

2014

GREATROCK NORTH WATER AND SANITATION DISTRICT

2014 Budget Message

Introduction

The budget reflects the projected spending plan for the 2014 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 2013 assessed value decreased 2.8% to \$10,900,660. The District's mill levy increased to 46.840 mills for taxes to be collected in the 2014 fiscal year with 28.340 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, availability of service fees, 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
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	215,000	222,808	437,808
2019-2023	1,300,000	963,998	2,263,998
2024-2028	1,795,000	621,313	2,416,313
2029-2033	1,535,000	181,235	1,716,235
Total	<u>5,435,000</u>	<u>2,948,463</u>	<u>8,383,463</u>

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 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

	2012 Actual	2013 Adopted Budget	2014 Adopted Budget
Assessed Valuation	\$ 11,231,320	\$ 11,217,880	\$ 10,900,660
Mill Levy			
General Fund	27.000	27.000	28.340
Debt Service Fund	18.500	18.500	18.500
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Total Mill Levy	<u>45.500</u>	<u>45.500</u>	<u>46.840</u>
Property Taxes			
General Fund	\$ 303,246	\$ 302,883	\$ 308,925
Debt Service Fund	207,779	207,531	201,662
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Actual/Budgeted Property Taxes	<u>\$ 511,025</u>	<u>\$ 510,414</u>	<u>\$ 510,587</u>

GREATROCK NORTH WATER AND SANITATION DISTRICT

GENERAL FUND

2014 ADOPTED BUDGET

with 2012 Actual, 2013 Adopted, and 2013 Estimated

	2012 YTD Actual	2013 Adopted Budget	2013 Estimated Budget	2014 Adopted Budget
BEGINNING FUND BALANCE	\$ 769,102	\$ 831,116	\$ 881,861	\$ 1,011,885
REVENUE				
Property Tax Revenue	303,444	302,883	302,883	308,925
Specific Ownership Taxes	20,758	18,173	18,173	18,536
Service Charges-Greatrock	144,986	156,000	139,623	139,635
Service Charges-Rocking Horse	102,641	117,000	102,369	106,349
Service Charges-Box Elder	133,263	127,000	129,184	131,436
Interest Income	2,229	1,500	1,500	1,500
Grant Revenue	-	-	3,000	-
Inclusion-Kremers Property	2,500	-	2,504	-
Other Income	12,171	2,000	2,000	-
Box Elder-Wtr Lease Irrigation	7,500	7,500	7,500	7,500
Total Revenue	729,491	732,056	708,736	713,881
Total Funds Available	1,498,593	1,563,172	1,590,597	1,725,766
EXPENDITURES				
Administration				
Accounting	21,798	22,000	22,000	22,000
District Management	68,901	55,000	62,000	62,000
Water Rights Dev - Legal	-	20,000	4,200	10,000
Water Rights Dev - Engineering	-	32,000	14,000	13,500
Engineering	-	16,140	16,140	17,750
Audit	8,360	8,500	8,500	8,500
Director's Fees	5,723	6,500	6,500	6,500
Utility Billing	13,478	15,000	13,800	15,000
Social Media	-	6,000	3,000	2,000
Studies	-	-	13,000	10,000
Insurance/SDA Membership	14,617	15,600	16,316	17,600
Legal	53,030	47,250	51,100	58,850
Statutory Compliance	350	1,500	1,500	1,500
Election	832	-	38	10,800
Legal Publication/Election	19	-	-	-
Miscellaneous Expense	8,268	8,000	9,000	14,300
Payroll Taxes	511	497	497	497
Treasurer's Fees	4,446	4,543	4,543	4,634
Sub-Total Administration	200,332	258,530	246,134	275,431

GREATROCK NORTH WATER AND SANITATION DISTRICT

GENERAL FUND

2014 ADOPTED BUDGET

with 2012 Actual, 2013 Adopted, and 2013 Estimated

	2012 YTD Actual	2013 Adopted Budget	2013 Estimated Budget	2014 Adopted Budget
Operations				
Concentrate Disposal	8,285	-	-	-
Project Mgmt/Oper Admin	4,405	3,800	3,800	7,840
Engineering, Design & Ops Plan	7,687	-	-	-
Engineering	65,271	15,300	15,300	16,830
Inclusion - Kremers property	4,921	-	-	-
Utilities	78,401	63,000	53,700	51,000
Plant Supplies	6,550	7,000	7,000	7,000
Testing and Reporting	4,128	4,500	1,500	4,500
Distribution Sys Mntc	4,214	8,300	11,000	10,000
Maintenance & Repair-Box Elder	27,656	-	-	-
Maintenance & Repair-Rocking H	3,329	-	-	-
Maintenance & Repair-Greatrock	4,843	-	-	-
Operator Services	44,656	46,000	46,000	51,700
Box Elder Facility Painting	-	6,400	2,488	-
RTU Replacements	-	13,600	13,600	-
Water Meters	274	500	2,000	2,000
Facility Maintenance & Repair	3,477	16,200	50,000	113,070
Communications Services/SCADA	-	-	-	5,000
Meter Reading	3,270	3,400	6,700	8,040
Generator Preventative Mntc	-	2,600	2,600	2,625
Mileage	2,957	3,400	3,400	-
Well Maintenance	2,426	-	-	-
Pump maintenance	-	-	30,000	-
Tank Painting	64,698	-	-	-
Electrical Prev. Mtnc. Program	-	6,970	6,970	-
Concentrate Disposal	37,488	10,000	10,000	5,000
RHF& GRN Wtr Tnk Landscape Imp	3,109	-	-	12,000
Landscape Maintenance	3,745	10,800	8,520	-
Locates	534	2,000	1,000	2,000
Replacement Reserve	26,884	-	-	229,000
Contingency	-	20,000	-	-
Sub-Total Operations	413,207	243,770	277,578	528,605
Total Expenditures	613,539	502,300	523,712	804,036
Transfer to Debt Service	3,193	60,000	55,000	50,000
Emergency Reserve	-	46,895	-	51,773
Total Expenditures Requiring Appropriation	616,732	609,195	578,712	905,809
Replacement Reserve	175,000	200,000	200,000	-
Debt Service	-	634,731	634,731	638,166
Undesignated	706,861	119,246	177,154	181,791
ENDING FUND BALANCE	\$ 881,861	\$ 953,977	\$ 1,011,885	\$ 819,957

GREATROCK NORTH WATER AND SANITATION DISTRICT

DEBT SERVICE FUND 2014 ADOPTED BUDGET

with 2012 Actual, 2013 Adopted, and 2013 Estimated

	2012 Actual	2013 Adopted Budget	2013 Estimated Budget	2014 Adopted Budget
BEGINNING FUND BALANCE	\$ 28,741	\$ 1,515	\$ 4,155	\$ 4,729
REVENUE				
Property Tax Revenue	207,915	207,531	207,531	201,662
Specific Ownership Taxes	14,223	12,452	13,464	12,100
Availability of Service Fees	-	-	-	14,700
Interest Income	232	25	75	25
Transfer from General Fund	3,193	60,000	55,000	50,000
Total Revenue	225,563	280,008	276,070	278,487
Total Funds Available	254,304	281,523	280,225	283,216
EXPENDITURES				
Bond Interest-2007 GO	141,408	141,408	141,408	141,407
Bonds Principal-2010 GO	-	25,000	25,000	25,000
Bond Interest-2010 GO	104,750	104,750	104,750	104,188
Paying Agent Fees	350	500	500	500
Legal	420	500	725	500
Treasurer's Fees	3,222	3,113	3,113	3,025
Contingency	-	5,000	-	5,000
Total Expenditures	250,149	280,271	275,496	279,620
Total Expenditures Requiring Appropriation	250,149	280,271	275,496	279,620
ENDING FUND BALANCE	\$ 4,155	\$ 1,252	\$ 4,729	\$ 3,596

GREATROCK NORTH WATER AND SANITATION DISTRICT

CAPITAL PROJECTS FUND

2014 ADOPTED BUDGET

with 2012 Actual, 2013 Adopted, and 2013 Estimated

	2012 YTD Actual	2013 Adopted Budget	2013 Estimated Budget	2014 Adopted Budget
BEGINNING FUND BALANCE	\$ 593,987	\$ 380,371	\$ 383,745	\$ 333,241
REVENUE				
Interest Income	1,133	500	700	500
Other income	809	-		
Total Revenue	1,942	500	700	500
Total Funds Available	595,929	380,871	384,445	333,741
EXPENDITURES				
Legal	4,290	2,500	5,000	500
SCADA Computer	-	10,000	10,000	-
GIS Mapping	9,515	-	-	-
Box Elder Improvements	21,800	-	-	-
Rules and Regulations	8,408	3,000	3,500	-
Service Area Expansion	98	-	-	-
Third Evaporation Pond	-	-	11,754	-
GRN - UKA 1 Pump	10,416	-	-	-
Purchase of Easements	-	500	-	-
EDOP Review	826	6,250	6,250	-
VFD in Greatrock North	-	10,000	10,000	-
Water Resources Master Plan	33,393	-	-	-
Water Tank Construction	62,697	-	-	-
Water Rights Dev-Legal	12,365	45,000	2,600	55,000
Water Rights Dev-Engineering	48,376	15,000	2,100	28,000
Contingency	-	237,121	-	-
Total Expenditures	212,184	329,371	51,204	83,500
Total Expenditures Requiring Appropriation	212,184	329,371	51,204	83,500
ENDING FUND BALANCE	\$ 383,745	\$ 51,500	\$ 333,241	\$ 250,241

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 2014, duly adopted at a meeting of the Board of Directors of the Greatrock North Water and Sanitation District held on November 5, 2013.

By:  _____
Secretary