

# **THREE LAKES WATER AND SANITATION DISTRICT**

## **2026 BUDGET DOCUMENTS**



PO BOX 899  
GRAND LAKE, COLORADO 80447  
970-627-3544  
[www.threelakesws.colorado.gov](http://www.threelakesws.colorado.gov)

# THREE LAKES WATER AND SANITATION DISTRICT GRAND LAKE, COLORADO 80447

## YEAR 2026 BUDGET MESSAGE

### HISTORY OF THE DISTRICT

The District is a Colorado special district, located in the northeastern portion of Grand County, Colorado, immediately west of the Front Range of the Rocky Mountains. The area is within a two and one-half hour drive from Denver.

The “three lakes” (Grand Lake, Shadow Mountain and Granby) situated in the mountain-bordered basin of the north fork of the Colorado River are the major attractions of the area. Grand Lake is a natural lake formed by glacial activity, while the other two lakes were created by the Colorado Big Thompson water diversion project built by the U.S. Bureau of Reclamation in the late 1940's. The northeast border of the Three Lakes region is formed by Rocky Mountain National Park. The area immediately surrounding the Three Lakes is designated the Shadow Mountain National Recreational Area, which is managed for recreational purposes by the National Park Service. The actual boundaries of the District contain 59.25 square miles more or less, including water surface areas.

Recognizing the tremendous value of this area to the State of Colorado and the nation, and further recognizing the appeal of the area to vacationers, recreationists, developers of tourist facilities, and builders of seasonal homes, the General Assembly of the State of Colorado, in 1971, passed Senate Bill No. 317, the "Three Lakes Water and Sanitation District Act". In May 1977 Article 10 was amended to subject the District to the provisions of the "Special District Act", Article 1, in order to simplify the governance of the District.

The District's Master Plan was approved by the Grand County Board of County Commissioners on March 5, 1973 to design, build, operate, and maintain a regional system consisting of sewage collection, transmission and treatment.

In 1982, the District completed construction of a 1.3 MGD lagoon treatment system through a grant obtained from the United States Environmental Protection Agency, as well as its own funds. Added to this system were the sanitation systems acquired from Grand Lake Water and Sanitation District and Columbine Lake Water and Sanitation District, which would continue to service those areas respectively.

Facing more stringent discharge limits and the lagoon treatment system approaching its design capacity, in May 2000 voters within the District approved a debt increase of \$6.5 million for the purpose of building a new wastewater treatment plant. On January 2, 2001 the Grand County Board of County Commissioners approved an Amended 1041 Permit, for a 2.0 MGD sequencing batch reactor (SBR) activated sludge wastewater treatment plant. The new plant began operation

in March 2003. The final payment on the bond issued was paid in 2019.

The District presently has approximately 115 lift stations it maintains, including three major “regional” lift stations. In 2007-2008, one of three of the original Regional Lift Stations, the Grand Lake Lift Station, was replaced at just over a million dollars in cost. All of this cost was paid with District monies.

In 2014, the Colorado Water Resources and Power Development Authority authorized a \$2,000,000 loan and, together with a grant of \$1,000,000 from the Energy and Mineral Impact Assistance Program, the District was able to renovate the two remaining Regional Lift Stations, Shadow Mountain Lift Station and Stillwater Lift Station - a major benefit to the overall health and safety of the employees and residents as well as visitors of the District.

In 2018, the District completed the replacement of two development Lift Stations at a cost of over \$1,450,000.00.

In 2019, the District began construction on a tertiary treatment facility to treat for potentially dissolved copper based on new effluent permit limits that went into effect in 2020 as established by the Colorado Department of Public Health & Environment. The Colorado Water Resources and Power Development Authority authorized a \$3,000,000 revenue bond. Due to the COVID-19 pandemic and the East Troublesome Fire, the project completion did not occur until 2021.

In 2020, the District was impacted by the East Troublesome Fire. An estimated 366 homes were destroyed many within the District’s boundaries. Additionally, the District incurred some damage and loss from the fire.

In 2023, the District received \$250,000 of grant funds from the Windy Gap Environmental Fund to do preliminary engineering and establish a monitoring system related to the Septic-to-Sewer Conversion Project. The project was established to complete the District’s sanitation system, providing service to areas not serviced, and retire aging septic systems to promote water quality within the area and beyond. Federal funding is being pursued in order to mitigate costs associated with the project. Senator Bennet and Senator Hickenlooper choose the project for a Congressionally Directed Spending Grant, which the Interior Appropriations Subcommittee approved for 2024 in the amount of \$1,000,000. The money is to be used for the first line extension associated with the project.

In 2024, the District received \$1,000,000 of earmark grant funds through the Consolidated Appropriations Act of 2024. The funds will be used to complete the initial phase of the Septic to Sewer Conversion project.

### **SERVICES OF THE DISTRICT**

The Three Lakes Water and Sanitation District furnishes a sanitary sewer service to its customers within the boundaries of the District. The District is presently servicing approximately 4,500 taps. The District does not provide a water service, although it has entered into an intergovernmental

agreement with the following entities for operation, maintenance, and administration of their water facilities: Columbine Lake Water District, North Shore Water District, and Grand Lake Metropolitan Recreation District.

### **IMPORTANT FEATURES OF THE BUDGET**

In 2017, the District contracted to have an asset management plan conducted. This plan identified over 30 million dollars' worth of lift station and collection system improvements necessary over the next 30 years. In an effort reduce larger budget impacts in the future the District continues to proactively address the rehabilitation of the system over the years by budgeting rehabilitations of several lift stations every year.

Necessary rehabilitation work on the aging infrastructure, state mandated improvements to meet new effluent limits, inflation, and decreasing residential property tax assessment rates are driving the continued user rate increases.

### **BUDGETARY BASIS OF ACCOUNTING**

Enterprise fund accounting is utilized in accordance with generally accepted accounting principles for water and sanitation districts. The enterprise funds account for operations that are financed and operated in a manner in which the intent of the District is that the cost of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. Accordingly, the accrual basis of accounting is utilized.

# THREE LAKES WATER AND SANITATION DISTRICT

## RESOLUTION NO. 2025-12-1

### RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors (“Board”) of Three Lakes Water and Sanitation District (“District”) has appointed a budget officer to prepare and submit a proposed 2026 budget to the Board at the proper time; and

WHEREAS, such budget officer has submitted the proposed budget to the Board on or before October 15, 2025 for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 10, 2025 and a final hearing on December 9, 2025, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“TABOR”) and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Three Lakes Water and Sanitation District:

1. That estimated expenditures for each fund are as follows:

Government General Fund:

Current Operating Expenses	\$368,011
Unappropriated Funds	\$408,124
<b>Government Gen. Fund Expenditures Total</b>	<b>\$776,139</b>

Enterprise Fund:

Current Operating Expenses	\$2,354,564
Capital Outlay	\$2,832,443
Debt Service	\$ 268,040
Transfer to Government General Fund	\$ 59,751
Contingency	\$ 500,000
Unappropriated Funds	\$ 662,294
<b>Enterprise Fund Expenditures Total</b>	<b>\$6,677,092</b>

*Expenditures Total* **\$7,453,231**

2. That estimated revenues are as follows:

Government General Fund:

From unappropriated surpluses	\$408,128
From general property tax	<u>\$368,011</u>
<b>Government Gen. Fund Revenue Total</b>	<b>\$776,139</b>

Enterprise Fund:

From unappropriated surpluses	\$ 783,895
From sources other than general property tax	<u>\$5,893,197</u>
<b>Enterprise Fund Revenue Total</b>	<b>\$6,677,092</b>

<b><i>Revenue Total</i></b>	<b><i>\$7,453,231</i></b>
-----------------------------	---------------------------

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of Three Lakes Water and Sanitation District for the 2026 fiscal year. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section shall be deemed ratified by the Board.

4. That the budget, as hereby approved and adopted, subject to any adjustments due to final assessed valuation, shall be certified by the Treasurer and/or Chairman of the District to all appropriate agencies and is made a part of the public records of the District.

## **TO SET MILL LEVIES**

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is \$290,360; and

WHEREAS, the preliminary 2025 valuation for assessment of the District, as certified by the County Assessor, is \$313,225,380.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Three Lakes Water and Sanitation District:

1. That for the purpose of meeting all general operating expenses of the District during the 2026 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 0.927 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$290,360.

2. That the Treasurer and/or Chairman of the District is hereby authorized and directed to immediately certify to the County Commissioners of Grand County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

## TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Three Lakes Water and Sanitation District has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and


WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Lakes Water and Sanitation District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

Government General Fund:	\$ 368,011
Enterprise Fund:	\$6,014,798
<b>Total</b>	<b>\$5,582,243</b>

Adopted this 9th day of December, 2025.

THREE LAKES WATER AND SANITATION  
DISTRICT

By:   
Scott Huff (Dec 10, 2025 09:56:59 MST)  
\_\_\_\_\_  
Scott Huff, Chairman

Attest:

  
\_\_\_\_\_  
Jeannie Wilkinson, Secretary/Treasurer











# Budget Resolution Form (3-02).DOTX

Final Audit Report

2025-12-10

Created:	2025-12-10
By:	Katie Nicholls (katie@threelakesws.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAuPL2xhFfO7-TE3v5WA5--l4YCYTsOt9g

## "Budget Resolution Form (3-02).DOTX" History

-  Document created by Katie Nicholls (katie@threelakesws.com)  
2025-12-10 - 2:57:18 PM GMT
-  Document emailed to Scott Huff (scott@threelakesws.com) for signature  
2025-12-10 - 2:57:22 PM GMT
-  Document emailed to Jeannie Wilkinson (jeannie@threelakesws.com) for signature  
2025-12-10 - 2:57:22 PM GMT
-  Email viewed by Jeannie Wilkinson (jeannie@threelakesws.com)  
2025-12-10 - 3:49:30 PM GMT
-  Document e-signed by Jeannie Wilkinson (jeannie@threelakesws.com)  
Signature Date: 2025-12-10 - 3:50:28 PM GMT - Time Source: server
-  Email viewed by Scott Huff (scott@threelakesws.com)  
2025-12-10 - 4:51:04 PM GMT
-  Document e-signed by Scott Huff (scott@threelakesws.com)  
Signature Date: 2025-12-10 - 4:56:59 PM GMT - Time Source: server
-  Agreement completed.  
2025-12-10 - 4:56:59 PM GMT

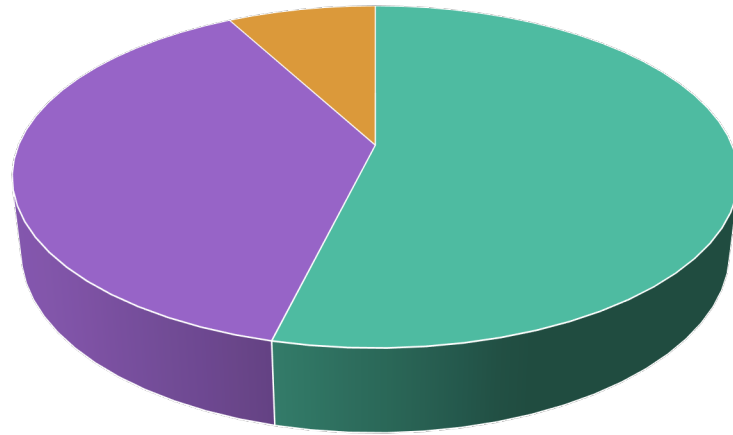


Adobe Acrobat Sign

**THREE LAKES WATER AND SANITATION DISTRICT  
APPROVED 2026 BUDGET GOVERNMENT GENERAL FUND**

	ACTUALS 2024	ESTIMATED 2025	APPROVED 2026
<b>BEGINNING FUND BALANCE</b>	<b>\$476,646</b>	<b>\$434,664</b>	<b>\$408,128</b>
<b>Revenue</b>			
4110 · AD-VALOREM TAX - ADMINISTRATION	\$291,235	\$285,657	\$290,360
Other Taxes & Interest Earned	\$14,331	\$22,687	\$17,900
Transfer from Enterprise Fund	\$0	\$0	\$59,751
<b>Total Revenue</b>	<b>\$305,566</b>	<b>\$308,344</b>	<b>\$368,011</b>
<b>ADMINISTRATIVE OPERATING EXPENSES</b>			
5030b·CNTY TREASURER FEES-MILL LEVY-ADMIN	\$14,606	\$13,644	\$14,000
PAYROLL EXPENSES - ADMIN	\$331,436	\$312,641	\$336,476
5018 · CAR ALLOWANCE / MILEAGE - ADMIN	\$956	\$698	\$1,000
5042 · ELECTION EXPENSE	\$0	\$3,557	\$10,535
5055 · MISCELLANEOUS EXPENSE	\$0	\$3,000	\$3,000
5057 · OFFICE SUPPLIES	\$550	\$1,340	\$3,000
<b>Total Administrative Operating Expenses</b>	<b>\$347,548</b>	<b>\$334,880</b>	<b>\$368,011</b>
<b>ENDING FUND BALANCE</b>	<b>\$434,664</b>	<b>\$408,128</b>	<b>\$408,128</b>
<b>Restricted Reserve Funds</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>

### Government General Fund Revenue

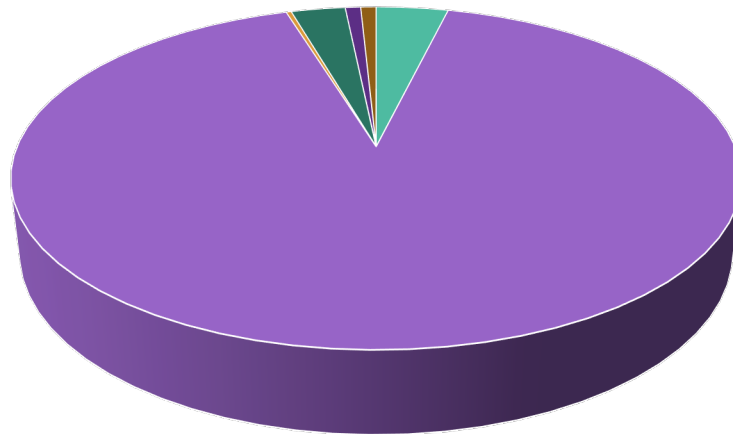


■ BEGINNING FUND BALANCE

■ AD- VALOREM TAX

■ OTHER TAXES

### Government General Fund Expenditures



■ CNTY TREASURER FEES

■ PAYROLL

■ MILEAGE

■ ELECTION

■ MISC

■ OFFICE SUPPLIES

## GOVERNMENT GENERAL FUND – REVIEW OF LINE ITEMS

### REVENUES:

**Ad-Valorem Tax** – Administration: Tax monies used for administration of the District

**Other Taxes and Interest Earned:** Specific Ownership Tax, Delinquent Tax, and Delinquent Interest Monies collected by the Grand County Treasurer and disbursed to taxing entities

### OPERATING EXPENSES:

**County Treasurer Fees:** Fees charged by the County Treasurer to each taxing entity for services provided to collect and disburse tax monies – the fee is 5% of that collected.

**Payroll:** Based on normal 40-hour workweek for office manager and salaried District Manager, plus minimal overtime for hourly wages. Includes taxes, disability insurance, ICMA 401 Money Purchase Retirement Plan, Social Security replacement ICMA 401 Money Purchase Plan, health insurance and dental insurance.

**Car Allowance:** Mileage reimbursement for use of personal vehicle at the IRS rate.

**Election:** The next regular election is May 4, 2027. Special elections can occur at any time as allowable by Colorado State Statute.

**Miscellaneous:** Any expenses not expected, not budgeted.

**Office Supplies:** General office items.

**THREE LAKES WATER AND SANITATION DISTRICT  
APPROVED 2026 BUDGET ENTERPRISE FUND**

**BEGINNING FUND BALANCE**

**ACTUALS  
2024**

**ESTIMATED  
2025**

**APPROVED  
2026**

**\$6,389,900**

**\$7,700,782**

**\$8,450,339**

***Operating Revenue***

IGA-INTERGOVERNMENTAL AGREEMENTS

4005 · SEWER USER FEES & PENALTIES

4030 · LAB REVENUE

4900 · MISCELLANEOUS REVENUE

**Total Operating Revenue**

\$119,733

\$2,381,856

\$40,410

\$1,061

**\$2,543,060**

\$125,954

\$2,515,287

\$16,570

\$9,836

**\$2,667,647**

\$137,148

\$2,574,881

\$24,000

\$10,500

**\$2,746,529**

***Non-Operating Revenue***

4010 · CONNECTION / INSPECTION PERMITS

4005A · PROPERTY TRANSFER & PLAN REVIEW FEES

4200 · SEWER TAP FEES

4201 · VALVES

4300 · INTEREST EARNED

**Total Non-Operating Revenue**

\$800

\$3,805

\$514,031

\$3,098

\$381,067

**\$902,801**

\$500

\$1,775

\$270,968

\$3,775

\$356,951

**\$633,969**

\$600

\$6,250

\$210,000

\$3,375

\$344,000

**\$564,225**

***Grants***

TBD · Congressionally Directed Spending

TBD · SRF Loan - Heat Trace Replacement

\$0

\$0

\$1,000,000

\$1,582,443

**TOTAL REVENUE**

**\$3,445,861**

**\$3,301,616**

**\$5,893,197**

***ADMINISTRATIVE EXPENSES***

BOARD OF DIRECTOR FEES/EXPENSES

OFFICE EXPENSES

5047 · INSURANCE EXPENSE

5064 · RATE STUDY CONSULTING FEE

5065 · AUDIT & CONSULTING

5023 · ACCOUNTANT SERVICES

5067 · LEGAL SERVICE & CONSULTING

PUBLIC RELATIONS & CONSULTING

5202 · WATER RIGHTS

**Total Administrative Expenses**

\$10,662

\$173,549

\$68,338

\$0

\$13,125

\$7,700

\$89,247

\$0

\$2,347

**\$364,968**

\$11,168

\$117,413

\$73,952

\$0

\$13,750

\$8,000

\$62,515

\$70,683

\$2,000

**\$359,481**

\$18,404

\$68,708

\$81,347

\$12,880

\$14,438

\$8,475

\$100,000

\$139,750

\$2,000

**\$446,002**

***OPERATIONS EXPENSES***

PAYROLL EXPENSES - OPERATIONS

TREATMENT PLANT EXPENSES

OFFICE/SHOP EXPENSES

\$624,166

\$379,166

\$34,732

\$705,147

\$344,122

\$41,615

\$764,839

\$401,850

\$44,683

**THREE LAKES WATER AND SANITATION DISTRICT  
APPROVED 2026 BUDGET ENTERPRISE FUND**

**OPERATIONS EXPENSES - Continued**

5138 · ENGINEERING - GENERAL  
ENGINEERING - TOWN OF GL WW PROJECT  
FIELD EXPENSES  
5152 · MISCELLANEOUS EXPENSE  
5162 · SCADA SOFTWARE/EQUIPMENT LEASE  
5190 · SYSTEM REPAIR & MAINTENANCE  
5200 · VALVES

**Total Operations Expenses**

**OPERATING EXPENSES**

5148 · LAB - DRINKING WATER  
5149 · PLANT - LAB  
5185 · PLANT - SLUDGE HAULING

**Total Operating Expenses**

**TOTAL EXPENSES**

**Capital Outlay**

Vehicle Purchase  
System Improvements  
Main Line Interceptor Inspection  
6450 · Septic-to-Sewer Conversion Project  
TBD · Heat Trace Replacement Project

**Total Capital Outlay**

**TOTAL EXPENDITURES**

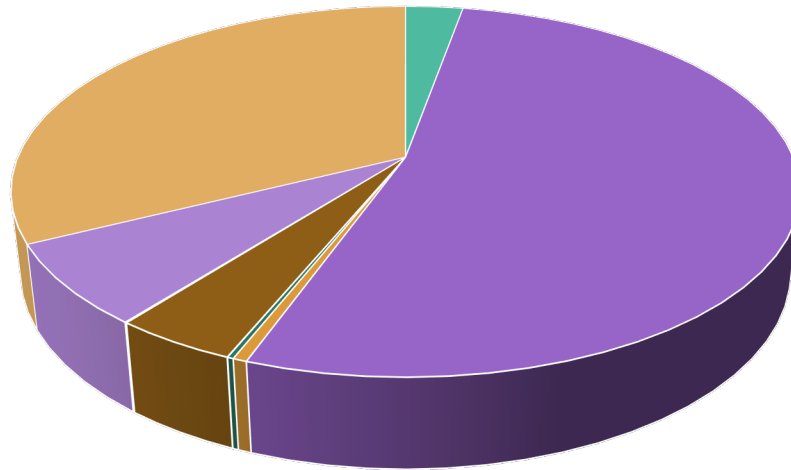
DOLA Loan Payment  
CWR&PDA Copper Loan Payment  
Contingency  
Transfer to Government General Fund  
Designated Reserves

**ENDING FUND BALANCE**

**Total Designated Reserves Balance**

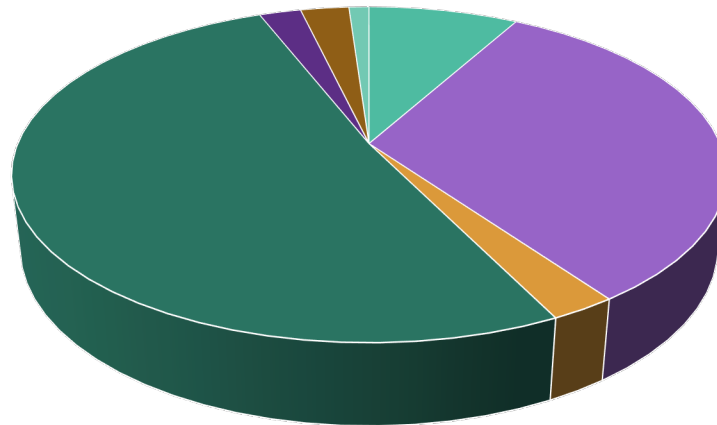
ACTUALS 2024	ESTIMATED 2025	APPROVED 2026
\$30,952	\$1,274	\$40,000
\$0	\$113,521	\$222,990
\$112,985	\$105,031	\$141,500
\$0	\$0	\$1,000
\$33,247	\$21,659	\$25,000
\$91,436	\$77,414	\$120,000
\$642	\$8,261	\$6,000
<b>\$1,307,326</b>	<b>\$1,418,045</b>	<b>\$1,767,862</b>
\$11,789	\$13,799	\$14,000
\$29,224	\$34,792	\$60,700
\$47,450	\$60,183	\$66,000
<b>\$88,463</b>	<b>\$108,774</b>	<b>\$140,700</b>
<b>\$1,760,757</b>	<b>\$1,886,300</b>	<b>\$2,354,564</b>
\$0	\$109,790	\$0
\$106,182	\$166,929	\$250,000
\$0	\$121,000	\$0
\$0	\$0	\$1,000,000
\$0	\$0	\$1,582,443
<b>\$106,182</b>	<b>\$397,719</b>	<b>\$2,832,443</b>
<b>\$1,866,939</b>	<b>\$2,284,019</b>	<b>\$5,187,007</b>
\$123,942	\$123,942	\$123,942
\$144,098	\$144,098	\$144,098
\$0	\$0	\$59,751
\$0	\$0	\$500,000
\$800,000	\$800,000	\$800,000
<b>\$7,700,782</b>	<b>\$8,450,339</b>	<b>\$8,828,738</b>
<b>\$5,944,843</b>	<b>\$6,744,843</b>	<b>\$7,544,843</b>

## Enterprise Fund Revenue



IGAS USER FEES LAB MISC PERMITS TAP FEES VALVES INTEREST GRANTS

## Enterprise Fund Expenditures



ADMINISTRATIVE OPERATIONS OPERATING CAPITAL OUTLAY

## ENTERPRISE GENERAL FUND – REVIEW OF LINE ITEMS

### REVENUES

**Intergovernmental Agreements:** The District provides operation and administration services to Columbine Lake Water District, and North Shore Water District, operation services only to Grand Lake Metropolitan Recreation District. We charge monthly fees for this service. Site monitoring via our telemetry system, is also charged to these entities dependent on the number of sites we monitor.

**User Charges and Interest:** Fees charged to customers for providing service. Fees are charged quarterly. The District presently charges \$141.75 per quarter per single family equivalent (sfe).

**Lab Revenue:** The District is “state certified” in the lab to perform microbiology analysis for total coliforms. We provide this service to the public and charge \$50.00 per test.

**Miscellaneous Revenue:** Any unanticipated revenues – Mountain Parks Electric dividends are included here.

**Connection Permits:** Permits authorize a tap connection to the District’s sewer main, which District personnel inspect. The fee for each permit is \$50.00.

**Sewer Tap Fees:** Tap fees are \$10,500 per sfe.

**Valves:** All new connections to the system requires installation of a backflow preventer valve. The District sells these at cost to owners.

**Interest Earned:** Interest received on investments.

**Grants:** The Septic-to-Sewer Conversion Program has been included in Congressionally Directed Spending by the Senate Appropriations Committee for it’s Interior Subcommittee spending bill for 2024 in the amount of \$1,000,000.

**SRF Loan – Heat Tape Replacement Project:** A state revolving fund loan in the amount of \$1,582,443 through the Colorado Department of Public Health is being pursued to pay for the Heat Tape Replacement Project.

### OVERHEAD EXPENSES - ADMINISTRATIVE

**Board of Director Fees/Expenses:** includes board attendance fees, annual board appreciation dinner, annual SDA conference expenses, and any other director fees incurred while doing business on behalf of the District.

**Office Expenses:** includes bank service charges, training and seminars, cleaning supplies, equipment/maintenance agreements, postage and box rent, IT and equipment, printing and



publications, recording fees, janitorial work, trash removal, building utilities, and building maintenance.

**Insurance:** Property & liability, auto and workmen's compensation insurance thru the Special District Association Insurance Pool.

**Auditor Services:** McMahan and Associates will provide audit services for the year.

**Accountant Services:** The District Day & Associates, PC to assist the bookkeeper to close out the accounting records for the year to prepare for audit, as well as provide monthly assistance for higher level accounting needs.

**Legal Services:** Attorney fees for general and water legal counsel.

**Rate Study Consulting Fee:** An updated rate study has been contracted for completion in 2026.

**Water Rights:** Yearly administration fees - Middle Park Water Conservancy District.

#### **OVERHEAD EXPENSES - OPERATING**

**Payroll:** Payroll for licensed operators and labor positions in the operations department. Includes taxes, disability insurance, ICMA 401 money purchase retirement plan, social security replacement ICMA 401 money purchase plan, health insurance and dental insurance.

**Treatment Plant:** Includes plant repair and maintenance, chemicals and utilities.

**Office/Shop:** Includes cell phone charges, training and dues, office supplies, IT and equipment, permits & licenses, shop supplies, tools, uniform expenses, and garage utilities.

**Engineering - General:** Engineering that will be required on smaller projects not budgeted individually.

**Engineering – Town of Grand Lake Wastewater Project:** Engineering for the Town of Grand Lake Heat Tape Replacement Project.

**Field Expenses:** Includes equipment repair and maintenance, fuel, locates, truck repair and maintenance, and lift station utilities.

**Miscellaneous:** Unanticipated expenditures.

**SCADA Software & Equipment Lease:** The District leases special equipment for monitoring its lift stations from Browns Hill Engineering

**System Repair and Maintenance:** The District plans annual improvement projects to replace the aging system.

**Valves:** Purchase of disconnect/reconnect/backflow preventer valves. Revenue from the sale of the valves to the public, shall offset this line item.

### **OPERATING EXPENSES- OTHER**

**Treatment Plant – Sludge Hauling:** The District contracts for hauling of waste from plant.

**Lab – Drinking Water:** Expenses and supplies associated with lab work at administrative office. Includes state required certification testing of products we use via kits we purchase; microbiology certification cees; certification tests using special lab bottles purchased; thermometer certification/calibration. We charge fees for lab testing that offsets some of our expenses.

**Treatment Plant - Lab:** Quarterly wet testing, annual quality control testing at the lab, supplies, and general maintenance. Calibration of equipment.

### **CAPITAL OUTLAY**

**System Improvements:** No specific projects are planned, but small lift station replacement projects costing \$5,000 or more will be posted to this line item.

**DOLA Loan Payment:** This payment is principal and interest for a loan obtained through the Colorado Water Resources and Power Development Authority program for the lift stations project completed in 2018.

**CWR&PDA Copper Loan Payment:** This is principal and interest for a loan obtained through the Colorado Water Resources and Power Development Authority program for the sand filtration system added to the treatment plant to meet new compliance limits set by the state for potentially dissolved copper.

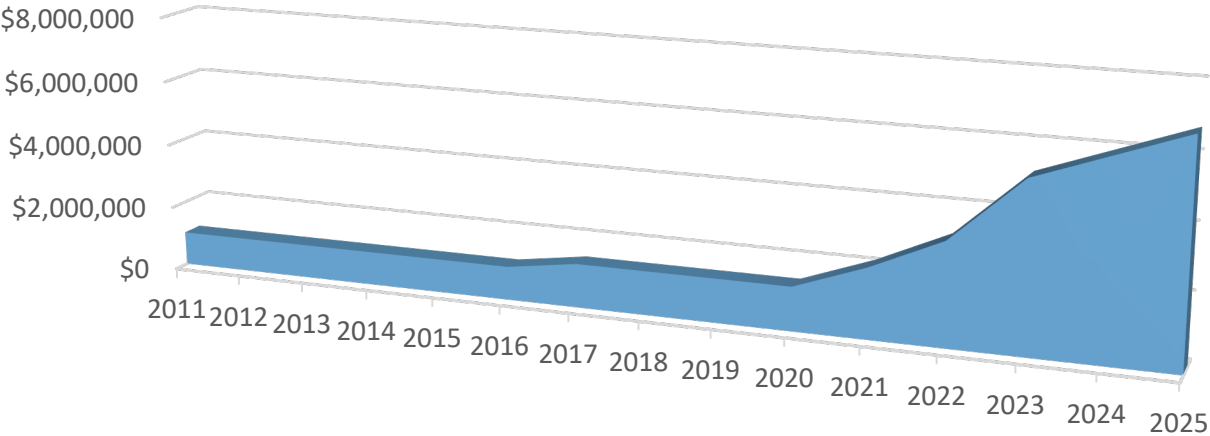
**Septic-to-Sewer Conversion Project:** Congressionally Directed Spending, allotted \$1,000,000 for the kickoff of the completion of the District sewer system and retirement of septic systems located within the District boundaries.

**Heat Trace Replacement Project:** A project to replace failing heat tape with in-pipe heat tape to prevent freezing issues occurring around the north and south banks of grand lake.

**Contingency:** Unexpected expenditures.

**Transfer to Government General Fund:** Due to reduced tax funds a transfer must be made to ensure expenses can be paid.

Designated Reserve Funds - Enterprise Fund



**THREE LAKES WATER AND SANITATION DISTRICT  
FINANCIAL OBLIGATIONS**

***REVENUE BOND - LIFT STATIONS PROJECT***

Colorado Water Resources & Power Development Authority	<table><tr><td>Principal Balance 12/31/2025</td><td>Payments Due in 2026</td><td>Principal Balance 12/31/2026</td><td>Payments Due in 2027</td><td>Principal Balance 12/31/2027</td></tr></table>					Principal Balance 12/31/2025	Payments Due in 2026	Principal Balance 12/31/2026	Payments Due in 2027	Principal Balance 12/31/2027
	Principal Balance 12/31/2025	Payments Due in 2026	Principal Balance 12/31/2026	Payments Due in 2027	Principal Balance 12/31/2027					
	<table><tr><td>\$1,067,516</td><td>\$123,943</td><td>\$964,411</td><td>\$123,943</td><td>\$859,234</td></tr></table>					\$1,067,516	\$123,943	\$964,411	\$123,943	\$859,234
\$1,067,516	\$123,943	\$964,411	\$123,943	\$859,234						
Payments include interest - Final Payment: 05/01/2035										

***REVENUE BOND - COPPER REMOVAL PROJECT***

Colorado Water Resources & Power Development Authority	<table><tr><td>Principal Balance 12/31/2025</td><td>Payments Due in 2026</td><td>Principal Balance 12/31/2026</td><td>Payments Due in 2027</td><td>Principal Balance 12/31/2027</td></tr></table>					Principal Balance 12/31/2025	Payments Due in 2026	Principal Balance 12/31/2026	Payments Due in 2027	Principal Balance 12/31/2027
	Principal Balance 12/31/2025	Payments Due in 2026	Principal Balance 12/31/2026	Payments Due in 2027	Principal Balance 12/31/2027					
	<table><tr><td>\$2,588,825</td><td>\$144,098</td><td>\$2,508,951</td><td>\$144,098</td><td>\$2,424,069</td></tr></table>					\$2,588,825	\$144,098	\$2,508,951	\$144,098	\$2,424,069
\$2,588,825	\$144,098	\$2,508,951	\$144,098	\$2,424,069						
Payments include interest - Final Payment: 11/01/2049										

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**TO: County Commissioners<sup>1</sup> of \_\_\_\_\_ Grand County \_\_\_\_\_, Colorado.

On behalf of the \_\_\_\_\_ Three Lakes Water and Sanitation District \_\_\_\_\_,  
 (taxing entity)<sup>A</sup>  
 the \_\_\_\_\_ Board of Directors \_\_\_\_\_  
 (governing body)<sup>B</sup>  
 of the \_\_\_\_\_ Three Lakes Water and Sanitation District \_\_\_\_\_  
 (local government)<sup>C</sup>

Hereby officially certifies the following mills  
 to be levied against the taxing entity's GROSS \$ 313,225,380  
 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: If the assessor certified a NET assessed valuation  
 (AV) different than the GROSS AV due to a Tax  
 Increment Financing (TIF) Area<sup>F</sup> the tax levies must be \$ 313,225,380  
 calculated using the NET AV. The taxing entity's total  
 property tax revenue will be derived from the mill levy  
 multiplied against the NET assessed valuation of: (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED  
 BY ASSESSOR NO LATER THAN DECEMBER 10**

Submitted: \_\_\_\_\_ for budget/fiscal year 2026  
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

**PURPOSE** (see end notes for definitions and examples)**LEVY<sup>2</sup>****REVENUE<sup>2</sup>**

1. General Operating Expenses <sup>H</sup>	0.927 mills	\$ 290,360
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<input type="text"/> mills	\$ <input type="text"/>
3. General Obligation Bonds and Interest <sup>J</sup>	_____ mills	\$ _____
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____

**TOTAL:** [ Sum of General Operating  
Subtotal and Lines 3 to 7 ]

0.927

mills

\$

290,360

Contact person:  
(print)

Katie Nicholls

Daytime

phone: ( )

970-627-3544

Signed:

a751a056-6f46-4fdd-  
ae8f-4090259df57dDigitally signed by a751a056-6f46-4fdd-  
ae8f-4090259df57d  
Date: 2025.12.10 11:04:06 -07'00'

Title:

District Manager

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the  
 Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

<sup>1</sup> If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

## CERTIFICATION OF TAX LEVIES, continued

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

1.      Purpose of Issue: \_\_\_\_\_  
          Series: \_\_\_\_\_  
          Date of Issue: \_\_\_\_\_  
          Coupon Rate: \_\_\_\_\_  
          Maturity Date: \_\_\_\_\_  
          Levy: \_\_\_\_\_  
          Revenue: \_\_\_\_\_
  
2.      Purpose of Issue: \_\_\_\_\_  
          Series: \_\_\_\_\_  
          Date of Issue: \_\_\_\_\_  
          Coupon Rate: \_\_\_\_\_  
          Maturity Date: \_\_\_\_\_  
          Levy: \_\_\_\_\_  
          Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

3.      Purpose of Contract: \_\_\_\_\_  
          Title: \_\_\_\_\_  
          Date: \_\_\_\_\_  
          Principal Amount: \_\_\_\_\_  
          Maturity Date: \_\_\_\_\_  
          Levy: \_\_\_\_\_  
          Revenue: \_\_\_\_\_
  
4.      Purpose of Contract: \_\_\_\_\_  
          Title: \_\_\_\_\_  
          Date: \_\_\_\_\_  
          Principal Amount: \_\_\_\_\_  
          Maturity Date: \_\_\_\_\_  
          Levy: \_\_\_\_\_  
          Revenue: \_\_\_\_\_

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Notes:

<sup>A</sup> **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government<sup>C</sup>.

<sup>B</sup> **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

<sup>C</sup> **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

<sup>D</sup> **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* *Gross Assessed Value* found on Line 2 of Form DLG 57.

<sup>E</sup> **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25<sup>th</sup> each year and may amend it, one time, prior to December 10<sup>th</sup>. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

<sup>F</sup> **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

<sup>G</sup> **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

---

<sup>H</sup> **General Operating Expenses (DLG 70 Page 1 Line 1)**—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

<sup>I</sup> **Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)**—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

<sup>J</sup> **General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)**—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

<sup>K</sup> **Contractual Obligation (DLG 70 Page 1 Line 4)**—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

<sup>L</sup> **Capital Expenditures (DLG 70 Page 1 Line 5)**—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

<sup>M</sup> **Refunds/Abatements (DLG 70 Page 1 Line 6)**—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

<sup>N</sup> **Other (DLG 70 Page 1 Line 7)**—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.