

GREATROCK NORTH WATER AND SANITATION DISTRICT

2015 Budget Message

Introduction

The budget reflects the projected spending plan for the 2015 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 2014 assessed value increased \$20,450 to \$10,921,110. The District assessed a total mill levy of 46.840 for taxes to be collected in the 2015 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

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

Bonds Principal and Interest Maturing in the Year(s) Ending December 31,	Totals		
	Principal	Interest	Total
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	235,000	214,193	449,193
2020-2024	1,385,000	906,295	2,291,295
2025-2029	1,900,000	535,853	2,435,853
2030-2033	1,110,000	110,205	1,220,205
Total	5,410,000	2,702,868	8,112,868

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

	2013 Actual	2014 Adopted Budget	2015 Adopted Budget
Assessed Valuation	\$ 11,217,880	\$ 10,900,660	\$ 10,921,110
Mill Levy			
General Fund	27.000	28.340	28.340
Debt Service Fund	18.500	18.500	18.500
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Total Mill Levy	45.500	46.840	46.840
Property Taxes			
General Fund	\$ 302,883	\$ 308,925	\$ 309,504
Debt Service Fund	207,531	201,662	202,041
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Actual/Budgeted Property Taxes	\$ 510,414	\$ 510,587	\$ 511,545

GREATROCK NORTH WATER AND SANITATION DISTRICT

**GENERAL FUND
2015 ADOPTED BUDGET
with 2013 Actual, 2014 Adopted, and 2014 Estimated**

	2013 YTD Actual	2014 Adopted Budget	2014 Estimated Budget	2015 Adopted Budget
BEGINNING FUND BALANCE	\$ 881,861	\$ 1,011,885	\$ 1,067,758	\$ 1,141,299
REVENUE				
Property Tax Revenue	302,344	308,925	308,925	309,504
Specific Ownership Taxes	22,448	18,536	18,000	18,570
Service Charges-Greatrock	145,013	139,635	146,356	146,509
Service Charges-Rocking Horse	103,478	106,349	101,798	107,399
Service Charges-Box Elder	130,162	131,436	131,436	146,074
Inspection Fees	-	-	2,434	-
Interest Income	1,877	1,500	1,500	1,500
Grant Revenue	3,000	-	868	-
Inclusion-Kremers Property	2,504	-	-	-
Other Income	1,354	-	4,000	-
Box Elder-Wtr Lease Irrigation	7,500	7,500	7,500	7,500
Total Revenue	719,680	713,881	722,817	737,056
Total Funds Available	1,601,541	1,725,766	1,790,575	1,878,355
EXPENDITURES				
Administration				
Accounting	17,693	22,000	19,498	22,880
District Management	65,006	62,000	66,492	64,480
Water Rights Dev - Legal	7,120	10,000	17,226	70,000
Water Rights Dev - Engineering	15,314	13,500	31,526	27,500
Engineering	19,634	17,750	21,664	21,150
Audit	7,300	8,500	7,070	8,500
Director's Fees	6,500	6,500	6,500	6,500
Utility Billing	13,081	15,000	13,992	15,000
Social Media	2,372	2,000	300	1,000
Studies	13,878	10,000	10,000	-
Insurance/SDA Membership	16,316	17,600	15,879	17,100
Legal	53,280	58,850	62,602	65,900
Litigation	-	-	1,500	-
Statutory Compliance	275	1,500	175	-
Election	63	10,800	9,287	-
Legal Publication/Election	43	-	-	-
Miscellaneous Expense	7,959	14,300	13,578	14,300
Payroll Taxes	513	497	497	497
Treasurer's Fees	4,537	4,634	4,641	4,643
Sub-Total Administration	250,882	275,431	302,427	339,450

GREATROCK NORTH WATER AND SANITATION DISTRICT

**GENERAL FUND
2015 ADOPTED BUDGET
with 2013 Actual, 2014 Adopted, and 2014 Estimated**

	2013 YTD Actual	2014 Adopted Budget	2014 Estimated Budget	2015 Adopted Budget
Operations				
Rules and regulations				3,000
Project Mgmt/Oper Admin	2,473	7,840	3,976	7,840
Engineering	15,119	16,830	7,486	24,090
Utilities	46,606	51,000	29,206	35,000
Plant Supplies	3,656	7,000	6,878	5,000
Testing and Reporting	1,997	4,500	5,906	4,500
Distribution Sys Mntc	16,759	10,000	38,502	36,802
Equipment and tools	1,397	1,000	1,000	1,000
Operator Services	43,900	51,700	46,438	54,977
Box Elder Facility Painting	2,488	-	-	-
RTU Replacements	13,600	-	-	-
Water Meters	756	2,000	3,000	2,000
Facility Maintenance & Repair	49,497	113,070	113,070	49,720
Communications Services/SCADA	-	5,000	5,000	-
Meter Reading	6,094	8,040	8,902	8,362
Generator Preventative Mntc	3,285	2,625	4,000	4,000
Mileage	3,916	-	-	-
Well Maintenance	533	-	-	-
Electrical Prev. Mntc. Program	3,485	-	3,485	-
Concentrate Disposal	6,042	5,000	6,000	5,000
RHF& GRN Wtr Tnk Landscape Imp	-	12,000	12,000	-
Landscape Maintenance	8,200	-	-	-
Locates	1,098	2,000	2,000	2,000
Replacement Reserve	-	229,000	-	265,149
Sub-Total Operations	230,900	528,605	296,849	508,440
Total Expenditures	481,783	804,036	599,276	847,890
Transfer to Debt Service	52,000	50,000	50,000	200,000
Emergency Reserve	-	51,773	-	56,351
Total Expenditures Requiring	533,783	905,809	649,276	1,104,241
Replacement Reserve	-	-	-	-
Debt Service	638,166	638,166	638,166	438,166
Undesignated	429,592	181,791	503,133	335,949
ENDING FUND BALANCE	\$ 1,067,758	\$ 819,957	\$ 1,141,299	\$ 774,115

GREATROCK NORTH WATER AND SANITATION DISTRICT

DEBT SERVICE FUND 2015 ADOPTED BUDGET with 2013 Actual, 2014 Adopted, and 2014 Estimated

	2013 Actual	2014 Adopted Budget	2014 Estimated Budget	2015 Adopted Budget
BEGINNING FUND BALANCE	\$ 4,155	\$ 4,729	\$ 3,490	\$ 7,432
REVENUE				
Property Tax Revenue	207,162	201,662	201,662	202,041
Specific Ownership Taxes	15,381	12,100	12,100	12,122
Availability of Service Fees	-	14,700	14,700	14,700
Interest Income	134	25	100	25
Transfer from General Fund	52,000	50,000	50,000	200,000
Total Revenue	274,677	278,487	278,562	428,888
Total Funds Available	278,831	283,216	282,052	436,320
EXPENDITURES				
Bond Principal-2007 GO	-	-	-	125,000
Bond Interest-2007 GO	141,408	141,407	141,407	141,408
Bonds Principal-2010 GO	25,000	25,000	25,000	55,000
Bond Interest-2010 GO	104,750	104,188	104,188	103,562
Paying Agent Fees	350	500	500	500
Legal	725	500	500	500
Arbitrage	-	-	-	4,500
Treasurer's Fees	3,109	3,025	3,025	3,031
Contingency	-	5,000	-	500
Total Expenditures	275,341	279,620	274,620	434,001
Total Expenditures Requiring	275,341	279,620	274,620	434,001
ENDING FUND BALANCE	\$ 3,490	\$ 3,596	\$ 7,432	\$ 2,319

GREATROCK NORTH WATER AND SANITATION DISTRICT

**CAPITAL PROJECTS FUND
2015 ADOPTED BUDGET
with 2013 Actual, 2014 Adopted, and 2014 Estimated**

	2013 YTD Actual	2014 Adopted Budget	2014 Estimated Budget	2015 Adopted Budget
BEGINNING FUND BALANCE	\$ 383,745	\$ 333,241	\$ 345,543	\$ 346,043
REVENUE				
Interest Income	717	500	500	500
Total Revenue	717	500	500	500
Total Funds Available	384,462	333,741	346,043	346,543
EXPENDITURES				
Legal	650	500	-	500
SCADA Computer	9,142	-	-	-
Rules and Regulations	3,444	-	-	-
Third Evaporation Pond	11,754	-	-	-
EDOP Review	5,861	-	-	-
VFD in Greatrock North	5,342	-	-	-
RO Replacement	-	-	-	-
Subdivision Interconnect	-	-	-	-
Greatrock North Pump Station	-	-	-	207,000
Water Rights Acquisition Costs	-	-	-	139,043
Water Rights Dev-Legal	1,520	55,000	-	-
Water Rights Dev-Engineering	1,207	28,000	-	-
Total Expenditures	38,919	83,500	-	346,543
Total Expenditures Requiring Appropriation	38,919	83,500	-	346,543
ENDING FUND BALANCE	\$ 345,543	\$ 250,241	\$ 346,043	\$ -