



October 4, 2022

To: Board of Directors
From: Katie Nicholls, District Manager
RE: 2023 Proposed Budget

Attached is the proposed 2023 budget, it is also available on the website. We will not be reviewing the budget at the October 10th meeting. We will hold our first public hearing to REVIEW the budget on November 14TH, and the public hearing to ADOPT the budget on December 12th. A copy of the notice proof is attached. I have outlined some of the areas of note on the budget below:

ENTERPRISE FUND

REVENUE

- The \$6 increase to user fees per the 10-year rate study has been applied. The new rate will be \$123.00 per single family equivalent.
- The Intergovernmental Agreements with Columbine Lake Water District, North Shore Water District, and Grand Lake Metropolitan Recreation District have been increased per assessments and agreements.
- Lab revenue has increased due to new approved fee increase.
- Twenty tap purchases were budgeted, there are still many developments in the works.
- Interest earned has been skyrocketing back to normal the last part of 2022 after two years of minimal interest. Interest has been calculated at a higher rate.

EXPENSES

- SDA conference costs for the conference have increased.
- 15 board meetings were budgeted.
- Staff travel was reduced to match needs.
- Computers and IT have been reduced as there are no large projects remaining.
- Material, construction, and utility costs have increased so resulting line items have been adjusted to account for actual costs.
- Business insurance was increased by 10% for property and liability based on information provided by the insurer. We have retained our discount by meeting training requirements.
- Postage increased mid-year this year and is expected to increase again in January.
- 4th operator and new certification pursuits for existing operators budgeted.
- Chemicals costs have increased.

- Health insurance increased by 4.5%.
- FAMLI Program deductions begin in 2023, the Board opted to pay employee portion. Employer portion not required due to employee numbers.
- CDPHE costs increased for permits and licenses.
- Locate request costs have increased.
- Increase in solids from new processing has increased sludge hauling.
- Vehicle purchase was moved to 2023.
- \$2,00,000 is the maximum amount this budget will allow to be transferred to reserve to maintain 3 months of operating expenses in the Enterprise Fund.

GOVERNMENT GENERAL FUND

REVENUE

- Mill levy must remain the same per TABOR calculations.

EXPENSES

- Mileage has been decreasing due to in-office deposit options.
- 2023 is the first odd year election year, all elections will be odd years starting this year.
- Health insurance increased by 4.5%.
- FAMLI Program deductions begin in 2023, the Board opted to pay employee portion. Employer portion not required due to employee numbers.

THREE LAKES WATER AND SANITATION DISTRICT
2023 PROPOSED BUDGET

ENTERPRISE GENERAL FUND		ACTUALS	ACTUALS	ESTIMATED	ESTIMATED YEAR END		BUDGET	PROPOSED
		2021	THRU SEPT	OCT - DEC 22	2022	Budget Balance	2022	2023
BEGINNING FUND BALANCE		3,268,597			4,262,080		4,044,206	5,170,369
Operating Revenue								
IGA-INTERGOVERNMENTAL AGREEMENTS		107,610	79,253	26,358	105,611	5,521	111,132	117,540
4005 · SEWER USER FEES & PENALTIES		1,927,564	1,565,369	520,525	2,085,894	32,742	2,118,636	2,238,108
4030 · LAB REVENUE		30,300	19,855	2,765	22,620	(120)	22,500	32,000
MISCELLANEOUS REVENUE		50,205	18,047	0	18,047	(10,047)	8,000	8,000
Total Operating Revenue		2,115,679	1,682,524	549,648	2,232,172	28,096	2,260,268	2,395,648
Non-Operating Revenue								
4010 · CONNECTION / INSPECTION PERMITS		1,150	575	25	600	(100)	500	500
4200 · SEWER TAP FEES		333,700	261,472	10,500	271,972	(83,972)	188,000	210,000
4201 · Valves		7,479	3,557	443	4,000	0	4,000	4,000
4300 · INTEREST EARNED		4,881	41,892	30,000	71,892	(61,092)	10,800	100,000
Total Non-Operating Revenue		347,210	307,496	40,968	348,464	(145,164)	203,300	314,500
Loans								
2505B · CWR&PDA Loan		38,370	0	0	0	0	0	0
Total Revenue		2,501,258	1,990,020	590,616	2,580,636	(117,068)	2,463,568	2,710,148
ADMINISTRATIVE EXPENSES								
BOARD OF DIRECTOR FEES/EXPENSES		7,901	9,782	1,615	11,397	3,727	15,124	17,139
OFFICE EXPENSES		58,146	31,395	12,886	44,281	16,719	61,000	50,392
5047 · INSURANCE EXPENSE		58,897	53,595	0	53,595	11,205	64,800	71,280
5065 · AUDIT & CONSULTING		12,100	12,100	0	12,100	300	12,400	12,772
5023 · ACCOUNTANT SERVICES		5,290	7,000	0	7,000	(800)	6,200	7,300
5067 · LEGAL SERVICE & CONSULTING		27,326	20,668	7,500	28,168	21,832	50,000	50,000
5202 · WATER RIGHTS		2,000	2,000	0	2,000	0	2,000	2,000
Total ADMINISTRATIVE EXPENSES		171,660	136,540	22,001	158,541	52,983	211,524	210,883
OPERATIONS EXPENSES								
PAYROLL EXPENSES - OPERATIONS		470,150	380,448	125,071	505,519	75,477	580,996	636,237
TREATMENT PLANT EXPENSES		304,551	211,366	70,449	281,815	116,785	398,600	387,100
OFFICE/SHOP EXPENSES		35,179	26,595	1,473	28,068	6,532	34,600	41,600
5137 · ENGINEERING - Copper Compliance		1,101	0	0	0	0	0	0
5138 · ENGINEERING - GENERAL		0	2,782	0	2,782	17,218	20,000	20,000
FIELD EXPENSES		95,547	83,416	27,717	111,133	10,567	121,700	127,000
5152 · MISCELLANEOUS EXPENSE		3,000	9,578	0	9,578	(8,578)	1,000	1,000
5162 · SCADA SOFTWARE/EQUIPMENT LEASE		33,071	30,742	10,245	40,987	813	41,800	41,000
5190 · SYSTEM REPAIR & MAINTENANCE		40,638	69,191	33,061	102,252	(2,252)	100,000	120,000
5200 · VALVES		12,245	5,736	0	5,736	1,264	7,000	7,000
Total OPERATIONS EXPENSES		995,483	819,852	268,016	1,087,869	217,827	1,305,696	1,380,937
OPERATING EXPENSES								
5148 · LAB - DRINKING WATER		7,846	7,175	2,385	9,560	440	10,000	10,000
5149 · PLANT - LAB		38,350	22,700	7,566	30,266	9,734	40,000	40,000
5185 · PLANT - SLUDGE HAULING		41,485	29,887	9,960	39,847	153	40,000	45,000
Total Operating Expenses		41,485	29,887	9,960	39,847	153	40,000	45,000
Total Expenses		1,208,628	986,279	299,977	1,286,256	270,963	1,557,220	1,636,820
NET (Revenue - Admin & Operations Expenses)		1,292,631			1,294,379		906,348	1,073,328
Capital Outlay								
6420 · Vehicle Purchase		0	0	0	0	60,000	60,000	60,000
6400 · System Improvements		31,107	78,050	40,000	118,050	131,950	250,000	250,000
Total Capital Outlay		31,107	78,050	40,000	118,050	191,950	310,000	310,000
TOTAL EXPENDITURES		1,239,735	1,064,330	339,977	1,404,307	462,913	1,867,220	1,946,820
CWRPDA Loan Payment		123,942	61,971	61,971	123,942	0	123,942	123,942
CWR&PDA Copper Loan Payment		144,098	72,049	72,049	144,098	0	144,098	144,098
Contingency		0	0	0	0	250,000	250,000	250,000
NET (Revenue - Total Expenditures)		993,483			908,289		78,308	245,288
Designated Reserves		800,000	0	1,000,000	1,000,000	0	1,000,000	2,000,000
ENDING FUND BALANCE		4,262,080			5,170,369		4,122,514	5,415,657
Dedicated Reserve Funds		2,144,843			3,144,843		3,144,843	5,144,843

THREE LAKES WATER AND SANITATION DISTRICT
2023 PROPOSED BUDGET

GOVERNMENT GENERAL FUND		ACTUALS	ACTUALS	ESTIMATED	ESTIMATED YEAR END		BUDGET	PROPOSED
		2021	THRU SEPT	OCT - DEC 22	2022	Budget Balance	2022	2023
BEGINNING FUND BALANCE		615,865			577,788		582,276	534,466
Revenue								
4110 · AD-VALOREM TAX - ADMINISTRATION		246,739	251,754	4,153	255,907	3,800	259,707	258,223
Other Taxes & Interest Earned		21,472	19,983	6,004	25,987	15,513	41,500	41,500
Total Revenue		268,211	271,737	10,157	281,894	19,313	301,207	299,723
ADMINISTRATIVE OPERATING EXPENSES								
5030b·CNTY TREASURER FEES-MILL LEVY-ADMIN		12,326	17,507	230	17,737	(5,937)	11,800	17,800
PAYROLL EXPENSES - ADMIN		290,314	230,606	71,771	302,378	(6,386)	295,992	325,796
5018 · CAR ALLOWANCE / MILEAGE - ADMIN		1,210	694	200	894	106	1,000	1,000
5042 · ELECTION EXPENSE		0	29	0	29	2,971	3,000	3,000
5055 · MISCELLANEOUS EXPENSE		355	834	500	1,334	1,166	2,500	2,500
5057 · OFFICE SUPPLIES		2,082	1,345	1,500	2,845	155	3,000	3,000
Total Administrative Operating Expenses		306,288	251,015	74,201	325,216	(7,924)	317,292	353,096
NET (Revenue - Expenditures)		(38,077)			(43,322)		(16,085)	(53,373)
Designated Reserves		0	0	0	0	0	0	0
ENDING FUND BALANCE		577,788			534,466		566,191	481,093
Restricted Reserve Funds		10,000			10,000		10,000	10,000



INTERIM AD DRAFT

This is the proof of your ad scheduled to run in **Middle Park Times** on the dates indicated below. If changes are needed, please contact us prior to deadline at **(970) 887-3334**.

Notice ID: 4TfeRBPmc6pdfmFrAODg | **Proof Updated: Oct. 04, 2022 at 08:45am MDT**
Notice Name: 2023 Budget Notice - TLWSD

This is not an invoice. Below is an estimated price, and it is subject to change. You will receive an invoice with the final price upon invoice creation by the publisher.

FILER

Katie Nicholls
katie@threelakesws.com
(970) 627-3683

FILING FOR

Middle Park Times

Columns Wide: 1

Ad Class: Legals

10/13/2022: Other	12.65
Affidavit Fee	4.00

Subtotal	\$16.65
Tax %	0.00
Processing Fee	\$1.67
Total	\$18.32

Three Lakes Water and Sanitation District Notice of Budget (Pursuant to 29-1-106, C.R.S.)

NOTICE is hereby given that a proposed budget has been submitted to the Three Lakes Water and Sanitation District for the ensuing year of 2023; a copy of such proposed budget has been filed in the office of the Special District, where the same is available for public inspection online. Such proposed budget will be reviewed, at a regular meeting of the Board of Directors on November 14, commencing at 6:30 pm. The proposed budget will be adopted at a regular meeting of the Board of Directors on December 12, commencing at 6:30 pm.

Any interested elector of the Three Lakes Water and Sanitation District may inspect the proposed budget and file or register any objections thereto at any time prior to the final adoption of the budget.

Katie Nicholls
Budget Officer
PUBLISHED IN THE MIDDLE PARK TIMES ON THURSDAY, OCTOBER 13, 2022.