% in 2024. For 2024, the District anticipates that CVW operating costs will increase by about \$781k (9.5%) from the prior year's budget.

In late 2017, CVW began a complete rebuild of the treatment plant to meet new state and federal water quality requirements by January 1, 2025. CVW is funding the rebuild with a combination of cash contributions from member entities and issuance of bonds. Member entities are required to pay a portion of their capital cost allocation monthly as pay-as-you-go (pay-go) capital contributions. In addition, the District is obligated to pay CVW the related debt service over the life of the bonds. In 2024 the District is planning that CVW debt service obligations will increase by \$1.5 million (25.8%) when compared to the prior year's budget. This is a result of additional anticipated bond issuances in 2024 caused by higher than expected project costs of the new plant.

Administrative

Administrative expenses are expected to increase in 2024 by \$84k (3.5%) due to hiring a consultant to conduct a land and water use study.

Contingencies

The contingency budget for 2024 is set at \$180k. These funds are set aside for the District to use in the event of an emergency that is not budgeted for in other categories. To utilize these funds, the District requires special permission from the Board of Trustees in an open meeting prior to utilizing this resource. Historically, the District has not needed these funds because there were other budget line items that were under budget that could be utilized to cover overages in other budget line items. Any contingency budget funds not used each year will be carried over to the following budget year.

Non-Operating Revenues and Expenses

Non-Operating Revenues

Non-operating revenue is estimated to increase by \$335k (27.5%) in 2024, primarily due to higher interest income as a result of the federal reserve increasing interest rates to help control price inflation and higher principal balances in various accounts.

Equipment Purchases

Equipment purchases show a decrease of \$72k (4.8%) in 2024 when compared to the 2023 Budget. The major fleet vehicles and equipment the District anticipates purchasing

in 2024 are: three light duty pickup trucks, one crane truck and a replacement camera system for the District's wastewater CCTV truck. The District's 2024 equipment budget also includes carryover of \$930k that will be used to purchase of two dump trucks and a CCTV/combo truck that was budgeted for in 2023 but won't receive the vehicles until 2024.

Debt Service

The District has four outstanding bonds, the 2019 water bond, the 2021 wastewater bond and two bond issuances that were issued in 2023. In 2024, the District does not anticipate the need to issue any additional debt to fund capital improvement projects.

Interest and principal payments and debt issuance costs are expected to increase \$569k million (19.4%) in 2024.

Capital Expenditures

As mentioned earlier, the District is approaching 70+ year old. The District's water and wastewater infrastructure is showing its age, and the District will need to start replacing those assets as outlined in the "2022 Master Plan." During 2024, there are several water and wastewater replacement programs scheduled. The District will continue to replace aging cast iron pipe along Redwood Road, finalize the addition of a new 5 million gallon water tank to its system, completion of a replacement of a well house and pump station, begin drilling a new well and start construction on a new water treatment facility. In total, capital expenditures are expected to decrease \$16.3 million (37.1%) in 2024 when compared to the 2023 capital budget.

District Reserve Funds

Operating Reserves

The operating reserve target is six months of the operating expense budget for the coming year. Operating reserves should provide a "rainy day" fund for budget shortfalls or cost overruns. The desired balance, per the 2023 budget, is \$22.1 million. The current operating reserve balance of \$16.6 million (as of 10/24/2023) is showing stress as large cash outflows relating to construction on several capital projects are underway. The District expects that this shortfall will not significantly impact the District operations in 2024. Currently the District has about \$35 million available debt and grant funding to draw on that will help alleviate the stress on operating reserves that current capital projects are causing. The operating reserve is expected to be about \$20.4 million at the end of 2024.

Repair and Replacement Reserve

Every year the budget includes funds that are earmarked for repair and replacement. However, in the event of a catastrophic water line break, the yearly budget will not be sufficient to fund the emergency repair. The District has set aside monies in the Repair and Replacement Reserve account to fund such emergencies. The district has a goal to fund \$5.0 million in the account. The balance in this account as of 10/24/2023 was \$4.9 million (97%). The anticipated focus on infrastructure projects over the next few years could continue to present a challenge to meeting the District's goal.

Impact Fee Reserve

The required Impact Fee Reserve fluctuates as construction projects are assessed for the cost of their added demand on system capacity and as the District collects fees to complete projects to satisfy that added demand. The reserve is equal to the unspent amount the District has collected from construction projects. The balance as of 10/24/2023 is \$2.0 million.

Insurance Reserve Funds

No funding level has been established for this reserve account. Each year the District budgets approximately \$100,000 to pay deductibles and claims not covered by insurance. Any amount not used during the year, is transferred to the reserve fund to provide for emergencies and extreme claims that may arise. The balance in this reserve account at 10/24/2023 was \$1.3 million.

Post-Employment Benefit Reserve

In 2008 the District established this reserve fund to help offset the cost of benefits paid for retired employees, including health insurance and state retirement buyout. The balance in this fund was \$1.5 million as of 10/24/2023. The liability currently on the books is \$0.7 million. It is anticipated that this balance will increase \$0.4 million as three additional employees are eligible to retire in 2024. Accounting rules do not require full funding of the liability. However, the District has attempted to fund the liability as fully as possible to decrease the negative impacts of falling behind. It is proposed to continue to over-fund the account.

Development Fees

The Development Fees reserve account was established in 2022 in response to the Utah State Auditor's alert 2022-01 requiring entities to monitor and track the revenue generated and expenses incurred to provide those services. It was recommended and approved by the Board that the balance of this fund would be approximately \$175k, as of the date when this fund was established. After further analysis, the amount of fees collected in 2022 where sufficiently expended performing the service that the development fees were set aside for. It is anticipated the development fees collected in 2023 will be fully expended by the end of the year, and there will not be a need to have a balance in this reserve account at the end of 2023.

Summary

There are many variables that may cause actual results to differ from budgeted expectations. The District believes the 2024 Final Budget is realistic considering those variables and the above-noted conditions.

The District continues to have a fiscally sound budget, enabling it to meet ongoing obligations and provide for capital projects. However, as referenced, there are significant capital expenditures on the horizon, at both the District and the CVW facility. These will require that the District be meticulous and cautious in its planning to be proactive rather than reactive. The District continues to be in strong financial health, with very good infrastructure and excellent maintenance efforts. The District exercises care in its

stewardship over District resources and customer trust, and it searches for ways to control expenditures while meeting customer needs.

For specific details regarding the 2024 Budget, the District invites the reader of this document to go online to ghid.org/Budget Reports and download the complete version of the 2024 Final Budget.

If you have questions about any part of the proposed budget, please contact Jason Helm or Austin Ballard.

Respectfully Submitted,

Jason Helm, PE
General Manager

Austin Ballard, CPA
Controller



Executive Summary

	Actual 2021	Actual 2022	Projected 2023 as of 10/24/2023	Budget 2023	Final Budget 2024	% Change
OPERATING REVENUES						
Operating Revenues	\$ 33,744,314	\$ 35,493,650	\$ 42,388,737	\$ 42,125,000	\$ 49,674,894	17.9%
Property Tax Revenues	4,182,876	6,147,887	6,304,191	5,894,660	6,868,000	16.5%
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OPERATING EXPENSES						
Payroll Wages & Benefits	7,882,823	8,860,610	9,345,205	9,518,441	10,492,765	10.2%
Maintenance and Tools	1,559,479	1,446,881	1,651,506	1,972,725	2,097,275	6.3%
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INDIRECT OPERATING EXPENSES	(8,175,981)	(8,094,770)	(8,270,000)	(8,670,000)	(8,691,000)	0.2%
NON-OPERATING REVENUE & EXPENSES						
Non-Operating Revenues	1,180,380	2,731,734	2,705,850	1,220,000	1,555,000	27.5%
Equipment Purchases	(599,810)	(686,432)	(1,498,150)	(1,498,150)	(1,426,000)	-4.8%
Debt Service	(978,085)	(1,237,509)	(2,206,847)	(2,934,538)	(3,503,515)	19.4%
NON-OPERATING REVENUE & EXPENSES	(397,515)	807,793	(999,147)	(3,212,688)	(3,374,515)	5.0%
NET REVENUES INCL DEPRECIATION	\$ (3,782,525)	\$ (2,411,211)	\$ 1,541,416	\$ (4,243,018)	\$ 211,761	-105.0%
Add Back Depreciation	8,010,624	7,903,638	8,100,000	8,500,000	8,500,000	0.0%
Add Noncash OPEB Accrual	20,625	19,800	14,000	14,000	433,000	
NET REVENUES	\$ 4,248,724	\$ 5,512,227	\$ 9,655,416	\$ 4,270,982	\$ 9,144,761	114.1%
CAPITAL EXPENDITURES		2022 Budget	2022 Budget	2023 Budget	Final 2024 Budget	
Water - Horizontal		\$ 3,310,000	\$ 5,412,500	\$ 15,740,000	\$ 10,615,000	-32.6%
Water - Vertical		10,469,500	20,090,000	16,777,000	12,636,000	-24.7%
Wastewater - Horizontal		1,902,000	3,605,000	9,039,000	2,190,000	-75.8%
Wastewater - Vertical		3,726,000	4,726,000	1,135,000	1,225,000	7.9%
General Facilities		1,897,000	2,524,500	1,181,000	932,500	-21.0%
TOTAL CAPITAL EXPENDITURES		\$ 21,304,500	\$ 36,358,000	\$ 43,872,000	\$ 27,598,500	-37.1%



GRANGER-HUNTER
IMPROVEMENT DISTRICT

REVENUES

	Actual 2021	Actual 2022	Projected 2023 as of 10/24/2023	Budget 2023	Final Budget 2024	% Change
REVENUES						
Operating Revenues:						
Water Sales	\$ 19,207,513	\$ 19,159,280	\$ 21,739,179	\$ 22,073,000	\$ 25,154,000	14.0%
Sewer Service Charges	11,656,156	13,190,352	13,632,817	13,439,000	14,254,000	6.1%
Central Valley Assessment	2,704,602	2,723,901	6,316,178	6,210,000	6,210,000	0.0%
Engineering Fees	9,649	106,495	54,750	125,000	125,000	0.0%
Connection Fees	30,193	65,503	29,160	82,000	82,000	0.0%
Inspection	85,985	134,621	83,581	85,000	85,000	0.0%
Delinquent/Turn-on Fees	9,650	63,080	68,072	60,000	60,000	0.0%
Grant Revenue	-	-	400,000	-	3,636,394	N/A
Conservation Grant	40,566	50,418	65,000	51,000	68,500	34.3%
Total Operating Revenue	33,744,314	35,493,650	42,388,737	42,125,000	49,674,894	17.9%
Property Tax Revenue:						
Property Tax	3,411,403	5,192,057	5,219,605	5,023,740	5,892,000	17.3%
Motor Vehicle	218,994	282,862	327,804	225,000	285,000	26.7%
Personal Property	322,712	427,223	506,782	395,920	430,000	8.6%
Delinquent Tax/Interest	64,410	54,613	80,000	80,000	70,000	-12.5%
Tax Increment for RDA	165,357	191,132	170,000	170,000	191,000	12.4%
Total Property Tax Revenue	4,182,876	6,147,887	6,304,191	5,894,660	6,868,000	16.5%
Non-Operating Revenue:						
Impact Fees - Water	570,987	1,268,268	839,225	500,000	500,000	0.0%
Impact Fees - Sewer	301,911	715,661	320,950	275,000	275,000	0.0%
Interest	170,221	416,422	1,348,075	200,000	600,000	200.0%
Sale of Surplus Equipment	21,967	206,959	80,000	120,000	55,000	-54.2%
Other	115,294	124,424	117,600	125,000	125,000	0.0%
Total Non-Operating Revenue	1,180,380	2,731,734	2,705,850	1,220,000	1,555,000	27.5%
Total Revenues	\$ 39,107,570	\$ 44,373,271	\$ 51,398,778	\$ 49,239,660	\$ 58,097,894	18.0%



EXPENSES

	Actual 2021	Actual 2022	Projected 2023 <i>as of 10/24/2023</i>	Budget 2023	Final Budget 2024	% Change
OPERATING EXPENSES						
Payroll Wages:						
Salaries & Wages	\$ 4,741,656	\$ 5,317,553	\$ 5,548,464	\$ 5,599,352	\$ 5,886,906	5.1%
Overtime Wages	95,079	103,475	135,339	98,000	126,249	28.8%
On-Call Pay	70,166	69,424	104,846	70,000	105,000	50.0%
Incentive Pay	12,440	11,664	6,000	6,000	-	-100.0%
Vehicle Allowance	6,314	7,220	7,200	7,200	7,200	0.0%
Clothing Allowance	17,659	-	20,075	21,175	20,350	-3.9%
Other/OPEB	20,625	19,800	14,000	14,000	433,000	2992.9%
<i>Total Payroll Wages</i>	<u>4,963,939</u>	<u>5,529,136</u>	<u>5,835,924</u>	<u>5,815,727</u>	<u>6,578,705</u>	<u>13.1%</u>
Payroll Benefits:						
State Retirement Plan	846,538	923,662	944,521	988,579	1,010,281	2.2%
401(k) Plan	570,079	599,358	650,426	645,031	571,251	-11.4%
Health/Dental Insurance	1,310,218	1,661,911	1,742,774	1,900,296	2,148,538	13.1%
Medicare	70,280	76,985	80,321	82,508	87,190	5.7%
Workers Compensation Ins	30,003	23,900	26,130	30,000	40,000	33.3%
Life/LTD/LTC Insurance	91,766	43,959	45,562	51,300	51,800	1.0%
State Unemployment	-	1,699	19,547	5,000	5,000	0.0%
<i>Total Payroll Benefits</i>	<u>2,918,884</u>	<u>3,331,474</u>	<u>3,509,281</u>	<u>3,702,714</u>	<u>3,914,060</u>	<u>5.7%</u>
Operations & Maintenance:						
Repair & Replacement	1,122,984	762,709	1,149,581	1,329,175	1,464,075	10.1%
Building & Grounds	63,780	62,736	116,389	142,550	183,550	28.8%
Vehicles Fuel	210,579	334,900	127,825	226,600	191,600	-15.4%
Vehicle Lease	15,883	119,438	81,570	88,000	50,500	-42.6%
Tools & Supplies	86,221	84,139	79,849	89,400	103,050	15.3%
Water Purchases	9,773,599	10,805,123	10,678,479	10,997,903	11,437,138	4.0%
Treatment Chemicals	40,011	14,918	39,792	40,500	32,000	-21.0%
Water Lab Testing Fees	20,021	68,041	56,500	56,500	72,500	28.3%
Utilities	806,044	630,954	744,440	923,900	852,600	-7.7%
<i>Total O&M</i>	<u>12,139,122</u>	<u>12,882,958</u>	<u>13,074,425</u>	<u>13,894,528</u>	<u>14,387,013</u>	<u>3.5%</u>
CVWRF:						
Facility Operations	4,798,089	4,939,102	6,015,319	5,882,792	6,404,682	8.9%
Project Betterments	1,790,400	1,660,407	850,503	1,742,196	1,958,901	12.4%
Pretreatment Field	346,901	291,554	322,830	343,127	331,699	-3.3%
Laboratory	258,745	255,444	287,494	290,957	344,578	18.4%
CVW Debt Service	3,925,301	5,591,812	5,764,446	6,008,764	7,558,191	25.8%
<i>Total CVWRF</i>	<u>\$ 11,119,436</u>	<u>\$ 12,738,319</u>	<u>\$ 13,240,592</u>	<u>\$ 14,267,836</u>	<u>\$ 16,598,051</u>	<u>16.3%</u>



EXPENSES

	Actual 2021	Actual 2022	Projected 2023 as of 10/24/2023	Budget 2023	Final Budget 2024	% Change
General & Administrative:						
Office Supplies/Printing	\$ 12,841	\$ 14,789	\$ 16,013	\$ 24,470	\$ 19,700	-19.5%
Postage & Mailing	157,970	156,045	158,951	167,500	172,450	3.0%
General Administrative	63,411	54,783	84,486	66,982	74,672	11.5%
General Administrative - Elections	-	-	-	75,000	-	-100.0%
General Administrative - TNT	13,013	-	4,000	15,000	15,000	0.0%
Computer Supplies/Equipment	409,240	407,765	428,339	464,271	515,735	11.1%
General Insurance	294,192	295,846	355,802	480,273	492,637	2.6%
Admin Utilities	77,778	92,931	89,845	87,288	91,500	4.8%
Telephone	126,597	118,856	131,751	134,300	152,500	13.6%
Training & Education	48,161	95,733	95,996	100,700	103,750	3.0%
Safety	42,227	52,795	62,453	68,025	72,525	6.6%
Legal fees	43,255	37,194	33,668	48,000	48,000	0.0%
Auditing Fees	12,000	12,000	12,000	12,000	12,000	0.0%
Professional Consulting	248,305	346,600	144,739	179,296	231,760	29.3%
Public Relations/Conservation	88,686	85,382	87,500	87,500	92,500	5.7%
Banking & Bonding	357,162	367,905	393,589	353,580	381,060	7.8%
Payments to Other Gov't Agencies	-	145,260	123,011	155,000	132,000	-14.8%
Administrative Contingency	-	-	-	180,000	180,000	0.0%
<i>Total General Administrative</i>	<u>1,994,838</u>	<u>2,283,884</u>	<u>2,222,143</u>	<u>2,699,185</u>	<u>2,787,789</u>	<u>3.3%</u>
Total Operating Expenses	33,136,219	36,765,771	37,882,365	40,379,990	44,265,618	9.6%
Net Operating Revenues	\$ 5,971,351	\$ 7,607,500	\$ 13,516,413	\$ 8,859,670	\$ 13,832,276	56.1%
Indirect Operating Expenses:						
Depreciation	\$ 8,010,624	\$ 7,903,638	\$ 8,100,000	\$ 8,500,000	\$ 8,500,000	0.0%
RDA Pass-Through	165,357	191,132	170,000	170,000	191,000	12.4%
<i>Total Indirect Operating Expense</i>	<u>\$ 8,175,981</u>	<u>\$ 8,094,770</u>	<u>\$ 8,270,000</u>	<u>\$ 8,670,000</u>	<u>\$ 8,691,000</u>	<u>0.2%</u>
Equipment Purchases:						
New Vehicles & Equipment	599,810	686,432	1,498,150	1,498,150	1,426,000	-4.8%
<i>Total Equipment</i>	<u>599,810</u>	<u>686,432</u>	<u>1,498,150</u>	<u>1,498,150</u>	<u>1,426,000</u>	<u>-4.8%</u>
Debt Service:						
Bond Interest/Issue Costs	151,085	163,509	997,847	1,725,538	1,391,515	-19.4%
Bond Princ Pmt - 2021 DEQ	295,000	321,000	323,000	323,000	326,000	0.9%
Bond Princ Pmt - 2019 SRF	532,000	753,000	886,000	886,000	996,000	12.4%
Bond Princ Pmt - 2023A	-	-	-	-	-	N/A
Bond Princ Pmt - 2023B	-	-	-	-	790,000	N/A
<i>Total Debt Service</i>	<u>978,085</u>	<u>1,237,509</u>	<u>2,206,847</u>	<u>2,934,538</u>	<u>3,503,515</u>	<u>19.4%</u>
Total Equipment & Debt Service	1,577,895	1,923,941	3,704,997	4,432,688	4,929,515	11.2%
Net Revenues Incl Depreciation	\$ (3,782,525)	\$ (2,411,211)	\$ 1,541,416	\$ (4,243,018)	\$ 211,761	-105.0%
Add Back Depreciation	8,010,624	7,903,638	8,100,000	8,500,000	8,500,000	0.0%
Add Noncash OPEB Accrual	20,625	19,800	14,000	14,000	433,000	2992.9%
Net Revenues	\$ 4,248,724	\$ 5,512,227	\$ 9,655,416	\$ 4,270,982	\$ 9,144,761	114.1%



Capital Sources and Outlays Budget Summary

BUDGET SUMMARY

Funding Available at 12/31/2023
(as of 10/24/2023)

Purchases

Carryover projects
Proposed New Projects for 2024

Subtotal Purchases

Funding Sources

BOR Funding
SRF Bonding 2023A
2023B Bonding (Estimated)
2023 Capital Savings (Estimated)

Subtotal Revenue

Ending Funding Balance 2024

	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
	<i>(estimated)</i>		\$ 19,530,000
		\$11,164,600	
		<u>\$16,583,500</u>	
		<u>\$27,748,100</u>	
	\$1,305,150		
	\$10,960,000		
	\$9,407,200		
	<u>\$6,992,733</u>		
	<u>\$28,665,083</u>		
			<u><u>\$ 20,446,983</u></u>



Resolution of the Board of Trustees

Resolution No. 11-14-23.1

ADOPTING THE GRANGER-HUNTER IMPROVEMENT DISTRICT'S FINANCIAL PLAN, BUDGET AND OTHER FEES FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2024

WHEREAS, the Board of Trustees of the Granger-Hunter Improvement District ("the District") has reviewed, considered and adopted a Tentative Budget for 2024;

WHEREAS, the Tentative Budget and supporting schedules and data have been available for public inspection for a period in excess of seven days;

WHEREAS, a public hearing has been held concerning increases to water and wastewater fees

WHEREAS, a public hearing has been held concerning adoption of the District's 2024 Budget;

NOW THEREFORE, BE IT RESOLVED as follows:

1. The Granger-Hunter Improvement District's 2024 financial plan and budget, including the operations and maintenance and capital outlay budgets, the availability fees, rates, and other charges (attached as Exhibit 1), are hereby approved and adopted for the Granger-Hunter Improvement District, with the budget becoming effective January 1, 2024, and water and wastewater fee/rate changes becoming effective with all bills sent after January 1, 2024.
2. The Reserve Funds, as outlined in the financial plan, are hereby approved and designated for operations, repair and replacement, impact fees, insurance, development fees and post-employment.
3. A copy of the final budget shall be certified by the budget officer and filed with the Utah State Auditor within thirty (30) days after passage of this resolution.
4. This Resolution shall take effect upon authorized execution.

PASSED, ADOPTED and APPROVED this 14th day of November, 2023.

Debra K. Armstrong, Chair of the Board of Trustees

ATTEST:

Austin Ballard, District Clerk

