



To the Board of Trustees Granger-Hunter Improvement District

The 2012 budget for Granger-Hunter Improvement District (District) has been prepared with the objective of the District's mission to provide dependable drinking water and to safely transport wastewater in an environmentally-friendly manner at the most reasonable cost. In addition, the District is determined to treat its customers, employees, vendors and others in a fair, dignified and respectful manner. The following discussion will provide the framework used to meet this stated objective.

Budget Process

The annual budget is created by the District's management. Directors each have a responsibility to submit their department budgets for consideration and review by management. The needs of a department are weighed against the needs of the other departments and priorities are established. Budgets for personnel and capital projects are also prepared and input is received from management and directors. The budget is then organized and presented to the Board for comment, input, additional prioritization of needs and approval. Once the budget is adopted, it is used as the framework of how the District resources can best be used to meet the needs of the customers.

Prior to the adoption of the budget, the following steps need to be met:

- The tentative budget is prepared and given to the Board on or before the first scheduled meeting in November (will be handed out on October 18). The tentative budget is then adopted at the November 8 (2:30 p.m.) board meeting.
- When the tentative budget is adopted, the Board will also establish the time and place of the public hearing to consider adoption of the final budget. The time and place can be the same as the regularly scheduled meeting in December. The scheduled meeting will be held on December 6 at 5:00 p.m. The public hearing for the budget will begin at 6:00 p.m.
- If no fee, rate or tax increases are considered, the District must publish notice of the public hearing in the newspaper at least seven days prior to the hearing. If tax, rate or fee increases are to be considered, a quarter page ad must be placed in the paper two times in the two weeks prior to the meeting. An increase in the availability fee is presented for consideration as part of the 2012 budget.
- The Board, by resolution, can adopt the budget following the public hearing. The budget must be adopted before the beginning of the new year.

Budget Summary

As the year 2012 approaches, the District continues to be faced with challenges that did not exist a few years ago. The national economy is very fragile and continues to struggle through a recession and high unemployment. The Utah economy has been affected and the impact of that continues to be felt locally with slower job growth and fewer home starts. Inflation, on average, in 2008, according to the Consumer Price Index was 3.8%, while in 2009 it was -0.4%, and 2010 saw a rate of 1.6%. The CPI for the first eight months of 2011 is 3.4%. The price of oil continues to fluctuate and, as a result, the District continues to have a challenge in budgeting for fuel, oil, PVC pipe, and asphalt. Utility costs for power and natural gas have been stable but we are starting to see some increase in the power rates.

The overall budgeted revenues for 2012 are up approximately 4.3%. This is primarily due to the proposed increase in the availability fee. However, budgeted revenue for some of the other items in the budget have been reduced as a result of economic conditions. The weather continues to be an impact on water sales as wetter than usual springs over the previous three years have moderated water sales. Interest rates have also been lower which has had a direct effect on the interest revenue.

Overall operating expenses are projected to increase 2.9% for 2012. In 2012, we expect have a rate increase from both Central Valley and Jordan Valley for the processing of the wastewater and purchase of potable water. The contract amount for JWCD water will also increase by 500 acre feet. The budget for the proposed purchase of equipment is similar to last year. The salary and wages budget is similar to last year while benefits continue to be more expensive, including an estimated 10% increase in health insurance plus the addition of 4 retirees to the post-retirement plan.

The 2012 budget has a rate increase for your consideration. As part of the 2009 budget, the Board adopted the following changes to the water and sewer rates and other fees which will remain in effect for 2012, with one exception:

- Implementation of a water availability fee ranging from \$6.00 per month for a 3/4" meter to \$420 per month for a 10" meter. It is proposed the availability fees increase 50%. The new fees would range from \$9.00 per month for a 3/4" meter up to \$630 per month for a 10" meter.
- The water rate remained at \$1.45 per 1,000 gallons for all customer classes and the minimum take-or-pay amount of 20,000 gallons was eliminated. No rate change is proposed in the 2012 budget.
- The sewer rates were increased approximately 10% for all customer classes. No increase in sewer fees is proposed.

- Late fees, turn-on fees, tamper fees and other penalty fees were added or increased.
- No change to water and sewer impact fees.
- The implementation of a monthly billing cycle.

As a result of the implementation of the above changes, the District continues to have a fiscally sound budget, can meet ongoing obligations and provide cash-flow to pay for capital projects.

The bottom line impact, generally, of the 2012 budget as compared to the 2011 budget is as follows:

Increase in water revenues:	\$1,200,000
Increase in JWCD expense:	(375,000)
Increase in CVWRF expense:	(250,000)
Increase in debt service:	(300,000)
Net increase in all other expenses:	(40,000)
 Net increase:	 \$235,000

Summary

Despite the economic challenges, the District continues to be in great financial condition and the long-term outlook continues to be positive. Even with the proposed increase in revenues, the District continues to be careful in spending and vigorously looks for ways to reduce wasteful spending. Many items asked for by each department have been deleted or postponed to future years in order to have a sound, balanced budget. The District currently has one outstanding bond and will take on additional debt in 2012 to re-build the Old Main Lift Station. Looking forward to future years, the board will need to continue to address the increases in water rates and sewer processing charges and the impact to the District's budget.

If you have any questions about any part of the proposed budget, please let Clint, Wayne or me know.

Respectfully Submitted,

Clint Jensen, CPA
General Manager

Brad Jeppson
Controller

PARAMETERS FOR 2012 BUDGET PREPARATION

REVENUES

- **Metered Water Sales:** Water sales are budgeted to increase in 2012. The increase is due to the proposed increase in the water availability fee. It is not expected that the District will experience much, if any, growth and there will be no increase in the water rate. The increase in the availability fee will generate an estimated \$3,600,000 in revenue from approximately 26,000 connections, an increase of approximately \$1.2 million as compared to 2011. It is estimated that the District will sell approximately 7,600,000,000 (7.6 billion) gallons of water resulting in revenue of approximately \$11,020,000.
- **Sewer Service Charges:** Sewer rates have been budgeted to remain flat for all customer classes. No increase in the sewer rate or fees has been budgeted.
- **Engineering/Connection/Inspection/Turn-on Fees:** No fee increase is proposed for the engineering, connection and inspection fees. Also, since the building climate is very slow, it is anticipated that fewer fees will be collected in these categories. Fewer customers are delinquent which has also resulted in fewer fees being charged for water turn-ons.
- **Property Tax Revenue:** The estimated collections for property tax revenue will decrease approximately 3.0%. The change reflects a modest amount of growth within the district which will likely be offset by an increase in the number of delinquencies. The District's property tax collections are also declining due to the increase in the number of RDAs that divert current tax collections. Also, the state legislature has changed the law for collecting previous year's delinquencies which will have a negative impact on our collections. **No tax rate increase is budgeted for 2012.**
- **Impact Fees:** We are budgeting for 120 new connections for 2012 (budget was for 100 new connections in 2011 and 125 in 2010). The water impact fee is currently \$2,343 and the sewer impact fee is \$2,324 per residential connection – which is no change from the previous year. This has resulted in a 20.0% increase in budgeted revenue for impact fees.

- **Interest Income:** The interest rates on the District's accounts continue to remain at historical lows. The current interest rate the District is earning on its investments is hovering around 0.5 to 1%. Cash balances will be similar to the previous year. We have budgeted a slight increase in interest income since we have moved many of the District's idle funds to higher performing investments and away from the PTIF.
- **Other Income:** Other income is comprised of the sale of surplus property, scrap metal and other miscellaneous income. Budgeted revenues have been adjusted to reflect a more accurate estimate of these items based on historical averages.

EXPENSES

- **Payroll Wages**

- *Salaries & Wages:* It is proposed that **no** additional staff positions be added in 2012. Base salaries have been budgeted to increase by 2.0% for all employees and represent a 1% merit increase and 1% COLA.
- *Overtime Wages:* Overtime pay remains unchanged.
- *On-call Pay:* On-call pay will remained unchanged as compared to last year. The District currently has 4 individuals on call including: 1 supervisor, 1 regular call, 1 water operations and 1 sewer operations.
- *Vehicle Allowance:* The vehicle allowance will decrease as compared to the 2011 budget due to the retirement of Dave Warr. However, it is proposed that we include Brad Jeppson in getting ½ of the standard vehicle allowance for 2012.
- *Clothing Allowance:* The clothing allowance has also been included in the personnel budget as it is now a taxable item. No increase is proposed.
- *Other/OPEB:* We anticipate at least one retiree in 2012 and have set aside \$200,000 for potential retirement buyouts.

- **Payroll Benefits**

- *State Retirement Plan/401K Plan:* Utah Retirement Systems (URS) has proposed an increase to the retirement contribution rate effective 7/1/2012. The current rate is 13.77% of payroll and is expected to increase to 16.04%. We have included a rate increase to the state retirement budget to reflect the rate changes but have decreased the contribution to the 401K from 16.26% to 13.96% to offset this increase. Together, these rates work together to help control the fluctuations in the URS rates.
- *Health & Dental Insurance:* Health and dental insurance costs are budgeted to increase approximately 10%. Preliminary rates show an increase in health insurance of 16% but we are looking at options to reduce the premiums. The addition of 4 retirees in 2010 and one more in 2011 make up the additional increase in the budget.
- *Medicare:* Medicare contributions are increased due to the increase in wages.
- *Workers Compensation Insurance:* Workers compensation insurance continues to be stable as the District has experienced a favorable e-mod over the last few years.
- *Life/LTD/LTC Insurance:* The rates for life, LTD and long-term care insurance are very favorable and therefore reflect a decrease as compared to previous budgets.
- *State Unemployment:* No change in state unemployment budget.

- **Operations & Maintenance**
 - *Repair & Replacement:* The repair and replacement budget is slightly higher in 2012. The increase due to generally higher cost of supplies, especially those impacted by higher petroleum costs.
 - *Building & Grounds:* This budget has been increased by approximately 6.7%, or \$5,215. The primary reason for the increase is due to the inclusion of the building linen/rug budget, previous included in the general administration budget, of \$4,800. The remaining amount is due to an increase in the garbage removal expense.
 - *Vehicles & Machinery:* This budget has increase substantially due to an increase in oil prices. For 2011, the District budgeted fuel based on the average price of \$2.50 per gallon. This year, we are budgeting fuel at \$3.50 per gallon.
 - *Tools & Supplies:* There is a slight decrease in this budget based on the need in each department.
 - *Water Purchases:* Our water purchase commitment with Jordan Valley will increase to 18,000 acre feet for 2012. We also anticipate another rate increase of approximately 5%.
 - *Treatment Chemicals:* No change in budget.
 - *Water Lab Testing Fees:* This budget has been decreased from 2011 to more closely reflect historical averages.
 - *Utilities:* This budget has been decreased from 2011 to more closely reflect historical averages but to leave flexibility if we have a drier than normal water year.

- **CVWRF:** Overall, the CVWRF budget will be approximately 7.1% higher than the previous year's budget. First, the operations budget will increase due to a reallocation of the O&M costs to the District based on the previous year's flows to the plant. Second, capital expenditures will now be charged to the entity based on previous year's flow rather than ownership. Other line items are adjusted based on how CVWRF will classify certain expenses.

- **General & Administrative**
 - *Office Supplies/Printing:* In 2012, the office supply budget has increased slightly to include a few new office chairs and other small office furniture.
 - *Postage & Mailing:* We have reduced the postage budget by approximately 2.5%. Many multi-account customers have elected statement billing which has helped reduce postage costs. Also, customers can elect to receive an electronic copy of a bill rather than sending it through the mail. We are realizing additional savings as a result.
 - *General Administrative:* This budget has decreased substantially for a couple of reasons. First, in 2011 the District budgeted \$40,000 for an election. However, this money was not spent since only one candidate filed. There is no election in 2012. The second adjustment to this budget is for the building linen expense of approximately \$5,000 that was moved to the buildings and grounds budget.

- *Computer Supplies/Equipment:* This budget has decreased as compared to 2011. In the 2011 budget, many SCADA items that were previously included in the operations budget are now included in the computer budget. New network servers are proposed.
- *General Insurance:* We are projected a slight increase in the general insurance budget due to general trends in the insurance industry and an increase in the property values of district assets – rehabilitation of Decker Main WWPS and rebuild of Old Main WWPS
- *Utilities:* This budget has been reduced by 18%. Even though we continue to see rate increases by the utilities, our use of the utilities at this location has been reduced. A couple of years ago, the District replaced the air conditioning unit on the main building. We are now starting to see the results of a more efficient A/C compressor.
- *Telephone:* Slight increase (3.7%) due to adding a few employees to the plan that were not included before and the addition of data plans for executive and managerial staff.
- *Training & Education:* The training budget has been reduced by 16.6%. We have consolidated the training budget to be in the Administration budget and under the direction of the General Manager. As a result, some duplication in budgeting has been eliminated. Also, we continue to see significant savings in airline tickets as we utilize AMEX points to pay for the tickets.
- *Safety:* The safety budget has increased approximately 50% but for good reason. With the District goal to become better prepared in the event of an emergency, we are including money in this year's budget to purchase equipment and supplies to help us meet this goal. Some items to purchase include shelving, cots, blankets, water, food, first aid, and other items.
- *Legal Fees:* No change in budget
- *Auditing Fees:* A slight increase in budget based on the three year proposal received from Wisan Smith Racker and Prescott.
- *Professional Consulting:* The increase in this budget is due to a couple of items. First, it is proposed that the District hire a personnel consultant to perform a job description review and help design a more equitable compensation system (\$12,000). Second, it is proposed to hire a consultant to help us assess the current situation with our SCADA system and develop a master plan for the future (\$40,000). The system is approaching 12 years old and it is felt that we need to get some help in figuring out our next steps in getting the SCADA to provide continued service into the future. Third, it is proposed to hire a consultant to help with auditing our customer's discharge of fats, oils, grease and sugars (FOGS) into the sewer system (\$10,000). As discussed in previous meetings, GHID is nearing the capacity limits at the CVWRF plant and is looking for ways to help the customers upstream be more careful with the items put into the system.

- *Public Relations/Conservation:* Slight decrease in budget. We will continue to seek grant money from Jordan Valley to help with our conservation program.
 - *Banking and Bonding:* This budget has been increased from the previous year due to the additional bank fees charged for the increase number of checks processed – due to monthly billing. Also, increased utilization of Visa, MasterCard and Discover results more fees being paid to the third party vendors for credit card processing.
 - *Administrative Contingency:* This budget amount is set aside for unexpected costs that may arise during the year. It can only be used following Board approval.
- **Equipment Purchases**
 - The following represents the majority of the office furniture, vehicles and equipment that the District proposes to purchase in 2012:
 - New carpet on second floor of Administration building (\$20,000)
 - New handheld GPS unit for inspectors (\$9,000)
 - New 10-wheel dump truck (\$145,000)
 - New Vehicles – replace 5 pick-up trucks (\$136,000)
 - Computer network servers (\$22,000)
 - GIS/camera upgrade (\$28,000)
 - **Debt Service:** Bond interest expense has been increased to reflect the debt service on the new DEQ loan. Principal payments on the 2005 bond have increased \$25,000 from 2011.

INFRASTRUCTURE IMPROVEMENTS

- **Capital Projects**
 - Attached is a detail listing of the proposed projects for 2012. The major items include:
 - Old Main Sewer Lift Station Rebuild (\$6,000,000)
 - 4700 South Water Line – 4800 W to 5600 W (\$750,000)
 - Acord Booster Pump Station Upgrade (\$750,000)
 - Sewer lining Projects (\$750,000)
 - Fix water pressure problems in Hunter Village (\$135,000)
 - Meter/MXU Replacement (\$166,285)
 - District-installed water lines (\$765,000)
 - Possible property acquisitions (\$600,000)
 - Andra Booster Pump Station generator (\$125,000)
 - 4100 South water line 3670 W to Bangerter (\$750,000)
 - Well 1 to 12 Pipeline (\$800,000)
 - Replace roofing on building A, B & C (\$100,000)

RESERVE FUNDS

- **Reserve Funds:** The following reserve funds have been established and the funding of these accounts continues.
 - **Operating Reserve:** The operating reserve represents 10% of the total District budget. The minimum balance in the operating account to provide a “rainy day” fund for budget shortfalls or cost overruns for 2012 is \$2,851,000. Current account balances cover this reserve.
 - **Repair and Replacement Reserve:** A total of \$5,200,000 is recommended but to be funded with \$1,040,000 added per year for the next five years. The current balance in this account is \$3,103,000. Additional funding is proposed as funds are available.
 - **Impact Fee Reserve:** \$2,820,000 is to be maintained in the impact fee fund. However, this amount will adjust as the District’s growth slows. Current balances cover this reserve. Balance as of 9/30/11 is \$3,679,000.
 - **Insurance Reserve Funds:** No funding level has been established for this reserve account. Each year, the District budgets \$100,000 to pay deductibles and claims not covered by insurance. If the entire amount is not used during the year, the balance is transferred to the reserve fund. Current balance in the reserve account is \$762,400.
 - **Post-employment Benefit Reserve:** In 2008, the District established this reserve fund to help offset the cost of benefits paid for retired employees – including health insurance and state retirement buyout. The balance in this fund is approximately \$708,200. The liability currently on the books is more than \$1,300,000 and growing. Accounting rules do not require full funding of the liability. However, additional funding is proposed as funds are available.



REVENUES

	Actual 2009	Actual 2010	Projected 2011 as of 9/30/11	Budget 2011	Proposed Budget 2012	% Change
REVENUES						
Operating Revenues:						
Metered Water Sales	\$12,734,714	\$12,439,597	\$12,038,699	\$13,275,000	\$15,100,000	13.7%
Sewer Service Charges	9,346,363	8,979,704	9,114,480	9,100,000	9,500,000	4.4%
Engineering Fees	5,140	4,200	10,400	20,000	10,000	-50.0%
Connection fees	14,592	27,310	33,595	60,000	35,000	-41.7%
Inspection	55,641	38,657	47,302	55,000	45,000	-18.2%
Delinquent/Turn-on Fees	39,011	31,249	25,712	40,000	30,000	-25.0%
Total Operating Revenue	<u>22,195,460</u>	<u>21,520,717</u>	<u>21,270,188</u>	<u>22,550,000</u>	<u>24,720,000</u>	<u>9.6%</u>
Property Tax Revenue:						
Property Tax	2,929,713	2,983,127	3,042,652	3,300,000	3,200,000	-3.0%
Motor Vehicle	322,064	291,360	273,582	320,000	300,000	-6.3%
Personal Property	308,478	322,356	305,869	300,000	305,000	1.7%
Delinquent Tax/Interest	116,692	121,602	123,660	65,000	125,000	92.3%
Total Property Tax Revenue	<u>3,676,947</u>	<u>3,718,445</u>	<u>3,745,763</u>	<u>3,985,000</u>	<u>3,930,000</u>	<u>-1.4%</u>
Non-operating Revenue:						
Impact Fees - Water	374,261	282,992	377,989	234,300	281,160	20.0%
Impact Fees - Sewer	264,747	232,776	330,772	232,400	278,880	20.0%
Interest	558,850	376,714	270,529	250,000	270,000	8.0%
Sale of Surplus Equipment	24,356	64,516	27,530	30,000	30,000	0.0%
Other	157,559	71,895	106,046	55,000	80,000	45.5%
Total Non-operating Revenue	<u>1,379,773</u>	<u>1,028,893</u>	<u>1,112,866</u>	<u>801,700</u>	<u>940,040</u>	<u>17.3%</u>
Total Revenues	<u>\$27,252,180</u>	<u>\$26,268,055</u>	<u>\$26,128,817</u>	<u>\$27,336,700</u>	<u>\$29,590,040</u>	<u>8.2%</u>



FINAL

EXPENSES

	Actual 2009	Actual 2010	Projected 2011 as of 9/30/11	Budget 2011	Proposed Budget 2012	% Change
OPERATING EXPENSES						
Payroll Wages:						
Salaries & Wages	3,667,621	3,727,275	3,569,764	3,698,107	3,557,551	-3.8%
Overtime Wages	164,034	128,928	150,974	250,000	250,000	0.0%
On-call Pay	21,160	21,420	29,200	29,200	29,200	0.0%
Incentive Pay	60,500	32,053	60,267	60,500	60,500	0.0%
Vehicle Allowance	26,400	30,600	23,677	30,600	27,000	-11.8%
Clothing Allowance	18,700	18,425	18,425	18,425	18,425	0.0%
Other/OPEB	0	163,820	59,770	200,000	200,000	0.0%
<i>Total Payroll Wages</i>	<u>3,958,414</u>	<u>4,122,520</u>	<u>3,912,076</u>	<u>4,286,832</u>	<u>4,142,676</u>	<u>-3.4%</u>
Payroll Benefits:						
State Retirement Plan	447,540	486,281	521,155	552,990	629,780	13.9%
401K Plan	614,924	628,089	636,389	662,625	560,279	-15.4%
Health/Dental Insurance	661,708	799,975	909,852	905,627	1,039,136	14.7%
Medicare	45,260	46,315	48,527	48,500	50,000	3.1%
Workers Compensation Ins	38,281	33,866	47,597	50,000	50,000	0.0%
Life/LTD/LTC Insurance	63,625	77,624	70,342	121,500	85,000	-30.0%
State Unemployment	2,919	0	4,050	5,000	5,000	0.0%
<i>Total Payroll Benefits</i>	<u>1,874,257</u>	<u>2,072,149</u>	<u>2,237,911</u>	<u>2,346,242</u>	<u>2,419,195</u>	<u>3.1%</u>
Operations & Maintenance:						
Repair & Replacement	448,949	517,148	584,841	592,900	613,695	3.5%
Building & Grounds	70,818	73,999	76,151	78,285	83,500	6.7%
Vehicles Maintenance & Fuel	231,321	271,778	310,202	270,000	329,000	21.9%
Tools & Supplies	28,127	39,357	18,545	22,125	20,845	-5.8%
Water Purchases	7,060,395	7,022,884	7,252,174	7,500,000	8,875,000	18.3%
Treatment Chemicals	10,062	20,162	21,094	30,000	30,000	0.0%
Water Lab Testing Fees	23,260	23,155	31,134	46,250	43,900	-5.1%
Utilities	775,189	747,936	691,883	847,500	887,500	4.7%
<i>Total O&M</i>	<u>8,648,122</u>	<u>8,716,419</u>	<u>8,986,024</u>	<u>9,387,060</u>	<u>10,883,440</u>	<u>15.9%</u>
CVWRF:						
Facility Operations	2,413,315	2,638,602	2,763,274	2,785,732	2,924,513	5.0%
Project Betterments	469,081	396,075	367,285	373,895	465,686	24.5%
Interceptor Monitoring	4,907	5,141	4,846	5,072	3,875	-23.6%
Pre-treatment Field	155,568	162,492	184,930	192,798	167,577	-13.1%
Laboratory	152,690	158,695	144,522	146,527	174,545	19.1%
<i>Total CVWRF</i>	<u>3,195,560</u>	<u>3,361,005</u>	<u>3,464,857</u>	<u>3,504,024</u>	<u>3,736,196</u>	<u>6.6%</u>



FINAL

EXPENSES

	Actual 2009	Actual 2010	Projected 2011 as of 9/30/11	Budget 2011	Proposed Budget 2012	% Change
General & Administrative:						
Office Supplies/Printing	24,756	27,447	27,302	27,315	28,100	2.9%
Postage & Mailing	172,737	162,973	167,234	180,400	175,900	-2.5%
General Administrative	53,764	36,271	44,737	85,260	40,700	-52.3%
Computer Supplies/Equipment	69,182	67,473	88,632	100,050	85,700	-14.3%
General Insurance	270,746	273,359	311,253	313,350	323,350	3.2%
Utilities	68,602	67,847	76,524	99,800	81,800	-18.0%
Telephone	58,297	53,775	58,475	58,900	61,100	3.7%
Training & Education	95,535	77,565	75,186	123,650	103,110	-16.6%
Safety	11,211	27,746	18,443	21,850	32,830	50.3%
Legal fees	54,224	20,582	11,590	51,000	51,000	0.0%
Auditing Fees	14,300	14,700	14,700	14,700	15,100	2.7%
Professional Consulting	104,368	27,231	13,052	20,315	82,315	305.2%
Public Relations/Conservation	15,472	3,467	19,770	22,000	40,000	81.8%
Banking & Bonding	103,297	127,438	135,539	116,150	134,150	15.5%
Administrative Contingency	0	0	0	180,000	180,000	0.0%
<i>Total General Administrative</i>	<u>1,116,492</u>	<u>987,874</u>	<u>1,062,436</u>	<u>1,414,740</u>	<u>1,435,155</u>	1.4%
Total Operating Expenses	18,792,845	19,259,967	19,663,305	20,938,898	22,616,662	8.0%
Net Operating Revenues	\$8,459,335	\$7,008,088	\$6,465,512	\$6,397,802	\$6,973,378	9.0%
Equipment Purchases:						
New Vehicles & Equipment	732,252	336,735	346,146	363,175	374,000	
<i>Total Equipment</i>	<u>732,252</u>	<u>336,735</u>	<u>346,146</u>	<u>363,175</u>	<u>374,000</u>	3.0%
Debt Service:						
Bond Interest	276,157	371,652	111,962	173,944	224,444	29.0%
Bond Principal Payment - 2005	550,000	580,000	600,000	600,000	625,000	4.2%
Bond Debt Service - CV/DEQ	653,262	425,539	0	0	0	
<i>Total Debt Service</i>	<u>1,479,419</u>	<u>1,377,191</u>	<u>711,962</u>	<u>773,944</u>	<u>849,444</u>	
Total Equipment & Debt Service	\$2,211,670	\$1,713,925	\$1,058,109	\$1,137,119	\$1,223,444	7.6%
Net Revenues	\$6,247,665	\$5,294,163	\$5,407,403	\$5,260,683	\$5,749,934	9.3%