



AGENDA

REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS

HELD at 1111 COUNTY ROAD 48 and REMOTELY*
THREE LAKES WATER AND SANITATION DISTRICT
TUESDAY, JUNE 10, 2025 – 6:30 PM

****Join the meeting from your computer, tablet or smartphone at
<https://global.gotomeeting.com/join/644196661>
or dial in using your phone at 1 (877) 568-4106 Access Code: 644-196-661***

1. Call to Order: Vice Chairman Golden
2. Comments by the Vice Chairman
3. Introductions of Public Present
4. Acceptance of Minutes
 - a. May 20, 2025 Meeting Minutes
5. Matters Before the Board
 - a. Elections of Officers: Chairman, Vice Chairman, and Secretary/Treasurer
 - b. Resolution 2025-6-1; a resolution amending the rules and regulations of the District
 - c. Consideration of establishing a paperless incentive starting in 2026
6. Public Comment

This time is reserved for members of the public to make a presentation to the Board on items or issues that are not scheduled on the agenda. Each member will be given three minutes time. The Board will not discuss/debate those items, nor will the Board make any decisions on items presented during this time. Rather, the Board will refer the items to staff for follow-up.
7. Financial Reports:
 - a. Motion for approval of Check List for the month of May 2025
 - b. Acceptance of Financial Statements for the month of May 2025
8. Matters for Discussion as Brought Forth by Board Members
9. Superintendent Report
10. District Manager Reports
 - a. Strategic Planning Meeting – Board member availability



RECORD OF PROCEEDINGS

REGULAR MEETING OF THE BOARD OF DIRECTORS THREE LAKES WATER AND SANITATION DISTRICT TUESDAY, MAY 20, 2025 6:30 PM

1. **CALL TO ORDER**

A regular meeting of the Board of Directors was called to order by Secretary/Treasurer Huff, at 6:31 p.m. The meeting was held remotely.

Directors Present: Scott Huff – Secretary/Treasurer
Mark Gibson – Director
Jeannie Wilkinson – Director
Scott Walter - Director

Staff Present: Katie Nicholls – District Manager
Mike Gibboni – Superintendent

By **MOTION**, second, and unanimous vote the Board excused Vice Chairman Mike Golden from the meeting.

2. **COMMENTS BY THE SECRETARY/TREASURER**

Secretary/Treasurer Huff stated that he would like the Board to postpone the election of officers until the next meeting, to be held in person, due to the absence of Vice Chairman Golden.

3. **INTRODUCTIONS OF PUBLIC PRESENT**

Sherry Leshar and Sean Walsh with Sean Walsh Consulting.

4. **ACCEPTANCE OF MINUTES**

By **MOTION**, second, and unanimous vote the April 8, 2025, Meeting Minutes were approved as presented.

5. **MATTERS BEFORE THE BOARD**

a. **Elections of Officers: Chairman, Vice Chairman, and Secretary/Treasurer**

By consensus of the Board the item was tabled until the next meeting.

b. **Consideration of Client Work Authorization Agreement to be added to the Client Master Services Agreement with Anchor QEA for general engineering services**

District Manager Nicholls stated that the Client Master Services Agreement revolves around the Septic-to-Sewer Conversion Program project, and other projects are individually added on to the agreement, but occasionally there are smaller items that need engineering

assistance to include SRF loan application needs. The new agreement will allow these items to be addressed. By **MOTION**, second, and unanimous vote the Board approved the Client Work Authorization Agreement to be added to the Client Master Services Agreement with Anchor QEA for general engineering services.

c. **Consideration of engagement of services with GPRS for videoing and jetting of interceptor line**

District Manager Nicholls noted that contractors for the service are limited and GPRS was the contractor able to meet the District's needs. They provided the initial estimate used for budgeting purposes and provided an updated bid that day reducing the costs. A discussion ensued regarding the company, timing, traffic interruptions, and overall scope of work. By **MOTION**, second, and unanimous vote the Board approved the engagement of services with GPRS for videoing and jetting of interceptor line.

6. **PUBLIC COMMENT**

None.

7. **FINANCIAL REPORTS**

By **MOTION**, second, and unanimous vote the checklist for the month of April 2025 was approved. The financial documents for April were reviewed and accepted as presented.

8. **MATTERS OF DISCUSSION AS BROUGHT FORTH BY BOARD MEMBERS**

None.

9. **SUPERINTENDENT REPORT**

Superintendent Gibboni presented the Superintendent report. A question was raised if there was going to be any quantifiable positive impacts to flow from the interceptor inspection and cleaning. Superintendent Gibboni stated he would see what he can determine after it is complete.

10. **DISTRICT MANAGER REPORT**

District Manager Nicholls presented the District Manager report. She inquired if the Board would consider a paperless incentive to reduce district costs, the board stated their interest. She noted that the server in the office needs to be replaced unexpectedly, but noted that the process is in the works. She concluded by stating that the PR firm has requested head shots of the board members and the strategic planning meeting needs to be scheduled and asked that the Board start to look at their calendars.

Director Gibson stated that the new newsletter was well done and noted that the interceptor line inspection came out of the last strategic planning meeting and hopes that this years will bring other important items to light.

With no further business before the Board, the meeting was adjourned at 8:39 p.m.

**THREE LAKES WATER AND SANITATION DISTRICT
RESOLUTION 2025-6-1**

**A RESOLUTION AMENDING THE RULES AND REGULATIONS
OF THE DISTRICT**

WHEREAS, Three Lakes Water and Sanitation District (“District”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Colorado Revised Statutes; and

WHEREAS, pursuant to Section 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the “Board”) has the power to manage, control, and supervise the business and affairs of the District and all construction, installation, operation, and maintenance of the District’s improvements; and

WHEREAS, pursuant to Section 32-1-1001(1)(m), C.R.S., the Board has the power to adopt, amend, and enforce rules and regulations not in conflict with the Constitution and the laws of this State for carrying on the business, objects and affairs of the Board and of the District; and

WHEREAS, on March 8, 2010, the Board adopted Rules and Regulations of the District, as amended (the “Rules and Regulations”); and

WHEREAS, pursuant to Section 11.9 of the Rules and Regulations, the Board has the right and authority to amend the Rules and Regulations at any time to reflect those changes determined to be necessary by the Board; and

WHEREAS, the Board hereby finds and determines that amending the Rules and Regulations as set forth herein is necessary for the protection of public health and the environment and to the function and operation of the District and is beneficial to the District and its customers.

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

1. The amendments to the Rules and Regulations set forth in Exhibit A, attached hereto and incorporated herein, are hereby adopted.
2. This Resolution shall take effect and be enforced immediately upon adoption of this Resolution.
3. If any section, subsection, sentence, clause or phrase of this Resolution is held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

4. This Resolution is and shall constitute a legislative measure of the District, which may be modified only by formal resolution of the Board of Directors.

ADOPTED this 10TH day of June, 2025.

THREE LAKES WATER AND
SANITATION DISTRICT

By: _____
_____, Chairman

Attest:

Scott Huff, Secretary/Treasurer

EXHIBIT A

Amendments to the District Rules and Regulations

CHAPTER 2, DEFINITIONS

Chapter 2 is amended by adding the following new definition and renumbering the subsequent defined terms accordingly:

2.46 **SEPTIC SYSTEM** means an existing septic tank and leach field system that serves an existing building or structure.

CHAPTER 3, USE OF DISTRICT FACILITIES

Section 3.5 is amended by deleting the stricken text, as follows:

3.5 POWER TO COMPEL CONNECTION

The owner of any dwelling unit, business or other premises situated within the District where domestic or industrial wastes or wastewater are generated, stored or treated, shall be required at the owner's expense to install suitable toilet and/or wastewater facilities therein and to make application for and to connect such plumbing facilities directly or indirectly to the proper sewer main for the protection of the health, safety and welfare of the residents and visitors of the District. Such application shall, in accordance with the provisions of these Rules and Regulations, be made by the date set forth in the Compelling Connection Order~~6~~, which shall be...

Section 3.5.1 is amended by deleting the stricken text and adding the capitalized, double-underlined text, as follows:

3.5.1 EXISTING HOMES OR STRUCTURES – EXTENSION OF TIME TO COMPLETE CONNECTION

Periodically, District sewer mains are extended, allowing new properties to connect to the District's sewer system. The District provides an option for owners of premises containing an existing building or structure THAT IS SERVED BY A SEPTIC SYSTEM THAT IS LESS THAN FIFTEEN YEARS OLD who receive a Compelling Connection Order due to an extension of the sewer main to request additional time to complete the connection. Within 90 DAYS ~~two months~~ after the date of a Compelling Connection Order ~~issued~~ following A sewer main extension, an owner of premises ~~containing an existing building or structure~~ WITH A SEPTIC

SYSTEM INSTALLED LESS THAN FIFTEEN YEARS AGO may request, in writing, to have ~~five (5)~~ UP TO FIFTEEN years from the date of the Compelling Connection Order to complete the connection, SUBJECT TO THE REQUIREMENTS HEREIN.

THE LENGTH OF THE EXTENSION OF TIME TO COMPLETE THE CONNECTION TO THE SEWER WILL DEPEND ON THE AGE OF THE SEPTIC SYSTEM, BUT IN NO EVENT SHALL AN EXTENSION BE GRANTED FOR A SEPTIC SYSTEM THAT IS MORE THAN FIFTEEN YEARS OF AGE. FOR EXAMPLE, IF THE SEPTIC SYSTEM WAS INSTALLED ONE YEAR AGO, THE OWNER MAY HAVE UP TO FOURTEEN YEARS TO COMPLETE THE CONNECTION. IF THE SEPTIC SYSTEM WAS INSTALLED TEN YEARS AGO, THE OWNER MAY HAVE UP TO FIVE YEARS TO COMPLETE THE CONNECTION.

THE OWNER'S request shall be accompanied by an inspection report from a qualified inspector, approved by the District, showing that the ~~existing septic tank and leach field system~~ SEPTIC SYSTEM has been tested and inspected and is in good working order and is not expected to reach the end of its useful life ~~within the next five (5)~~ PRIOR TO REACHING FIFTEEN years OF AGE.

If the District approves the request, the owner and the District will enter into ~~an agreement~~ A "CONNECTION AGREEMENT" in a form acceptable to the District and recorded AGAINST THE SUBJECT PROPERTY in the records of the Grand County Clerk and Recorder (~~"5 Year Connection Agreement"~~). The Connection Agreement will provide THAT:

- A. Owner agrees to complete the connection and abandon the ~~septic tank and leach field. In accordance,~~ SEPTIC SYSTEM in accordance with all requirements of the Grand County Health Department ~~within five years from the date of.~~
- B. OWNER AGREES TO COMPLETE CONNECTION AND ABANDON THE SEPTIC SYSTEM PRIOR TO EXPIRATION OF THE TERM OF THE AGREEMENT.
- C. IN THE EVENT OF EARLY TERMINATION OF THE CONNECTION AGREEMENT, THE OWNER AGREES TO COMPLETE THE CONNECTION ABANDON THE SEPTIC SYSTEM WITHIN TWENTY DAYS OR BEFORE OCTOBER 15TH OF THE THEN-CURRENT CALENDAR YEAR, WHICHEVER OCCURS LATER.

- D. THE CONNECTION AGREEMENT WILL AUTOMATICALLY TERMINATE UPON THE OCCURRENCE OF ANY OF THE FOLLOWING EVENTS:
- (i) THERE IS A SEPTIC SYSTEM FAILURE OR A SIGNIFICANT DEFICIENCY THAT POSES A THREAT TO HUMAN HEALTH OR THE ENVIRONMENT;
 - (ii) THE SEPTIC SYSTEM FAILS AN INSPECTION OR ENVIRONMENTAL TEST;
 - (iii) OWNER FAILS TO TIMELY PROVIDE INSPECTION DOCUMENTATION TO THE DISTRICT;
 - (iv) SALE OF THE PROPERTY;
 - (v) OWNER (OR RELATED PARTIES) OBTAINS A BUILDING PERMIT TO EXPAND OR ENLARGE THE SQUARE FOOTAGE OF AN EXISTING BUILDING OR TO BUILD ANY NEW HUMAN-OCCUPIED BUILDINGS ON THE PROPERTY; OR
 - (vi) A SHORT-TERM RENTAL LICENSE IS ISSUED FOR THE PROPERTY.
- E. SEPTIC SYSTEMS LESS THAN TEN YEARS OF AGE MUST BE INSPECTED (BUT NOT PUMPED) EVERY FOUR YEARS. SEPTIC SYSTEMS BETWEEN TEN TO FOURTEEN YEARS OF AGE MUST BE INSPECTED (BUT NOT PUMPED) ANNUALLY. ALL INSPECTIONS MUST BE DONE BY A QUALIFIED INSPECTOR APPROVED BY THE DISTRICT. THE OWNER SHALL PROVIDE THE DISTRICT WITH A COPY OF THE INSPECTION REPORTS WITHIN 30 DAYS AFTER THE DATE OF INSPECTION.
- F. Owner agrees that the tap fee shall be due and payable to the District prior to connection, in the amount set by the District and in effect at the time of connection (unless owner provides a promissory note as set forth in subsection D below and timely makes all payments).
- G. In the case of an owner holding an existing tap, the owner who receives an extension of time to connect shall pay a capital improvement fee in the amount of the difference, if any, between the

amount initially paid for the tap fee as shown on the District's records and the tap fee for the property in effect at the time of connection.

- H. If a line extension fee has been imposed on the property, pursuant to the line reimbursement program described in Section 9.2 of these Rules, the line extension fee will be due at signing of the ~~5-Year~~ Connection Agreement, in the case of a line extension financed by an extending owner, or prior to connection, in the case of a line extension financed by the District.

Section 3.6 is amended by deleting the stricken text and adding the capitalized, double-underlined text, as follows:

3.6 TEMPORARY VARIANCES FROM CONNECTION

Properties subject to a Compelling Connection Order by the District may request a temporary variance from connection. Any temporary variance request shall be made in writing, shall set forth detailed reasons for the requested variance and include at least one bid from a contractor of Owner's choosing for the construction work necessary to complete the connection. The District will typically also obtain a second, independent bid of the District's choosing, at Owner's expense.

The variance request shall also be accompanied by a variance fee in the amount set by the Board of Directors of the District, as a deposit to cover the District's estimated costs to process the variance, including the cost of obtaining the construction bid, costs of drafting and recording a variance agreement (if the variance is approved), and legal or engineering work related to the District's review of the request. The variance fee will be due regardless of whether the variance is approved, in accordance with Section 7.16 of these Rules.

In the case of an existing building or structure under a Compelling Connection ~~Order~~, the applicant shall have the burden of proving that it is not practical to require the connection and that the public health or environment will not be adversely affected if the variance is granted. If the Board determines that it is not practical to require the connection of the existing building or plumbing facilities to the sewer main owned by the District, and that the public health or environment will not be adversely affected, the Board may, in its discretion, grant a temporary variance and authorize an owner to continue use of its individual disposal system, temporarily.

A person seeking a temporary variance from connection to the District's sewer main for a proposed building or plumbing facilities that have not yet been constructed

shall have the burden of proving that topography will not allow the connection without extreme hardship, or that the property owner cannot obtain an easement across private land, required to reach a sewer main of the District, or that there is another physical impediment to connection.

The Board may approve, conditionally approve or deny a temporary variance to connection request. The Board's decision shall be final and conclusive. Any approved, temporary²² variance shall continue until one of the below-described circumstances occurs, upon which the variance will be automatically revoked and owner will be required to connect to the sewer system:

- A. Owner (or related parties) obtains a ~~B~~building ~~P~~permit to expand or enlarge the square footage of the building or to build any new human-occupied buildings on the property.
- B. ~~The septic tank and leach field system on the property~~ THE SEPTIC SYSTEM fails for any reason, or Owner's failure to comply with the testing and inspection requirements described below.
- C. The District determines that a change in circumstances allows the owner to economically connect to the District's sewer main.
- D. Sale of the property.

Any party granted a temporary variance from connection will be required, as a condition of receiving the variance, to enter into an agreement with the District setting forth the terms and conditions for the variance. ~~Said written Agreement~~ SUCH AGREEMENT shall be recorded ~~with~~ AGAINST the SUBJECT PROPERTY IN THE RECORDS OF THE Grand County Clerk and ~~Recorder's office so that future owners of said property shall be made aware of said Agreement~~ RECORDER.

As part of the written ~~Agreement~~, the owner shall commit to have the ~~septic tank/leach field system~~ SEPTIC SYSTEM tested and inspected every other year by a qualified inspector approved by the District, with the initial test and inspection occurring no later than December 31 of the first full calendar year after completion of the temporary individual disposal system or the granting of the temporary variance, whichever is later. Upon testing, a copy of the inspection report shall be forwarded to the District within thirty (30) days.

The owner of any property subject to a temporary variance from connection approved by the ~~d~~District shall be required to have the ~~septic tank/leach field system~~ SEPTIC SYSTEM tested and inspected every four (4) years by a qualified

inspector approved by the ~~d~~District, with the initial test and inspection occurring no later than October 31, 2025. Upon testing, a copy of the inspection report shall be forwarded to the ~~d~~District within thirty (30) days. The testing and inspection requirements set forth herein apply to all temporary variances regardless of when, and upon what conditions, the variance was initially approved by the ~~d~~District.

If an inspection report indicates that the ~~septic tank/leach field system~~ SEPTIC SYSTEM is not in good working order and/or is expected to reach the end of its useful life within the next four (4) years, the owner shall either connect to the sewer system or make all necessary repairs and submit a new inspection report to the ~~d~~District within sixty (60) days. At any time, the ~~d~~District may notify ~~g~~Grand ~~e~~County of a failing ~~septic tank/leach field system~~ SEPTIC SYSTEM.

If a temporary variance to connection has been approved by the District's Board of Directors to a parcel of land that is vacant, the temporary variance shall expire three (3) years from the date of approval, if the ~~septic tank/leach field system~~ SEPTIC SYSTEM improvements have not been made prior to said date.

Section 3.6.1 is amended by deleting the stricken text and adding the capitalized, double-underlined text, as follows:

3.6.1 TEMPORARY VARIANCE FOR CONNECTION TO FUTURE PLANNED SEWER MAIN

The ~~d~~District may issue a temporary variance from a ~~e~~Compelling ~~e~~Connection ~~o~~Orders in the event that the ~~d~~District has identified the location of a sewer main to be constructed in the future and such main will provide a more practical connection point than the existing sewer main for an owner's premises, as determined by the ~~d~~District. There is no fee for a variance issued pursuant to this subsection 3.6.1.

Any party issued a variance pursuant to this subsection 3.6.1 will be required, as a condition of the variance being issued, to enter into an agreement with the ~~d~~District setting forth the terms and conditions for the variance. ~~Said written~~ SUCH agreement shall be recorded AGAINST THE SUBJECT PROPERTY with the ~~g~~Grand ~~e~~County ~~e~~Clerk and ~~recorder's office so that future owners of said property shall be made aware of said agreement~~ RECORDER.

As part of the written agreement, the owner shall commit to have the ~~septic tank/leach field system~~ SEPTIC SYSTEM tested and inspected every four (4) years by a qualified inspector approved by the ~~d~~District, with the initial test and inspection occurring no later than December 31 of the first full calendar year after the issuance

of the variance. Upon testing, a copy of the inspection report shall be forwarded to the ~~d~~District within thirty (30) days.

If an inspection report indicates that the ~~septic tank/leach field system~~ SEPTIC SYSTEM is not in good working order and/or is expected to reach the end of its useful life within the next four (4) years, the owner shall either connect to the sewer system or make all necessary repairs and submit a new ~~i~~nspection report to the ~~d~~District within sixty (60) days. At any time, the ~~d~~District may notify ~~g~~Grand ~~e~~County of a failing ~~septic tank/leach field system~~ SEPTIC SYSTEM.

The variance granted pursuant to this subsection 3.6.1 may be terminated by the ~~d~~District at any time, for any reason or no reason, including but not limited to: (a) failure of owner to abide by the terms of the agreement; (b) completion of the new sewer main that is expected to provide a more practical connection point to the owner's premises; or (c) abandonment or delay in completion of such new sewer main.

Section 3.9 is amended by deleting the stricken text and adding the capitalized, double-underlined text, as follows:

3.9 CONNECTION FINANCING PROGRAM

The District may offer to finance the costs of completing a connection to the Sewer Main, including the tap fee, line extension fee, if applicable, and/or connection and inspection permit fee, when an Owner elects, or is required, to abandon a ~~septic tank/leach field system~~ SEPTIC SYSTEM and connect to the Sewer Main, subject to the following conditions:

- A. Sufficient funds are available for the financing, as determined by the District in its sole discretion; and
- B. The owner shall pay the financed amount over four (4) years, with equal quarterly payments of principal and interest set at the prime rate, as determined by the District, plus one percent (1%). The owner shall sign a promissory note to the District at the time of the financing, which will be recorded with the Grand County Clerk and Recorder on the subject property. In the event that the owner signs a promissory note and timely makes all quarterly payments due to the District, any District fees will be charged at the rate in effect on the date of the promissory note, rather than the date of connection. The connection cannot be made until all applicable fees have been paid in full to the District.

CHAPTER 9, SEWER MAIN LINES

Section 9.2 is amended by deleting the stricken text, as follows:

. . .

If the owner requests an extension of time to connect, as provided in Section 3.5 of these Rules, the line extension fee shall be paid: (1) upon signing of the ~~5-Year~~ Connection Agreement, in the case of a line extension fee to an extending owner; or (2) at the time of connection, in the case of a line extension fee paid to the District as reimbursement for a District-financed line extension.



May 28, 2025

To: Board of Directors
From: Katie Nicholls, District Manager
RE: Customer Paperless Incentive

The District has made diligent and successful efforts to become paperless. The Board previously requested information on providing a monetary incentive to customers to go paperless on their end. Now that we have a new billing system, providing an incentive can occur should the Board desire.

Paper billing and processing physical checks is extremely time consuming for Staff and expensive for the District. Each paper bill sent out costs the District an estimated \$10.43 in labor and resources. Additionally, it creates opportunities for issues and errors to occur, as mailing service is not guaranteed and human error opportunities increase on both the customer and staff side. A breakout of the billing and processing costs associated with paper billing is outlined below.

Paper Bill Cost

	Cost/Bill	Notes
Copy	\$ 0.12	Color Copies: \$0.1243
Paper	\$ 0.01	\$40.96/box of 5,000 sheets
Envelope	\$ 0.07	\$32.01/box of 500
Postage	\$ 0.69	USPS
Hourly Wage: Printing, folding, stuffing, postage, delivery to PO	\$ 9.10	440 minutes for 3,140 bills at IGA hourly rate of \$65/hr
Hourly Wage: pick up from PO, open, process Muni-link/QB/UBB	\$ 0.44	30 minutes for deposit of 75 checks at IGA rate of \$65/hr
TOTAL PER BILL	\$ 10.43	

Providing a monetary incentive for people to sign up for e-billing only and ACH would not only reduce District costs, keeping future rates at bay, but also ensure timely payment occurs for customers in the most secure manner possible. As a matter of context, mail theft and check fraud has nearly doubled since 2021 (see enclosed document). ACH is a much more secure payment method, initiated and completed by our merchant service provider and fully PCI compliant.

Consultation with our attorney has confirmed that the District is able to provide an incentive discount as long as the discount does not exceed the amount the District is saving in not sending paper bills and processing checks. Below is a chart with potential discounts and the impact on the incoming revenue.

Paperless Discount

Qtrly Discount Amount	Max QUARTERLY Total Potential Revenue Subtraction	ANNUAL Budgeted Amount at 2,000
\$ 1.00	\$ 3,140.00	\$ 8,000.00
\$ 2.00	\$ 6,280.00	\$ 16,000.00
\$ 3.00	\$ 9,420.00	\$ 24,000.00
\$ 4.00	\$ 12,560.00	\$ 32,000.00
\$ 5.00	\$ 15,700.00	\$ 40,000.00

Items of note:

- Annual quarterly increases have been \$6.00 per continued decisions by the Board
- Single online credit card payments typically cost the customer around \$3.00/transaction
- Single online check payments cost the customer \$2.75/transaction

Recommendation: Staff is recommending that a paperless incentive discount in the \$2-3 range be established for 2026. The Board should direct Staff of any decision made so an appropriate resolution can be brought forward for consideration at the next regular meeting.



Public Service Announcement

FBI & USPS



Alert Number: I-012725-PSA
January 27, 2025

Mail Theft-Related Check Fraud is on the Rise

The FBI and USPIS are warning that check fraud is on the rise, with a significant volume enabled through mail theft. Suspicious Activity Reports related to check fraud have nearly doubled from 2021 to 2023.¹ Fraudsters take advantage of regulations requiring financial institutions to make check funds available within specified timeframes, which is often too short a window for the consumer or financial institutions to identify and stop the fraud. As a result, the compromised checks clear, and the funds are withdrawn by the criminal participants before the fraud is detected.

OBTAINING THE CHECKS

Fraudsters gain access to legitimate checks and sensitive financial data by stealing mailed checks from USPS facilities or during delivery to the intended recipient. Check theft occurs several ways.

- Checks left in residential mailboxes overnight or for long periods of time
- USPS blue collection boxes after the last pickup time
- Burglary of USPS facilities
- Robbery of USPS employees
- Bribery/collusion of USPS employees

PREPARING/ALTERING THE CHECKS FOR DEPOSIT

To make the checks appear legitimate, fraudsters use check washing or other check "cooking" techniques to alter checks or create counterfeits. In other instances, checks are unaltered and deposited with forged endorsements.



Check washing involves the use of chemicals to physically alter the check, typically altering the original payee and financial amount.



Check cooking involves the digital manipulation of an image of a stolen check. Using readily available photo editing software and high-tech printers, fraudsters can manufacture checks. Check cooking allows fraudsters to manufacture multiple checks from a single check image. Often these checks are written for smaller amounts which can go undetected for longer periods of time by escaping the scrutiny or visibility of a larger check amount.

DEPOSITING THE CHECKS

Stolen checks are deposited, often by a collusive account holder who is recruited by the fraudster or sold online for a fraction of the face value to other criminal actors who deposit the checks. In many cases, financial institutions, consumers, and law enforcement agencies are not aware of the fraudulent activity until after funds have been illicitly withdrawn.

WHO IS HARMED BY CHECK FRAUD?

Businesses — Businesses could experience disruption to business activities and reputational harm due to overdue or missed payments or delays or disruption in finalizing payments when account details are compromised.

Consumers — Consumers can experience impacted credit scores for late payments for bills, account closures, stop payment fees for other outstanding checks, missed interest from refund checks, compromised personally identifiable information (PII) which may also be sold in subsequent fraud schemes, and loss of assets or investment money. Victims of fraud are often refunded some of the charges, but refunds are often delayed until investigations are complete.

Government Entities — Funds intended for citizens are intercepted and altered or forged, resulting in government funds being dispersed incorrectly. It can be a time intensive process to investigate and reissue payments to the rightful recipients of intercepted checks.

HOW TO PROTECT YOUR MAIL

- ✓ Pick up your mail promptly after delivery. Do not leave mail in your mailbox overnight or for long periods of time.
- ✓ If you are heading out of town, submit a [USPS Hold Mail](#)™ request asking your local Post Office to hold your mail until you return.
- ✓ Sign up for [Informed Delivery](#)® at USPS.com to receive daily email notifications of incoming mail and packages.
- ✓ Contact the sender if you do not receive a check, credit card or other valuable mail you are expecting.
- ✓ Consider buying and using security envelopes to conceal the contents of your mail.
- ✓ Use the letter slots inside your local Post Office to send mail. If using a blue USPS collection box, be sure to drop your mail as close to the posted pickup time as possible and before the last collection of the day.

HOW TO PROTECT YOUR CHECKS

- ✓ Use pens with indelible black ink so it is more difficult for a criminal to wash your checks.
- ✓ Don't leave blank spaces in the payee or amount lines.
- ✓ Don't write personal details, such as your Social Security number, credit card information, driver's license number, or phone number on checks.
- ✓ Use mobile or online banking to access copies of your checks and ensure they are not altered. While logged in, review your bank activity and statements for errors.
- ✓ Consider using e-check, ACH automatic payments, and other electronic and/or mobile payments.
- ✓ Follow up with payees to make sure they received your check.
- ✓ Use check positive pay if available at financial institutions to help detect and stop fraudulent checks.
- ✓ Use checks with security features to limit the effectiveness of check washing. Security features can include microprinting, holograms, heat-sensitive ink, watermarks, toner adhesion, chemically reactive paper, security screens, thermal thumbprints, void pantographs, ultraviolet overprinting, security padlock icon, and fraud warnings.
- ✓ If you believe you have been defrauded, contact your bank immediately. Consider opening a new account and closing out the compromised account to prevent future counterfeit checks being drawn off the account.
- ✓ Protect vulnerable members of your family and community. Fraudsters use high-tech, low-cost technology including printers, call spoofing technology, and AI-assisted voice recreation to fool vulnerable people into acting as unwitting accomplices.

If you think you were targeted by fraud, file a report with your bank and request copies of all fraudulent checks. Report the incident to the FBI Internet Crime Complaint Center (IC3), www.ic3.gov. If you believe you are the victim of mail theft-related check fraud, report to your local police and the United States Postal Inspection Service at uspis.gov/report or [1-877-876-2455](tel:1-877-876-2455).

¹ *SAR Filings by Industry | Filing Trend Data: Depository Institution | Exhibit 5: Number of Filings by Type of Suspicious Activity from Depository Institution Industry | Between 01 January 2014 and 31 December 2023 |* <https://www.fincen.gov/reports/sar-stats/sar-filings-industry> | Accessed 18 December 2024. ↩

10:03 AM

05/15/25

THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
April 2025

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	ACH	04/07/2025	UBB - BILLING ACCOUNT	1006a · UBB ENTERPRISE	
Bill		03/24/2025		5061 · COMPUTERS / PRINTERS	-19.99
				BOARD OF DIRECTOR FEES/EXPENSES	-29.75
				5061 · COMPUTERS / PRINTERS	-19.99
				5170 · PROPERTY REPAIR & MAINTENANCE	-24.44
				5170 · PROPERTY REPAIR & MAINTENANCE	-16.79
				5057 · OFFICE SUPPLIES	-226.84
				5061 · COMPUTERS / PRINTERS	-76.00
				5061 · COMPUTERS / PRINTERS	-816.00
				5161 · COMPUTERS / PRINTERS	-54.98
				5061 · COMPUTERS / PRINTERS	-19.81
				5061 · COMPUTERS / PRINTERS	-19.99
				5147 · FUEL EXPENSE	-59.00
				5149 · PLANT - LAB	-22.26
				5190 · SYSTEM REPAIR & MAINTENANCE	-260.86
				5136 · DUES / TRAINING /PUBLICATIONS	-503.58
				5136 · DUES / TRAINING /PUBLICATIONS	-500.00
TOTAL					-2,670.28
Bill Pmt -Check	ACH	04/09/2025	XCEL ENERGY	1006a · UBB ENTERPRISE	
Bill		04/01/2025		5090 · UTILITIES - ADMIN BLDG	-336.39
TOTAL					-336.39
Bill Pmt -Check	ACH	04/18/2025	WASTE MANAGEMENT	1006a · UBB ENTERPRISE	
Bill		04/01/2025		5170 · PROPERTY REPAIR & MAINTENANCE	-312.20
				5169 · PLANT - REPAIRS & MAINTENANCE	-475.08
TOTAL					-787.28
Bill Pmt -Check	ACH	04/22/2025	PITNEY BOWES - MTNC & SUPPLIES	1006a · UBB ENTERPRISE	
Bill		04/09/2025		5050 · EQUIPMENT/MAINTENANCE AGREEM...	-132.79
TOTAL					-132.79
Bill Pmt -Check	ACH	04/22/2025	PITNEY BOWES - PURCHASE POWER CREDIT	1006a · UBB ENTERPRISE	
Bill		04/09/2025		5060 · POSTAGE & BOX RENT	-507.00

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
April 2025

Type	Num	Date	Name	Account	Paid Amount
TOTAL					-507.00
Bill Pmt -Check	ACH	04/22/2025	PITNEY BOWES - PURCHASE POWER CREDIT	1006a · UBB ENTERPRISE	
Bill		04/22/2025		5060 · POSTAGE & BOX RENT	-400.00
TOTAL					-400.00
Bill Pmt -Check	ACH	04/22/2025	UNITED BUSINESS BANK SVC	1006a · UBB ENTERPRISE	
Bill		04/22/2025		5025 · BANK SERVICE CHARGES	-60.00
TOTAL					-60.00
Bill Pmt -Check	ACH	04/22/2025	CENTURY LINK-LUMEN	1006a · UBB ENTERPRISE	
Bill		04/14/2025		5162 · SCADA SOFTWARE/EQUIPMENT LEASE	-73.74
TOTAL					-73.74
Bill Pmt -Check	ACH	04/24/2025	WOODRIVER ENERGY	1006a · UBB ENTERPRISE	
Bill		04/14/2025		5208 · PLANT - UTILITIES	-4,049.60
TOTAL					-4,049.60
Bill Pmt -Check	ACH	04/29/2025	VERIZON WIRELESS SERVICES LLC	1006a · UBB ENTERPRISE	
Bill		04/22/2025	NORTH SHORE WATER DISTRICT	1170 · DUE FROM NORTH SHORE WATER	-98.90
			COLUMBINE LAKE WATER DISTRICT	1180 · DUE FROM COLUMBINE LAKE WATER	-98.90
				5076 · CELL PHONE	-98.90
				5075 · TELEPHONE/INTERNET	-114.61
			NORTH SHORE WATER DISTRICT	1170 · DUE FROM NORTH SHORE WATER	-56.72
			COLUMBINE LAKE WATER DISTRICT	1180 · DUE FROM COLUMBINE LAKE WATER	-56.72
TOTAL					-524.75
Bill Pmt -Check	WIRE	04/22/2025	CWRPDA - US Bank NA	1006a · UBB ENTERPRISE	
Bill		04/03/2025		2505A · CWRPDA LOAN PAYABLE	-50,285.29
				5085 · CWRPDA LOAN INTEREST	-11,685.90
				2505A · CWRPDA LOAN PAYABLE	-38,714.70
				5085 · CWRPDA LOAN INTEREST	-33,334.22

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
 April 2025

Type	Num	Date	Name	Account	Paid Amount
TOTAL					-134,020.11
Bill Pmt -Check	38737	04/03/2025	GRAND COUNTY CLERK & RECORDER	1006a · UBB ENTERPRISE	
Bill		04/03/2025		5063 · RECORDING FEES	-33.00
TOTAL					-33.00
Bill Pmt -Check	38743	04/10/2025	BLACKWELL OIL COMPANY	1006a · UBB ENTERPRISE	
Bill		04/10/2025		5147 · FUEL EXPENSE	-1,807.34
TOTAL					-1,807.34
Bill Pmt -Check	38744	04/10/2025	BROWNS HILL ENGINEERING & CONTROLS, LLC	1006a · UBB ENTERPRISE	
Bill		04/07/2025		5162 · SCADA SOFTWARE/EQUIPMENT LEASE	-1,372.00
				5162 · SCADA SOFTWARE/EQUIPMENT LEASE	-1,580.00
TOTAL					-2,952.00
Bill Pmt -Check	38745	04/10/2025	COLLINS COLE FLYNN WINN & ULMER, PLLC	1006a · UBB ENTERPRISE	
Bill		04/10/2025		5067 · LEGAL SERVICE & CONSULTING	-1,763.50
TOTAL					-1,763.50
Bill Pmt -Check	38746	04/10/2025	DENALI WATER SOLUTIONS LLC	1006a · UBB ENTERPRISE	
Bill		04/10/2025		5185 · PLANT - SLUDGE HAULING	-4,330.09
TOTAL					-4,330.09
Bill Pmt -Check	38747	04/10/2025	EXECUTECH	1006a · UBB ENTERPRISE	
Bill		04/07/2025		5061 · COMPUTERS / PRINTERS	-717.00
				5161 · COMPUTERS / PRINTERS	-717.00
TOTAL					-1,434.00
Bill Pmt -Check	38748	04/10/2025	KOPY KAT OFFICE	1006a · UBB ENTERPRISE	
Bill		04/07/2025		5042 · ELECTION EXPENSE	-1,735.00

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
 April 2025

Type	Num	Date	Name	Account	Paid Amount
TOTAL					-1,735.00
Bill Pmt -Check	38749	04/10/2025	MOSES, WITTEMYER, HARRISON, & WOODRUFF	1006a · UBB ENTERPRISE	
Bill		04/07/2025		5067 · LEGAL SERVICE & CONSULTING	-664.60
TOTAL					-664.60
Bill Pmt -Check	38750	04/10/2025	MUNI-LINK	1006a · UBB ENTERPRISE	
Bill		04/10/2025		5061 · COMPUTERS / PRINTERS	-1,670.00
TOTAL					-1,670.00
Bill Pmt -Check	38751	04/10/2025	NAPA AUTO PARTS	1006a · UBB ENTERPRISE	
Bill		04/10/2025		5195 · TRUCK REPAIR & MAINTENANCE	-41.57
				5195 · TRUCK REPAIR & MAINTENANCE	-252.82
TOTAL					-294.39
Bill Pmt -Check	38752	04/10/2025	PITNEY BOWES RESERVE ACCOUNT	1006a · UBB ENTERPRISE	
Bill	35990...	04/09/2025		5060 · POSTAGE & BOX RENT	-5,000.00
TOTAL					-5,000.00
Bill Pmt -Check	38753	04/10/2025	POLYDYNE INC	1006a · UBB ENTERPRISE	
Bill		04/10/2025		5206 · PLANT - CHEMICALS	-3,725.04
TOTAL					-3,725.04
Bill Pmt -Check	38754	04/10/2025	PVS DX, INC	1006a · UBB ENTERPRISE	
Bill		04/10/2025		5206 · PLANT - CHEMICALS	-1,049.40
TOTAL					-1,049.40
Bill Pmt -Check	38755	04/10/2025	SDA-SPECIAL DISTRICT ASSN OF COLORADO	1006a · UBB ENTERPRISE	
Bill		04/07/2025	NORTH SHORE WATER DISTRICT	5037 · DIRECTOR WAGES and EXPENSES	-40.00
				1170 · DUE FROM NORTH SHORE WATER	-40.00

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
April 2025

Type	Num	Date	Name	Account	Paid Amount
				5040 · DUES / SEMINARS / TRAINING	-40.00
TOTAL					-120.00
Bill Pmt -Check	38756	04/10/2025	UNCC - UTILITY NOTIFICATION CENTER	1006a · UBB ENTERPRISE	
Bill		04/07/2025		5150 · LOCATES	-101.39
TOTAL					-101.39
Bill Pmt -Check	38757	04/10/2025	USA BLUE BOOK	1006a · UBB ENTERPRISE	
Bill		04/09/2025		5149 · PLANT - LAB	-404.74
TOTAL					-404.74
Bill Pmt -Check	38758	04/28/2025	ANCHOR QEA	1006a · UBB ENTERPRISE	
Bill		04/24/2025		5210 · ENGINEERING-Town of GL WW	-13,733.00
TOTAL					-13,733.00
Bill Pmt -Check	38759	04/28/2025	GRAINGER	1006a · UBB ENTERPRISE	
TOTAL					0.00
Bill Pmt -Check	38760	04/28/2025	MIDDLE PARK WATER CONSERVANCY DISTRICT	1006a · UBB ENTERPRISE	
Bill		04/21/2025		5202 · WATER RIGHTS	-2,000.00
TOTAL					-2,000.00
Bill Pmt -Check	38761	04/28/2025	POLYDYNE INC	1006a · UBB ENTERPRISE	
Bill		04/28/2025		5206 · PLANT - CHEMICALS	-5,940.00
TOTAL					-5,940.00
Bill Pmt -Check	38763	04/28/2025	COLORADO ANALYTICAL LABORATORIES, INC.	1006a · UBB ENTERPRISE	
Bill		04/28/2025		5149 · PLANT - LAB	-831.00
TOTAL					-831.00

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THREE LAKES WATER & SANITATION DISTRICT
Check Detail - Enterprise Fund
April 2025

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	38764	04/28/2025	DENALI WATER SOLUTIONS LLC	1006a · UBB ENTERPRISE	
Bill		04/17/2025		5185 · PLANT - SLUDGE HAULING	-2,163.88
Bill		04/24/2025		5185 · PLANT - SLUDGE HAULING	-2,203.51
TOTAL					-4,367.39
Bill Pmt -Check	38765	04/28/2025	MOUNTAIN PARKS ELECTRIC INC	1006a · UBB ENTERPRISE	
Bill		04/28/2025		5208 · PLANT - UTILITIES	-12,704.38
				5198 · UTILITIES - GARAGES (2 EACH)	-57.74
				5090 · UTILITIES - ADMIN BLDG	-452.01
				5198 · UTILITIES - GARAGES (2 EACH)	-425.37
				5197 · UTILITIES - LIFT STATIONS	-8,474.87
TOTAL					-22,114.37
Bill Pmt -Check	38766	04/28/2025	Z&M Enterprise, LLC	1006a · UBB ENTERPRISE	
Bill		04/14/2025		5190 · SYSTEM REPAIR & MAINTENANCE	-2,253.62
TOTAL					-2,253.62

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Accrual Basis

THREE LAKES WATER & SANITATION DISTRICT
Account QuickReport
As of April 30, 2025

Type	Date	Num	Split	Amount
1006 · UNITED BUSINESS BANK				
1006a · UBB ENTERPRISE				
Paycheck	04/08/2025	DD	-SPLIT-	-2,312.47
Paycheck	04/08/2025	DD	-SPLIT-	-3,628.19
Paycheck	04/08/2025	DD	-SPLIT-	-3,412.22
Paycheck	04/08/2025	DD	-SPLIT-	-2,519.18
Paycheck	04/08/2025	DD	-SPLIT-	-2,799.83
Paycheck	04/21/2025	DD	-SPLIT-	-1,630.03
Paycheck	04/22/2025	DD	-SPLIT-	-3,682.19
Paycheck	04/22/2025	DD	-SPLIT-	-3,583.09
Paycheck	04/22/2025	DD	-SPLIT-	-2,700.73
Paycheck	04/22/2025	DD	-SPLIT-	-2,770.94
Paycheck	04/22/2025	DD	-SPLIT-	-2,139.85
Total 1006a · UBB ENTERPRISE				-31,178.72
1006b · UBB GOVERNMENT				
Paycheck	04/08/2025	DD	-SPLIT-	-2,748.82
Paycheck	04/08/2025	DD	-SPLIT-	-3,872.13
Paycheck	04/22/2025	DD	-SPLIT-	-2,481.75
Paycheck	04/22/2025	DD	-SPLIT-	-3,920.92
Total 1006b · UBB GOVERNMENT				-13,023.62
Total 1006 · UNITED BUSINESS BANK				-44,202.34
TOTAL				-44,202.34

THREE LAKES WATER & SANITATION DISTRICT
Profit & Loss Budget Performance - Enterprise Fund
April 2025

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Accrual Basis

	<u>Apr 25</u>	<u>Jan - Apr 25</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense				
Income				
IGA-INTERGOVERNMENTAL AGREEMENTS				
4040 · COLUMBINE LAKE WATER IGA	6,373.00	25,492.00	31.56%	80,776.00
4047 · NORTH SHORE WATER IGA	3,937.00	15,967.00	31.23%	51,120.00
4050 · GRAND LAKE METRO DISTRICT IGA	0.00	321.00	23.47%	1,368.00
Total IGA-INTERGOVERNMENTAL AGREEMENTS	10,310.00	41,780.00	31.35%	133,264.00
4005 · SEWER USER FEES & PENALTIES	0.00	619,239.82	25.14%	2,462,840.00
4010 · CONNECTION / INSPECTION PERMITS	50.00	250.00	33.33%	750.00
4030 · LAB REVENUE	8,050.00	9,725.00	42.28%	23,000.00
4200 · SEWER TAP FEES	21,306.52	63,306.52	30.15%	210,000.00
4201 · Valves income	206.52	826.08	24.48%	3,375.00
4300 · INTEREST EARNED	28,799.38	115,350.18	30.02%	384,300.00
4900 · MISCELLANEOUS REVENUE	750.00	8,620.00	86.2%	10,000.00
4910 · Returned Check Charges	-8.00	-283.00	-56.6%	500.00
Total Income	69,464.42	858,814.60	26.61%	3,228,029.00
Gross Profit	69,464.42	858,814.60	26.61%	3,228,029.00
Expense				
ADMINISTRATIVE EXPENSES				
BOARD OF DIRECTOR FEES/EXPENSES				
5037 · DIRECTOR WAGES and EXPENSES	40.00	2,440.00	15.0%	16,265.00
5038 · DIRECTOR TAXES - SOC SEC/MEDICA	0.00	148.80	32.0%	465.00
Total BOARD OF DIRECTOR FEES/EXPENSES	40.00	2,588.80	15.47%	16,730.00
OFFICE EXPENSES				
5025 · BANK SERVICE CHARGES	60.00	125.00	41.67%	300.00
5040 · DUES / SEMINARS / TRAINING	40.00	1,462.50	48.75%	3,000.00
5050 · EQUIPMENT/MAINTENANCE AGREEMENT	132.79	937.30	21.16%	4,430.00
5060 · POSTAGE & BOX RENT	5,907.00	5,915.99	84.51%	7,000.00
5061 · COMPUTERS / PRINTERS	2,387.00	17,961.75	32.32%	55,582.00

	Apr 25	Jan - Apr 25	% of Budget	Annual Budget
5062 · PRINTING & PUBLICATIONS	0.00	332.69	16.64%	2,000.00
5063 · RECORDING FEES	33.00	66.00	33.0%	200.00
5070 · REPAIRS & MAINTENANCE	0.00	1,700.00	28.81%	5,900.00
5075 · TELEPHONE/INTERNET	610.84	2,069.49	48.07%	4,305.00
5090 · UTILITIES - ADMIN BLDG	788.40	3,267.51	42.98%	7,603.00
5170 · PROPERTY REPAIR & MAINTENANCE	596.24	1,234.81	2.74%	45,000.00
Total OFFICE EXPENSES	10,555.27	35,073.04	25.92%	135,320.00
5023 · ACCOUNTANT SERVICES	0.00	0.00	0.0%	8,000.00
5047 · INSURANCE EXPENSE	0.00	0.00	0.0%	75,093.00
5065 · AUDIT & CONSULTING	0.00	0.00	0.0%	13,781.00
5067 · LEGAL SERVICE & CONSULTING	2,428.10	20,453.55	34.09%	60,000.00
5202 · WATER RIGHTS	2,000.00	2,000.00	100.0%	2,000.00
Total ADMINISTRATIVE EXPENSES	15,023.37	60,115.39	19.33%	310,924.00
OPERATING EXPENSES				
5148 · LAB - DRINKING WATER	0.00	1,729.83	12.36%	14,000.00
5149 · PLANT - LAB	1,235.74	9,364.75	23.41%	40,000.00
5185 · PLANT - SLUDGE HAULING	8,697.48	10,637.82	16.37%	65,000.00
Total OPERATING EXPENSES	9,933.22	21,732.40	18.26%	119,000.00
OPERATIONS EXPENSES				
FIELD EXPENSES				
5140 · EQUIPMENT REPAIR & MAINTENANCE	0.00	0.00	0.0%	5,000.00
5147 · FUEL EXPENSE	1,807.34	4,491.45	17.97%	25,000.00
5150 · LOCATES	101.39	504.62	25.23%	2,000.00
5195 · TRUCK REPAIR & MAINTENANCE	294.39	746.74	10.67%	7,000.00
5197 · UTILITIES - LIFT STATIONS	8,474.87	24,159.58	23.92%	101,000.00
Total FIELD EXPENSES	10,677.99	29,902.39	21.36%	140,000.00
OFFICE/SHOP EXPENSES				
5076 · CELL PHONE	202.73	417.28	27.82%	1,500.00
5136 · DUES / TRAINING /PUBLICATIONS	85.00	1,773.58	35.47%	5,000.00
5160 · OFFICE SUPPLIES	0.00	41.89	4.19%	1,000.00
5161 · COMPUTERS / PRINTERS	717.00	7,637.10	55.9%	13,661.00
5167 · PERMITS & LICENSES	0.00	0.00	0.0%	10,000.00

	Apr 25	Jan - Apr 25	% of Budget	Annual Budget
5183 · SHOP SUPPLIES	0.00	267.53	6.69%	4,000.00
5192 · TOOLS	0.00	209.34	4.19%	5,000.00
5196 · UNIFORM EXPENSES	0.00	0.00	0.0%	2,500.00
5198 · UTILITIES - GARAGES (2 EACH)	483.11	1,440.38	51.44%	2,800.00
Total OFFICE/SHOP EXPENSES	1,487.84	11,787.10	25.93%	45,461.00
PAYROLL EXPENSES - OPERATIONS				
5120 · PAYROLL WAGES	40,492.16	154,310.92	29.25%	527,574.00
5121 · ICMA 401 - EMPLOYEE PENSION	2,834.45	10,905.52	29.53%	36,930.00
5122 · ICMA 457 - EMPLOYEE RETIREMENT	3,097.66	11,918.23	29.53%	40,359.00
5123 · MEDICARE TAX	892.98	3,498.88	45.74%	7,650.00
5125 · STATE UNEMPLOYMENT TAX	50.32	379.75	23.99%	1,583.00
5134 · DENTAL INSURANCE	364.00	1,606.82	29.3%	5,484.00
5135 · DISABILITY INSURANCE	331.60	1,326.40	24.48%	5,418.00
5145 · HEALTH & LIFE INSURANCE	8,990.15	34,893.60	32.34%	107,882.00
5146 · FAMLI OPERATIONS	0.00	0.00	0.0%	2,374.00
Total PAYROLL EXPENSES - OPERATIONS	57,053.32	218,840.12	29.76%	735,254.00
TREATMENT PLANT				
5169 · PLANT - REPAIRS & MAINTENANCE	759.11	14,687.80	12.24%	120,000.00
5206 · PLANT - CHEMICALS	10,714.44	20,263.32	22.52%	90,000.00
5207 · PLANT - TELEPHONE	167.89	335.78	67.16%	500.00
5208 · PLANT - UTILITIES	16,753.98	52,287.84	23.24%	225,000.00
Total TREATMENT PLANT	28,395.42	87,574.74	20.11%	435,500.00
5138 · ENGINEERING - GENERAL	-9,454.50	-9,454.50	-47.27%	20,000.00
5152 · MISCELLANEOUS EXPENSE	0.00	0.00	0.0%	1,000.00
5162 · SCADA SOFTWARE/EQUIPMENT LEASE	3,025.74	12,191.90	48.77%	25,000.00
5190 · SYSTEM REPAIR & MAINTENANCE	2,253.62	2,514.48	2.1%	120,000.00
5200 · VALVES	0.00	0.00	0.0%	6,000.00
Total OPERATIONS EXPENSES	93,439.43	353,356.23	23.12%	1,528,215.00
Total Expense	118,396.02	435,204.02	22.23%	1,958,139.00
Net Ordinary Income	-48,931.60	423,610.58	33.36%	1,269,890.00
Other Income/Expense				
Other Expense				

	Apr 25	Jan - Apr 25	% of Budget	Annual Budget
6400 · Systems Improvements	0.00	0.00	0.0%	250,000.00
6420 · VEHICLE PURCHASE	0.00	0.00	0.0%	150,000.00
6430 · COPPER LOAN PRINCIPAL	0.00	0.00	0.0%	144,098.00
Total Other Expense	0.00	0.00	0.0%	544,098.00
Net Other Income	0.00	0.00	0.0%	-544,098.00
Net Income	-48,931.60	423,610.58	58.37%	725,792.00

THREE LAKES WATER & SANITATION DISTRICT
Profit & Loss Budget Performance - Government Fund
April 2025

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05/15/2025
Accrual Basis

	<u>Apr 25</u>	<u>Jan - Apr 25</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense				
Income				
MILL LEVY				
4110 · PROPERTY TAX - ADMINISTRATION	22,011.22	129,694.56	46.64%	278,063.00
4120 · SPECIFIC OWNERSHIP TAX	1,269.06	4,329.99	27.06%	16,000.00
4130 · DELINQUENT TAX	6.32	5,807.92	414.85%	1,400.00
4310 · INTEREST EARNED - COUNTY	0.00	0.00	0.0%	500.00
Total MILL LEVY	<u>23,286.60</u>	<u>139,832.47</u>	<u>47.25%</u>	<u>295,963.00</u>
Total Income	<u>23,286.60</u>	<u>139,832.47</u>	<u>47.25%</u>	<u>295,963.00</u>
Gross Profit	23,286.60	139,832.47	47.25%	295,963.00
Expense				
ADMINISTRATIVE EXPENSES				
PAYROLL EXPENSES - ADMIN				
5015 · PAYROLL WAGES	16,716.78	67,345.14	31.16%	216,098.00
5016 · ICMA 457 - EMPLOYEE RETIREMENT	1,278.83	5,059.03	30.6%	16,532.00
5017 · MEDICARE TAX	0.00	0.00	0.0%	3,133.00
5019 · STATE UNEMPLOYMENT TAX	0.00	0.00	0.0%	648.00
5021 · ICMA 401 - EMPLOYEE PENSION	1,170.17	4,629.16	28.7%	16,127.00
5045 · HEALTH & LIFE INSURANCE	4,491.66	17,433.64	32.34%	53,900.00
5048 · DENTAL INSURANCE - ADMIN	200.00	792.00	26.4%	3,000.00
5049 · DISABILITY INSURANCE	132.98	531.92	23.97%	2,219.00
5056 · FAMLI ADMIN	514.90	1,256.12	129.23%	972.00
PAYROLL EXPENSES - ADMIN - Other	<u>0.00</u>	<u>0.00</u>		
Total PAYROLL EXPENSES - ADMIN	<u>24,505.32</u>	<u>97,047.01</u>	<u>31.04%</u>	<u>312,629.00</u>
5018 · CAR ALLOWANCE / MILEAGE - ADMIN	75.60	286.80	28.68%	1,000.00
5030 · CNTY TREASURER FEES - MILL LEVY				
5030a · Cty Treas Fees Mill Levy (Ent)	958.68	973.38		
5030b · Cty Treas Fee Mill Levy (Govt)	<u>0.00</u>	<u>5,312.60</u>	<u>37.95%</u>	<u>14,000.00</u>

	Apr 25	Jan - Apr 25	% of Budget	Annual Budget
Total 5030 · CNTY TREASURER FEES - MILL LEVY	958.68	6,285.98	44.9%	14,000.00
5042 · ELECTION EXPENSE	1,735.00	1,735.00	57.83%	3,000.00
5055 · MISCELLANEOUS EXPENSE	0.00	1,801.01	60.03%	3,000.00
5057 · OFFICE SUPPLIES	0.00	302.27	10.08%	3,000.00
Total ADMINISTRATIVE EXPENSES	27,274.60	107,458.07	31.92%	336,629.00
Total Expense	27,274.60	107,458.07	31.92%	336,629.00
Net Ordinary Income	-3,988.00	32,374.40	-79.61%	-40,666.00
Net Income	-3,988.00	32,374.40	-79.61%	-40,666.00

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Accrual Basis

THREE LAKES WATER & SANITATION DISTRICT

Balance Sheet Prev Year Comparison

As of April 30, 2025

	Apr 30, 25	Apr 30, 24	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1004 - PETTY CASH	400.00	400.00	0.00	0.0%
1005 - CASH WITH TREASURER	1,183.82	0.00	1,183.82	100.0%
1006 - UNITED BUSINESS BANK				
1006a - UBB ENTERPRISE	245,429.46	433,653.21	-188,223.75	-43.4%
1006b - UBB GOVERNMENT	-3,515.26	0.00	-3,515.26	-100.0%
1006 - UNITED BUSINESS BANK - Other	276.36	0.00	276.36	100.0%
Total 1006 - UNITED BUSINESS BANK	242,190.56	433,653.21	-191,462.65	-44.2%
1009 - COLO TRUST				
1009a - COLOTRUST - CASH AVAILABLE	5,228,185.67	4,615,868.15	612,317.52	13.3%
1009b - COLO TRUST - GOVT RESERVE	10,000.00	10,000.00	0.00	0.0%
1009c - COLO TRUST - OPERATING RESERVE	1,708,605.00	1,708,605.00	0.00	0.0%
1009d - COLO TRUST - CWRPDA RESTRICTED	380,000.00	380,000.00	0.00	0.0%
1009e - COLO TRUST - CWRPDA RESTRICTED2	370,000.00	370,000.00	0.00	0.0%
1009f - COLO TRUST - GOVT FUND	188,453.45	188,453.45	0.00	0.0%
1009 - COLO TRUST - Other	58,158.01	0.00	58,158.01	100.0%
Total 1009 - COLO TRUST	7,943,402.13	7,272,926.60	670,475.53	9.2%
1010 - CSAFE				
1010a - C-SAFE - CASH AVAILABLE	36,251.17	34,775.90	1,475.27	4.2%
1010 - CSAFE - Other	265.41	0.00	265.41	100.0%
Total 1010 - CSAFE	36,516.58	34,775.90	1,740.68	5.0%
1028 - GRAND COUNTY IGA ESCROW FUND				
1028a - UBB- ESCROW	10,030.76	10,039.08	-8.32	-0.1%
1028 - GRAND COUNTY IGA ESCROW FUND - Other	2.19	0.00	2.19	100.0%
Total 1028 - GRAND COUNTY IGA ESCROW FUND	10,032.95	10,039.08	-6.13	-0.1%
Total Checking/Savings	8,233,726.04	7,751,794.79	481,931.25	6.2%
Accounts Receivable				
ACCOUNTS RECEIVABLE - OTHER	10,500.00	0.00	10,500.00	100.0%
1040 - A/R - CERTIFIED TO COUNTY	40,879.14	1,840.17	39,038.97	2,121.5%
1045 - A/R - OTHER	92,500.49	91.34	92,409.15	101,170.5%
1060 - PROPERTY TAXES RECEIVABLE	278,063.00	274,638.00	3,425.00	1.3%
Total Accounts Receivable	421,942.63	276,569.51	145,373.12	52.6%
Other Current Assets				
1003 - UNDEPOSITED FUNDS	0.00	-80.00	80.00	100.0%
1030 - A/R - USER FEES	-130,340.19	121,825.21	-252,165.40	-207.0%
1070 - PREPAID INSURANCE	81,952.00	68,338.00	13,614.00	19.9%
1160 - INVENTORY - SHOP SUPPLIES	31,697.59	28,697.59	3,000.00	10.5%
1165 - INVENTORY - LAB SUPPLIES	9,595.75	6,595.75	3,000.00	45.5%
1170 - DUE FROM NORTH SHORE WATER	-1,267.92	-644.24	-623.68	-96.8%
1180 - DUE FROM COLUMBINE LAKE WATER	10,181.95	-461.60	10,643.55	2,305.8%
Total Other Current Assets	1,819.18	224,270.71	-222,451.53	-99.2%
Total Current Assets	8,657,487.85	8,252,635.01	404,852.84	4.9%
Fixed Assets				
FIXED ASSETS				
1300 - Assets Not Depreciated	234,127.13	234,127.13	0.00	0.0%
1340 - UTILITY PLANT IN SERVICE	32,596,473.02	32,490,290.84	106,182.18	0.3%
1380 - OFFICE FUNITURE & EQUIPMENT	30,607.67	30,607.67	0.00	0.0%
1400 - PROPERTY IMPROVEMENTS	967,709.00	967,709.00	0.00	0.0%

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Accrual Basis

THREE LAKES WATER & SANITATION DISTRICT

Balance Sheet Prev Year Comparison

As of April 30, 2025

	Apr 30, 25	Apr 30, 24	\$ Change	% Change
1430 - CAD MAPS	194,759.33	194,759.33	0.00	0.0%
1450 - Plant Expansion	10,008,589.00	10,008,589.00	0.00	0.0%
1550 - Vehicles & Equipment	1,562,929.17	1,562,929.17	0.00	0.0%
Total FIXED ASSETS	45,595,194.32	45,489,012.14	106,182.18	0.2%
1691 - LESS ACCUMULATED DEPRECIATION	-29,997,831.87	-29,158,636.30	-839,195.57	-2.9%
Total Fixed Assets	15,597,362.45	16,330,375.84	-733,013.39	-4.5%
Other Assets				
1870 - SECURITY DEPOSITS	177,753.00	177,753.00	0.00	0.0%
Total Other Assets	177,753.00	177,753.00	0.00	0.0%
TOTAL ASSETS	24,432,603.30	24,760,763.85	-328,160.55	-1.3%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2005 - ACCOUNTS PAYABLE	10,702.80	56,839.93	-46,137.13	-81.2%
Total Accounts Payable	10,702.80	56,839.93	-46,137.13	-81.2%
Other Current Liabilities				
CURRENT LIABILITIES				
PAYROLL LIABILITIES				
2030 - STATE WITHHOLDING TAX PAYABLE	925.00	3,699.00	-2,774.00	-75.0%
2040 - STATE UNEMPLOYMENT TAX PAYABLE	50.32	418.85	-368.53	-88.0%
2050 - ICMA 457 PAYABLE	2,598.39	-692.28	3,290.67	475.3%
2055 - ICMA 401 PAYABLE	2,648.92	0.00	2,648.92	100.0%
2056 - ROTH PAYABLE	270.00	0.00	270.00	100.0%
2070 - HEALTH, ETC INSURANCE PAYABLE	-1,732.33	-4,647.15	2,914.82	62.7%
2080 - PAID FAMILY LEAVE	514.90	0.00	514.90	100.0%
2100 - WAGES PAYABLE - ACCRUED	135.00	0.00	135.00	100.0%
2110 - VACATION PAYABLE - ACCRUED	45,457.02	0.00	45,457.02	100.0%
2150 - SICK PAY PAYABLE	6,793.44	-19,360.16	26,153.60	135.1%
Total PAYROLL LIABILITIES	57,660.66	-20,581.74	78,242.40	380.2%
2200 - DEFERRED PROPERTY TAXES	278,063.00	274,638.00	3,425.00	1.3%
2210 - UNEARNED USER FEES	28,210.81	19,120.05	9,090.76	47.6%
Total CURRENT LIABILITIES	363,934.47	273,176.31	90,758.16	33.2%
Total Other Current Liabilities	363,934.47	273,176.31	90,758.16	33.2%
Total Current Liabilities	374,637.27	330,016.24	44,621.03	13.5%
Long Term Liabilities				
LONG TERM LIABILITIES				
2190 - CWRPDA INTEREST PAYABLE	14,424.19	0.00	14,424.19	100.0%
2505A - CWRPDA LOAN PAYABLE	1,079,589.68	1,218,377.14	-138,787.46	-11.4%
2505B - CWRPDA LOAN PAYABLE-COPPER	2,666,737.91	2,704,974.65	-38,236.74	-1.4%
Total LONG TERM LIABILITIES	3,760,751.78	3,923,351.79	-162,600.01	-4.1%
Total Long Term Liabilities	3,760,751.78	3,923,351.79	-162,600.01	-4.1%
Total Liabilities	4,135,389.05	4,253,368.03	-117,978.98	-2.8%
Equity				
FUND BALANCE				
3103 - INVESTMENT IN CAPITAL ASSETS	12,928,107.07	12,928,107.07	0.00	0.0%
3105 - UNRESERVED UNDESIG FUND BALANCE	5,473,729.07	5,473,729.07	0.00	0.0%

THREE LAKES WATER & SANITATION DISTRICT
Balance Sheet Prev Year Comparison
As of April 30, 2025

	Apr 30, 25	Apr 30, 24	\$ Change	% Change
3115 · DESIGNATED FUND BALANCE	10,000.00	10,000.00	0.00	0.0%
Total FUND BALANCE	18,411,836.14	18,411,836.14	0.00	0.0%
32000 · RETAINED EARNINGS	1,505,201.00	768,672.86	736,528.14	95.8%
Net Income	380,177.11	1,326,886.82	-946,709.71	-71.4%
Total Equity	20,297,214.25	20,507,395.82	-210,181.57	-1.0%
TOTAL LIABILITIES & EQUITY	24,432,603.30	24,760,763.85	-328,160.55	-1.3%

June 2025

Superintendent Report

Lift Stations /Call Outs:

All lift stations are operating normally with regular checks and maintenance.

Treatment Plant:

Operating normally. We are still running on 2 basins but repairs have been made to the third basin so we are ready to go to 3 basins if flows come up.

We are still waiting for the repair to be completed on the digester blower. The repair should be done in the next couple weeks for a cost of \$21000.

I am still working on the permit renewal which includes some updates to the original 2019 renewal application. I am expecting to have a new permit sometime this summer.

Water Systems:

North Shore: Operating normally.

Columbine: Operating normally.

Other

The interceptor inspection will begin on 6/4. They have estimated 3 weeks to complete.

Mike



June 3, 2025

To: Board of Directors
From: Katie Nicholls, District Manager
RE: District Manager Update

EPA

We received approval from the State Office of Archaeology and Historic Preservation/SHPO to complete our Section 106 requirements on June 2, 2025. This wraps up the environmental requirements outlying from the District. I met with EPA on May 22nd, a few other items were needed from us related to our engineer and attorney agreements. Those items were completed that day. EPA owes me their workplan comments, which will allow me to finally start the online application process. I was told I will have a better idea of our timeline shortly, however things remain in flux based on the frequent federal level changes.

SRF Loan – Heat Trace Replacement Project

The Project Needs Assessment (PNA) process is nearly complete. I am awaiting some items from the engineer and for the audit to be completed so I can complete the 20-year financial plan they require. Once received I will be able to officially submit the PNA. Things remain on track for 2026 construction.

Office Drainage

Mike is still trying to find another bid for the office drainage. He has had one no show so far.

PR Firm

The PR firm is working on a new newsletter to go out following the June meeting. New board member introductions will be included in the newsletter.