



October 2, 2025

To: Board of Directors  
From: Katie Nicholls, District Manager  
RE: 2026 Proposed Budget

Attached is the proposed 2026 budget, it is also available on the website. We will not be reviewing the budget at the October 15<sup>th</sup> meeting. We will hold our first public hearing to REVIEW the budget on November 19<sup>TH</sup>, and the public hearing to ADOPT the budget on December 10<sup>th</sup>, please note this is a week earlier than normal to meet the mill levy certification deadline. A copy of the notice proof is attached. I have outlined some of the areas of note on the budget below:

#### **REVENUE**

- Interest earned moved down over 2025, but has averaged over 4.3%, 4% was applied for 2026.

#### **EXPENSES**

- SDA conference was budgeted at the 3 members attending.
- 12 board meetings were budgeted.
- 2026 is not election year.
- Business insurance was to increased by 10% for property and liability.
- 2026 is an audit exemption year for 2025 financials.
- Administrative and operation costs with Three Lakes Water & Sanitation are increasing by July CPI (2.1%) for 2026 per the terms of the Intergovernmental Agreement. \$1,300 was added for 20 hours above and beyond administrative work, and \$3,000 for operations work.
- Two leaks plus other miscellaneous repairs were budgeted at \$25,000 for repairs and maintenance.
- Utilities and chemicals were increased by 10% due to trending increases.
- Water testing has increased in costs and requirements.
- Federal mileage and postage rates continue to rise.
- \$100,000 is the maximum amount this budget will allow to be transferred to reserve to maintain 6+ months of operating expenses in the Enterprise Fund. This is higher than before to hopefully prime the reserves more with the ending fund balance.

# NORTH SHORE WATER DISTRICT 2026 PROPOSED BUDGET

ENTERPRISE FUND		ACTUALS	ACTUALS	ESTIMATED	ESTIMATED YEAR END		BUDGET	PROPOSED
		2024	THRU SEPT	OCT - DEC	2025	Budget Balance	2025	2026
BEGINNING FUND BALANCE		97,419			176,386		168,220	89,397
Operating Revenue								
4005 · Water Use Fees & Late Pymt Pen		120,795	92,346	31,874	124,220	(278)	123,942	137,738
4110 · Ad-Valorem Tax - Admin		1,748	3,563	0	3,563	(1,882)	1,681	1,722
4120 · Specific Ownership Tax		83	61	49	110	(10)	100	100
4130 · Delinquent Tax		1	1	4	5	(0)	5	5
4300 · Interest Earned		15,791	11,770	4,050	15,820	(220)	15,600	16,108
4900 · Miscellaneous Revenue		0	0	0	0	300	300	300
TOTAL OPERATING REVENUE		138,418	107,741	35,977	143,718	(2,090)	141,628	155,973
Non-Operating Revenue								
4090 · User Tap Fees		6,600	0	0	0	6,600	6,600	6,600
4010 · Permits - Connection/Inspection		100	0	0	0	25	25	25
4310 · Interest County		2	0	0	0	5	5	5
TOTAL NON-OPERATING REVENUE		6,702	0	0	0	6,630	6,630	6,630
TOTAL REVENUE		145,120	107,741	35,977	143,718	4,540	148,258	162,603
ADMINISTRATIVE EXPENSES								
5030 · County Treasurer Fees		88	89	8	97	(7)	90	90
5047 · Business Insurance		2,651	2,729	0	2,729	143	2,872	2,957
Director's Fees & Expenses		4,463	3,155	1,715	4,869	5,855	10,724	10,724
5040 · Dues & Fees		330	369	0	369	31	400	400
5042 · Election Expense		0	96	0	96	2,904	3,000	0
5055 · Miscellaneous - Administration		115	30	0	30	70	100	150
5061 · Office Supplies		431	45	20	65	335	400	400
5060 · Postage/Box Rent		244	66	165	231	19	250	263
5067 · Professional Fees-Legal		114	160	30	190	4,810	5,000	5,000
5068 · Professional Fess - Auditor		3,500	12,700	0	12,700	(100)	12,600	4,075
5075 · Telephone		2,022	1,563	471	2,034	91	2,125	2,136
5072 · Three Lakes Admin Contract		20,904	16,015	5,325	21,340	1,260	22,600	23,047
5041 · Mileage Expense		399	287	66	353	(53)	300	350
TOTAL ADMINISTRATIVE EXPENSES		35,261	37,303	7,800	45,103	15,357	60,461	49,592

**NORTH SHORE WATER DISTRICT  
2026 PROPOSED BUDGET**

<b>ENTERPRISE FUND</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ESTIMATED</b>	<b>ESTIMATED YEAR END</b>		<b>BUDGET</b>	<b>PROPOSED</b>
	<b>2024</b>	<b>THRU SEPT</b>	<b>OCT - DEC</b>	<b>2025</b>	<b>Budget Balance</b>	<b>2025</b>	<b>2026</b>
<b>OPERATIONS EXPENSES</b>							
5152 · Operations-Misc. Expense	0	102	0	102	898	1,000	1,000
5043 · Permits & Licenses	113	113	0	113	87	200	200
5191 · Repairs & Maintenance	406	0	500	500	24,500	25,000	25,000
5192 · Shop Supplies	0	0	0	0	200	200	200
5182 · Three Lakes Operation Contract	26,512	20,231	6,705	26,936	2,884	29,820	30,359
5197 · Utilities	2,351	2,399	798	3,197	(497)	2,700	3,500
5183 · Water Treatment-Equip/Chemicals	825	1,376	456	1,832	(432)	1,400	2,015
5199 · Water Testing	685	2,819	105	2,924	76	3,000	3,600
<b>TOTAL OPERATIONS EXPENSES</b>	<b>30,892</b>	<b>27,039</b>	<b>8,564</b>	<b>35,603</b>	<b>27,717</b>	<b>63,320</b>	<b>65,874</b>
<b>TOTAL EXPENDITURES</b>	<b>66,153</b>	<b>64,343</b>	<b>16,364</b>	<b>80,707</b>	<b>43,074</b>	<b>123,781</b>	<b>115,466</b>
<b>NET (Revenue - Expenses)</b>	<b>78,967</b>			<b>63,011</b>		<b>24,477</b>	<b>47,137</b>
<b>Designated Reserve Funds</b>	<b>30,000</b>	<b>0</b>	<b>150,000</b>	<b>150,000</b>	<b>0</b>	<b>150,000</b>	<b>100,000</b>
<b>ENDING FUND BALANCE</b>	<b>176,386</b>			<b>89,397</b>		<b>42,697</b>	<b>36,534</b>
<b>Total Dedicated Reserve Funds</b>	<b>210,000</b>			<b>360,000</b>		<b>360,000</b>	<b>460,000</b>



## INTERIM AD DRAFT

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

Notice ID: l1Sji8DXnpwCZ19rP15n | **Proof Updated: Oct. 02, 2025 at 01:59pm MDT**  
Notice Name: NSW Notice of Budget

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

FILER	FILING FOR
Katie Nicholls	Sky-Hi News and Middle Park
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Columns Wide:	1	Ad Class: Legals
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Total Column Inches:	2.08
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Number of Lines:	25
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10/08/2025: Other	12.65
Affidavit Fee	10.00

Subtotal	\$22.65
Tax	\$0.00
Processing Fee	\$2.27
<b>Total</b>	<b>\$24.92</b>

### North Shore Water District Notice of Budget (Pursuant to 29-1-106, C.R.S.)

NOTICE is hereby given that a proposed budget has been submitted to the North Shore Water District for the ensuing year of 2026; a copy of such proposed budget has been filed in the office of the Special District, where the same is available for public inspection online. Such proposed budget will be reviewed at a regular meeting of the Board of Directors on November 19, commencing at 5:30 pm. The proposed budget will be adopted at a regular meeting of the Board of Directors on December 10, commencing at 5:30pm.

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

Katie Nicholls, Budget Officer  
**PUBLISHED IN THE SKY-HI NEWS AND MIDDLE PARK TIMES ON WEDNESDAY, OCTOBER 8, 2025.**