CERTIFICATION OF BUDGET

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for the Greatrock North Water and Sanitation District, for the budget year ending December 31, 2012 as adopted on November 1, 2011.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Greatrock North Water and Sanitation District in Adams County, Colorado, this 1st day of November, 2011.

By _____
Secretary

(SEAL)

GREATROCK NORTH WATER AND SANITATION DISTRICT

2012 Budget Message

Introduction

The budget reflects the projected spending plan for the 2012 fiscal year based on available revenues. This budget provides for the annual debt service on the District's general obligation debt as well as the general operation of the District and capital improvements.

The District's 2011 assessed value decreased 6.8% to $11,231,320. The District's mill levy increased to 45.500 mills for taxes to be collected in the 2012 fiscal year with 27.000 mills certified to the General Fund and 18.500 mills certified to the Debt Service Fund.

The District was formed in 1998 for the primary purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements necessary to provide water and storm sewer services within and outside of the District boundaries.

Budgetary Basis of Accounting

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

General Fund is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include District administration, legal services, operation and maintenance of the water system, and other expenses related to statutory operations of a local government. The primary source of revenue is from property taxes, specific ownership taxes, service charges, an irrigation lease and interest income.

Debt Service Fund is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. The primary source of revenue comes from property taxes, specific ownership taxes and a transfer from the General Fund.

In 2010, the District issued Series 2010 general obligation bonds to partially refund the Series 2007 bonds and to provide funding for capital projects in 2011 and 2012. Below is a consolidated summary of the District's long-term debt.

Summary of Debt Outstanding

Great Rock North Water and Sanitation District

Bonds Principal and Interest Maturing in the Year(s) Ending December 31,	Totals		
	Principal	Interest	Total
2012	-	246,157	246,157
2013	25,000	246,157	271,157
2014	25,000	245,595	270,595
2015	180,000	244,970	424,970
2016	190,000	238,207	428,207
2017-2021	1,155,000	1,065,223	2,220,223
2022-2026	1,570,000	774,978	2,344,978
2027-2031	1,865,000	349,230	2,214,230
2032-2033	450,000	30,260	480,260
Total	5,460,000	3,440,777	8,900,777

Series 2010 General Obligation Refunding and Improvement Bonds
Series 2007 General Obligation Refunding and Improvement Bonds

Capital Projects Fund is used to account for revenues and expenditures to complete capital projects such as new improvements and upgrades to existing infrastructure. Capital expenditures budgeted in 2012 include water rights development and planning, and GIS mapping. The primary source of revenue comes from the Series 2007 and 2010 bond issues.

Emergency Reserve

As required under Article X, Section 20 of the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year expenditures in the General Fund.

GREATROCK NORTH WATER AND SANITATION DISTRICT
Assessed Value, Property Tax and Mill Levy Information

	2010 Actual	2011 Adopted Budget	2012 Adopted Budget
Assessed Valuation	$ 12,326,250	$ 12,050,510	$ 11,231,320
Mill Levy			
General Fund	24.000	24.000	27.000
Debt Service Fund	11.000	18.500	18.500
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Total Mill Levy	35.000	42.500	45.500
Property Taxes			
General Fund	$ 295,830	$ 289,212	$ 303,246
Debt Service Fund	135,589	222,934	207,779
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Actual/Budgeted Property Taxes	**$ 431,419**	**$ 512,146**	**$ 511,025**

GREATROCK NORTH WATER AND SANITATION DISTRICT

GENERAL FUND
2012 ADOPTED BUDGET
with 2010 Actual, 2011 Adopted, and 2011 Estimated

	2010 YTD Actual	2011 Adopted Budget	2011 Amended Budget	2011 Estimated Budget	2012 Adopted Budget
BEGINNING FUND BALANCE	$ 482,381	$ 515,487	$ 515,487	$ 609,551	$ 708,762
REVENUE					
Property Tax Revenue	312,682	289,212	289,212	286,320	303,246
Allowance 1%	-	-	-	-	(3,032)
Specific Ownership Taxes	19,458	17,353	17,353	18,067	18,195
Service Charges-Greatrock	127,100	115,000	115,000	130,941	115,000
Service Charges-Rocking Horse	85,422	75,000	75,000	84,130	75,000
Service Charges-Box Elder	118,581	120,000	120,000	139,713	135,000
Inspection Fees	-	-	-	-	-
Water Meters	-	-	-	-	-
Reimbursement-Meadow Homes	-	-	-	-	-
Reimbursement-Other Entities	6,465	-	-	-	-
Interest Income	7,923	3,250	3,250	2,000	1,500
Insurance Proceeds	-	-	-	6,784	-
Inclusion-Box Elder Ranch	-	-	-	-	-
Inclusion-Homestead Heights	-	-	-	-	-
Inclusion-Ridgeview Estates	-	-	-	-	-
Inclusion-Hayesmount Estates	-	-	-	-	-
Other Income	1,623	1,000	1,000	1,108	1,000
Box Elder-Wtr Lease Irrigation	7,895	8,079	8,079	7,500	7,500
Transfer from CIP Fund	-	-	-	-	-
Total Revenue	687,149	628,894	628,894	676,563	653,409
Total Funds Available	1,169,530	1,144,381	1,144,381	1,286,114	1,362,171
EXPENDITURES					
Accounting	28,436	18,000	18,000	18,532	18,540
District Management	48,833	50,000	50,000	50,000	51,500
Audit/Accounting	4,800	7,750	7,750	8,600	8,500
Director's Fees	4,700	8,000	8,000	6,500	6,500
Utility Billing	17,189	15,000	15,000	19,474	20,600
Social Media	-	5,000	5,000	-	6,000
Insurance/SDA Membership	12,633	13,000	13,000	12,785	15,000
Legal	56,721	40,000	40,000	53,079	50,750
Litigation	30,103	-	-	500	500
Statutory Compliance	390	1,500	1,500	281	1,545
Election	-	-	-	-	15,450
Legal Publication/Election	1,582	500	500	37	500
Miscellaneous Expense	8,076	7,500	7,500	7,500	8,000
Payroll Taxes	758	612	612	497	497
Treasurer's Fees	4,755	4,338	4,338	4,295	4,549
Sub-Total Administration	218,976	171,200	171,200	182,080	208,431

GREATROCK NORTH WATER AND SANITATION DISTRICT

GENERAL FUND
2012 ADOPTED BUDGET
with 2010 Actual, 2011 Adopted, and 2011 Estimated

	2010 YTD Actual	2011 Adopted Budget	2011 Amended Budget	2011 Estimated Budget	2012 Adopted Budget
Operations					
Operator Administration	9,804	5,000	5,000	5,000	3,980
Engineering	29,457	15,000	15,000	20,000	29,800
Inclusions	-	-	-	1,500	500
Utilities	47,838	57,000	57,000	72,000	76,000
Plant Supplies	-	14,500	14,500	8,000	8,000
Testing and Reporting	5,536	12,500	12,500	14,500	15,000
Plant Supplies-Box Elder	8,097	-	-	-	-
Plant Supplies-Rocking Horse	3,410	-	-	-	-
Plant Supplies-Greatrock	1,292	-	-	-	-
Distribution Sys. Maintenance	-	-	-	-	2,720
Locates	-	-	-	-	4,000
Maintenance & Repair-Box Elder	33,342	15,000	15,000	16,000	-
Maintenance & Repair-Rocking H	19,744	6,000	6,000	6,000	-
Maintenance & Repair-Greatrock	17,551	7,000	7,000	12,000	-
Operator Services	33,040	46,000	46,000	46,000	41,400
Operator Services-Rocking H	8,540	-	-	-	-
Operator Services-Greatrock	8,875	-	-	-	-
Box Elder-Oper Wtr Lease Irrig	-	500	500	-	-
Water Meters	-	-	-	100	500
Maintenance and Repair	-	-	-	325	-
Communications Services	395	-	-	395	-
Meter Reading	22,750	12,000	12,000	16,000	3,332
Mileage	11,993	10,000	10,000	12,000	2,856
Pump maintenance	-	50,000	50,000	9,000	4,800
Well Mntce-RHF-Arap Well Rehab	9,056	-	-	-	-
Lightning Damage	338	-	-	25,250	-
Tank Painting	-	75,000	75,000	75,000	-
Safety Audit	1,321	5,000	5,000	202	-
Concentrate Disposal	60	20,000	20,000	20,000	42,000
Boundary Map	4,564	-	-	10,000	-
Facilities Landscape Improvements	-	-	-	26,000	10,000
Contingency	-	27,000	63,969	-	44,000
Sub-Total Operations	277,003	377,500	414,469	395,272	288,888
Total Expenditures	495,979	548,700	585,669	577,352	497,319
Transfer to Debt Service	64,000	-	-	-	16,372
Emergency Reserve	-	34,331	34,331	-	40,865
Total Expenditures Requiring Appropriation	559,979	583,031	620,000	577,352	554,556
Replacement Reserve	-	-	-	175,000	175,000
Debt Service (a)	-	-	-	533,762	597,701
Undesignated	609,551	561,350	524,381	-	34,914
ENDING FUND BALANCE	$ 609,551	$ 561,350	$ 524,381	$ 708,762	$ 807,615

GREATROCK NORTH WATER AND SANITATION DISTRICT

DEBT SERVICE FUND
2012 ADOPTED BUDGET
with 2010 Actual, 2011 Adopted, and 2011 Estimated

	2010 Actual	2011 Adopted Budget	2011 Estimated Budget	2012 Adopted Budget
BEGINNING FUND BALANCE	$ 2,397	$ 40,192	$ 39,846	$ 23,459
REVENUE				
Property Tax Revenue	144,055	222,934	220,705	207,779
Allowance 1%	-	-	-	(2,078)
Specific Ownership Taxes	8,918	15,605	13,927	12,467
Bond Proceeds	1,317,093	-	-	-
Interest Income	75	50	250	150
Transfer from General Fund	64,000	-	-	16,372
Total Revenue	1,534,141	238,589	234,882	234,690
Total Funds Available	1,536,538	278,781	274,728	258,149
EXPENDITURES				
Bond Principal-2007 GO	10,000	-	-	-
Bond Interest-2007 GO	189,258	141,408	141,408	141,408
Bonds Principal-2010 GO	-	-	-	-
Bond Interest-2010 GO	-	104,750	104,750	104,750
Trsf to Escrow-2007 Bonds	1,295,255	-	-	-
Paying Agent Fees	-	2,000	300	2,000
Legal	-	-	1,500	1,000
Treasurer's Fees	2,179	3,344	3,311	3,117
Contingency	-	5,000	-	5,000
Total Expenditures	1,496,692	256,502	251,269	257,275
Total Expenditures Requiring Appropriation	1,496,692	256,502	251,269	257,275
ENDING FUND BALANCE	$ 39,846	$ 22,279	$ 23,459	$ 874

GREATROCK NORTH WATER AND SANITATION DISTRICT

CAPITAL PROJECTS FUND
2012 ADOPTED BUDGET
with 2010 Actual, 2011 Adopted, and 2011 Estimated

	2010 YTD Actual	2011 Adopted Budget	2011 Estimated Budget	2012 Adopted Budget
BEGINNING FUND BALANCE	$ 771,877	$ 1,361,371	$ 1,353,423	$ 534,056
REVENUE				
Bond Proceeds	912,907	-	-	-
Bond Premium	119,086	-	-	-
Interest Income	8,483	3,600	3,600	1,500
Total Revenue	1,040,476	3,600	3,600	1,500
Total Funds Available	1,812,353	1,364,971	1,357,023	535,556
EXPENDITURES				
Bond Issuance Costs	164,490	-	-	-
Legal	1,294	2,500	1,600	1,500
Engineering	-	-	-	-
GIS Mapping	-	-		10,000
Water Rights Development	72,247	50,000	50,000	-
Water Rights Development - Legal	-	-	-	86,000
Water Rights Development - Eng.	-	-	-	43,000
Rules and Regulations	-	500	2,500	1,000
Service Area Expansion	3,172	10,000	20,000	12,500
SCADA	28,900	38,300	10,367	-
Well Field Construction	9,530	-	-	-
Water Distribution System	1,716	-	-	-
Purchase of Easements	290	-	500	500
Drive by Meter Start Up/GRN	17,842	100,871	100,000	-
Property Acquisition	42,354	-	13,000	-
UV Project / By-Pass Project	42,952	-	-	-
Water Resources Master Plan	-	25,000	25,000	25,000
Acquisition Costs	34,205	-	-	-
Water Tank Construction	29,662	570,000	600,000	-
Water Tank Base	10,276	-	-	-
Nano Filtration System	-	250,000	-	-
Contingency	-	317,800	-	356,056
Total Expenditures	458,930	1,364,971	822,967	535,556
Total Expenditures Requiring Appropriation	458,930	1,364,971	822,967	535,556
ENDING FUND BALANCE	$ 1,353,423	$ -	$ 534,056	$ -