

GREATROCK NORTH WATER AND SANITATION DISTRICT

2013 Budget Message

Introduction

The budget reflects the projected spending plan for the 2013 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 2012 assessed value decreased .1% to \$11,217,880. The District's mill levy stayed at 45.500 mills for taxes to be collected in the 2013 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 future years. 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
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	195,000	230,337	425,337
2018-2022	1,235,000	1,017,004	2,252,004
2023-2027	1,675,000	701,047	2,376,047
2028-2032	1,705,000	261,068	1,966,068
2033	230,000	10,235	240,235
Total	5,460,000	3,194,620	8,654,620

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. The District has budgeted to upgrade the SCADA computer and software, install a variable frequency drive, and finalize the Engineering and Design Operations Plan. 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

	2011		2012		2013
	Actual		Adopted Budget		Adopted Budget
Assessed Valuation	\$ 12,050,510	\$	11,231,320	\$	11,217,880
Mill Levy					
General Fund	24.000		27.000		27.000
Debt Service Fund	18.500		18.500		18.500
Temporary Mill Levy Reduction	-		-		-
Refunds and Abatements	-		-		-
Total Mill Levy	<u>42.500</u>		<u>45.500</u>		<u>45.500</u>
Property Taxes					
General Fund	\$ 289,212	\$	303,246	\$	302,883
Debt Service Fund	222,934		207,779		207,531
Temporary Mill Levy Reduction	-		-		-
Refunds and Abatements	-		-		-
Actual/Budgeted Property Taxes	<u>\$ 512,146</u>	\$	<u>511,025</u>	\$	<u>510,414</u>

GREATROCK NORTH WATER AND SANITATION DISTRICT

**GENERAL FUND
2013 ADOPTED BUDGET**

with 2011 Actual, 2012 Adopted and Amended, and 2012 Estimated

	2011 YTD Actual	2012 Adopted Budget	2012 Amended Budget	2012 Estimated	2013 Adopted Budget
BEGINNING FUND BALANCE	\$ 609,551	\$ 708,762	\$ 769,102	\$ 769,102	\$ 831,116
REVENUE					
Property Tax Revenue	290,985	303,246	303,246	303,246	302,883
Specific Ownership Taxes	18,516	18,195	18,200	18,200	18,173
Service Charges-Greatrock	127,627	115,000	115,000	115,000	156,000
Service Charges-Rocking Horse	86,299	75,000	75,000	75,000	117,000
Service Charges-Box Elder	129,955	135,000	135,000	135,000	127,000
Interest Income	2,938	1,500	2,000	2,000	1,500
Insurance Proceeds	8,977	-	-	-	-
Inclusion-Kremers Property	-	-	3,868	3,868	-
Other Income	1,108	1,000	2,200	2,200	2,000
Box Elder-Wtr Lease Irrigation	7,500	7,500	7,500	7,500	7,500
Total Revenue	673,905	656,441	662,014	662,014	732,056
Total Funds Available	1,283,456	1,365,203	1,431,116	1,431,116	1,563,172
EXPENDITURES					
Administration					
Accounting	20,435	18,540	22,376	22,376	22,000
District Management	62,161	51,500	55,000	55,000	55,000
Water Rights Dev - Legal	-	-	-	-	20,000
Water Rights Dev - Engineering	-	-	-	-	32,000
Engineering	-	-	-	-	16,140
Audit	8,588	8,500	8,500	8,500	8,500
Director's Fees	6,700	6,500	7,000	7,000	6,500
Utility Billing	17,863	20,600	14,000	14,000	15,000
Social Media	17	6,000	-	-	6,000
Insurance/SDA Membership	12,785	15,000	14,450	14,450	15,600
Legal	62,152	50,750	46,153	46,153	47,250
Litigation	-	500	-	-	-
Statutory Compliance	342	1,545	800	800	1,500
Election	-	15,450	700	700	-
Legal Publication/Election	104	500	100	100	100
Miscellaneous Expense	12,212	8,000	8,000	8,000	8,000
Payroll Taxes	1,131	497	536	536	497
Treasurer's Fees	4,376	4,549	4,549	4,549	4,543
Sub-Total Administration	208,865	208,431	182,164	182,164	258,630

GREATROCK NORTH WATER AND SANITATION DISTRICT

GENERAL FUND

2013 ADOPTED BUDGET

with 2011 Actual, 2012 Adopted and Amended, and 2012 Estimated

	2011 YTD Actual	2012 Adopted Budget	2012 Amended Budget	2012 Estimated	2013 Adopted Budget
Operations					
Operator Administration	6,356	3,980	5,000	5,000	3,800
Engineering	23,127	29,800	48,000	48,000	15,300
Inclusion-Hayesmount Estates	-	500	-	-	-
Inclusion - Kremers property	-	-	3,868	3,868	-
Utilities	75,365	76,000	63,000	63,000	63,000
Plant Supplies	19,002	8,000	8,000	8,000	7,000
Testing and Reporting	8,423	15,000	5,500	5,500	4,500
Distribution Sys Mntc	-	2,720	4,200	4,200	8,300
Locates	-	4,000	300	300	2,000
Maintenance & Repair-Box Elder	22,914	-	39,270	39,270	-
Maintenance & Repair-Rocking H	7,950	-	4,175	4,175	-
Maintenance & Repair-Greatrock	13,937	-	6,570	6,570	-
Operator Services	36,735	41,400	46,000	46,000	46,000
Box Elder-Oper Wtr Lease Irrig	-	-	-	-	-
Water Meters	2,139	500	500	500	500
Facility maintenance and repair	440	-	2,600	2,600	16,200
Box Elder facility painting	-	-	-	-	6,400
RTU Replacements	-	-	-	-	13,600
Communications Services	395	-	-	-	-
Meter Reading	17,398	3,332	3,332	3,332	3,400
Mileage	9,705	2,856	3,400	3,400	3,400
Pump maintenance	-	4,800	4,800	4,800	-
Well Mntce-RHF-Arap Well Rehab	285	-	-	-	-
Lightning Damage	14,588	-	-	-	-
Tank Painting	380	-	64,698	64,698	-
Electrical Pre. Mntc Program	-	-	-	-	6,970
Generator Preventative Mntc	-	-	-	-	2,600
Concentrate Disposal	9,739	42,000	40,000	40,000	10,000
Boundary Map	9,184	-	-	-	-
Safety Audit	202	-	-	-	-
Facilities Landscape Improvements	27,011	10,000	3,600	3,600	-
Landscape Maintenance	215	-	2,000	2,000	10,800
Contingency	-	44,000	11,172	54,105	20,000
Sub-Total Operations	305,489	288,888	369,985	412,918	243,770
Total Expenditures	514,354	497,319	552,149	595,082	502,400
Transfer to Debt Service	-	16,372	4,918	4,918	60,000
Emergency Reserve	-	40,865	42,933	-	46,895
Total Expenditures Requiring Appropriation	514,354	554,556	600,000	600,000	609,295
Replacement Reserve	175,000	-	175,000	175,000	200,000
Debt Service	-	-	533,762	533,762	634,731
Undesignated	594,102	810,647	122,354	122,354	119,146
ENDING FUND BALANCE	\$ 769,102	\$ 810,647	\$ 831,116	\$ 831,116	\$ 953,877

GREATROCK NORTH WATER AND SANITATION DISTRICT

**DEBT SERVICE FUND
2013 ADOPTED BUDGET
with 2011 Actual, 2012 Adopted, and 2012 Estimated**

	2011 Actual	2012 Adopted Budget	2012 Estimated	2013 Adopted Budget
BEGINNING FUND BALANCE	\$ 39,847	\$ 23,459	\$ 28,741	\$ 1,515
REVENUE				
Property Tax Revenue	224,301	207,779	207,779	207,531
Specific Ownership Taxes	14,272	12,467	10,277	12,452
Interest Income	877	150	75	25
Transfer from General Fund	-	16,372	4,918	60,000
Total Revenue	239,450	236,768	223,049	280,008
Total Funds Available	279,296	260,227	251,790	281,523
EXPENDITURES				
Bond Interest-2007 GO	141,408	141,408	141,408	141,408
Bonds Principal-2010 GO	-	-	-	25,000
Bond Interest-2010 GO	104,750	104,750	104,750	104,750
Paying Agent Fees	300	2,000	500	500
Legal	725	1,000	500	500
Treasurer's Fees	3,373	3,117	3,117	3,113
Contingency	-	5,000	-	5,000
Total Expenditures	250,556	257,275	250,275	280,271
Total Expenditures Requiring Appropriation	250,556	257,275	250,275	280,271
ENDING FUND BALANCE	\$ 28,741	\$ 2,952	\$ 1,515	\$ 1,252

GREATROCK NORTH WATER AND SANITATION DISTRICT

CAPITAL PROJECTS FUND

2013 ADOPTED BUDGET

with 2011 Actual, 2012 Adopted, and 2012 Estimated

	2011 YTD Actual	2012 Adopted Budget	2012 Estimated	2013 Adopted Budget
BEGINNING FUND BALANCE	\$ 1,353,422	\$ 534,056	\$ 593,987	\$ 380,371
REVENUE				
Interest Income	3,131	1,500	1,100	500
Reimbursement - COI	23,600	-	-	-
Total Revenue	26,731	1,500	1,100	500
Total Funds Available	1,380,153	535,556	595,087	380,871
EXPENDITURES				
Legal	3,915	1,500	5,000	2,500
SCADA Computer	-	-	-	10,000
Engineering	2,178	-	-	-
GIS Mapping	-	10,000	7,500	-
Box Elder Improvements	-	-	21,800	-
Water Rights Development	52,078	-	-	-
Rules and Regulations	2,088	1,000	9,000	3,000
Service Area Expansion	15,845	12,500	100	-
SCADA	10,367	-	-	-
GRN - UKA 1 Pump	-	-	10,500	-
Purchase of Easements	-	500	-	500
Drive by Meter Start Up/GRN	88,468	-	-	-
Property Acquisition	10,321	-	-	-
Water Resources Master Plan	16,131	25,000	33,869	-
Water Tank Construction	584,775	-	62,697	-
Water Rights Dev-Legal	-	86,000	20,000	45,000
Water Rights Dev-Engineering	-	43,000	43,000	15,000
EDOP Review	-	-	1,250	6,250
VFD in Greatrock North	-	-	-	10,000
Contingency	-	356,056	-	237,121
Total Expenditures	786,166	535,556	214,716	329,371
Total Expenditures Requiring Appropriation	786,166	535,556	214,716	329,371
ENDING FUND BALANCE	\$ 593,987	\$ -	\$ 380,371	\$ 51,500

CERTIFICATION:

I, Brian K. Rogers, hereby certify that I am the duly appointed Secretary of the Greatrock North Water and Sanitation District, and that the foregoing is a true and correct copy of the budget for the budget year 2013, duly adopted at a meeting of the Board of Directors of the Greatrock North Water and Sanitation District held on November 6, 2012.

By:  _____
Secretary