

NORWOOD SANITATION DISTRICT

Meeting on: Thursday, September 11, 2025

Regular Session starting at: 6:30 p.m.

Meeting at: 1670 Naturita Street, Norwood CO 81423 at Norwood Town Hall and Zoom option

Call Regular Meeting To Order

The regular meeting was called to order by Bernice White at 6:33 pm.

Board Attendance:

Board Chair – Bernice White - Present

Member – Kerry Welch – Present

Member – Tom Kyle- Present

Member – Ray Cossey – Present

Member – Talle Meehan – Present, via Zoom

Staff Attendance:

Administrative Director – Sara Owens – Present

Public Works Director – Randy Harris- Present

Town Clerk – Sidney Ross - Present

Other Attendance:

Legal Representative - Rebecca Zisch – Present, via Zoom

Public Comment For Items Not On The Agenda

None

Executive Session

Bernice White called the executive session: C.R.S. 24-6-402(4)(b) for a conference with the district's general counsel for legal advice on conflicts of interests - Discussion of Removing Resolution No 0423 Series: 2024 A RESOLUTION OF NO CONFIDENCE IN THE LEADERSHIP OF MAYOR CANDY MEEHAN to order at 6:35 pm. Participants were reminded of the confidentiality of the session and the importance of sticking to the stated purpose. The session was recorded for future reference, and all attendees were asked to identify themselves for the record. The executive session was concluded at 7:06.

Review Agenda

Consent Agenda

- a. August Financials
- b. August 28, 2025 Minutes

MOTION: Ray Cossey motioned to accept the consent agenda as presented. Kerry Welch seconded the motion. All voted, motion carried.



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Board Business Agenda

a. Removing Resolution No 0423 Series: 2024 A RESOLUTION OF NO CONFIDENCE IN THE LEADERSHIP OF MAYOR CANDY MEEHAN

The board discussed and voted to remove a resolution of no confidence from the website, deciding to post only complete meeting packets rather than individual resolutions. The board noted that their website and documents are not currently ADA compliant, and staff will need to either remediate the documents or pursue a service to make them accessible, with the cost potentially split between the three boards sharing the website.

MOTION: Tom Kyle motioned to post no specific resolution on the town website. Kerry Welch seconded the motion. All voted, motion carried.

b. Discussion of Rescinding Resolution No 0423 Series: 2024 A RESOLUTION OF NO CONFIDENCE IN THE LEADERSHIP OF MAYOR CANDY MEEHAN

The board discussed rescinding the resolution. While some members felt the resolution should be rescinded to show good faith, others argued it was unnecessary.

MOTION: Ray Cossey made a motion to Rescind Resolution No 0423 Series. Talle Meehan seconded the motion. Talle Meehan, Ray Cossey, Tom Kyle, and Bernice Whites voted yes. Kerry Welch voted no. Motion carried in favor. The board gave directions to staff to draft a resolution to rescind.

c. Approval of Application Robert McKeever – Parcel ID 429527100007, East of Market St and South of Pearl St

Randy Harris recommended this item to table until an engineer has stamped and signed off on plans.

MOTION: Ray Cossey motioned to table Robert McKeever's application until the board sees engineering for the Public Works Director Randy Harris to review. Tom Kyle seconded the motion. All voted, motion carried.

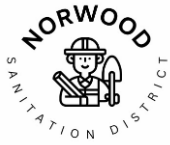
d. Personnel Policy – Final

MOTION: Ray Cossey motioned to approve the Personnel Policy as presented. Talle Meehan seconded the motion. All voted, motion carried.

e. Delinquent Accounts

The board discussed implementing tax liens for delinquent sewer accounts, with a proposed threshold of \$1,000. Staff recommended this higher threshold to allow for more effective collection efforts and payment plans. The board agreed to proceed with filing tax liens against accounts that meet this criteria, following state statute requirements.

MOTION: Tom Kyle motioned to make a threshold of \$1,000 to create a tax lien on a delinquent sewer account. Ray Cossey seconded the motion. All voted, motion carried.



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Board Member Reports and Announcements

None

Staff Reports and Announcements

- Randy Harris, Public Works Director – written report is posted on the Town of Norwood website.
- Sara Owens, Town Administrative Director – written report is posted on the Town of Norwood website.

Adjourn

Kerry Welch motioned to adjourn the Norwood Sanitation District Regular meeting at 8:05 pm.

Ray Cossey seconded the motion. All voted, meeting is adjourned.

APPROVED

APPROVED AS CORRECTED

DATE APPROVED:

Minutes Taken by: Cidney Ross, Town Clerk

		NSD Portion	NWC Portion	TON Portion
City of Grand Junction	Nutrients Lab Tests	\$ 865.80	\$ -	\$ -
Collins, Cole, Winn, Ulmer, PLLC	General Legal	\$ 867.00		
LATITUDE Insurance	Fidelity and Forgery - Renewal	\$ 100.00		
San Miquel Power	Sewer Lagoond	\$ 3,577.14	\$ -	\$ -
Timberline ACE Hardware	Materials and Supplies	\$ 39.97		
Timberline ACE Hardware	Materials and Supplies	\$ 378.21		
Town of Norwood	IRS Reimbursement	\$ 4,507.42	\$ 4,507.42	\$ 4,507.42
Town of Telluride	E. Coli Samples	\$ 44.10	\$ -	\$ -
	TOTAL	\$ 10,379.64	\$ 4,507.42	\$ 4,507.42

Norwood Sanitation District
Norwood, Colorado
Financial Statements and
Report of Independent Certified Public Accountants
As of
December 31, 2024

Norwood Sanitation District
Norwood, Colorado

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Statement of Net Position	8
Statement of Revenues, Expenses and Changes in Net Position	9
Statement of Cash Flows	10
Notes to the Financial Statements	11
Required Supplementary Information	
Schedule of Revenues and Expenditures – Budget and Actual	17



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Norwood Sanitation District

Opinions

We have audited the accompanying financial statements of the business-type activities of the Norwood Sanitation District, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Norwood Sanitation District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Norwood Sanitation District, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Norwood Sanitation District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Norwood Sanitation District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Norwood Sanitation District's internal control. Accordingly, no such opinion is expressed.

Certified Public Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Norwood Sanitation District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (page 3 through 7) and budgetary comparison information (page 17) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Blair and Associates, P.C.

Cedaredge, Colorado
August 12, 2025

**Norwood Sanitation District
Management's Discussion and Analysis
Year Ended December 31, 2024**

This narrative overview and analysis of the Norwood Sanitation District (the District), performance through December 31, 2024, is provided as a supplement to the District year-end financial statements. Please read it in conjunction with the basic financial statements following this section and the notes to the basic financial statements.

Financial Highlights

- The assets of the District exceeded the liabilities at December 31, 2024, by \$ 506,601, (net position). Of this amount \$ 440,040 is unreserved and may be used to meet ongoing obligations, \$ 66,561 is invested in capital assets.
- The District total net position decreased by \$ 40,901 from the prior year.
- Revenues were up by \$ 17,317 (9%), in comparison to the budget.
- Expenses were up by \$ 22,776 (11%), in comparison to the budget. Mainly because of Salaries were up by \$ 29,496.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District basic financial statements are comprised of two components: 1) the Basic Financial Statements and 2) Notes to the Basic Financial Statements that provide additional disclosure of some of the information in the basic financial statements.

The balance sheets present information on the District's assets, liabilities and deferred inflow of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as useful indicators as to whether the District's financial health is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Position present information showing how the District's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported for some items that will only result in cash flows in future years.

The Statement of Cash Flows reports how the District’s cash and cash equivalents were used in and provided by its operating, noncapital financing, capital and related financing, and investing activities during the periods reported. The net of these activities is added to the beginning of the year cash balance to reconcile to the cash and cash equivalents balances at December 31, 2024. The District uses the direct method of presenting cash flows, which includes a reconciliation of operating activities to operating income. These statements provide answers to such questions as where cash came from, how cash was used and what was the change in the cash balance during the year.

Notes to the Basic Financial Statements provide financial statement disclosures that are an integral part of the basic financial statements. Such disclosures are essential to a comprehensive understanding of the information provided in the basic financial statements.

Financial Analysis

Net position is summarized in the table below:

	<u>2024</u>	<u>2023</u>
Current assets	\$ 472,771	\$ 499,467
Capital assets, net	66,561	82,003
Total assets	<u>\$ 539,332</u>	<u>\$ 581,470</u>
Current liabilities	<u>\$ 15,239</u>	<u>\$ 17,012</u>
Total liabilities	<u>15,239</u>	<u>17,012</u>
Deferred Inflows of resources	<u>17,492</u>	<u>16,956</u>
Net investment in capital assets	66,561	82,003
Unreserved	<u>440,040</u>	<u>465,499</u>
Total net position	<u>\$ 506,601</u>	<u>\$ 547,502</u>

The District’s current ratio reflects the relationship between current assets and current liabilities with deferred inflows of resources and is a measure of the District’s ability to pay short-term obligations. At December 31, 2024, the District’ current ratio is 14:1.

A large portion of the District’s net position, (13%), consists of its net investment in capital assets net of outstanding related debt. The District utilizes the capital assets to fulfill its mission of providing sewer treatment services to residents of Norwood.

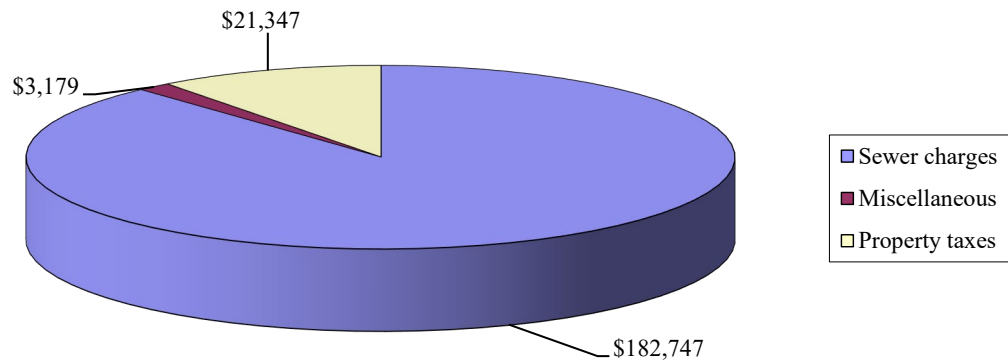
The remaining portion of net position is unrestricted and represents resources that could be used to meet ongoing obligations.

Changes in net position are summarized in the table below:

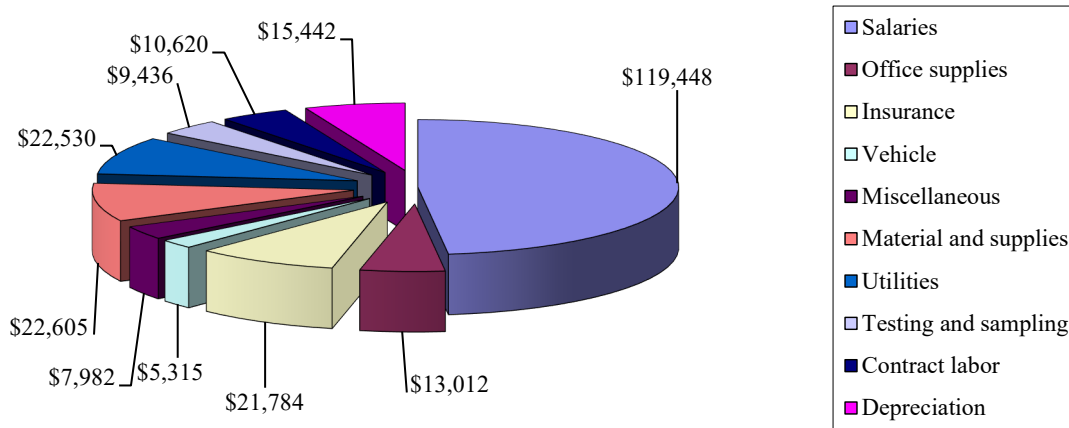
The District had an overall decrease in net position of \$ 40,901 in 2024.

	2024	2023
Operating revenues	\$ 185,774	\$ 160,842
Operating expenses	248,174	231,143
Operating income	(62,400)	(70,301)
Nonoperating revenues (expenses)	21,499	16,128
Contributed capital tap fees	-	3,050
Changes in net position	(40,901)	(51,123)
Net position, January 1	547,502	598,625
Net position, December 31	\$ 506,601	\$ 547,502

Revenues By Source



Expenses by Source



Capital Assets and Debt Administration

The District's capital assets are summarized in the table below:

	2024	2023
Land	\$ 3,044	\$ 3,044
Treatment plant	486,131	486,131
Collection system	11,176	11,176
Equipment and vehicles	32,236	32,236
Storage shed	4,915	4,915
Total assets	537,502	537,502
Less: accumulated depreciation	(470,941)	(455,499)
Total	\$ 66,561	\$ 82,003

Management's Discussion and Analysis Economic Factors and Budget

The Norwood Sanitation District is a special taxing district located in San Miguel County and serves about 400 customers. The Norwood Sanitation District receives a small percentage of its annual operating revenue from a mill levy of 2.643. The Majority of the District's operating costs are funded by monthly fees charged for services. The Norwood Sanitation District was petitioned, and the Board approved the inclusion of 12 acres which was subdivided into two parcels. The new Lone Cone Library was constructed on Lot 1 and San Miguel County purchased Lot 2 for future housing. The Norwood Sanitation District will discuss and move forward with a minimal monthly rate raise to be implemented mid-year.

The District continues to budget funds to test for ammonia per regulation 35 and quarterly reports. The Norwood Sanitation District continues to budget for annual preventative measures such as cleaning and videotaping 3500 feet of sewer mains and root control.

This report is designed to provide a general overview of the Norwood Sanitation District's finances. Please contact Amanda Pierce, Interim Administrator, at (970) 327-4288 or email pierce@norwoodtown.com questions concerning any of the information provided in the report, 2023 Audit or request for additional financial information.

Norwood Sanitation District
Norwood, Colorado 81423

Norwood Sanitation District
Statement of Net Position
December 31, 2024

Assets	2024
Current assets	
Cash	\$ 423,236
Receivables	
Accounts	32,043
Property taxes	17,492
Total current assets	472,771
 Utility plant in service	
Land	3,044
Treatment plant	486,131
Collection, transmission and distribution systems	11,176
Office equipment	2,518
Vehicles	29,718
Storage shed	4,915
	537,502
Accumulated depreciation	(470,941)
Total utility plant in service	66,561
Total assets	\$ 539,332
 Liabilities and net position	
Current liabilities	
Accounts payable	\$ 4,043
Accrued wages	8,539
Customer deposits	2,657
Total current liabilities	15,239
 Deferred inflows of resources	
Deferred property tax revenue	17,492
 Net position	
Net Investment in capital assets	66,561
Unreserved	440,040
Total net position	\$ 506,601

See accompanying notes to the basic financial statements.

Norwood Sanitation District
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2024

	2024
Operating revenues	
Sewer charges	\$ 182,747
Miscellaneous income	3,027
Total operating revenues	185,774
 Operating expenses	
Collection and treatment	
Depreciation	15,442
Materials and supplies	22,605
Utilities	22,530
Contract labor	10,620
Sewer lines testing	9,436
Administration and general	
Salaries	119,448
Office supplies	13,012
Insurance	21,784
Automobile	5,315
Miscellaneous	7,982
Total operating expenses	248,174
 Operating income or (loss)	 (62,400)
 Non-operating revenues (expenses)	
General property taxes and etc.	21,347
Interest	152
Total non-operating revenues (expenses)	21,499
 Income (loss) before transfers and capital contributions	 (40,901)
Capital contributions - tap fees	-
Change in net position	(40,901)
Net position, January 1	547,502
Net position, December 31	\$ 506,601

See accompanying notes to the basic financial statements.

Norwood Sanitation District
Statement of Cash Flows
For the Year Ended December 31, 2024

Cash flows from operating activities	2024
Cash received from charges for services	\$ 177,449
Cash payments for goods and services	(113,840)
Cash payments for employees for services	(120,665)
Net cash provided (used) by operating activities	<u>(57,056)</u>
Cash flow from noncapital financing activities	
Property taxes	21,347
Net cash provided (used) by noncapital activities	<u>21,347</u>
Cash flows from capital and related financing activities	
Tap fees	-
Net cash provided (used) by capital and related financing activities	<u>-</u>
Cash flows from investing activities	
Interest on investments	152
Net increase (decrease) in cash and equivalents	(35,557)
Cash balances, January 1	458,793
Cash balances, December 31	<u>\$ 423,236</u>
Reconciling of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (62,400)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	15,442
Assets (increase) decrease:	
Accounts receivable	(8,325)
Liabilities increase (decrease)	
Accounts payable	(188)
Accrued wages	(1,217)
Customer deposits	(368)
Total adjustments	<u>5,344</u>
Net cash provided (used) by operating activities	<u>\$ (57,056)</u>

See accompanying notes to the basic financial statements.

Norwood Sanitation District
Norwood, Colorado
Notes to the Financial Statements
December 31, 2024

Note A - Summary of Significant Accounting Policies

Reporting Entity

The Norwood Sanitation District operates as a special district under Colorado State Statutes. The District operates under an elected board form of government and provides sanitation services for the Town of Norwood, Colorado and certain areas surrounding the Town.

For financial reporting purposes, the District is a stand-alone entity; there are no component units included in the accompanying financial statements and the District is not considered a component unit of another entity.

Basis of Accounting

The accounting policies of the Norwood Sanitation District conform to generally accepted accounting principles. The following is a summary of such significant policies:

The accounting and reporting policies of the District relating to the funds and account groups included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board.

The financial statements of the District are prepared on accrual basis of accounting for proprietary funds, which are similar to those used by private business enterprises.

The assets, liabilities and net position of the District are reported in a self-balancing set of accounts, which include restricted and unrestricted resources, representing funds available for support of the District's programs.

Operating Revenues and Expenses – The District's operating revenues and expenses consist of revenues earned and expenses incurred in providing sanitation services.

Major sources of operating revenues are sewer charges and tap fees.

**Norwood Sanitation District
Norwood, Colorado
Notes to the Financial Statements
December 31, 2024**

Note A - Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three months or less.

Budgetary Control

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements.

Budgets are required by state law for proprietary funds. During October the proposed budget is submitted to the Board of Directors for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.

A public hearing is conducted by the Directors to obtain taxpayers' comments.

Prior to December 31, the budget is adopted, and appropriations are made by formal resolution.

Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in budgets. Budget amounts included in the financial statements are based on the final, legally amended budget.

Budget appropriations lapse at the end of each year.

The budget is adopted on a basis that differs from generally accepted accounting principles. The District does not budget for depreciation costs on equipment and budgets for the purchase of equipment.

**Norwood Sanitation District
Norwood, Colorado
Notes to the Financial Statements
December 31, 2024**

Note A - Summary of Significant Accounting Policies (continued)

Encumbrances

Encumbrances accounting, under which purchase orders, contracts and other commitments for the expenditures of money are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District because it is not necessary to ensure effective budgetary control or facilitate effective cash planning and control.

Property Taxes

Property taxes are levied on January 1 and attached as a lien on property as of December 31. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and payable in the following year are reported as receivable at December 31, net of an estimated uncollectible portion. However, since taxes are not available to pay current liabilities, the net receivables are recorded as deferred inflow of resources.

Property and Equipment

Property and equipment are recorded at cost or, if contributed property, at their fair market value at the time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Utility plant	50 years
Machinery and equipment	5-10 years
Storage shed	10 years

Pension Plan

The District does not provide a pension plan for its employees.

Norwood Sanitation District
Norwood, Colorado
Notes to the Financial Statements
December 31, 2024

Note A - Summary of Significant Accounting Policies (continued)

Compensated Absences

The District currently has an agreement with the Town of Norwood whereby salaries, wages and benefits are paid for and reported by the Town and reimbursed by the District. Reimbursements are reported as wages by the District; however, all related liabilities are recorded by the Town.

Note B - Contingent Liabilities

Risk Management

The District is exposed to various risks of loss related to torts; theft of damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District, a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a public entity risk pool currently operating as a common risk management and insurance program for the member entities. The District pays an annual premium to CIRSA for its property and casualty coverage. The agreement for formation of CIRSA provides that CIRSA will be self-sustaining through member premium and will reinsure through commercial companies for excess claims.

Note C - Deposits and Investments

Deposits - Colorado state statutes govern the entity's deposits of cash. The Public Deposit Protection Act for banks and savings and loans require the state regulators to certify eligible depositories for public deposits. The act requires the eligible depositories with public deposits in excess of the federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the State. The pool is to be maintained by another institution or held in trust for all the un-insured public deposits as a group. The market value of the assets in the pool must be at least equal to the un-insured deposits. Collateral in the pool is considered to be equal to depository insurance, pursuant to definitions listed in GASB Statement No. 40.

At year-end the carrying value of the District's deposit was \$405,840 and the bank balance was \$406,198. Of the total bank balance, \$ 250,000 deposits were covered by FDIC of FSLIC insurance, and the remainder was collateralized under PDPA.

**Norwood Sanitation District
Norwood, Colorado
Notes to the Financial Statements
December 31, 2024**

Note C - Deposits and Investments (continued)

Investments – On December 31, 2024, the District had no investments or formal investment policy.

Interest rate risk – The District does not have a formal policy limiting investment maturities, other than that established by the state statute of five years, which would help manage its exposure to fair value losses from increasing interest rates.

Note D - Reconciliation of Revenues and Expenses - Budget Basis to GAAP Basis

Excess of revenue over expenses, (Non-GAAP budgetary basis)	\$ (25,459)
Adjustments	
Add: capital outlay	-
Less: depreciation	<u>(15,442)</u>
Changes in net position	<u>\$ (40,901)</u>

Note E - Tax, Spending and Debt Limitations

In November 1992, Colorado voters passed an amendment (Amendment One) to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of the state and local governments.

The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards and fund reserves (balances).

The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate. The amendment also requires that reserves be established for declared emergencies, with 3% of fiscal year spending required in 1994 and thereafter.

Norwood Sanitation District
Norwood, Colorado
Notes to the Financial Statements
December 31, 2024

Note E - Tax, Spending and Debt Limitations (continued)

The District had a ballot issue on November 5, 1996. The election authorizing the District to collect and spend all revenues generated by the existing mill levy (2.643), by state grants and taxes, by fees assessed for new development and by all other lawful sources of district revenues, in the fiscal year 1995 and for each subsequent years was approved by the voters.

The District's management believes it is in compliance with the remaining provisions of TABOR; however, TABOR is complex and subject to interpretation.

Note F - Capital Assets

	Balance January 1, 2024	Additions	Dispositions	Balance December 31, 2024
Business - Type Activities				
Capital assets not being depreciated				
Land and source of supply	\$ 3,044	\$ -	\$ -	\$ 3,044
Capital assets being depreciated				
Utility and distribution systems	497,307	-	-	497,307
Equipment and other	37,150			37,150
Less accumulated depreciation	(455,498)	(15,442)		(470,940)
Capital assets being depreciated, net	78,959	(15,442)	-	63,517
Total Business-Type Activities Capital Assets	\$ 82,003	\$ (15,442)	\$ -	\$ 66,561

Norwood Sanitation District
Schedule of Revenues and Expenditures - Budget and Actual
Budgetary Basis of Accounting
For the Year Ended December 31, 2024

Revenues	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
General taxes	\$ 16,956	\$ 16,956	\$ 17,483	\$ 527
State backfill payments	-	-	3,864	3,864
Sewer charges	151,200	151,200	182,747	31,547
Interest income	-	-	152	152
Miscellaneous	3,800	3,800	3,027	(773)
Tap fees	18,000	18,000	-	(18,000)
Total revenues	\$ 189,956	\$ 189,956	\$ 207,273	\$ 17,317
Expenditures				
Board salary	\$ 600	\$ 600	\$ 500	\$ 100
Salary - reimbursement	89,452	89,452	118,948	(29,496)
Workers compensation	3,000	3,000	2,071	929
Books, Subscriptions & Member	200	200	316	(116)
Public notices	150	150	5	145
Travel	400	400	-	400
Office supplies	2,500	2,500	1,742	758
Chemicals	1,000	1,000	2,488	(1,488)
Auto expenses	6,000	6,000	5,315	685
Permits	1,600	1,600	1,427	173
Utilities and telephone	26,500	26,500	22,530	3,970
Postage	2,000	2,000	1,800	200
Contract labor	10,000	10,000	10,620	(620)
Legal and audit	5,000	5,000	-	5,000
Service Charge	3,200	3,200	3,275	(75)
Elections	1,500	1,500	3,600	(2,100)
Operating supplies	10,000	10,000	18,374	(8,374)
Insurance and bonds	16,700	16,700	19,713	(3,013)
Miscellaneous services	500	500	899	(399)
Lab and testing	6,000	6,000	4,584	1,416
Computer support	6,000	6,000	7,291	(1,291)
Copier support	700	700	1,052	(352)
Freight	1,800	1,800	1,127	673
Safety and training	2,000	2,000	203	1,797
Engineering	2,000	2,000	-	2,000
Clean out - sewer lines	6,000	6,000	4,852	1,148
Capital outlay	4,754	4,754	-	4,754
Miscellaneous	400	400	-	400
Total expenditures	\$ 209,956	\$ 209,956	\$ 232,732	\$ (22,776)

**NORWOOD SANITATION DISTRICT
2025 BUDGET**

Account #	Account Description	Actual 2022	Actual 2023	Budget 2024	Actual 2024	Budget 2025	Draft Budget 2026
10-31-500	Beginning Fund Balance		11,047.00	20,000.00	20,000.00	26,804.00	26804
Revenues:							
10-31-100	General Taxes	17,676.00	16,155.00	16,956.00		17,491.00	34000
10-34-200	Sewer Charges	140,791.00	148,600.00	151,200.00	148,629.60	162,000.00 10%	182000
10-34-500	Delinquent Charges	550.00	900.00	700.00	1,426.50	1,500.00	1900
10-34-600	Sewer Tap Fees	72,100.00	6,000.00	18,000.00	0.00	18,000.00	15000
10-36-200	Reconnect Fees	200.00	0.00	300.00	406.00	500.00	
10-36-300	Deposits/Transfer	2,350.00	2,350.00	2,500.00	1,450.00	2,000.00	3000
10-36-900	Misc/Sundry/Sewer Dumps	225.00	250.00	300.00	525.00	700.00 35 dumps *20	700
10-33-400	Grants/Loans						
	Revenue Totals	233,892.00	185,302.00	209,956.00	152,437.10	228,995.00	Total Revenue 263404.00
Expenditures:							
10-40-110	Salaries & Wages - Directors	580.00	600.00	600.00	450.00	600.00	600
10-40-125	Salary Reimbursement - Town	77,819.00	84,445.00	89,452.00	103,750.00	99,595.00 Plus FICA	116595
10-40-133	Employee Benefits - Workers Comp	2,200.00	3,000.00	3,000.00	1,963.00	2,500.00	3500
10-40-520	Employee Health Insurance/Life	13,170.00	12,200.00	12,200.00	9,595.00	8,000.00 CIRSA- Insurance- Retirement	8500
10-40-210	Books, Subscriptions & Memberships	0.00	200.00	200.00	297.00	300.00 SDA Membership	700
10-40-220	Public Notices	105.00	100.00	150.00	5.44	50.00	100
10-40-230	Travel	0.00	0.00	400.00	0.00	400.00	1000
10-40-240	Office Supplies & Expense	1,266.00	1,650.00	2,500.00	1,723.00	2,000.00	3000
10-40-250	Chemicals/Supplies	230.00	400.00	1,000.00	2,013.00	3,000.00 quill-town general	3000
10-40-255	Vehicle Expenses	6,123.00	5,000.00	6,000.00	3,584.67	4,500.00 blue book	4500
10-40-260	Bldgs & Grounds/Discharge Permits	1,427.00	1,427.00	1,600.00	1,427.00	1,600.00 pit stop-west end-outlaw-sams	1600
10-40-270	Utilities	20,646.00	18,640.00	25,000.00	20,155.00	25,000.00 colorado dept public health	25000
10-40-280	Postage	1,500.00	1,800.00	2,000.00	1,500.00	2,200.00	3000
10-40-290	Phones	872.00	1,275.00	1,500.00	460.00	650.00	650
10-40-310	Contract Labor	9,552.00	9,800.00	10,000.00	7,885.16	10,000.00 Caselle-iworks-streamline-Vyanet-codeworx-highmark-southwestern-steve rogers-	18759
10-40-350	Legal Fees	0.00	1,000.00	1,500.00	0.00	5,000.00	7500
10-40-360	Elections/Miscellaneous	0.00	0.00	1,500.00	0.00	1,500.00	1500
10-40-370	Audit Report Fees	3,150.00	3,300.00	3,500.00	0.00	3,500.00	5000
10-40-440	Service Charges	2,155.00	3,000.00	3,200.00	2,666.00	3,200.00 Xpress and bank charges	3000
10-40-490	Operating Supplies	1,479.00	12,000.00	10,000.00	13,168.00	14,000.00 Hardware-USA Blue book-high mark electric-valleypump	14000
10-40-510	Property/Casualty Insurance	3,900.00	4,200.00	4,500.00	9,304.75	4,500.00	5500
10-40-620	Miscellaneous Services	211.00	0.00	500.00	487.00	500.00 Utility notification-adobe-Adobe	500
10-40-630	Lab & Testing	4,555.00	5,800.00	6,000.00	4,094.50	6,000.00	6000
10-40-640	Computer/Postage Meter Support	2,269.00	2,700.00	6,000.00	7,211.40	6,000.00 FP mailing	7000
10-40-650	Copier/Fax Support	402.00	600.00	700.00	0.00	200.00	200
10-40-660	Freight/Shipping	566.00	1,480.00	1,800.00	728.50	1,800.00	1800
10-40-670	Safety/Training	0.00	0.00	2,000.00	203.44	1,500.00	2500
10-40-740	Cleanout	5,054.00	5,885.00	6,000.00	4,851.77	6,000.00 southwestern	6000
10-40-770	Engineering	0.00	0.00	2,000.00	0.00	5,000.00	5000
10-40-780	Credits & Adjustments	1,039.00	400.00	400.00	340.00	400.00	400
10-40-790	Capital Improvement	4,995.00	4,400.00	4,754.00	0.00	4,500.00	4500
10-40-795	Vehicle Purchase	1,500.00	12,765.00	0.00	0.00	5,000.00 PW Vehicle	2500 daycare
	Total Expenditures				\$ 228,995.00		Total Expenditure 263404
	Excess (-Deficit) of Revenues Over or Under Expenditures	\$ 166,765.00	\$ 185,302.00	\$ 209,956.00	\$ 197,863.63	\$ 457,990.00 \$ (228,995.00)	
	Beginning Balance	423,033.00	490,160.00	490,160.00		130,304.00	Beginning Balance 1035000
	Ending Balance	490,160.00	490,160.00	490,160.00		103,500.00	Ending Balance 76696

Adopted the 12th Day of December, 2024

Brad Campbell, Vice-Chair

ATTEST:

Shawntel Darby, Secretary

Assessed Valuation	6,618,084
Mills	2.643

I, Shawntel Darby, certify that the attached is a **true and accurate** copy of the adopted budget of the **Norwood Sanitation District**.



ADMINISTRATIVE DIRECTOR REPORT – OCTOBER 2025

STAFF

- Weekly staff meetings
- Monthly board meetings
- Billing Clerk

OPERATIONS

- Reconciliations
- NWC Saving Account Set Up
- Billing Clerk Interviews
- MVR account set up
- MVR on all employees
- Impact Accelerator Budget
- WEEDC meeting to assist with Telluride Foundation Community Grant
- WE Vision action group
- Pocket Park follow up with KLJ
- Budget to Actuals TON/NWC/NSD
- Open enrollment planning with AFLAC/CEBT
- Agenda/Supporting Documents
- NWC grant reimbursement
- Process Payroll
- NSD meeting with legal counsel
- Website Updates
- IT Services
- Impact Accelerator meeting with CEO
- CDOT Safer Sidewalks to School Reimbursement
- LPC Grant Webinar
- Audit documents
- ADA requirements for website docs
- Account access to the DOR Online Revenue
- CIRSA audit review
- LPC grant application submitted
- IRS tax notice
- Renewed CEBT for 2026
- Temporary construction easements for CDOT sidewalk project
- Debit cards updated
- TF Community Grant submitted – CDOT Sidewalk Project
- Delinquent accounts customer outreach

TRAINING

- Registered for Small Community Workshop DOLA/CML Breckinridge 10/16
- DOR Online Revenue Website Training

PUBLIC OUTREACH

- Splash Pad closed for the season
- Emergency Water Line Repair
- Pioneer Day Parade