



2025 Town of Grand Lake Budget

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**TOWN OF GRAND LAKE
2026 BUDGET MESSAGE**

The proposed 2026 budget for the Town of Grand Lake, Colorado was initially presented to the Town Board of Trustees on August 25, 2025, and workshopped on October 14th, 2025. A presentation of the budget was made publicly on November 10, 2025, and a formal Public Hearing on the budget was held on November 24, 2025, at the Town Board Regular Meeting. The Town Board scheduled the budget for final approval at its meeting on November 24, 2025.

The 2026 budget totals are as follows:

The 2026 Budget per Fund	Estimated Reserves 1/1/2026	Revenue	Expenditures	Ending Balance
General Fund (Total)	\$2,901,481	\$9,431,754	\$9,532,295	\$2,800,939
Water Enterprise Fund	\$2,766,581	\$852,588	\$791,407	\$2,827,763
Marina Enterprise Fund	\$1,035,533	\$498,550	\$480,877	\$1,053,206
Pay-as-You-Throw Enterprise Fund	\$127,899	\$84,368	\$82,179	\$130,088
Space to Create Grand Lake Enterprise Fund	\$0	\$130,000	\$67,850	\$62,150
Capital Improvement Fund	\$756,864	\$600,000	\$656,075	\$700,789
TOTAL:	\$7,588,358	\$11,597,260	\$11,610,683	\$7,574,935

Our budget for 2026 has been primarily constructed by building upon the 2025 budget, year-to-date estimates, and known expenses. We anticipate that sales tax revenues will remain relatively stable for 2026. Property tax calculations are based on the preliminary assessed property values from Grand County. Management is responsible for the preparation and fair representation of the Town’s financial condition in accordance with accounting principles generally accepted in the U.S.

GENERAL FUND

Services provided by the Town under the General Fund include: Administration; Public Safety (through a contract with the Grand County Sheriff’s Department); Public Works (Streets and Parks); Municipal Court; Elections; Culture and Recreation, the Grand Lake Center; Planning and Zoning, and Code Administration.

The General Fund utilizes the modified accrual basis of accounting, a method under which revenues are recognized in the period they become available and measurable; and expenditures are recognized in the period

the associated liability is incurred. We expect to begin 2026 with a beginning balance in the General Fund of approximately \$ 2.9M.

Notable Budget Items

Revenue

- Property Tax revenues for 2026 were calculated based on full statutory limitations. Revenue was adjusted down slightly to comply with new 5.25% max growth regulation.
- Sales Tax revenues for 2026 are budgeted using actual 2025 through September 2025 and September – December 2024 sales tax receipts.
- Other revenues include sales of assets, Grand Lake Center updated fees, and line items for marijuana fees and taxes.

Operation Expenditures

- **Gross Wages:** Wages are expected to increase in 2026. This increase includes a 7.5% cost of living increase for current staff. It also includes funds for Water and Public Works to be fully staffed. Health insurance and Workman’s Comp premiums have increased as well.
- **Greenways Committee:** Increased for anticipated price increases for 2026.
- **Board of Trustees:** Includes estimated expenses for meals at meetings and community dinner.
- **Marketing:** Marketing and Communications are consolidated with Visitor Center operations as a result of the dissolution of the Grand Lake Chamber of Commerce.
- **Business Licenses:** Business licenses are increased to cover visitor center expenses.
- **Public Works/Parks:** Capital purchases include a snowmaker to facilitate fluctuations in precipitation during winter economic driver events.
- **Capital Outlay:** Allocated resources for essential projects, including the replacement of Town Hall ramps, paving, drainage improvements, and a park marque sign.
- **Paving:** \$95K.
- **Drainage:** Funding has been applied for to repair the west side stormwater system.
- **Grand Lake Center:** Will continue with the Summer Kids Camp Program at \$30K.

Debt Service

- In 2021, the Town purchased property and water rights at 195 GCR 48 in Grand Lake, CO for \$1,200,000, and at Thomasson Park for \$217,678.28 with the proceeds from a COP. In 2026, the town will pay \$100,000 in principal and \$31,176 in interest on the COPs.

WATER ENTERPRISE FUND

Water service is provided within the Town limits and to certain outlying areas by the Town through the Water Enterprise Fund. The Water Enterprise Fund also uses the modified accrual basis of accounting. The Water Enterprise Fund is a proprietary fund, which generally reports services for which the Town charges customers a fee. We expect to begin 2026 with a beginning fund balance of \$2.7M.

Notable Budget Items

Revenue

- Water rates will remain unchanged for 2026.

Operation Expenses

- Expenses across the Water Fund increased from increased supplies and operational costs. We expect the fund to end with \$2.8M in reserves.

Debt Service

- The Town borrowed \$1.6 million to install the new 300,000-gallon buried concrete water storage tank through a State Revolving Fund loan (SRF). Our principal and interest payments will be approximately \$71,384 and \$23,404 respectively for a total annual payment of \$94,788 in 2026.

MARINA ENTERPRISE FUND

The Marina Enterprise, doing business as the Headwaters Marina, is owned by the Town and was established in 2007. Services provided include rentals of pontoon and pedal boats and historic lake tours. The Marina Enterprise Fund utilizes the modified accrual basis of accounting.

Notable Budget Items

Revenue

- The Marina revenues for 2025 were flat with expenses being reduced by 10%, mostly due to reduced days of operations because of staffing shortages. 2026 capital equipment transactions include a capital purchase of \$89k for three pontoon boats, sale of one Crestliner boat, and trade of two pontoons.

Operation Expenses

- **Fireworks:** Fireworks expenses are now appropriated from the general fund for 2025 and future years.

PAY-AS-YOU-THROW ENTERPRISE FUND

The Pay-As-You-Throw Enterprise Fund, the third proprietary fund of the Town, has been successful beyond initial expectations since its inception in 2010 in addressing the problem of trash service in Town, particularly for part-time residents, second homeowners, and visitors. The use of the program continues to grow each year.

The Pay-As-You-Throw (PAYT) Enterprise Fund bags are purchased wholesale by the PAYT Fund and sold in bulk to a number of retail outlets. Retail outlets can sell the bags, collect taxes, and retain small profit margins. We also sell bags individually to residents and visitors, predominantly at Town Hall and Grand Lake Center.

Notable Budget Items

- **Capital:** PAYT is still awaiting guidance on any required recycling programs.

Capital Improvement Fund

On November 8, 2016, the citizens of Grand Lake passed a ballot question to increase sales and use tax from 4% to 5%, effective January 1, 2017, and to incur debt for the purpose of financing improvements to streets, boardwalks, sidewalks, multi-use pathways, streetscapes, signage and drainage. These bonds were sold in May 2017 and generated an additional premium of \$385,090. Debt service began in December 2017. These funds are used first to pay debt service on the bonds in, then to fund the Surplus Fund requirement of \$280,500 and finally to operate and maintain the infrastructure installed.

Notable Budget Items

- **Debt Service:** In 2026, the Town will pay \$275,800 in principal and interest for the 2017 bond debt.

Space to Create Enterprise Fund: The Town anticipates utilization of the Space to Create Makers Space in June of 2026 and the residences in August of 2026. As a result, an Enterprise Fund is created in 2026 to manage Revenues and Expenses for this Town-owned rental property.

SUMMARY

The Board of Trustees of the Town of Grand Lake are committed to continuing to serve the citizens with quality service while maintaining a fiscally responsible budget.

Management will closely monitor revenues and limit expenditures to keep within overall budget parameters. Monthly reviews of departmental budgets will be held with the Town Manager, the Town Treasurer and department directors. Budget expenditure variances of 15% or greater will be reviewed at these monthly meetings and discussed in an effort to keep budgets in line throughout the year. Subsequently, departmental budgets have predominantly come in under budget the past few years.

The Town Board and Town staff will continue to provide the services citizens expect while simultaneously being good stewards of public funds.

Respectfully submitted,

Steve Kudron

Town Manager