

**CASTLE PINES VILLAGE METROPOLITAN DISTRICT
BOARD OF DIRECTORS REGULAR MEETING AGENDA**

Date: Wednesday, May 27, 2026

Time: 2:00 p.m.

Location: District's Board Room - 5880 Country Club Dr., Castle Rock, Colorado

The Board Members will be present for the meeting; The community will be connected through a Zoom Link.

| | <u>Tab</u> | <u>Estimate</u> |
|--|------------|-----------------|
| 1A Call to Order / Roll Call | | 2:00 |
| 1B Announcement of Quorum | | 2:00 |
| 1C Confirmation of Conflict Disclosures Filing | | 2:00 |
| 1D Approval of Agenda | | 2:00 |
| GUEST INTRODUCTIONS / COMMENTS FROM THE COMMUNITY | | 2:05 |
| 2A Guest Introductions / Comments from the Community | | |
| ACTION ITEM | | 2:10 |
| 3A Accept the Audited Financial Report for Fiscal Year 2025, Dir. Lanam, Dir. King, Mr. Shackelford, Ms. Lindberg, Ms. Johanna Remster, CPA, Audit Manager, and Christine McLeod, Audit Partner, Haynie & Co. | 1 | |
| BUDGET AMENDMENT DISCUSSION | | |
| 4A Proposed 2026 Budget Amendment, Mr. Shackelford, Ms. Lindberg | | 2:30 |
| PUBLIC HEARING (Comments limited to 3 minutes per person) | | 2:40 |
| 4B Open PUBLIC HEARING for the purpose of receiving comments about the District's proposed amendment to the 2026 Budget | | |
| DISTRICT REPORTS | | 2:45 |
| 5A Castle Pines Homes Association Update, Mr. Larson (Verbal) | | |
| 5B District Manager Report, Mr. Shackelford (Verbal) | | |
| • PCWRA Update, April 2026 | 2 | |
| • Safety & Operations Update | 3 | |
| • CPMD Water Usage Reports - April 2026 | 4 | |
| 5C Capital Projects Updates, Mr. Person (Verbal) | | |
| DISCUSSION & ACTION ITEMS | | 3:15 |
| 6A Consent Agenda | | |
| <i>The items listed below are a group of items to be acted on with a single motion and vote by the Board to expedite the handling of limited routine matters. The Board has received the information on these matters prior to the meeting. An item may be removed from the Consent Agenda to the regular agenda, if desired. Items on the consent agenda are then voted on by a single motion, second, and vote by the Board.</i> | | |
| 6A.1 Consider Approval of the Minutes from the April 28, 2026, Regular Board Meeting, Staff | 5 | |
| 6A.2 Ratify Approval of April 2026 Payments in the amount of \$3,430,365.75, Ms. Lindberg | 6 | |
| 6B Review of April 2026 Financials, Dir. Lanam, Dir. King, Ms. Lindberg | 7 | 3:25 |
| 6C Consider Approval of Resolution to Amend the 2026 Budget, Dir. Lanam, Dir. King, Mr. Shackelford, Ms. Lindberg | 8 | 3:30 |

| | | | |
|----|--|----|------|
| 6D | Consider Approval of the Concrete Tile Roof Replacement Contract for the Office and Shop, Mr. Shackelford, Mr. LeTellier | 9 | 3:35 |
| 6E | Consider Approval of the AMI Base Station Replacement, Mr. Shackelford, Mr. LeTellier | 10 | 3:40 |
| 6F | Consider Approval of the 2026 Roadway Construction Services, Mr. Shackelford, Mr. Person | 11 | 3:45 |
| 6G | Confirm Thursday, June 18, 2026, 9:00 a.m., Regular Board Meeting (Verbal) | | 3:50 |
| | EXECUTIVE SESSION | | 3:55 |
| 7A | If needed, an executive session may be called pursuant to and for the purposes set forth in C.R.S. § 24-6-402(4), after announcement of the specific topic for discussion and statutory citation authorizing the executive session, and a vote of two-thirds of the quorum of the Board present. | | |
| | ADJOURN | | 5:30 |
| 8A | Adjournment | | |

Board Meeting Schedule

Thursday, June 18, 2026, 9 a.m., Board Room, Regular Board Meeting

Tuesday, July 28, 2026, 9 a.m., Board Room, Regular Board Meeting

Castle Pines Metropolitan District

Financial Statements

December 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Castle Pines Metropolitan District

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Castle Pines Metropolitan District (the "District") as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District, as of December 31, 2025 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison for the general fund, infrastructure condition and maintenance data, pension-related schedules, and the notes to the required supplementary information, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information section is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Littleton, Colorado
May 27, 2026

Management's Discussion and Analysis

Within this section of Castle Pines Metropolitan District's (District) annual financial report, the District's management is pleased to provide this narrative discussion and analysis of the financial activities of the District for the calendar year ended December 31, 2025. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

The District's assets and deferred outflows exceeded its liabilities and deferred inflows by \$85,454,481 (net position) as of December 31, 2025 (page 13). This total net position is comprised of the following:

- Net investment in capital assets of \$48,677,265 includes property, equipment, and infrastructure, net of accumulated depreciation, reduced by outstanding debt related and liabilities to the purchase or construction of capital assets.
- Net position of \$230,000 is restricted by constraints imposed from outside the District such as debt covenants, grantors, laws, or regulations.
- Unrestricted net position of \$36,547,216 represents the portion available to maintain the District's continuing obligations to citizens and creditors.

The District's financial position increased by \$4,169,790 this year with total revenues exceeding total expenses in both governmental and business-type activities (page 14).

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis section introduces the District's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District also includes additional information to supplement the basic financial statements in this report. Comparative 2024 data is presented when available and applicable.

Government-wide Financial Statements

The District's annual report includes two government-wide financial statements (pages 13 & 14). These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position* (page 13). This is the government-wide statement of position presenting information that includes all District assets and deferred outflows and liabilities and deferred inflows, with the difference reported as net position. Over a period of time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District, as a whole, is improving or deteriorating.

Evaluation of the overall health of the District extends to other non-financial factors, such as diversification of the taxpayer base or the condition of District infrastructure, in addition to the financial information provided in this report. The December 31, 2025 Statement of Net Position reflects the pension plan disclosures which were adopted in 2015, as well as the OPEB liability, which was adopted in 2018.

The second government-wide statement, the *Statement of Activities* (page 14), reports how the District's net position changed during the current calendar year. All current-year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish functions of the District that are principally supported by taxes (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The governmental activities (roads) of the District include general government and public works. The business-type activities (water and sewer) of the District include water and sewer services.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. All of the District's funds are classified as major and are separately reported.

Governmental Funds. The District maintains one governmental fund, the General Fund. The basic governmental fund financial statements are presented on pages 15 -18 of this report. Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different than the government-wide statements with fund statements providing a distinctive view of the District's governmental fund. Governmental fund statements report short term fiscal accountability and focus on the use of spendable resources and balances of these resources available at the end of the year. They are useful in evaluating the annual financing requirements of governmental programs and the commitment of spendable resources for the near term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

The *Proprietary Fund* is reported in the fund financial statements and generally reports services for which the District charges customers a fee. The District's proprietary fund is classified as an enterprise fund. This enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements. The District services approximately

1,918 homes inside the District boundaries. The basic enterprise fund financial statements are presented on pages 19 - 21 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 22 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget presentations and the modified approach for infrastructure. A budgetary comparison schedule is included as required supplementary information for the general fund to demonstrate compliance with the District's adopted and final revised budget. Schedules of the District's proportionate share of net pension and OPEB liability and related contributions are also included in this section. Required supplementary information can be found on pages 60 -67 of this report.

Comparative statements and schedules for the general fund are included as supplementary information in this report and provide additional information on changes in activities and financial position of the District. A budgetary comparison schedule for the enterprise fund can be found in this section. Supplementary information is located on pages 68 – 70.

Financial Analysis of the District as a Whole

Over time, as year-to-year financial information is accumulated consistently, changes in net position may be observed and used to discuss the changing financial position of the District as a whole.

The District's net position at December 31, 2025, is \$85,454,481 (page 13). The following table provides a summary of the District's net position:

| | Governmental Activities | | | | Business-Type Activities | | | |
|---|-------------------------|----------------------|---------------------|---------------|--------------------------|----------------------|---------------------|--------------|
| | 2025 | 2024 | \$ Change | % Change | 2025 | 2024 | \$ Change | % Change |
| Assets | | | | | | | | |
| Current Assets | \$ 29,121,401 | \$ 26,583,996 | \$ 2,537,405 | 9.5% | \$ 17,676,282 | \$ 18,366,091 | \$ (689,809) | -3.8% |
| Capital Assets | 15,069,067 | 15,069,687 | (620) | 0.0% | 49,954,698 | 37,604,614 | 12,350,084 | 32.8% |
| Other Noncurrent Assets | | | | | 16,156,582 | 21,194,596 | (5,038,014) | -23.8% |
| Total Assets | 44,190,468 | 41,653,683 | 2,536,785 | 6.1% | 83,787,562 | 77,165,301 | 6,622,261 | 8.6% |
| Deferred Outflows | 184,234 | 278,268 | (94,034) | -33.8% | 254,419 | 384,275 | (129,856) | -33.8% |
| Total Assets and Deferred Outflows | 44,374,702 | 41,931,951 | 2,442,751 | 5.8% | 84,041,981 | 77,549,576 | 6,492,405 | 8.4% |
| Liabilities | | | | | | | | |
| Current Liabilities | 310,799 | 533,461 | (222,662) | -41.7% | 7,003,814 | 1,493,132 | 5,510,682 | 369.1% |
| Long-term Liabilities | 505,467 | 606,138 | (100,671) | -16.6% | 26,553,690 | 27,238,475 | (684,785) | -2.5% |
| Total Liabilities | 816,266 | 1,139,599 | (323,333) | -28.4% | 33,557,504 | 28,731,607 | 4,825,897 | 16.8% |
| Deferred Inflows | 8,563,507 | 8,308,467 | 255,040 | 3.1% | 24,925 | 17,163 | 7,762 | 45.2% |
| Total Liabilities and Deferred Inflows | 9,379,773 | 9,448,066 | (68,293) | -0.7% | 33,582,429 | 28,748,770 | 4,833,659 | 16.8% |
| Net Position | | | | | | | | |
| Net Investment in Capital Assets | 15,069,067 | 15,069,687 | (620) | 0.0% | 33,608,198 | 31,918,233 | 1,689,965 | 5.3% |
| Restricted - TABOR | 230,000 | 230,000 | - | 0.0% | | | | 0.0% |
| Unrestricted | 19,695,862 | 17,184,198 | 2,511,664 | 14.6% | 16,851,354 | 16,882,573 | (31,219) | -0.2% |
| Total Net Position | \$ 34,994,929 | \$ 32,483,885 | \$ 2,511,044 | 7.7% | \$ 50,459,552 | \$ 48,800,806 | \$ 1,658,746 | 3.4% |

The District continues to maintain a healthy current ratio of 6.4 to 1 overall with sufficient current assets available to pay current obligations. The current ratio for governmental activities is 93.7 to 1, up from 49.8 to 1 in 2024 due to increased current assets, including cash and cash equivalents, property taxes receivable and an interfund receivable. Current liabilities of business-type activities increased over prior year from accounts payable balances at year end resulting in a current ratio of 2.5 to 1 at December 31, 2025, down from 12.3 to 1 in 2024. These outstanding payables are largely related to bond-funded construction activities. The District’s restricted investments consist of bond proceeds to fund this construction, and maintain sufficient liquidity to pay invoices timely so as to not further deteriorate the current ratio.

Approximately 50.8% of the District’s total assets are consumed by capital assets. The District uses these capital assets to provide services to its residents. Approximately 34.1% of the governmental activities total assets are included in capital assets, primarily consisting of infrastructure. Within business-type activities, approximately 59.6% of assets are capital assets. Capital assets in business-type activities provide water services and mostly consist of water and sewer systems; however, they also generate fee-based revenues for this fund. The percentage of capital assets to total assets increased in business-type activities this year with significant construction in progress underway related to bond-funded water and sewer systems expected to be completed in 2026.

Government-wide information is presented with comparative data for the prior year for better analysis and trends. The following table provides a summary of the District's changes in net position:

| | Governmental Activities | | | | Business-Type Activities | | | |
|--|-------------------------|----------------------|---------------------|----------|--------------------------|----------------------|---------------------|----------|
| | 2025 | 2024 | \$ Change | % Change | 2025 | 2024 | \$ Change | % Change |
| Revenues | | | | | | | | |
| Program Revenues: | | | | | | | | |
| Charges for Services & Sales | \$ 241,153 | \$ 247,093 | \$ (5,940) | -2.4% | \$ 7,379,053 | \$ 7,203,114 | \$ 175,939 | 2.4% |
| Total Program Revenues | <u>241,153</u> | <u>247,093</u> | <u>(5,940)</u> | -2.4% | <u>7,379,053</u> | <u>7,203,114</u> | <u>175,939</u> | 2.4% |
| General Revenues: | | | | | | | | |
| Property Taxes | 8,388,118 | 8,450,853 | (62,735) | -0.7% | | | | 0.0% |
| Specific Ownership Taxes | 638,133 | 616,977 | 21,156 | 3.4% | | | | 0.0% |
| Investment Earnings | 916,977 | 851,007 | 65,970 | 7.8% | 1,531,081 | 1,777,355 | (246,274) | -13.9% |
| Proceeds from Disposal of Capital Assets | 23,656 | 57,000 | (33,344) | -58.5% | | | | 0.0% |
| Other | 30,680 | - | 30,680 | 0.0% | | | | 0.0% |
| Total General Revenues | <u>9,997,564</u> | <u>9,975,837</u> | <u>21,727</u> | 0.2% | <u>1,531,081</u> | <u>1,777,355</u> | <u>(246,274)</u> | -13.9% |
| Total Revenues | <u>10,238,717</u> | <u>10,222,930</u> | <u>15,787</u> | 0.2% | <u>8,910,134</u> | <u>8,980,469</u> | <u>(70,335)</u> | -0.8% |
| Program Expenses: | | | | | | | | |
| General Government | 1,912,417 | 1,833,094 | 79,323 | 4.3% | | | | 0.0% |
| Public Works | 5,080,256 | 5,304,806 | (224,550) | -4.2% | | | | 0.0% |
| Water and Sewer | | | | 0.0% | 7,986,388 | 6,825,631 | 1,160,757 | 17.0% |
| Total Expenses | <u>6,992,673</u> | <u>7,137,900</u> | <u>(145,227)</u> | -2.0% | <u>7,986,388</u> | <u>6,825,631</u> | <u>1,160,757</u> | 17.0% |
| Excess or Deficiency before Transfers | <u>3,246,044</u> | <u>3,085,030</u> | <u>161,014</u> | 5.2% | <u>923,746</u> | <u>2,154,838</u> | <u>(1,231,092)</u> | -57.1% |
| Transfers | <u>(735,000)</u> | <u>(800,000)</u> | <u>65,000</u> | -8.1% | <u>735,000</u> | <u>800,000</u> | <u>(65,000)</u> | -8.1% |
| Change in Net Position | <u>2,511,044</u> | <u>2,285,030</u> | <u>226,014</u> | 9.9% | <u>1,658,746</u> | <u>2,954,838</u> | <u>(1,296,092)</u> | -43.9% |
| Net Position, Beginning of Year | <u>32,483,885</u> | <u>30,198,855</u> | <u>2,285,030</u> | 7.6% | <u>48,800,806</u> | <u>45,845,968</u> | <u>2,954,838</u> | 6.4% |
| Net Position, End of Year | <u>\$ 34,994,929</u> | <u>\$ 32,483,885</u> | <u>\$ 2,511,044</u> | 7.7% | <u>\$ 50,459,552</u> | <u>\$ 48,800,806</u> | <u>\$ 1,658,746</u> | 3.4% |

The District maintains a strong balance in net position for both governmental activities and business-type activities (page 13). During 2025, the District's overall financial position increased by

\$4,169,790. Net position increased by \$2,511,044 in governmental activities and \$1,658,746 in business-type activities.

Total revenue remained consistent with prior year, while total expenses increased \$1,015,530, or 7.3% in 2025. Water and Sewer program expenses accounted for the year-over-year increase because of higher depreciation on capital assets and additional professional services expenses in business-type activities (see additional information below).

Governmental Activities

Total general revenues in 2025 remained relatively flat from prior year at \$9,997,564. The District is dependent upon property tax to fund general governmental operations. Therefore, taxes are reported as general revenue, rather than program revenue. The County conducts a reassessment of property values every two years, in odd-numbered years. Property taxes are collected by the District following the year of assessment. 2025 property tax revenue was similar to 2024 since no revaluation was conducted for the collection year reported. Investment earnings remained strong again in 2025 despite a volatile market and three Federal rate reductions during the year. Program revenue (page 14) of \$241,153 primarily consists of charges for services for landscape maintenance services, and accounts for 2.4% of the governmental activities' total revenues.

2025 program expenses were similar to prior year with a slight decrease of \$145,227, or 2.0%. The decrease is attributable to one-time investments in capital outlay in 2024 that did not occur in 2025.

Business-Type Activities

Unlike governmental activities, business-type activities derive revenues primarily from program revenues which accounts for nearly 83% of total revenues. The District generates these revenues through direct usage and service fees to customers in the service area, which may be impacted by the number of customers in the service area, rate structure, and actual usage. A monthly increase to the capital improvement fee \$10 per property was included in the 2025 budget to support the District's long range infrastructure replacement program providing an increase of \$175,939 or 2.4% in charges for services over 2024. No increases were made to other fixed monthly charges or water use rates. General revenues from investment earnings recorded \$246,274 less revenue than 2024, resulting in a 0.8% decrease in total revenues of business-type activities when compared to prior year.

Program expenses increased 17.0%, or \$1,160,757, from 2024 to 2025, largely related to depreciation and professional services expenses. The increase in depreciation expense is directly correlated with the additional investment in capital assets as depicted in the Statement of Net Position. Professional services costs increased in 2025 because of one-time projects centered on the District's resources, including renewable water and infrastructure, as the District focuses on long-term sustainability goals.

Financial Analysis of the District's Funds

Governmental Fund

As discussed, governmental funds are reported in the individual fund statements using a focus on current financial resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. The General Fund is the District's only governmental fund and is considered a major fund for reporting purposes. The General Fund reported ending fund balance of \$20,267,644 (page 15). Of the total fund balance, \$126,968 is nonspendable as inventory and items prepaid for delivery of future goods or services, and \$230,000 is restricted by legislation for emergency reserves. The remaining \$19,910,676 is unassigned balance available for operational spending.

Total revenues in 2025 were consistent with 2024 as revenue is heavily dependent on property taxes, and there were no valuation changes during the year. Expenditures in the General Fund decreased \$535,377, or 7.1%, primarily due to fewer investments in capital outlay from last year. As a result, the excess of revenues over expenditures, before other financing sources and uses, was \$3,214,205 in 2025 compared to \$2,629,697 in 2024. The General Fund was also able to transfer \$735,000 to the Water and Sewer Fund in 2025, a slight reduction compared to an \$800,000 transfer in 2024.

When incorporating all financial activities of the fund, the fund balance increased by \$2,511,647 in 2025; the increase in fund balance in 2024 was \$1,886,697. At December 31, 2025, the District's governmental fund reported a total ending fund balance of \$20,267,644 (page 17). This compares to the prior year ending fund balance of \$17,755,997 reflecting a healthy operating year and sufficient fund balance for future operational needs.

Proprietary Fund

As an enterprise fund, the Water and Sewer Fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The primary source of revenue in this fund is collected from water, sewer and stormwater fees. The District also reports bond-related activities in this fund because the bond was issued to support infrastructure required for fund operations.

Operating revenue in the Water and Sewer Fund was similar to last year. The monthly capital improvement fee increased by \$10 per household in 2025, contributing to a \$175,939, or 2.4%, increase in operating revenues for the fund. No other changes in base fees or water usage rates were implemented during the year.

As the District continues to invest in infrastructure and sustainable resources, operating expenses also increased in 2025. Several one-time projects were started to evaluate the District's assets, including renewable water, sanitary sewer and waterlines. These projects will support long-range master plans for rehabilitation and new construction of water and sewer infrastructure in The Village and contributed to an increase in professional services costs of \$463,565 over prior year. Additions of capital assets and depreciation balance adjustments increased depreciation expense by \$394,798 in 2025 resulting in overall higher expenses over prior year.

Total operating income was \$471,428 in 2025, a decrease from 2024's operating income of \$1,477,433 due to the increased operating expenses discussed above. While investment earnings were strong again in 2025, revenues in this line were slightly lower than in 2024, resulting in total nonoperating revenues of \$452,318, slightly down from \$677,405 last year. Combined with an interfund transfer from the General Fund of \$735,000, the Water and Sewer Fund ended the year with an increase in net position of \$1,658,746, 43.9% lower than 2024's increase in net position of \$2,954,838. \$33,608,198 of the District's net position is invested in capital assets (page 19) leaving \$16,851,354 unrestricted and available for future operational spending.

BUDGETARY HIGHLIGHTS

General Fund

There were no amendments to the original adopted budget in 2025 for the General Fund (page 60). The District recorded \$490,482, or 5.0%, total revenues above budget; investment income was the primary driver for this variance along with some additional tax revenues.

Total expenditures were less than budgeted by \$2,197,065, or 23.9%, in 2025, which is similar to the variance of \$2,492,825 and 24.9% in 2024. Savings realized in the public works function were realized from the District's competitive bidding program for roadway and right of way improvement work, contributing to \$1,068,906 savings in this line. The largest single savings area in the general government function was related to vacancy savings in personnel expenditures accounting for \$261,754 of the \$905,058 budgetary variance, though most of the savings in this line was spread across multiple line items in smaller amounts such as office expenses, training, and utilities.

The District did not spend any of the budgeted operating reserves or capital reserves, which further contributed to an increase in fund balance of \$2,511,647 compared to a budgeted decrease in fund balance of \$208,342.

Water and Sewer Fund

The District did not amend the 2025 budget for the Water and Sewer Fund (page 70). Total revenues exceeded budget by \$1,279,241 or 15.3% in 2025 boosted primarily by investment earnings and charges for services. Despite market uncertainties and interest rate cuts, the District's investment portfolios remained strong on investments of operating funds and remaining bond proceeds. Within the charges for services line, revenues earned on fixed charges are more consistent with budgeted amounts, while water usage experiences greater fluctuations because precipitation, temperature and homeowner preference all contribute to this variance. Similar to prior year, effluent pumping revenue was below budgeted amounts. Revenue in this line is generated through the use of effluent water by the Castle Pines Golf Club and the Country Club at Castle Pines. Rates are contracted with the Plum Creek Water Reclamation Authority and revenue is based on actual use which varies by year.

Total expenses were less than budgeted by \$7,288,399, or 25.9% compared to the 2024 variance of \$9,889,272, or 53.6%, under budgeted expenses. In the operations and maintenance line, actual spending was under budget by \$871,381. Mid-year 2025, the District initiated a program providing homeowners with a one-time credit to incentivize testing of their property's backflow prevention

devices. This testing is required by the State of Colorado to protect contaminated water in a home from entering the public water supply. Customer response to the program was uncertain, and less credits were issued in 2025 than anticipated resulting in savings in this line. Unspent budget for these credits will be carried over to 2026 when the program incentive will conclude mid-year. Additional savings were realized in this line because fewer repairs were required to the water and sewer systems than budgeted.

The professional services line expenses were \$477,368 below budget because several infrastructure condition assessments are budgeted here and did not reach full completion before year end. The remaining budgets for these services will be spent in 2026 when long-range master plans will be created that will inform future infrastructure investments.

The largest line item variance is capital outlay, where expenses were \$5,471,988 under budget. The activity in this line is consumed primarily by two projects funded with the Series 2022 Revenue Bonds: the Water Treatment II Expansion and New Water Tank projects. Actual spending was less than budgeted because of project timing, pushing some budgeted expenses into 2026; both projects will be completed in 2026.

The District is authorized to transfer revenue from the general fund and/or receive grants, as that term is defined in the C.R.S. § 37-45.1-102 in an amount less than 10% of the Enterprise Fund's annual revenues. In 2025 the District transferred \$735,000 from the general fund to the enterprise fund.

Capital Assets and Debt Administration

Capital Assets

The District's capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2025, was \$15,069,067 and \$49,954,698, respectively. On December 31, 2025, the District’s total depreciable capital assets were 46.2% depreciated compared to 46.6% on December 31, 2024. See Note 3 for additional information about changes in capital assets during the calendar year.

The following table provides a summary of capital asset activity:

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Land | \$ | \$ | \$ | \$ | \$ | \$ |
| Infrastructure | 12,854,876 | 12,854,876 | 1,160,119 | 1,160,119 | 1,160,119 | 1,160,119 |
| Construction in Progress | | 37,791 | 14,962,797 | 4,730,475 | 14,962,797 | 4,768,266 |
| Buildings and Improvements | 1,119,692 | 499,860 | 6,178,668 | 6,164,517 | 7,298,360 | 6,664,377 |
| Water and Sewer Systems | | | 42,815,808 | 39,281,008 | 42,815,808 | 39,281,008 |
| Machinery and Equipment | 3,996,128 | 4,688,869 | 9,318,655 | 10,160,114 | 13,314,783 | 14,848,983 |
| Water Rights | | | 3,584,660 | 2,694,232 | 3,584,660 | 2,694,232 |
| Total Capital Assets | 17,970,696 | 18,081,396 | 78,020,707 | 64,190,465 | 95,991,403 | 82,271,861 |
| Accumulated Depreciation | (2,901,629) | (3,011,709) | (28,066,009) | (26,585,851) | (30,967,638) | (29,597,560) |
| Total Capital Assets, Net of Accumulated Depreciation | \$ 15,069,067 | \$ 15,069,687 | \$ 49,954,698 | \$ 37,604,614 | \$ 65,023,765 | \$ 52,674,301 |

Modified Approach to Infrastructure. The District has adopted the modified approach to report infrastructure in governmental-type activities. Under the modified approach, the expenditures incurred to preserve infrastructure, at or above the governmental designated condition levels, are not capitalized. Therefore, expenditures to improve infrastructures are recorded under the public works function. The actual expense for street maintenance was below budget by \$1,068,906. The District's goal is to maintain an excellent rating, or average Pavement Condition Index (PCI) rating of 85 or higher on all streets; this rating allows for minor cracking and oxidation of the pavement with minor roughness that could be noticeable. An assessment of the District’s PCI was most recently performed during 2025 resulting in an average PCI of 88.20. This information will be used to prioritize roadway rehabilitation and construction in 2026. Refer to pages 60 - 61 for additional information.

Long-term Liabilities

At the end of the year, the District had long-term liabilities, net of current portion, outstanding of \$27,059,157. The total of the District’s long-term liabilities represents balances of the 2022 Revenue Bond, Drinking Water Revolving Fund loans, the net pension and net OPEB liabilities, and compensated absences. See Note 5 for additional information.

The following table summarizes the District’s total outstanding long-term liabilities (including amounts due within one year) at December 31, 2025 and 2024:

| | Governmental Activities | | Business-Type Activities | | Total | |
|------------------------------------|-------------------------|-------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| DWRF Loans | \$ | \$ | \$ 953,406 | \$ 1,180,366 | \$ 953,406 | \$ 1,180,366 |
| 2022 Revenue Bonds | | | 24,610,000 | 24,870,000 | 24,610,000 | 24,870,000 |
| 2022 Revenue Bond Premium | | | 800,498 | 830,611 | 800,498 | 830,611 |
| Compensated Absences | 33,638 | 34,047 | 41,489 | 53,854 | 75,127 | 87,901 |
| Net OPEB Liability | 25,201 | 38,195 | 34,801 | 52,746 | 60,002 | 90,941 |
| Net Pension Liability | 449,128 | 535,396 | 620,225 | 739,357 | 1,069,353 | 1,274,753 |
| Total Long-Term Liabilities | \$ 507,967 | \$ 607,638 | \$ 27,060,419 | \$ 27,726,934 | \$ 27,568,386 | \$ 28,334,572 |

Economic Conditions Affecting the District

The District's economy is primarily residential but also includes some commercial properties. Residential development continues at a steady rate throughout the Denver metropolitan area as well as within the District boundaries. The District is nearly built out, at which point charges for services will begin to plateau year over year in the Water and Sewer Fund. Property taxes continue to be the major revenue source in the General Fund with a total of 33.834 mills levied in 2026.

The District continues progress on development of critical water infrastructure, which is heavily funded with the 2022 Revenue Bond. Expansion of a water treatment plant and construction of a new water tank will fully spend down the remaining bond funds in 2026; the District plans to use operational funding to supplement the cost of these two assets. However, much of the District’s aging infrastructure still needs replacement to prioritize public health and safety of the community. The District will incorporate results of master plans that are currently under development to inform repair and replacement of water and sewer systems into the future.

Request for Information

This financial report is designed to provide a general overview of the District's financial activity, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. Questions concerning any of the information provided in this report, or request for additional information should be addressed to Castle Pines Metropolitan District, Attn: Joshua Shackelford, 5880 Country Club Drive, Castle Rock, Colorado, 80108.

Basic Financial Statements

CASTLE PINES METROPOLITAN DISTRICT

STATEMENT OF NET POSITION

December 31, 2025

| | Primary Government | | |
|--|---------------------------|----------------------|----------------------|
| | Governmental | Business-Type | Total |
| | Activities | Activities | |
| Assets and Deferred Outflows of Resources | | | |
| Assets | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | \$ 3,830,013 | \$ 4,731,525 | \$ 8,561,538 |
| Cash with Fiscal Agent | 53,296 | | 53,296 |
| Investments | 15,628,076 | 13,224,152 | 28,852,228 |
| Receivables | | | |
| Accounts Receivable | 58,023 | 483,986 | 542,009 |
| Property Taxes | 8,545,458 | | 8,545,458 |
| Prepaid Expenses | 123,935 | 116,186 | 240,121 |
| Inventory | 3,033 | | 3,033 |
| Internal Balances | 879,567 | (879,567) | |
| Total Current Assets | 29,121,401 | 17,676,282 | 46,797,683 |
| Noncurrent Assets | | | |
| Restricted Cash | | 16 | 16 |
| Restricted Investments | | 16,156,566 | 16,156,566 |
| Capital Assets | | | |
| Nondepreciable Capital Assets | 12,854,876 | 16,122,916 | 28,977,792 |
| Depreciable Capital Assets, Net | 2,214,191 | 33,831,782 | 36,045,973 |
| Total Noncurrent Assets | 15,069,067 | 66,111,280 | 81,180,347 |
| Total Assets | 44,190,468 | 83,787,562 | 127,978,030 |
| Deferred Outflows of Resources | | | |
| Deferred Outflows of OPEB | 5,754 | 7,946 | 13,700 |
| Deferred Outflows Pension | 178,480 | 246,473 | 424,953 |
| Total Deferred Outflows of Resources | 184,234 | 254,419 | 438,653 |
| Total Assets and Deferred Outflows of Resources | 44,374,702 | 84,041,981 | 128,416,683 |
| Liabilities and Deferred Inflows of Resources | | | |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts Payable | 308,299 | 6,374,691 | 6,682,990 |
| Customer Deposits | | 26,176 | 26,176 |
| Accrued Interest Payable | | 96,218 | 96,218 |
| Compensated Absences Payable, Current | 2,500 | 2,500 | 5,000 |
| Loans Payable, Current | | 234,229 | 234,229 |
| Bond Payable, Current | | 270,000 | 270,000 |
| Total Current Liabilities | 310,799 | 7,003,814 | 7,314,613 |
| Long-Term Liabilities | | | |
| Compensated Absences Payable, Net of Current | 31,138 | 38,989 | 70,127 |
| Loans Payable, Net of Current | | 719,177 | 719,177 |
| Bond Payable, Net of Current | | 24,340,000 | 24,340,000 |
| Net OPEB Liability | 25,201 | 34,801 | 60,002 |
| Net Pension Liability | 449,128 | 620,225 | 1,069,353 |
| Bond Premium | | 800,498 | 800,498 |
| Total Long-Term Liabilities | 505,467 | 26,553,690 | 27,059,157 |
| Total Liabilities | 816,266 | 33,557,504 | 34,373,770 |
| Deferred Inflows of Resources | | | |
| Deferred Property Tax Revenue | 8,545,458 | | 8,545,458 |
| Deferred Inflows OPEB | 18,049 | 24,925 | 42,974 |
| Total Deferred Inflows of Resources | 8,563,507 | 24,925 | 8,588,432 |
| Total Liabilities and Deferred Inflows of Resources | 9,379,773 | 33,582,429 | 42,962,202 |
| Net Position | | | |
| Net Investment in Capital Assets | 15,069,067 | 33,608,198 | 48,677,265 |
| Restricted for | | | |
| Emergency Reserve - TABOR | 230,000 | | 230,000 |
| Unrestricted | 19,695,862 | 16,851,354 | 36,547,216 |
| Total Net Position | \$ 34,994,929 | \$ 50,459,552 | \$ 85,454,481 |

CASTLE PINES METROPOLITAN DISTRICT
BALANCE SHEET - GOVERNMENTAL FUND
December 31, 2025

| | General Fund |
|--|----------------------|
| Assets | |
| Current Assets | |
| Cash and Cash Equivalents | \$ 3,830,013 |
| Cash with Fiscal Agent | 53,296 |
| Investments | 15,628,076 |
| Accounts Receivable | 58,023 |
| Property Taxes | 8,545,458 |
| Prepaid Expenses | 123,935 |
| Inventory | 3,033 |
| Interfund Receivable | 879,567 |
| Total Current Assets | 29,121,401 |
| Liabilities and Fund Balances | |
| Current Liabilities | |
| Accounts Payable | 308,299 |
| Total Current Liabilities | 308,299 |
| Deferred Inflows of Resources | |
| Unavailable Revenue - Property Taxes | 8,545,458 |
| Fund Balance | |
| Nonspendable | |
| Inventory | 3,033 |
| Prepaid Items | 123,935 |
| Restricted | |
| Emergency Reserve - TABOR | 230,000 |
| Unassigned | 19,910,676 |
| Total Fund Balance | 20,267,644 |
| Total Liabilities and Fund Balances | \$ 29,121,401 |

CASTLE PINES METROPOLITAN DISTRICT

**RECONCILIATION OF THE GOVERNMENT FUND BALANCE SHEET TO THE GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
December 31, 2025**

Total Governmental Fund Balance \$ 20,267,644

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. However, in the statement of net position, the cost of these assets is capitalized and expensed over their estimated lives through annual depreciation expense.

| | | |
|--------------------------------|--------------------|-----------|
| Cost of capital assets | \$ 5,115,820 | |
| Less: Accumulated depreciation | <u>(2,901,629)</u> | 2,214,191 |

Infrastructure donated by developers is not a financial resource and, therefore, not reported in the funds. However, in the statement of net position, the value of this asset is capitalized.

12,854,876

Pension plan accounts, such as deferred inflows/outflows and net pension liability, are not receivable or payable in the current period and, therefore, are not reported in the funds.

| | | |
|--------------------------------|--|-----------|
| Net pension liability | | (449,128) |
| Deferred outflows of resources | | 178,480 |

Deferred outflows/inflows and net OPEB liability, are not receivable or payable in the current period and, therefore, are not reported in the funds.

| | | |
|--------------------------------|--|----------|
| Net OPEB liability | | (25,201) |
| Deferred outflows of resources | | 5,754 |
| Deferred inflows of resources | | (18,049) |

Liabilities that are not due and payable in the current period are not reported at the fund reporting level.

| | | |
|----------------------|--|-----------------|
| Compensated absences | | <u>(33,638)</u> |
|----------------------|--|-----------------|

Net Position of Governmental Activities \$ 34,994,929

CASTLE PINES METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND
For the Year Ended December 31, 2025

| | General Fund |
|---|----------------------|
| Revenues | |
| Property Taxes | \$ 8,388,118 |
| Specific Ownership Tax | 638,133 |
| Investment Income | 916,977 |
| Charges for Services | 241,153 |
| Other Revenue | 30,680 |
| Total Revenues | 10,215,061 |
| Expenditures | |
| Current | |
| General Government | 1,885,363 |
| Public Works | 4,907,254 |
| Capital Outlay | 208,239 |
| Total Expenditures | 7,000,856 |
| Excess of Revenues Over Expenditures | 3,214,205 |
| Other Financing Sources (Uses) | |
| Transfers Out | (735,000) |
| Proceeds from Disposal of Assets | 32,442 |
| Total Other Financing Sources (Uses) | (702,558) |
| Net Change in Fund Balance | 2,511,647 |
| Fund Balance, Beginning of Year | 17,755,997 |
| Fund Balance, End of Year | \$ 20,267,644 |

CASTLE PINES METROPOLITAN DISTRICT

**RECONCILIATION OF THE GOVERNMENT FUND STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE TO THE GOVERNMENTAL ACTIVITIES STATEMENT OF
For the Year Ended December 31, 2025**

Net Changes in Fund Balances - Total Governmental Fund \$ 2,511,647

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

| | |
|---|-----------|
| Depreciation expense | (292,245) |
| Capital outlay | 208,239 |
| Loss on disposal of assets | (8,786) |
| Net effect of capital asset balance adjustments | 92,172 |

Pension and OPEB expense related to changes in the pension liability, deferred outflows of resources and deferred inflows of resources of the cost-sharing multiple-employer defined benefit pension plan and health trust plan are recognized on a government-wide basis and not included in the fund statements.

| | |
|---------|---------|
| Pension | (8,132) |
| OPEB | 7,740 |

Compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

| | |
|--------------------------------|----------|
| Liability at December 31, 2025 | (33,638) |
| Liability at December 31, 2024 | 34,047 |

Change in Net Position of Governmental Activities \$ 2,511,044

CASTLE PINES METROPOLITAN DISTRICT
STATEMENT OF NET POSITION - PROPRIETARY FUND
December 31, 2025

| | Water and Sewer Fund |
|--|---------------------------------|
| Assets and Deferred Outflows of Resources | |
| Current Assets | |
| Cash and Cash Equivalents | \$ 4,731,525 |
| Investments | 13,224,152 |
| Accounts Receivable | 483,986 |
| Prepaid Expenses | 116,186 |
| Total Current Assets | 18,555,849 |
| Noncurrent Assets | |
| Restricted Cash | 16 |
| Restricted Investments | 16,156,566 |
| Capital Assets | |
| Nondepreciable Capital Assets | 16,122,916 |
| Depreciable Capital Assets, Net | 33,831,782 |
| Total Noncurrent Assets | 66,111,280 |
| Total Assets | 84,667,129 |
| Deferred Outflows of Resources | |
| Deferred Outflows OPEB | 7,946 |
| Deferred Outflows Pension | 246,473 |
| Total Deferred Outflows of Resources | 254,419 |
| Total Assets and Deferred Outflows of Resources | 84,921,548 |
| Liabilities and Deferred Inflows of Resources | |
| Current Liabilities | |
| Accounts Payable | 6,374,691 |
| Customer Deposits | 26,176 |
| Accrued Interest Payable | 96,218 |
| Compensated Absences Payable, Current | 2,500 |
| Loans Payable, Current | 234,229 |
| Bond Payable, Current | 270,000 |
| Interfund Payable | 879,567 |
| Total Current Liabilities | 7,883,381 |
| Long-Term Liabilities | |
| Compensated Absences Payable, Net of Current | 38,989 |
| Loans Payable, Net of Current | 719,177 |
| Bond Payable, Net of Current | 24,340,000 |
| Net OPEB Liability | 34,801 |
| Net Pension Liability | 620,225 |
| Bond Premium | 800,498 |
| Total Long-Term Liabilities | 26,553,690 |
| Total Liabilities | 34,437,071 |
| Deferred Inflows of Resources | |
| Deferred Inflows OPEB | 24,925 |
| Total Deferred Inflows of Resources | 24,925 |
| Total Liabilities and Deferred Inflows of Resources | 34,461,996 |
| Net Position | |
| Net Investment in Capital Assets | 33,608,198 |
| Unrestricted | 16,851,354 |
| Total Net Position | \$ 50,459,552 |

CASTLE PINES METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
PROPRIETARY FUND
For the Year Ended December 31, 2025

| | Water and Sewer Fund |
|---|---------------------------------|
| Operating Revenues | |
| Charges for Services, Pledged to Debt | \$ 7,206,999 |
| Effluent Pumping | 93,052 |
| Other Revenue | 79,002 |
| Total Operating Revenues | 7,379,053 |
| Operating Expenses | |
| Operations and Maintenance | 1,941,269 |
| Depreciation | 1,746,681 |
| Personnel Services | 1,597,439 |
| Professional Services | 698,207 |
| Utilities | 598,576 |
| General Overhead | 294,211 |
| Miscellaneous Expense | 31,242 |
| Total Operating Expenses | 6,907,625 |
| Operating Income | 471,428 |
| Nonoperating Revenues (Expenses) | |
| Interest and Fiscal Charges | (1,078,763) |
| Investment Earnings | 1,531,081 |
| Total Nonoperating Revenues (Expenses) | 452,318 |
| Income Before Transfers | 923,746 |
| Transfers In | 735,000 |
| Change in Net Position | 1,658,746 |
| Net Position, Beginning of Year | 48,800,806 |
| Net Position, End of Year | \$ 50,459,552 |

CASTLE PINES METROPOLITAN DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
For the Year Ended December 31, 2025

| | Water and Sewer Fund |
|--|---------------------------------|
| Cash Flows from Operating Activities | |
| Cash Received from Customers | \$ 7,325,084 |
| Cash Payments to Employees | (1,220,523) |
| Cash Paid for Goods and Services | (3,867,339) |
| Net Cash from Operating Activities | 2,237,222 |
| Cash Flows from Noncapital Financing Activities | |
| Transfers from Other Funds | 1,719,437 |
| Cash Flows from Capital and Related Financing Activities | |
| Principal Paid on Long-Term Liabilities | (517,073) |
| Interest Paid on Long-Term Liabilities | (1,081,651) |
| Purchase of Capital Assets and Construction in Progress | (8,631,498) |
| Net Cash from Capital and Related Financing Activities | (10,230,222) |
| Cash Flows from Investing Activities | |
| Net Sales of Investments | 4,370,192 |
| Interest Received | 1,266,655 |
| Net Cash from Investing Activities | 5,636,847 |
| Net Change in Cash and Cash Equivalents | (636,716) |
| Cash and Cash Equivalents, Beginning of Year | 5,368,257 |
| Cash and Cash Equivalents, End of Year | \$ 4,731,541 |
| Cash and Cash Equivalents Consists of: | |
| Cash and Cash Equivalents | \$ 4,731,525 |
| Restricted Cash | 16 |
| Total Cash and Cash Equivalents, End of Year | \$ 4,731,541 |
| Reconciliation of Operating Income to Net Cash from Operating Activities | |
| Operating Income | \$ 471,428 |
| Adjustments to Reconcile Operating Income to Net Cash from Operating Activities | |
| Depreciation and Amortization Activities | |
| Depreciation Expense | 1,746,681 |
| Non-cash Capital Asset Adjustments | 31,242 |
| Changes in Assets and Deferred Outflows | |
| Accounts Receivable | (27,540) |
| Prepaid Expenses | 28,444 |
| Deferred Outflows | 129,856 |
| Changes in Liabilities and Deferred Inflows | |
| Accounts Payable | 16,634 |
| Unearned Revenue | (26,429) |
| Compensated Absences Payable | (12,365) |
| Customer Deposits | 8,586 |
| Net Pension and OPEB Liabilities | (137,077) |
| Deferred Inflows | 7,762 |
| Net Cash from Operating Activities | \$ 2,237,222 |
| Schedule of Noncash Investing, Capital, and Financing Activities | |
| Unrealized Gain (Loss) on Investments | \$ 264,426 |

Notes to the Basic Financial Statements

1. Summary Of Significant Accounting Policies

Castle Pines Metropolitan District (the District) was organized by a court order on June 14, 1973 following an election by the property owners in the District and is governed by an elected five-member Board of Directors. As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present the activities of the District, which is legally separate from and financially independent of other state and local governments.

The primary functions of the District are to provide street repair and maintenance, snow removal, road right-of-way maintenance, water treatment and distribution, sewer collection and storm drainage management services to the property owners of Castle Pines Village.

The financial statements of the District have been prepared in conformity with GAAP as applied to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the District's accounting policies are described below.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards and agencies that are not legally separate from the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization or (2) the District is legally entitled to or can otherwise access the organization's resources, the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization or the District is obligated for the debt of the organization.

Component units also may include organizations that are fiscally dependent on the District in that the District approves the budget, levies their taxes or issues their debt. Based upon the above criteria, the reporting entity includes the District and does not include any component units, nor is the District a component unit of another entity.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements: The government-wide financial statements, which include the statement of net position and the statement of activities, report information on all activities of the primary government. Eliminations have been made in the government-wide statements to minimize duplication of internal activities, except for interfund services provided and used. Governmental activities, which normally are supported by taxes, are reported separately from business-type activities, which significantly rely on fees and charges for support.

The statement of net position presents the financial position of the governmental and business-type activities of the District.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities and for each identifiable business-type activity of the District. A function groups related activities and may include portions of one or more funds to capture the expenses and program revenues associated with a specific functional activity. Direct expenses are those that are specifically associated with a clearly identifiable function. The District does not allocate indirect expenses to functions in the statement of activities.

Program revenues include: (1) charges to customers who purchase, use, or directly benefit from goods or services provided by the programs, (2) operating grants and contributions which finance annual operating activities, including restricted investment income, and (3) capital grants and contributions which fund the acquisition, construction or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for service is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted.

Other revenue sources not properly included with program revenues are reported as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the District.

Fund Financial Statements: The District uses funds to maintain its financial transactions related to certain District functions or activities to aid in financial management and demonstrate legal compliance. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The District uses two categories of funds: governmental and proprietary. Major individual governmental and enterprise funds are reported in separate columns.

Governmental funds are those through which most governmental functions are typically financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The District reports the difference between governmental fund assets, liabilities and deferred outflows and inflows of resources as fund balance. The District reports the following major governmental fund:

- General Fund: The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund's unassigned fund balance is available to the District for any purpose, provided it is expended or transferred according to the general laws of Colorado.

Proprietary funds focus on the determination of operating income, changes in net position, financial position, and cash flows. Operating revenues and expenses generally result from providing services or delivering goods in connection with the fund's principal ongoing operations. The District uses one proprietary fund, classified as a major enterprise fund, as described below:

- Water and Sewer Fund: The Water and Sewer Fund is used for the District's water distribution and sewer collection activities.

Measurement Focus

Government-Wide Financial Statements: The government-wide financial statements are prepared using the economic resources measurement focus. All assets, liabilities and deferred outflows and inflows of resources associated with the operation of the District are included in the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements: All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and certain deferred outflows and inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, the proprietary fund type is accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets, liabilities and deferred outflows and inflows of resources associated with the operation of these funds are included in the statement of net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. At the fund reporting level, the governmental fund uses the modified accrual basis of accounting. The proprietary fund uses the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual bases of accounting arise in the recognition of revenue, the recording of unearned revenue and certain expenditures, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions: Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, the phrase “available for exchange transactions” means expected to be received within 60 days of year end.

Revenues – Nonexchange Transactions: Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are

levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available (i.e., collected within 60 days) before it can be recognized.

Unearned Revenue: Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as unearned revenue or as deferred inflows of resources related to a timing eligibility requirement.

Expenses/Expenditures: On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Cash, Cash Equivalents and Investments

For purposes of the statement of cash flows, cash and cash equivalents consist of cash on hand, amounts deposited in the bank, and pooled state-regulated investment accounts subject to immediate withdrawal, purchased with an original maturity date of three months or less. Investments are stated at fair value.

Receivables

Receivables consist of taxes receivable and accounts receivable (billings for user charges). Receivables are recorded on the District's financial statements to the extent that the amounts are determined to be material and substantiated, not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation and, in the case of receivables, collectability.

Tap fees, user fees and similar fees set from time to time by the District's governing board constitute a perpetual lien on or against the property served until paid. Such liens may be foreclosed upon as provided by the laws of the State of Colorado. Therefore, no provision for uncollectible receivables has been made in the financial statements.

Interfund Balances

On the fund financial statements, receivables and payables resulting from short term interfund loans are classified as "interfund receivables/interfund payables". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

Inventory

Inventories are valued at cost using the first-in/first-out method. The costs of inventories are recorded as expenditures when used (consumption method).

Capital Assets

Governmental capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The District reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements. Capital assets used by the enterprise fund are reported in both the business-type activities column of the government-wide statement of net position and in the enterprise fund's statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, including infrastructure donated by developers, are recorded at acquisition value as of the date received. The District maintains a capitalization threshold of \$5,000. Improvements to existing capital assets are capitalized and depreciated over the remaining useful lives of the related capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets used by the enterprise fund is capitalized.

The District's infrastructure consists of roads. The District uses the modified approach for reporting infrastructure for governmental capital assets.

All reported capital assets are depreciated except for land, easements, construction in progress and infrastructure. Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

| | |
|----------------------------|----------------|
| Buildings and Improvements | 50 - 60 years |
| Water and Sewer Systems | 20 – 100 years |
| Machinery and Equipment | 1 – 20 years |
| Water Rights | 10-100 years |

Deferred Outflows of Resources

A deferred outflow of resources is a consumption of net position applicable to a future period. Deferred outflows of resources are presented in a separate section on the statement of net position and are not recognized as expenses or reductions in liabilities until the period in which they relate. The District has recognized deferred outflows of resources in the government-wide financial statements in accordance with presentation requirements for GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* (GASB 68) and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75).

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets applicable to a future period. Deferred inflows of resources are presented in a separate section in the statement of net position will be recognized as revenues or increases in assets in the period in which they relate. The District has recognized deferred inflows of resources in the government-wide financial statements in accordance with presentation requirements for property tax revenue, GASB 68 and GASB 75.

Compensated Absences

Paid time off (PTO) benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through PTO or some other means. All compensated absence liabilities include salary-related payments, where applicable. Upon separation, eligible employees receive pay for earned, unused PTO time at their current hourly rate equivalent up to a maximum of 160 hours.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements and proprietary funds. Governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. Compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year.

Fund Balance Policies

Fund balance for governmental funds is reported in various categories based on the nature of limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment or an assignment. The following classifications describe the relative strength of the spending constraints:

Nonspendable: Includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted: Includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation

Committed: Includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Directors, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Directors.

Assigned: Includes amounts the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's adopted policy, amounts may be assigned by the District Manager.

Unassigned: Includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund

The District considers restricted fund balance to be depleted before using any of the components of unrestricted fund balance (the total of committed, assigned and unassigned fund balance).

When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Directors or District Manager provided otherwise in its commitment or assignment actions.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. This net position amount also is adjusted by any debt premiums and discounts. Net position is reported as restricted when there are limitations imposed on its use, either through the enabling legislation adopted by the District or other government or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net position is reported as unrestricted.

Outlays may be incurred for purposes for which both restricted and unrestricted resources are available. In order to calculate the amounts to report in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. The District considers restricted net position to be depleted before unrestricted net position.

Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are charges for services for water and sewer. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Property Taxes

Property taxes are levied on December 15 of each year and attach as an enforceable lien on property as of January 1. Taxes are due as of January 1 of the following year and are payable in two equal installments due February 28 and June 15, if paid in installments, or April 30, if paid in a single payment. Taxes are delinquent as of August 1. If the taxes are not paid within subsequent statutory periods, the property will be sold at public auction. Douglas County bills and collects the property taxes and remits collections to the District on a monthly basis. No provision has been made for uncollected taxes, as all taxes are deemed collectible. The District levied 33.834 mills for property taxes collected in 2025.

Contributions Of Capital

Contributions of capital in government-wide and proprietary fund financial statements arise from outside contributions of capital assets, tap fees or from other outside contributions of resources restricted to capital acquisition and construction.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources (uses) in governmental funds, and after the nonoperating revenues (expenses) section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Budgetary Information

Annual budgeting is used as a management control device during the year for all funds. Formal budgetary integration is also employed to comply with the Local Government Budget Law of the State of Colorado. The Board of Directors adopted the District's budget in accordance with Colorado Revised Statutes (C.R.S.). Appropriation for all funds lapses at year end.

The appropriated budget is prepared by fund, function and department. The District's department head may recommend a transfer of appropriations within a department function. Transfer of appropriations between funds requires the approval of the Board of Directors.

The budget for the General Fund is adopted on a basis which is consistent with GAAP. The budget for the proprietary fund is adopted on a basis which differs from GAAP in that pension expenses are not included, and debt principal payments and capital expenditures are included in the budget. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level. Total fund expenditure amounts, including transfers out, determine the level at which expenditures may not legally exceed appropriations. C.R.S. requires the District to adopt a balanced budget. The District's Board of Directors can amend the budget and adopt supplemental budgets in accordance with C.R.S. The District did not amend the 2025 budget.

Pensions

The District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multi-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense information about the fiduciary net position (FNP), and additions to/deductions from the FNP of LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefit (OPEB) Plan

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

New Accounting Pronouncements

In 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 102, Certain Risk Disclosures. GASB Statement No. 102 requires governments to disclose additional information about risks related to a government's vulnerability of substantial impact due to certain concentrations or constraints. There is no impact to the District's financial statements for 2025.

2. Cash And Investments

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The State Regulatory Commission for banks and savings and loan associations is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Federal Deposit Insurance Corporation (FDIC) coverage for government accounts is \$250,000 per official custodian. At December 31, 2025, the District had uninsured bank deposits collateralized with securities held by the pledging financial institution and covered by eligible collateral as determined by PDPA.

Investments

The District's investment policy limits investment instruments to the following:

- United States Treasury and agency issues
- Government sponsored enterprises
- State and local government debt issues
- Corporate debt under C.R.S. 24-75-601.1(m)(III)
- Local government investment pools authorized under C.R.S. 24-75-702
- Money market funds authorized under C.R.S. 24-75-601.1(l)(k)
- Certificates of deposit in state or national banks or in state or federally chartered savings banks as authorized by C.R.S. Section 24-75-603, et seq., are insured by FDIC. The selected bank(s) shall collateralize certificates of deposit that exceed the FDIC-insured amount in accordance with PDPA, C.R.S. 11-10.5-101, et seq.

- Repurchase agreements and reverse repurchase agreements
- U.S. member supranational debt

As of December 31, 2025, the District had invested \$5,206,741 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST is valued using the net asset value per share (or its equivalent) of the investments, which approximates fair value. COLOTRUST investments do not have any unfunded commitments, redemption restrictions or redemption notice periods.

This investment pool was established for local government entities in Colorado to pool surplus funds for investment purposes by state statute. These funds operate similarly to a money market fund, and each share is equal in value to \$1.00. Investments in local government investment pools are not evidenced by securities that exist in physical or book form. Investments consist of U.S. Treasury bills, notes and repurchase agreements collateralized by U.S. Treasury securities. Designated custodian banks provide safekeeping and depository services to the trusts. Substantially all securities owned by the trusts are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians' internal records identify the investments owned by COLOTRUST. Financial statements for COLOTRUST may be obtained at www.colotruster.com. The State Securities Commissioner administers and enforces all state statutes governing COLOTRUST.

Interest Rate Risk: The District's investment policy states that the District will appropriately diversify the investment portfolio among investment types and maturities as a means of limiting its exposure to fair value losses arising from changes in interest rates.

Credit Risk: The District's investment policy limits investments in higher risk instruments, such as derivatives. The policy does not specifically address nationally recognized credit ratings for investments.

Concentration Of Credit Risk: The District's investment policy limits over concentration in securities from specific issuers, a business sector, excluding U.S. Treasury Securities, or a single class of securities. District investments as of December 31, 2025 consisted of 1.09% Federal Home Loan Bank investments.

Fair Value: The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs and are valued using matrix pricing model. Level 3 inputs are significant unobservable inputs.

The District has the following fair value measurements as of December 31, 2025:

| Investments by Fair Value Level | December 31, 2025 | Fair Value Measurements Using | | |
|--|----------------------|-------------------------------|----------------------|-----------|
| | | Level 1 | Level 2 | Level 3 |
| US Agency Obligations | \$ 526,016 | \$ | \$ 526,016 | \$ |
| US Treasury Notes | 27,187,443 | | 27,187,443 | |
| Municipal Bonds | 6,324,023 | | 6,324,023 | |
| Money Market Funds | 10,971,312 | 10,971,312 | | |
| Total Investments by Fair Value Lev | \$ 45,008,794 | \$ 10,971,312 | \$ 34,037,482 | \$ |

At December 31, 2025, the District had the following investments and maturities:

| Investment Type | Fair Value | S&P Rating | Maturity |
|--------------------------|----------------------|------------|-------------|
| US Agency Obligations | \$ 526,016 | AA+ | 2028 |
| US Treasury Notes | 27,187,443 | N/A | 2026 - 2029 |
| Municipal Bonds | 6,324,023 | AA - AAA | 2026 |
| Money Market Funds | 10,971,312 | N/A | N/A |
| Total Investments | \$ 45,008,794 | | |

Investments in COLOTRUST are classified as cash and cash equivalents for financial statement presentation due to the liquid nature of the investments. Cash, cash equivalents and investments reported on the statement of net position at December 31, 2025 are as follows:

| | Governmental Activities | Business-Type Activities |
|--|----------------------------|-----------------------------|
| Cash and Cash Equivalents | \$ 3,830,013 | \$ 4,731,525 |
| Cash with Fiscal Agent | 53,296 | |
| Restricted Cash | | 16 |
| Total Cash and Cash Equivalents | 3,883,309 | 4,731,541 |
| Investments | 15,628,076 | 13,224,152 |
| Restricted Investments | | 16,156,566 |
| Total Investments | 15,628,076 | 29,380,718 |
| Total Cash and Investments | \$ 19,511,385 | \$ 34,112,259 |

Investment income (loss) for the year ended December 31, 2025 are as follows:

| | Governmental Fund | Proprietary Fund | Total |
|----------------------------------|------------------------------|-----------------------------|---------------------|
| Investment Earnings | \$ 676,321 | \$ 1,266,655 | \$ 1,942,976 |
| Unrealized Gain | 240,656 | 264,426 | 505,082 |
| Total Investment Earnings | \$ 916,977 | \$ 1,531,081 | \$ 2,448,058 |

3. Capital Assets

Governmental activities capital asset activity for the year ended December 31, 2025 is as follows:

| | Balance December 31, 2024 | Additions | Deductions | Adjustments | Balance December 31, 2025 |
|--|--|--------------------|-------------------|--------------------|--|
| Governmental Activities | | | | | |
| Capital Assets Not Being Depreciated | | | | | |
| Infrastructure | \$ 12,854,876 | \$ | \$ | | \$ 12,854,876 |
| Construction In Progress | 37,791 | | | (37,791) | |
| Total Capital Assets Not Being Depreciated | 12,892,667 | | | (37,791) | 12,854,876 |
| Depreciable Capital Assets | | | | | |
| Building and Improvements | 499,860 | | | 619,832 | 1,119,692 |
| Machinery and Equipment | 4,688,869 | 208,239 | (305,347) | (595,633) | 3,996,128 |
| Total Depreciable Capital Assets | 5,188,729 | 208,239 | (305,347) | 24,199 | 5,115,820 |
| Accumulated Depreciation | | | | | |
| Building and Improvements | (177,291) | (28,090) | | (294,923) | (500,304) |
| Machinery and Equipment | (2,834,418) | (264,155) | 296,561 | 400,687 | (2,401,325) |
| Total Accumulated Depreciation | (3,011,709) | (292,245) | 296,561 | 105,764 | (2,901,629) |
| Total Capital Assets Being Depreciated, Net | 2,177,020 | (84,006) | (8,786) | 129,963 | 2,214,191 |
| Governmental Activities Capital Assets, Net | \$ 15,069,687 | \$ (84,006) | \$ (8,786) | \$ 92,172 | \$ 15,069,067 |

Business-type activities capital asset activity for the year ended December 31, 2025 is as follows:

| | Balance | | | | Balance |
|--|----------------------|----------------------|-----------------------|--------------------|----------------------|
| | December 31, | Additions | Deductions | Adjustments | December 31, |
| | 2024 | | | | 2025 |
| Business-Type Activities | | | | | |
| Capital Assets Not Being Depreciated | | | | | |
| Land | \$ 1,160,119 | \$ | \$ | \$ | \$ 1,160,119 |
| Construction In Progress | 4,730,475 | 14,044,890 | (3,812,568) | | 14,962,797 |
| Total Capital Assets Not Being Depreciated | 5,890,594 | 14,044,890 | (3,812,568) | | 16,122,916 |
| Depreciable Capital Assets | | | | | |
| Building and Improvements | 6,164,517 | 222,809 | (16,406) | (192,252) | 6,178,668 |
| Water and Sewer Systems | 39,281,008 | 3,447,867 | (275,876) | 362,809 | 42,815,808 |
| Machinery and Equipment | 10,160,114 | 225,014 | (5,482) | (1,060,990) | 9,318,656 |
| Water Rights | 2,694,232 | | | 890,428 | 3,584,660 |
| Total Depreciable Capital Assets | 58,299,871 | 3,895,690 | (297,764) | (5) | 61,897,792 |
| Accumulated Depreciation | | | | | |
| Building and Improvements | (3,331,498) | (122,385) | 16,406 | 149,356 | (3,288,121) |
| Water and Sewer Systems | (17,388,493) | (1,178,150) | 275,876 | 2,434,918 | (15,855,849) |
| Machinery and Equipment | (4,909,829) | (367,914) | 5,482 | (2,440,924) | (7,713,185) |
| Water Rights | (956,031) | (78,232) | | (174,592) | (1,208,855) |
| Total Accumulated Depreciation | (26,585,851) | (1,746,681) | 297,764 | (31,242) | (28,066,010) |
| Total Capital Assets Being Depreciated, Net | 31,714,020 | 2,149,009 | | (31,247) | 33,831,782 |
| Governmental Activities Capital Assets, Net | \$ 37,604,614 | \$ 16,193,899 | \$ (3,812,568) | \$ (31,247) | \$ 49,954,698 |

Depreciation Expense by Function

Governmental Activities:

| | |
|---|-------------------|
| General Government | \$ 27,071 |
| Public Works | 265,174 |
| Total Governmental Activities Depreciation Expense | \$ 292,245 |

Business-Type Activities:

| | |
|--|---------------------|
| Water and Sewer | \$ 1,746,681 |
| Total Business-Type Activities Depreciation Expense | \$ 1,746,681 |

Infrastructure

Historically, infrastructure assets were not reflected within the accounting records, nor was consumption of these assets measured. This category of assets typically includes roads, curbs and gutters, drainage systems, etc.

GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis For State And Local Governments*, provides an alternative approach to depreciation for measuring the value of infrastructure assets and the related costs incurred to maintain their service lives at a locally established minimum standard. In order to adopt this alternative method, the District has elected to use the modified approach and has developed an asset management system which will determine if the minimum standards are being maintained. Total infrastructure recorded in the government-wide governmental activities capital assets is \$12,854,876 at December 31, 2025.

4. Interfund Balances

Interfund balances reported on the statement of net position at December 31, 2025 consisted of the following amounts and represented charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period and (3) payments between funds are made.

| | <u>Due From</u> | <u>Due To</u> |
|----------------------|-------------------|-------------------|
| General Fund | \$ 879,567 | |
| Water and Sewer Fund | | 879,567 |
| Total | <u>\$ 879,567</u> | <u>\$ 879,567</u> |

Interfund transfers represent annual funds transferred from the General Fund to the Water and Sewer Fund.

| | <u>Transfer In</u> | <u>Transfer Out</u> |
|----------------------|--------------------|---------------------|
| General Fund | \$ | \$ 735,000 |
| Water and Sewer Fund | 735,000 | |
| Total | <u>\$ 735,000</u> | <u>\$ 735,000</u> |

5. Long-Term Liabilities

Changes in the District's long-term liabilities consisted of the following for the year ended December 31, 2025 (see the next section for explanation of Drinking Water Revolving Fund (DWRf) loans and Revenue Bond):

| | <u>Balance December 31, 2024</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance December 31, 2025</u> | <u>Due Within One Year</u> |
|---------------------------------------|----------------------------------|------------------|---------------------|----------------------------------|----------------------------|
| Governmental Activities | | | | | |
| Compensated Absences | \$ 34,047 | \$ | \$ (409) | \$ 33,638 | \$ 2,500 |
| Net OPEB Liability | 38,195 | | (12,994) | 25,201 | |
| Net Pension Liability | 535,396 | | (86,268) | 449,128 | |
| Total Governmental Activities | <u>607,638</u> | | <u>(99,671)</u> | <u>507,967</u> | <u>2,500</u> |
| Business-Type Activities | | | | | |
| Direct Placement Loan | | | | | |
| DWRf Loan - May 2006 (a) | 277,089 | | (135,971) | 141,118 | 141,118 |
| DWRf Loan - November 2006 (b) | 42,534 | | (16,541) | 25,993 | 17,167 |
| DWRf Loan - October 2014 (c) | 860,743 | | (74,448) | 786,295 | 75,944 |
| Bonded Debt Obligations | | | | | |
| 2022 Revenue Bond | 24,870,000 | | (260,000) | 24,610,000 | 270,000 |
| 2022 Revenue Bond Premium | 830,611 | | (30,113) | 800,498 | |
| Other Obligations | | | | | |
| Compensated Absences | 53,854 | | (12,365) | 41,489 | 2,500 |
| Net OPEB Liability | 52,746 | | (17,945) | 34,801 | |
| Net Pension Liability | 739,357 | | (119,132) | 620,225 | |
| Total Business-Type Activities | <u>\$ 27,726,934</u> | <u>\$</u> | <u>\$ (666,515)</u> | <u>\$ 27,060,419</u> | <u>\$ 506,729</u> |

The compensated absences liability will be paid from the fund from which the employees' salaries are paid, typically by allocation of the job description between the General Fund and Enterprise Fund.

Business-Type Activities

a. On May 25, 2006, the District entered into a DWRF loan with the Colorado Water Resources and Power Development Authority (CWRPDA) in the principal amount of \$2,000,000 for 20 years at an annual interest rate of 3.75% for construction of a transfer station and associated piping to enable the transfer of raw water between the District’s water treatment plants. The loan is payable from and collateralized by the District’s water and sewer revenues in the amount of approximately \$1,160,790 through 2026. Principal and interest paid for the current year and pledged revenues received were each \$145,099. The proportion of the pledged revenue to total water and sewer revenues is not estimable because annual total fees collected fluctuate. The repayment schedule for the loan as of December 31, 2025, including interest, is as follows:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------|------------------|-----------------|------------------|
| 2026 | \$141,118 | \$3,981 | \$145,099 |
| Total | \$141,118 | \$3,981 | \$145,099 |

b. On November 6, 2006, the District obtained an additional DWRF loan with CWRPDA in the principal amount of \$250,000 for 20 years at an annual interest rate of 3.75% for additional costs associated with the project. The loan is payable from and collateralized by the District's water and sewer revenues in the amount of approximately \$152,855 through 2027. Principal and interest paid for the current year and pledged revenues received were each \$17,982. The proportion of the pledged revenue to total water and sewer revenues is not estimable because annual total fees collected fluctuate. The repayment schedule for the loan as of December 31, 2025, including interest, is as follows:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------|------------------|-----------------|------------------|
| 2026 | \$ 17,167 | \$ 815 | \$ 17,982 |
| 2027 | 8,826 | 165 | 8,991 |
| Total | \$ 25,993 | \$ 980 | \$ 26,973 |

c. On October 30, 2014, the District obtained an additional DWRF loan with CWRPDA for principal authorized up to \$1,800,000 for 20 years at an annual interest rate of 2.00% for construction of a water transfer line. Repayment of the loan began November 1, 2015. On April 4, 2016, the District obtained a revised loan repayment schedule for the original DWRF loan of \$1,800,000 with a loan reduction amount of \$328,515. The District completed construction on the water transfer line in December 2015; however, the loan funds were not drawn from CWRPDA until 2016. The loan is payable from and collateralized by the District’s water and sewer revenues in the amount of approximately \$1,506,314 through 2035. Principal and interest paid for the current year and pledged revenues received were \$91,292. The proportion of the pledged revenue to total water and sewer revenues is not estimable because annual total fees collected fluctuate. The repayment schedule for the loan as of December 31, 2025, including interest, is as follows:

| Year | Principal | Interest | Total |
|--------------|-------------------|------------------|-------------------|
| 2026 | \$ 75,944 | \$ 15,348 | \$ 91,292 |
| 2027 | 77,470 | 13,822 | 91,292 |
| 2028 | 79,027 | 12,265 | 91,292 |
| 2029 | 80,616 | 10,676 | 91,292 |
| 2030 | 82,236 | 9,055 | 91,291 |
| 2031 - 2035 | 391,002 | 19,810 | 410,812 |
| Total | \$ 786,295 | \$ 80,976 | \$ 867,271 |

d. On May 22, 2022, the District issued \$25,115,000 of Water and Wastewater Enterprise Revenue Bonds, Series 2022, with interest ranging from 4% to 5%. The purpose of this bond is to pay for capital improvements over the next five years. The bond is payable from and collateralized by the District's net pledged revenue, which is defined as gross revenue less operation and maintenance expenses. Principal and interest payments are due June 1 and December 1 in varying amounts through December 1, 2052. Principal and interest paid for the current year was \$1,343,950. The repayment schedule for the bond as of December 31, 2025, including interest, is as follows:

| Year | Principal | Interest | Total |
|--------------|----------------------|----------------------|----------------------|
| 2026 | \$ 270,000 | \$ 1,070,950 | \$ 1,340,950 |
| 2027 | 440,000 | 1,057,450 | 1,497,450 |
| 2028 | 470,000 | 1,035,450 | 1,505,450 |
| 2029 | 495,000 | 1,011,950 | 1,506,950 |
| 2030 | 520,000 | 987,200 | 1,507,200 |
| 2031 - 2035 | 3,055,000 | 4,520,000 | 7,575,000 |
| 2036 - 2052 | 19,360,000 | 7,803,800 | 27,163,800 |
| Total | \$ 24,610,000 | \$ 17,486,800 | \$ 42,096,800 |

Covenants

The DWRF loans and Series 2022 Revenue Bonds have rate covenants requiring sufficient rates and service charges for use of the water system to produce gross revenue, defined by the loan and bond documents, for each calendar year sufficient to pay the sum of operations and maintenance costs, defined by the loan and bond documents, plus 110% of the debt service due on the outstanding bond and debt service coming due during the calendar year on any obligations secured by a lien on the pledged property. In addition, an amount is to be paid each year into any debt service reserve account and a sum equal to the debt service on any obligations secured by pledged property, as well as amounts necessary to pay and discharge all charges and liens or other indebtedness not described above payable out of revenues during the year.

6. Defined Benefit Pension Plan

General Information about the Pension Plan

Plan description. Eligible employees of the District are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal

Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2024. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- \$15 times the first 10 years of service credit plus \$20 times the service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the

LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. For Safety Officers whose disability is caused by an on- the-job injury, the five-year service requirement is waived and they are immediately eligible to apply for disability benefits. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions provisions as of December 31, 2025: Eligible employees of the District and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of 01/01/2025 through 12/31/2025 are summarized in the following table:

| | January 1, 2024 through December 31, 2024 | January 1, 2025 through December 31, 2025 |
|---|--|--|
| Employee contribution (all employees other than Safety Officers) | 9.00% | 9.00% |

*Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

The employer contribution requirements for all employees other than Safety Officers are summarized in the following table:

| | January 1, 2024 through December 31, 2024 | January 1, 2025 through December 31, 2025 |
|--|---|---|
| Employer contribution rate | 11.00% | 11.00% |
| Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) | (1.02%) | (1.02%) |
| Amount apportioned to the LGDTF | 9.98% | 9.98% |
| Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 | 2.20% | 2.20% |
| Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 | 1.50% | 1.50% |
| Defined Contribution Supplement as specified in C.R.S. § 24-51-415 | 0.08% | 0.11% |
| Total employer contribution rate to the LGDTF | 13.76% | 13.79% |

*Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions

to the LGDTF. Employer contributions recognized by the LGDTF from the District were \$210,547 for the year ended December 31, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for the LGDTF was measured as of December 31, 2024, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TPL to December 31, 2024. The District’s proportion of the net pension liability was based on District contributions to the LGDTF for the calendar year 2024 relative to the total contributions of participating employers.

At December 31, 2025, the District reported a liability of \$1,069,353 for its proportionate share of the net pension liability.

At December 31, 2024, the District’s proportion was 0.17427%, which was an increase of 0.00061% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the District recognized a pension expense of \$229,908. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---------------------------------------|--------------------------------------|
| Difference between expected and actual experience | \$ 80,691 | \$ -- |
| Changes of assumptions or other inputs | 31,560 | -- |
| Net difference between projected and actual earnings on pension plan investments | 100,630 | -- |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 1,525 | -- |
| Contributions subsequent to the measurement date | 210,547 | -- |
| Total | \$ 424,953 | \$ -- |

\$210,547 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31 | |
|-------------------------------|-------------------|
| 2026 | \$ 197,103 |
| 2027 | 255,064 |
| 2028 | (170,328) |
| 2029 | (67,433) |
| Total | \$ 214,406 |

Actuarial assumptions. The TPL in the December 31, 2023, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

| | |
|---|---------------------|
| Actuarial cost method | Entry age |
| Price inflation | 2.30% |
| Real wage growth | 0.70% |
| Wage inflation | 3.00% |
| Salary increases, including wage inflation: | |
| Members other than Safety Officers | 3.20%-11.30% |
| Long-term investment rate of return, net of pension plan investment expenses, including price inflation | 7.25% |
| Discount rate | 7.25% |
| Post-retirement benefit increases: | |
| PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually) | 1.00% |
| PERA benefit structure hired after 12/31/06 ¹ | Financed by the AIR |

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the Local Government Division Trust Fund was \$0.486 million.

All mortality assumptions are developed on a benefit-weighted basis and apply generational mortality. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019.

| | | |
|--|------------------------------|---|
| Pre-Retirement | Mortality Table | Adjustments, as Applicable |
| Members other than Safety Officers | PubG-2010 Employee | N/A |
| Post-Retirement (Retiree), Non-Disabled | Mortality Table | Adjustments, as Applicable |
| Members other than Safety Officers | PubG-2010 Healthy Retiree | Males: 94% of the rates prior to age 80/ 90% of the rates age 80 and older Females: 87% of the rates prior to age 80/ 107% of the rates age 80 and older |
| Post-Retirement (Beneficiary), Non-Disabled | Mortality Table | Adjustments, as Applicable |
| All Beneficiaries | Pub-2010 Contingent Survivor | Males: 97% of the rates for all ages Females: 105% of the rates for all ages |

| Disabled | Mortality Table | Adjustments, as Applicable |
|------------------------------------|-----------------------------|-----------------------------------|
| Members other than Safety Officers | PubNS-2010 Disabled Retiree | 99% of the rates for all ages |

The actuarial assumptions used in the December 31, 2023, valuations were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA’s Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total pension liability from December 31, 2023, to December 31, 2024.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years and asset/liability studies performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

| | |
|---|--------------|
| Salary increases, including wage inflation: | |
| Members other than Safety Officers | 3.40%-13.00% |

Salary scale assumptions were altered to better reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. All mortality assumptions are developed on a benefit-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using the 2024 adjusted MP-2021 projection scale.

| Pre-Retirement | Mortality Table | Adjustments, as Applicable |
|--|---------------------------|---|
| Members other than Safety Officers | PubG-2010 Employee | N/A |
| Post-Retirement (Retiree), Non-Disabled | Mortality Table | Adjustments, as Applicable |
| Members other than Safety Officers | PubG-2010 Healthy Retiree | Males: 90% of the rates for all ages Females: 85% of the rates prior to age 85/ 105% of the rates age 85 and older |

| Post-Retirement (Beneficiary), Non-Disabled | Mortality Table | Adjustments, as Applicable |
|--|------------------------------|---|
| All Beneficiaries | Pub-2010 Contingent Survivor | Males: 92% of the rates for all ages Females: 100% of the rates for all ages |
| Disabled | Mortality Table | Adjustments, as Applicable |
| Members other than Safety Officers | PubNS-2010 Disabled Retiree | 95% of the rates for all ages |

The long-term expected return on plan assets is monitored on an ongoing basis and reviewed as part of periodic experience studies prepared every four years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the 2024 Experience Study report dated January 3, 2025.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

| Asset Class | Target Allocation | 30 Year Expected Geometric Real Rate of Return |
|--------------------|--------------------------|---|
| Global Equity | 51.00% | 5.00% |
| Fixed Income | 23.00% | 2.60% |
| Private Equity | 10.00% | 7.60% |
| Real Estate | 10.00% | 4.10% |
| Alternatives | 6.00% | 5.20% |
| Total | 100.00% | |

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional disaffiliation payment allocations to the Local Government Division Trust Fund was \$0.486 million.

Based on the above assumptions and methods, the LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be

if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|--|--------------------------------|--|--------------------------------|
| Proportionate share of the net pension | \$2,430,600 | \$1,069,353 | \$1,361 |

Pension plan fiduciary net position. Detailed information about the LGDTF’s FNP is available in PER A’s ACFR which can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

7. Defined Benefit Other Post Employment Benefit (OPEB) Plan

General Information about the OPEB Plan

Plan description. Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained www.copera.org/forms-resources/financial-reports-and-studies.

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member’s years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 *et seq.* specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient’s eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement,

upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure. The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure. The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$12,809 for the year ended December 31, 2025.

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2025, the District reported a liability of \$60,002 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The District’s proportion of the net OPEB liability was based on District contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2024, the District’s proportion was 0.01255%, which was a decrease of 0.00019% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the District recognized OPEB benefit of \$5,560. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---------------------------------------|--------------------------------------|
| Difference between expected and actual experience | \$ -- | \$ 13,234 |
| Changes of assumptions or other inputs | 688 | 19,180 |
| Net difference between projected and actual earnings on OPEB plan investments | 203 | -- |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | -- | 10,560 |
| Contributions subsequent to the measurement date | 12,809 | - |
| Total | \$ 13,700 | \$ 42,974 |

\$12,809 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ended December 31 | |
|-------------------------------|--------------------|
| 2026 | \$ (10,240) |
| 2027 | (10,225) |
| 2028 | (9,287) |
| 2029 | (6,254) |
| 2030 | (4,210) |
| Thereafter | (1,868) |
| Total | \$ (42,084) |

Actuarial assumptions. The TOL in the December 31, 2023, actuarial valuation used the following actuarial cost method and key actuarial assumptions and other inputs:

| | |
|--|---|
| Actuarial cost method | Entry Age |
| Price inflation | 2.30% |
| Real wage growth | 0.70% |
| Wage inflation | 3.00% |
| Salary increases, including wage inflation | |
| Members other than Safety Officers – Local Government Division | 3.20% - 11.30% |
| Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation | 7.25% |
| Discount rate | 7.25% |
| Health care cost trend rates | |
| PERA benefit structure: | |
| Service-based premium subsidy | 0.00% |
| PERACare Medicare plans | 16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034 |
| Medicare Part A premiums | 3.50% in 2024, gradually increasing to 4.50% in 2033 |

As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF was \$0.020 million.

Each year the per capita health care costs are developed by plan option. As of the December 31, 2023, actuarial valuation, costs are based on 2024 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

| Age-Related Morbidity Assumptions | | |
|--|-------------------------------|---------------------------------|
| Participant Age | Annual Increase (Male) | Annual Increase (Female) |
| 65-68 | 2.2% | 2.3% |
| 69 | 2.8% | 2.2% |
| 70 | 2.7% | 1.6% |
| 71 | 3.1% | 0.5% |
| 72 | 2.3% | 0.7% |
| 73 | 1.2% | 0.8% |
| 74 | 0.9% | 1.5% |
| 75-85 | 0.9% | 1.3% |
| 86 and older | 0.0% | 0.0% |

| Sample Age | MAPD PPO #1 with Medicare Part A | | MAPD PPO #2 with Medicare Part A | | MAPD HMO (Kaiser) with Medicare Part A | |
|---------------|-------------------------------------|---------|-------------------------------------|--------|---|---------|
| | Retiree/Spouse | | Retiree/Spouse | | Retiree/Spouse | |
| | Male | Female | Male | Female | Male | Female |
| 65 | \$1,710 | \$1,410 | \$585 | \$486 | \$1,897 | \$1,575 |
| 70 | \$1,921 | \$1,589 | \$657 | \$544 | \$2,130 | \$1,763 |
| 75 | \$2,122 | \$1,670 | \$726 | \$571 | \$2,353 | \$1,853 |

| Sample Age | MAPD PPO #1 without Medicare Part A | | MAPD PPO #2 without Medicare Part A | | MAPD HMO (Kaiser) without Medicare Part A | |
|---------------|--|---------|--|---------|--|---------|
| | Retiree/Spouse | | Retiree/Spouse | | Retiree/Spouse | |
| | Male | Female | Male | Female | Male | Female |
| 65 | \$6,536 | \$5,429 | \$4,241 | \$3,523 | \$7,063 | \$5,866 |
| 70 | \$7,341 | \$6,073 | \$4,764 | \$3,941 | \$7,933 | \$6,563 |
| 75 | \$8,110 | \$6,385 | \$5,262 | \$4,143 | \$8,763 | \$6,900 |

The 2024 Medicare Part A premium is \$505 per month.

All costs are subject to the health care cost trend rates, discussed as follows.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. PERACare Medicare plan rates are applied where members have no premium-free Part A and where those premiums are already exceeding the maximum subsidy. MAPD PPO #2 has a separate trend because the first year rates are still below the maximum subsidy and to reflect the estimated impact of the Inflation Reduction Act for that plan option.

The PERA benefit structure health care cost trend rates used to measure the TOL are summarized in the following table:

| Year | PERACare Medicare Plans¹ | MAPD PPO #2¹ | Medicare Part A Premiums |
|-------------|--|--------------------------------|---------------------------------|
| 2024 | 16.00% | 105.00% | 3.50% |
| 2025 | 6.75% | 8.55% | 3.75% |
| 2026 | 6.50% | 8.10% | 3.75% |
| 2027 | 6.25% | 7.65% | 4.00% |
| 2028 | 6.00% | 7.20% | 4.00% |
| 2029 | 5.75% | 6.75% | 4.25% |
| 2030 | 5.50% | 6.30% | 4.25% |
| 2031 | 5.25% | 5.85% | 4.25% |
| 2032 | 5.00% | 5.40% | 4.25% |
| 2033 | 4.75% | 4.95% | 4.50% |
| 2034+ | 4.50% | 4.50% | 4.50% |

¹Increase in 2024 trend rates due to the effect of the Inflation Reduction Act.

Mortality assumptions used in the December 31, 2023, valuation for the Division Trust Funds as shown in the following table, reflect generational mortality and were applied, as applicable, in the December 31, 2023, valuation for the HCTF, but developed using a headcount-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

| Pre-Retirement | Mortality Table | Adjustments, as Applicable |
|---|------------------------------|---|
| State and Local Government Divisions (members other than Safety Officers) | PubG-2010 Employee | N/A |
| Post-Retirement (Retiree), Non-Disabled | Mortality Table | Adjustments, as Applicable |
| State and Local Government Divisions (members other than Safety Officers) | PubG-2010 Healthy Retiree | Males: 94% of the rates prior to age 80/ 90% of the rates age 80 and older Females: 87% of the rates prior to age 80/ 107% of the rates age 80 and older |
| Post-Retirement (Beneficiary), Non-Disabled | Mortality Table | Adjustments, as Applicable |
| All Beneficiaries | Pub-2010 Contingent Survivor | Males: 97% of the rates for all ages Females: 105% of the rates for all ages |
| Disabled | Mortality Table | Adjustments, as Applicable |
| Members other than Safety Officers | PubNS-2010 Disabled Retiree | 99% of the rates for all ages |

The following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2024 plan year.
- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for that plan option.
- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023, valuation date based on an experience analysis of recent data.

The actuarial assumptions used in the December 31, 2023, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA's Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total OPEB liability from December 31, 2023, to December 31, 2024.

| | |
|---|--|
| Salary increases, including wage inflation: Members other than Safety Officers | Local Government Division 3.40%-13.00% |
|---|--|

The following health care costs assumptions were used in the roll forward calculation for the HCTF:

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

| Plan | With Medicare Part A | Without Medicare Part A |
|-------------------|---------------------------------|------------------------------------|
| MAPD PPO #1 | \$1,824 | \$6,972 |
| MAPD PPO #2 | 624 | 4,524 |
| MAPD HMO (Kaiser) | 2,040 | 7,596 |

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. Note that in all categories, the mortality tables are generationally projected using the 2024 adjusted MP-2021 project scale. These assumptions updated for the Division Trust Funds, were also applied in the roll forward calculations for the HCTF using a headcount-weighted basis. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

| Pre-Retirement | Mortality Table | Adjustments, as Applicable |
|---|------------------------------|---|
| State and Local Government Divisions (members other than Safety Officers) | PubG-2010 Employee | N/A |
| Post-Retirement (Retiree), Non-Disabled | Mortality Table | Adjustments, as Applicable |
| State and Local Government Divisions (members other than Safety Officers) | PubG-2010 Healthy Retiree | Males: 90% of the rates for all ages Females: 85% of the rates prior to age 85/ 105% of the rates age 85 and older |
| Post-Retirement (Beneficiary), Non-Disabled | Mortality Table | Adjustments, as Applicable |
| All Beneficiaries | Pub-2010 Contingent Survivor | Males: 92% of the rates for all ages Females: 100% of the rates for all ages |
| Disabled | Mortality Table | Adjustments, as Applicable |
| Members other than Safety Officers | PubNS-2010 Disabled Retiree | 95% of the rates for all ages |

The actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed annually and updated, as appropriate, by the PERA Board’s actuary.

The long-term expected return on plan assets is monitored on an ongoing basis and reviewed as part of periodic experience studies prepared every four years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the 2024 Experience Study report dated January 3, 2025.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board’s November 15, 2019, meeting, and again at the Board’s September 20, 2024, meeting. As of

the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

| Asset Class | Target Allocation | 30-Year Expected Geometric Real Rate of Return |
|--------------------|--------------------------|---|
| Global equity | 51.00% | 5.00% |
| Fixed income | 23.00% | 2.60% |
| Private equity | 10.00% | 7.60% |
| Real estate | 10.00% | 4.10% |
| Alternatives | 6.00% | 5.20% |
| Total | 100.00% | |

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Sensitivity of the District proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

| | 1% Decrease in Trend Rates | Current Trend Rates | 1% Increase in Trend Rates |
|---|-----------------------------------|----------------------------|-----------------------------------|
| Initial PERACare Medicare trend rate ¹ | 5.75% | 6.75% | 7.75% |
| Ultimate PERACare Medicare trend rate | 3.50% | 4.50% | 5.50% |
| Initial MAPD PPO#2 trend rate ¹ | 7.55% | 8.55% | 9.55% |
| Ultimate MAPD PPO#2 trend rate | 3.50% | 4.50% | 5.50% |
| Initial Medicare Part A trend rate ¹ | 2.75% | 3.75% | 4.75% |
| Ultimate Medicare Part A trend rate | 3.50% | 4.50% | 5.50% |
| Net OPEB Liability | \$ 58,385 | \$ 60,002 | \$ 61,831 |

¹For the January 1, 2025, plan year.

Discount rate. The discount rate used to measure the TOL was 7.25%. The basis for the projection of liabilities and FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2023, and the financial status of the HCTF as of the current measurement date (December 31, 2024). In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2024, measurement date.

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF was \$0.020 million.

Based on the above assumptions and methods, the FNP for the HCTF was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|---|--------------------------------|--|--------------------------------|
| Proportionate share of the net OPEB liability | \$ 73,533 | \$ 60,002 | \$ 48,336 |

OPEB plan fiduciary net position. Detailed information about the HCTF’s FNP is available in PERA’s ACFR which can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

8. Defined Contribution Pension Plans

Voluntary Investment Program (PERAPlus 401(k) Plan)

Plan Description – Employees of the District that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 401(k) Plan. That report can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

Funding Policy – The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended December 31, 2025, program members contributed \$36,798 for the PERAPlus 401(k) Plan.

Defined Contribution Retirement Plan (PERA DC Plan)

Plan Description – Eligible employees of the LGDTF hired on or after January 1, 2019, have the option to participate in the LGDTF, a cost-sharing multiple-employer defined benefit pension plan, or the Defined Contribution Retirement Plan (PERA DC Plan).

The PERA DC Plan is an Internal Revenue Code Section 401(a) governmental profit-sharing defined contribution plan. Title 24, Article 51, Part 15 of the C.R.S., as amended, assigns the authority to establish Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERA DC Plan. That report can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

Funding Policy – All participating employees in the PERA DC Plan and the District are required to contribute a percentage of the participating employees’ PERA-includable salary to the PERA DC Plan. The employee and employer contribution rates for the period 01/01/2024 through 12/31/2025 are summarized in the tables below:

| | January 1, 2024 through December 31, 2024 | January 1, 2025 through December 31, 2025 |
|---|--|--|
| Employee Contribution Rates: | | |
| All employees other than Safety Officers | 9.00% | 9.00% |
| Employer Contribution Rates: | | |
| On behalf of all employees other than Safety Officers | 10.00% | 10.00% |

*Contribution rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Additionally, the employers are required to contribute AED, SAED, and other statutory amounts for employees other than Safety Officers to the LGDTF, as follows:

| | January 1, 2024 through December 31, 2024 | January 1, 2025 through December 31, 2025 |
|---|--|--|
| Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 | 2.20% | 2.20% |
| Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 | 1.50% | 1.50% |
| Automatic Adjustment Provision (AAP) as specified in C.R.S. § 24-51-413 | 1.00% | 1.00% |
| Additional Contribution Supplement as specified in C.R.S. § 24-51-401 and § 24-51-415 | 0.08% | 0.11% |
| Total employer contribution rate to the LGDTF | 4.78% | 4.81% |

*Contribution rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Contribution requirements are established under Title 24, Article 51, Section 1505 of the C.R.S., as amended. Participating employees of the PERA DC Plan are immediately vested in their own contributions and investment earnings and are immediately 50% vested in the amount of employer contributions made on their behalf. For each full year of participation, vesting of employer contributions increases by 10%. Forfeitures are used to pay expenses of the PERA DC Plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the C.R.S. As a result, forfeitures do not reduce pension expense. Participating employees in the PERA DC Plan contributed \$62,927 and the District recognized pension expense of \$77,696 for the PERA DC Plan.

9. Deferred Compensation Plan (PERAPlus 457 Plan)

Plan Description – Employees of the District may voluntarily contribute to the Deferred Compensation Plan (PERAPlus 457 Plan), an Internal Revenue Code Section 457 deferred compensation plan administered by PERA. Title 24, Article 51, Part 16 of the C.R.S., as amended, assigns authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 457 Plan. That report can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

Funding Policy – The PERAPlus 457 Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1603 of the C.R.S., as amended. Members are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended December 31, 2025, program members contributed \$12,560 for the PERAPlus 457 Plan.

10. Inter-Governmental Agreement

In 1989, the District, the Town of Castle Rock, Colorado, and Castle Pines North Metropolitan District agreed to establish the Plum Creek Water Reclamation Authority (PCWRA). The purpose of PCWRA is to provide wastewater treatment within the region to the members and other local governments. The District transferred title of the Castle Pines Wastewater plant to PCWRA in June 1990. During 2025, PCWRA charged the District \$370,537 for the treatment of the District's wastewater, with \$30,878 payable to PCWRA as of December 31, 2025.

11. Net Investment in Capital Assets

The net investment in capital assets amounts reported on the government-wide statement of net position as of December 31, 2025 are determined as follows:

| | Governmental Activities | Business-Type Activities | Total |
|--|------------------------------------|-------------------------------------|----------------------|
| Cost of Capital Assets | \$ 17,970,696 | \$ 78,020,708 | \$ 95,991,404 |
| Less: Accumulated depreciation | (2,901,629) | (28,066,010) | (30,967,639) |
| Capital Assets, Net of Accumulated Depreciation | <u>15,069,067</u> | <u>49,954,698</u> | <u>65,023,765</u> |
| Add: Unexpended capital debt proceeds | | 16,156,582 | 16,156,582 |
| Less: | | | |
| Capital-related borrowings | | (26,363,904) | (26,363,904) |
| Other non-debt capital related liabilities | | (6,139,178) | (6,139,178) |
| Net Investment in Capital Assets | <u>\$ 15,069,067</u> | <u>\$ 33,608,198</u> | <u>\$ 48,677,265</u> |

12. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters, for which the District carries commercial insurance. Claims have not exceeded coverage in any of the three preceding years.

In October 2002, the District joined the Colorado Special Districts Property and Liability Pool (the Pool), a public entity risk pool currently operating as a common risk management and insurance program for member special districts in Colorado. The District pays annual premiums to the Pool for defined property and liability coverage.

The Pool agreement also gives the Board of Directors of the Pool the power to establish additional contributions, at such times and in such amounts as the Board of Directors determines are needed for the purposes of the Pool. The Board of Directors may decide to distribute surplus funds among members; however, the District did not receive any such distribution for the year ended December 31, 2025.

13. TABOR Amendment

Colorado voters passed an amendment to the State Constitution in 1992. Article X, Section 20, (the Taxpayer Bill of Rights, otherwise known as TABOR) which has several limitations, including revenue raising, spending abilities and other specific requirements for state and local governments. The District's financial activity provides the basis for calculation of limitations adjusted for allowable increases tied to inflation and local growth.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of their annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District is of the opinion that water and sewer operations of the District qualify for this exclusion.

Fiscal year spending and revenue limits are determined based on the prior-year's spending, adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue. Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. In effect, it has been generally interpreted that fiscal year spending approximates nonexempt revenue or receipts. Spending excludes spending from certain revenue and financial sources such as federal funds, gifts, property sales, fund transfers, damage awards and fund reserves.

TABOR requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rates, increasing a mill levy above that for the prior year, extending an expiring tax or implementing a tax policy change directly causing a net tax revenue gain to any local government. Except for bond refinancing at lower interest rates or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal-year debt or other financial obligations without voter approval or irrevocably pledging present cash reserves for all future payments.

TABOR requires that emergency reserves be established. These reserves must be at least 3% of fiscal year spending (excluding bonded debt service) in 1995 and thereafter. Emergency reserves as of December 31, 2025 totaling \$230,000 have been presented as a restriction of fund balance in the General Fund.

The District is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary benefit increases.

Revenue in excess of the fiscal year spending limit must be refunded unless the voters approve retention of such revenue. On May 2, 2000, citizens voted to allow the District to collect, spend and retain all revenues and proceeds generated from any source since December 31, 1998 without regard to any limitation under TABOR. The citizens also authorized the permanent waiver of the 5.5% statutory limit.

14. Litigation

From time to time, the District is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the net position and change in net position of the District. Events could occur that would change this estimate materially in the near term.

15. Subsequent Events

Management evaluates subsequent events through the date the financial statements are available to be issued, which is the date of the Independent Auditors' Report. On November 25, 2025, the District, the Town of Castle Rock, the Castle Pines North Metropolitan District and PCWRA entered into an intergovernmental agreement regarding the financing by PCWRA for the rehabilitation of its reuse reservoir and related facilities. Reuse water is provided by PCWRA and used as irrigation for four local golf courses, two of which lie within the District's boundaries. Pursuant to the agreement, PCWRA will finance the project through direct contributions and a loan issued to PCWRA by the Colorado Water Resources and Power Development Authority (CWRPDA) in 2026 for a total amount not to exceed \$8,500,000, and the costs will be invoiced by PCWRA to the other parties to the agreement with $\frac{1}{2}$ of the total project responsibility falling equally to the two golf courses within the District.

The District will recognize expense for the portion of PCWRA's costs allocated to the District, and revenue of an equal amount rebilled to the golf courses sufficient to cover their proportionate share of the project expenses, including the loan.

Required Supplementary Information

CASTLE PINES METROPOLITAN DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2025

| | <u>Original/Final Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--|----------------------------------|----------------------|---------------------|
| Revenues | | | |
| Property Taxes | \$ 8,304,338 | \$ 8,388,118 | \$ 83,780 |
| Specific Ownership Tax | 550,000 | 638,133 | 88,133 |
| Investment Income | 650,000 | 916,977 | 266,977 |
| Charges for Services | 215,241 | 241,153 | 25,912 |
| Other Revenue | 5,000 | 30,680 | 25,680 |
| Total Revenues | <u>9,724,579</u> | <u>10,215,061</u> | <u>490,482</u> |
| Expenditures | | | |
| Current | | | |
| General Government | 2,790,421 | 1,885,363 | 905,058 |
| Public Works | 6,220,000 | 4,907,254 | 1,312,746 |
| Capital Outlay | 187,500 | 208,239 | (20,739) |
| Total Expenditures | <u>9,197,921</u> | <u>7,000,856</u> | <u>2,197,065</u> |
| Excess of Expenditures Over Revenues | <u>526,658</u> | <u>3,214,205</u> | <u>2,687,547</u> |
| Other Financing Sources (Uses) | | | |
| Transfer Out | (735,000) | (735,000) | |
| Proceeds From the Disposal of Capital Assets | - | 32,442 | 32,442 |
| Total Other Financing Sources (Uses) | <u>(735,000)</u> | <u>(702,558)</u> | <u>32,442</u> |
| Net Changes in Fund Balance | <u>(208,342)</u> | <u>2,511,647</u> | <u>2,719,989</u> |
| Fund Balance, Beginning | 16,262,713 | 17,755,997 | 1,493,284 |
| Operating Reserves | (2,299,480) | | 2,299,480 |
| Capital Reserves | (1,000,000) | | 1,000,000 |
| Fund Balance, Ending | <u>\$ 12,754,891</u> | <u>\$ 20,267,644</u> | <u>\$ 7,512,753</u> |

Notes:

The basis of budgeting is the same as GAAP.

The schedule is presented on a modified-accrual basis.

Infrastructure Condition and Maintenance Data

December 31, 2025

Modified Approach for Castle Pines Metro Streets - Infrastructure Capital Assets

In accordance with Governmental Accounting Standards Board Statement No. 34 (GASB 34), Castle Pines Metropolitan District (District) is required to account for and report infrastructure capital assets. The District has several major infrastructure systems including the street system. Each major infrastructure system can be divided into subsystems. For example, the streets can be divided into concrete and asphalt pavements, concrete curb and gutters, streetlights, traffic control devices (signs, signals, and pavement markings), and land. Subsystem detail is not presented in these basic financial statements; however, the District maintains detailed information on these subsystems.

The District has elected to use the modified approach as defined by GASB 34 for infrastructure reporting for its street pavement system. Under GASB 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- The District manages the eligible infrastructure capital assets using PAVER Pavement Management System with characteristics of (1) maintaining an up-to-date inventory; (2) performing condition assessments and summarizing the results using a measurement scale; and (3) estimating the annual amount to maintain and preserve at the established condition assessment level.
- The District documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level. The District’s Pavement Management System conducts condition assessment surveys annually based on priority of the District’s road classification and input from the District’s Board and residents. The District’s streets are classified based on traffic utilization into the following classifications: Primary (Arterials), Secondary (Collectors), Tertiary (Locals). Each street was assigned a physical condition based on potential defects.

The District’s goal is to maintain an excellent rating, or average PCI of 85 or higher, on all 89.67 lane miles of streets. This rating allows appropriate roadway budgets to be determined each year. Assessments of the road are normally conducted biannually.

The District’s three most recent average pavement condition indexes are as follows:

| | <u>2025</u> | <u>2023</u> | <u>2021</u> |
|-----------------------------------|-------------|-------------|-------------|
| Average PCI for District roadways | 88.20 | 83.25 | 84.83 |

The most recent roadway assessment was completed in 2025.

| Condition Distribution | 2025 | 2023 | 2021 |
|-------------------------------|-------------|-------------|-------------|
| Excellent | 64.7% | 40.8% | 44.0% |
| Good | 28.8% | 53.3% | 52.6% |
| Fair | 6.5% | 5.9% | 3.4% |

The District’s streets are constantly deteriorating resulting from the following four factors: (1) traffic using the streets; (2) the sun’s ultra-violet rays drying out and breaking down the top layer of pavement; (3) utility company/private development interests trenching operations; and (4) winter freeze thaw conditions and water damage from both natural and other urban run-off.

The District spent \$4,345,094 and \$4,021,355 in 2025 and 2024, respectively, on street maintenance and street rehabilitation. These expenditures improve the overall street system. A schedule of estimated and actual annual expenditures for street maintenance for the last five years is presented below:

| Year | Maintenance Estimate | Actual |
|-------------|-----------------------------|---------------|
| 2021 | \$ 1,490,000 | \$ 1,918,952 |
| 2022 | \$ 2,740,628 | \$ 3,201,371 |
| 2023 | \$ 2,980,600 | \$ 3,638,717 |
| 2024 | \$ 5,092,500 | \$ 4,021,355 |
| 2025 | \$ 5,414,000 | \$ 4,345,094 |

CASTLE PINES METROPOLITAN DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Year Ended December 31, 2024 (Measurement Date)

| | December 31 | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| District's portion of the net pension liability (asset) | 0.17427% | 0.17366% | 0.17285% | 0.17474% | 0.20362% | 0.17724% | 0.16159% | 0.17058% | 0.16787% | 0.19044% |
| District's proportionate share of the net pension liability (asset) | \$ 1,069,353 | \$ 1,274,753 | \$ 1,732,917 | \$ (149,815) | \$ 1,061,122 | \$ 1,296,334 | \$ 2,031,536 | \$ 1,899,329 | \$ 2,266,790 | \$ 2,097,812 |
| District's covered payroll | \$ 1,514,484 | \$ 1,408,027 | \$ 1,517,134 | \$ 1,340,710 | \$ 1,488,744 | \$ 1,239,599 | \$ 1,115,237 | \$ 1,017,491 | \$ 1,076,115 | \$ 1,017,197 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 70.6% | 90.5% | 114.2% | -11.2% | 71.3% | 104.6% | 182.2% | 186.7% | 210.6% | 206.2% |
| Plan fiduciary net position as a percentage of the total pension liability | 88.03% | 88.03% | 82.99% | 101.49% | 90.88% | 86.26% | 75.96% | 79.37% | 73.60% | 76.90% |

See the independent auditors' report.

CASTLE PINES METROPOLITAN DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS TO THE PENSION PLAN
For the Year Ended December 31, 2025

| | December 31 | | | | | | | | | |
|--|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
| Contractually required contribution | \$ 210,547 | \$ 208,393 | \$ 210,782 | \$ 206,064 | \$ 177,805 | \$ 192,575 | \$ 157,136 | \$ 133,865 | \$ 136,452 | \$ 129,022 |
| Contributions in relation to the contractually required contribution | 210,547 | 208,393 | 210,782 | 206,064 | 177,805 | 192,575 | 157,136 | 133,865 | 136,452 | 129,022 |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered payroll | \$ 1,255,803 | \$ 1,514,484 | \$ 1,408,027 | \$ 1,517,134 | \$ 1,340,710 | \$ 1,488,744 | \$ 1,239,599 | \$ 1,115,237 | \$ 1,017,491 | \$ 1,076,115 |
| Contributions as a percentage of covered payroll | 16.77% | 13.76% | 14.97% | 13.58% | 13.26% | 12.94% | 12.68% | 12.00% | 13.41% | 11.99% |

See the independent auditors' report.

CASTLE PINES METROPOLITAN DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
For the Year Ended December 31, 2024 (Measurement Date)
Employee Pension Plan Year Eight⁽¹⁾

| | December 31 | | | | | | | |
|--|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| District's portion of the net OPEB liability (asset) | 0.0126% | 0.0127% | 0.0140% | 0.0134% | 0.0153% | 0.0135% | 0.0125% | 0.0133% |
| District's proportionate share of the net OPEB liability (asset) | \$ 60,002 | \$ 90,941 | \$ 112,022 | \$ 115,188 | \$ 145,296 | \$ 151,614 | \$ 170,494 | \$ 172,264 |
| District's covered payroll | \$ 1,514,484 | \$ 1,408,027 | \$ 1,517,134 | \$ 1,340,710 | \$ 1,488,744 | \$ 1,239,599 | \$ 1,115,237 | \$ 1,017,491 |
| District's proportionate share of the net OPEB Plan fiduciary net position as a percentage of the total OPEB liability | 4.0% | 6.5% | 7.4% | 8.6% | 9.8% | 12.2% | 15.3% | 16.9% |
| | 46.16% | 46.16% | 38.57% | 39.40% | 32.78% | 24.49% | 17.03% | 17.53% |

⁽¹⁾ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

CASTLE PINES METROPOLITAN DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS TO THE OPEB PLAN
For the Year Ended December 31, 2025
Employee Pension Plan Year Eight⁽¹⁾

| | December 31 | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Contractually required contribution | \$ 12,809 | \$ 15,448 | \$ 14,362 | \$ 15,475 | \$ 13,675 | \$ 15,185 | \$ 12,644 | \$ 11,375 |
| Contributions in relation to the contractually required contribution | 12,809 | 15,448 | 14,362 | 15,475 | 13,675 | 15,185 | 12,644 | 11,375 |
| Contribution Deficiency (Excess) | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |
| District's covered payroll | <u>\$ 1,255,803</u> | <u>\$ 1,514,484</u> | <u>\$ 1,408,027</u> | <u>\$ 1,517,134</u> | <u>\$ 1,340,710</u> | <u>\$ 1,488,744</u> | <u>\$ 1,239,599</u> | <u>\$ 1,115,237</u> |
| Contributions as a percentage of covered payroll | 1.02% | 1.02% | 1.02% | 1.02% | 1.02% | 1.02% | 1.02% | 1.02% |

⁽¹⁾ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

Notes to the Required Supplementary Information

1. Significant Changes in Plan Provisions Affecting Trends in Actuarial Information

2024 Changes in Plan Provisions Since 2023

As of the December 31, 2024, measurement date, the fiduciary net position (FNP) and related disclosure components for the Local Government Division and HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the Local Government Division Trust Fund and HCTF were \$0.486 million and \$0.020 million, respectively.

2. Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2024 Changes in Assumptions or Other Inputs Since 2023

Pension Plan

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The Pub-2010 Public Retirement Plans Mortality base tables were retained for purposes of active, retired, disabled, and beneficiary lives, with revised adjustments for credibility and gender, where applicable. In addition, the applied generational projection scale was updated to the 2024 adjusted scale MP-2021.
- The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

Other Post Employment Benefit (OPEB) Plan

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on experience. In addition, the mortality projection scale was updated to the 2024 adjusted scale MP-2021 to reflect future improvements in mortality for all groups.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

Supplementary Information

CASTLE PINES METROPOLITAN DISTRICT
COMPARATIVE BALANCE SHEET - GENERAL FUND
December 31, 2025

(With Summarized Comparative Information for the Year Ended December 31, 2024)

| | 2025 | 2024 |
|---|----------------------|----------------------|
| Assets | | |
| Current Assets | | |
| Cash and Cash Equivalents | \$ 3,830,013 | \$ 3,365,976 |
| Cash with Fiscal Agent | 53,296 | 55,303 |
| Investments | 15,628,076 | 14,774,954 |
| Receivables | | |
| Accounts | 58,023 | 74,162 |
| Property Taxes | 8,545,458 | 8,296,038 |
| Prepaid Expenses | 123,935 | 118,270 |
| Inventory | 3,033 | 4,163 |
| Interfund Receivable | 879,567 | |
| Total Current Assets | 29,121,401 | 26,688,866 |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | |
| Current Liabilities | | |
| Accounts Payable | 308,299 | 526,961 |
| Customer Deposits | | 5,000 |
| Interfund Payable | | 104,870 |
| Total Current Liabilities | 308,299 | 636,831 |
| Deferred Inflows of Resources | | |
| Unavailable Revenue - Property Taxes | 8,545,458 | 8,296,038 |
| Fund Balances | | |
| Nonspendable | | |
| Inventory | 3,033 | 4,163 |
| Prepaid Items | 123,935 | 118,270 |
| Restricted | | |
| Emergency Reserve - TABOR | 230,000 | 230,000 |
| Unassigned | 19,910,676 | 17,403,564 |
| Total Fund Balances | 20,267,644 | 17,755,997 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 29,121,401 | \$ 26,688,866 |

CASTLE PINES METROPOLITAN DISTRICT

**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GENERAL FUND**

For the Year Ended December 31, 2025

(With Summarized Financial Information for the Year Ended December 31, 2024)

| | 2025 | 2024 |
|---|---------------|---------------|
| Revenues | | |
| Property Taxes | \$ 8,388,118 | \$ 8,450,853 |
| Specific Ownership Tax | 638,133 | 616,977 |
| Investment Income | 916,977 | 851,007 |
| Charges for Services | 241,153 | 247,093 |
| Other Revenue | 30,680 | |
| Total Revenues | 10,215,061 | 10,165,930 |
| Expenditures | | |
| Current | | |
| General Government | 1,885,363 | 1,952,483 |
| Public Works | 4,907,254 | 5,069,680 |
| Capital Outlay | 208,239 | 514,070 |
| Total Expenditures | 7,000,856 | 7,536,233 |
| Excess of Expenditures Over Revenues | 3,214,205 | 2,629,697 |
| Other Financing Sources (Uses) | | |
| Transfers Out | (735,000) | (800,000) |
| Proceeds from Disposal of Assets | 32,442 | 57,000 |
| Total Other Financing Sources (Uses) | (702,558) | (743,000) |
| Net Change in Fund Balance | 2,511,647 | 1,886,697 |
| Fund Balance, Beginning of Year | 17,755,997 | 15,869,300 |
| Fund Balance, End of Year | \$ 20,267,644 | \$ 17,755,997 |

CASTLE PINES METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

NON-GAAP BUDGETARY BASIS - WATER AND SEWER FUND

For the Year Ended December 31, 2025

| | Original/Final Budget | Actual | Variance |
|---|----------------------------------|---------------------|---------------------|
| Revenues | | | |
| Charges for Services | \$ 6,606,706 | \$ 7,206,999 | \$ 600,293 |
| Effluent Pumping | 222,110 | 93,052 | (129,058) |
| Investment Earnings | 750,000 | 1,531,081 | 781,081 |
| Other | 52,077 | 79,002 | 26,925 |
| Transfers In | 735,000 | 735,000 | |
| Total Revenues | 8,365,893 | 9,645,134 | 1,279,241 |
| Expenses | | | |
| Personnel Services | 1,757,504 | 1,596,898 | 160,606 |
| Professional Services | 1,175,575 | 698,207 | 477,368 |
| Utilities | 711,000 | 598,576 | 112,424 |
| Operations and Maintenance | 2,812,647 | 1,941,269 | 871,378 |
| General Overhead | 455,846 | 294,211 | 161,635 |
| Capital Outlay | 19,600,000 | 14,128,012 | 5,471,988 |
| Debt Principal | 486,959 | 486,960 | (1) |
| Debt Interest & Amortization | 1,111,764 | 1,078,763 | 33,001 |
| Total Expenses | 28,111,295 | 20,822,896 | 7,288,399 |
| Net Changes in Net Position (Non-GAAP) | (19,745,402) | (11,177,762) | \$ 8,567,640 |
| Fund Balance, Beginning | 16,248,209 | | |
| Operating Reserves | (2,316,736) | | |
| Capital Reserves | (1,000,000) | | |
| Fund Balance, Ending | \$ (6,813,929) | | |

Reconciliation of Revenues and Expenses - GAAP Basis to Budgetary Basis

Adjustments

Benefits (expenses) which are not expenditures for budgetary purposes:

| | |
|-----------------------|-------------|
| Depreciation | (1,746,681) |
| Miscellaneous expense | (31,242) |
| Pension | (11,229) |
| OPEB | 10,688 |

Expenditures for budgetary purposes:

| | |
|---|------------|
| Capital outlay | 14,128,012 |
| Principal payments on revenue bonds and loans | 486,960 |

Net Change in Net Position - GAAP Basis **\$ 1,658,746**

PLUM CREEK WATER RECLAMATION AUTHORITY
MEMORANDUM

TO: PCWRA Board of Directors
FROM: Weston Martin, Authority Manager
DATE: April 29, 2026
RE: Plant and CDPHE Updates

PCWRA: Plum Creek Water Reclamation Authority
CDPHE: Colorado Department of Public Health & Environment
CWWUC: Colorado Wastewater Utility Council
RMWEA: Rocky Mountain Water Environment Association

Plant Updates

PCWRA hosted the RMWEA Board Meeting and the Student Design Competition on April 24th. As mentioned earlier, PCWRA was the host facility for the competition. The winning design will be presented at this year's RMWEA conference in Keystone.

During the rehabilitation of the older biofilter, it was discovered that the plenum and media had fouled. Repairs have been completed.

The lab received a new BOD incubator.

Interviews for an operator continue.

The centrifuge sent for refurbishment is in worse condition than expected and will require a complete rebuild. The planned refurbishment cost was around \$32,000, while the rebuild will be approximately \$120,000. There could be a problem with the extended lead time for parts.

Maintenance completed the rebuild of Influent Pump #4. The new support structure has been adjusted to take the weight off the volute.

CDPHE Updates

PCWRA's permit is still listed for renewal on the CDPHE's draft 2026 Permit Work Plan.

PCWRA received an inspection from the Colorado Air Pollution Control Division on April 15th. The emergency generators were a main topic of discussion and may result in compliance action because they are not currently listed on PCWRA's Air Pollutant Emissions Notice (APEN) permit.

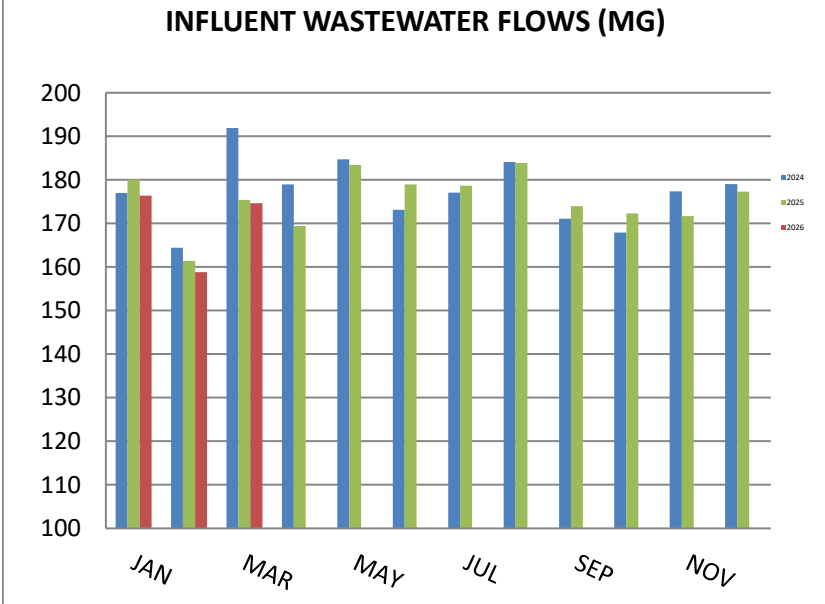
The effort by the CWWUC to exclude wastewater treatment plants from the proposed Air Toxics Rulemaking was successful. Wastewater facilities will continue to be regulated under the Colorado Water Quality Control Act and the Clean Water Act, which include odor control measures to limit emissions and exposures to hydrogen sulfide.

| OPERATIONS | FINANCIAL |
|------------|-----------|
|------------|-----------|

FOR MONTH OF: **March-26**

| | | |
|-----------------------|------------------|----------------|
| WW FLOWS (MG): | Daily AVG | Total |
| TCR: | 4.693 | 145.474 |
| CPMD: | 0.252 | 7.827 |
| CPNMD: | 0.659 | 20.419 |
| SH (EST.): | 0.021 | 0.661 |
| CC (EST.): | 0.008 | 0.242 |
| TOTAL FLOWS: | 5.633 | 174.623 |

| | |
|----------------------------------|------------------|
| REVENUES AND EXPENDITURES | |
| MONTHLY REVENUES: | |
| TOWN OF CASTLE ROCK: | \$448,175 |
| CASTLE PINES METRO DIST: | \$31,991 |
| CASTLE PINES NORTH METRO DIST: | \$64,650 |
| SILVER HEIGHTS: | \$1,900 |
| CASTLETON CENTER: | \$1,253 |
| INTEREST AND MISC. INCOME: | \$96,980 |
| EFFLUENT REVENUE (REUSE): | \$25,859 |
| TOTAL: | \$670,808 |



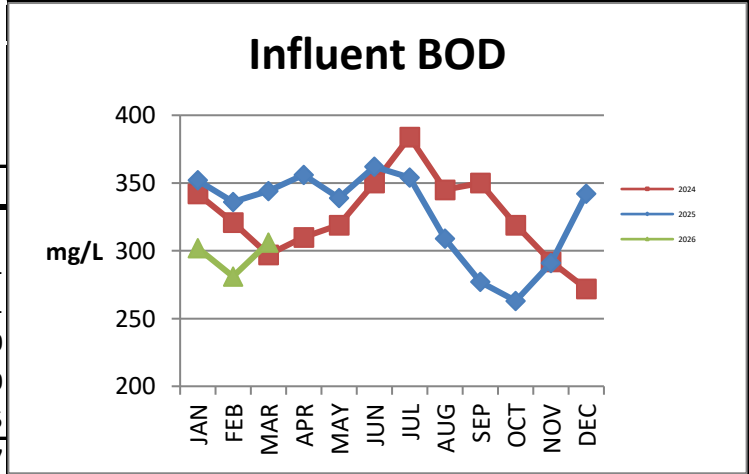
| | |
|---|--------------------|
| MONTHLY OPERATING EXPENDITURES | \$505,678 |
| (UNAUDITED & Not Including Capital Expenditures) | |
| REVENUE OVER(UNDER) EXP. | \$165,130 |
| YTD Capital Reuse Reserves Revenues: | \$24,999 |
| YEAR TO DATE REVENUES: | \$1,805,601 |
| YEAR TO DATE EXPENDITURES: | \$1,971,607 |
| (Not including Capital Expenditures) | |
| YTD REV OVER(UNDER) EXP. (Not incl. capital) | (\$141,007) |
| YTD Capital Expenditures & Replacement: | \$2,316,113 |

| | | |
|----------------------------------|------------------|-------------|
| Capacity Ownership (MGD): | Allocated | Used |
| TCR: | 4.587 | 103% |
| CPMD: | 0.903 | 28% |
| CPNMD: | 0.895 | 74% |
| PLANT TOTAL: | 6.440 | 87% |

Silver Heights flows are being estimated based on the settlement agreement between Silver Heights and the Town of Castle Rock.

| | | |
|--------------------|---------------|---------|
| Influent BOD: | 306 | mg/L |
| 30 Day Avg | 13896 | lbs/day |
| Loading Limit | 19000 | lbs/day |
| Load (% of Permit) | 73.14% | |

| Rate Study Data (mg/L) | TCR | CPN & CPM | CC | SH |
|-------------------------|-----|-----------|------|-----|
| COD | 792 | 759 | 1300 | 717 |
| Year to Date TSS | 326 | 334 | 357 | 261 |
| Average NH ₃ | 42 | 47 | 25 | 40 |
| TP | 7 | 6 | 41 | 6 |
| March (avg) COD | 796 | 706 | 1668 | 916 |



| | |
|---|----------------|
| DISTRIBUTION OF TREATED EFF. (MG): | |
| EAST PLUM CREEK: | 180.741 |
| GOLF CLUB GC: | 1.911 |
| THE RIDGE GC: | 0.000 |
| COUNTRY CLUB GC: | 0.000 |
| RED HAWK GC: | 9.305 |
| TOTAL EFFLUENT FLOWS: | 191.957 |

Memorandum

To: Castle Pines Village Metropolitan District Board of Directors
 From: Jason LeTellier, Operations Superintendent
 Date: May 20, 2026
 Subject: Operations Report: April & May 2026

WATER OPERATIONS

The following table summarizes the current status of District facilities.

| Facility | Status |
|--------------------------------------|--------------------------------|
| Wells | Operating normally. |
| Water Plant 1 | Online and operating normally. |
| Water Plant 2 | Online and operating normally. |
| Transfer Pump Station | Operating normally. |
| Booster Pump Stations | Operating normally. |
| Sewer Lift Stations | Operating normally. |
| Village Lake Irrigation Pump Station | Operating normally. |

MAJOR ISSUES OR REPAIRS

Water Leaks

- A leak on one of the reuse transmission lines was identified at the intersection of Happy Canyon Road and Highway 85. Repairs are underway.

UPCOMING OPERATIONS PRIORITIES

- **Coordination for Water Plant 2 Expansion Project:** Operations staff have continued to assist as necessary for coordinating the various aspects of this project. District staff is currently participating in discussions about plant operations, startup procedures, and commissioning.
- **Coordination for 2 MG Tank Project:** Garney has needed minimal coordination with District staff at the current phase of this project but has continued to keep the operations team informed. District operations remain unaffected.

- **Seasonal Operations Priorities:** With the onset of summer, operations is switching priorities to focus on brush pickup, forestry maintenance, landscaping maintenance, and increased demands for water production.

**CASTLE PINES VILLAGE METRO DISTRICT
POTABLE AND RAW WATER BILLED RECAP
YEAR 2026 ACTUAL / CUMULATIVE / PRIOR YEARS**

**EXHIBIT A
ANNUAL COMPARISON**

| | <u>Jan</u> | <u>Feb</u> | <u>Mar</u> | <u>Apr</u> | <u>May</u> | <u>Jun</u> | <u>Jul</u> | <u>Aug</u> | <u>Sept</u> | <u>Oct</u> | <u>Nov</u> | <u>Dec</u> | <u>Total</u> |
|--|------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|--------------|
| POTABLE GALLONS BILLED (000) BY MONTH | | | | | | | | | | | | | |
| COMPARISON TO PRIOR YEAR ACTUAL: | | | | | | | | | | | | | |
| YEAR 2026 Actual | 8,494 | 8,253 | 10,554 | 16,911 | | | | | | | | | 44,212 |
| YEAR 2025 Actual | 8,278 | 7,172 | 8,082 | 12,801 | | | | | | | | | 36,333 |

| | | | | | | | | | | | | | |
|--------------------------------------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|---------|
| HISTORICAL DATA: | | | | | | | | | | | | | |
| YEAR 2026 Actual | 8,494 | 8,253 | 10,554 | 16,911 | | | | | | | | | 44,212 |
| YEAR 2025 Actual | 8,278 | 7,172 | 8,082 | 12,801 | 32,927 | 48,115 | 60,998 | 53,940 | 42,279 | 25,351 | 9,416 | 9,349 | 318,708 |
| YEAR 2024 Actual | 8,368 | 7,283 | 7,604 | 10,614 | 29,472 | 53,874 | 60,334 | 47,832 | 47,539 | 31,498 | 8,008 | 8,426 | 320,852 |
| YEAR 2023 Actual | 8,311 | 7,374 | 8,009 | 10,611 | 24,034 | 29,241 | 48,539 | 44,208 | 37,189 | 24,179 | 8,178 | 8,841 | 258,714 |
| YEAR 2022 Actual | 8,183 | 7,244 | 7,717 | 17,442 | 43,274 | 59,951 | 64,688 | 57,228 | 49,418 | 28,301 | 8,742 | 9,290 | 361,478 |
| YEAR 2021 Actual | 8,887 | 7,835 | 8,194 | 9,571 | 22,461 | 58,034 | 61,599 | 63,342 | 59,020 | 27,608 | 9,357 | 9,523 | 345,431 |
| YEAR 2020 Actual | 8,085 | 7,257 | 8,139 | 13,746 | 52,287 | 59,905 | 65,955 | 66,750 | 47,739 | 32,590 | 9,593 | 9,724 | 381,770 |
| YEAR 2019 Actual | 8,454 | 7,237 | 7,746 | 11,379 | 28,882 | 49,717 | 53,836 | 59,096 | 53,736 | 21,916 | 8,015 | 8,465 | 318,479 |
| 7 YEAR AVERAGE (2019 - 2025): | 8,367 | 7,343 | 7,927 | 12,309 | 33,334 | 51,262 | 59,421 | 56,057 | 48,131 | 27,349 | 8,758 | 9,088 | 329,347 |

| | | | | | | | | | | | | | |
|---|-------|--------|--------|--------|--|--|--|--|--|--|--|--|--------|
| CUMULATIVE YTD | | | | | | | | | | | | | |
| COMPARISON TO PRIOR YEAR ACTUAL: | | | | | | | | | | | | | |
| YEAR 2026 Actual | 8,494 | 16,747 | 27,301 | 44,212 | | | | | | | | | 44,212 |
| YEAR 2025 Actual | 8,278 | 15,450 | 23,532 | 36,333 | | | | | | | | | 36,333 |

| | | | | | | | | | | | | | |
|---|---|---|---|-----|--|--|--|--|--|--|--|--|-----|
| VL RAW WATER GALLONS BILLED (000) BY MONTH | | | | | | | | | | | | | |
| COMPARISON TO PRIOR YEAR ACTUAL : | | | | | | | | | | | | | |
| YEAR 2026 Actual | 0 | 0 | 0 | 136 | | | | | | | | | 136 |
| YEAR 2025 Actual | 0 | 0 | 0 | 0 | | | | | | | | | 0 |

| | | | | | | | | | | | | | |
|--------------------------------------|---|---|---|-----|-------|-------|-------|-------|-------|-------|---|---|--------|
| HISTORICAL DATA: | | | | | | | | | | | | | |
| YEAR 2026 Actual | 0 | 0 | 0 | 136 | | | | | | | | | 136 |
| YEAR 2025 Actual | 0 | 0 | 0 | 0 | 2,017 | 3,261 | 4,280 | 3,396 | 2,052 | 2,005 | 0 | 0 | 17,011 |
| YEAR 2024 Actual | 0 | 0 | 0 | 0 | 1,903 | 5,174 | 5,571 | 3,269 | 3,665 | 1,784 | 0 | 0 | 21,366 |
| YEAR 2023 Actual | 0 | 0 | 0 | 0 | 757 | 1,865 | 4,677 | 2,092 | 1,707 | 1,603 | 0 | 0 | 12,701 |
| YEAR 2022 Actual | 0 | 0 | 0 | 0 | 2,776 | 6,029 | 5,845 | 4,026 | 3,226 | 1,089 | 0 | 0 | 22,991 |
| YEAR 2021 Actual | 0 | 0 | 0 | 79 | 383 | 5,162 | 5,618 | 4,635 | 6,240 | 2,326 | 0 | 0 | 24,443 |
| YEAR 2020 Actual | 0 | 0 | 0 | 0 | 6,145 | 8,393 | 9,057 | 8,237 | 3,406 | 4,513 | 0 | 0 | 39,751 |
| YEAR 2019 Actual | 0 | 0 | 0 | 231 | 2,722 | 6,050 | 8,032 | 7,083 | 8,060 | 1,612 | 0 | 0 | 33,790 |
| 7 YEAR AVERAGE (2019 - 2025): | 0 | 0 | 0 | 44 | 2,386 | 5,133 | 6,154 | 4,677 | 4,051 | 2,133 | 0 | 0 | 24,579 |

| | | | | | | | | | | | | | |
|---|---|---|---|-----|--|--|--|--|--|--|--|--|-----|
| CUMULATIVE YTD | | | | | | | | | | | | | |
| COMPARISON TO PRIOR YEAR ACTUAL: | | | | | | | | | | | | | |
| YEAR 2026 Actual | 0 | 0 | 0 | 136 | | | | | | | | | 136 |
| YEAR 2025 Actual | 0 | 0 | 0 | 0 | | | | | | | | | 0 |

| | | | | | | | | | | | | | |
|--|-------|-------|--------|--------|--|--|--|--|--|--|--|--|--------|
| TOTAL BILLED GALLONS POTABLE & VL RAW WATER | | | | | | | | | | | | | |
| YEAR 2026 Actual | 8,494 | 8,253 | 10,554 | 17,047 | | | | | | | | | 44,348 |
| YEAR 2025 Actual | 8,278 | 7,172 | 8,082 | 12,801 | | | | | | | | | 36,333 |

**CASTLE PINES VILLAGE METRO DISTRICT
WATER BILLED RECAP AND CONSERVATION STATISTICS
ALL BILLABLE CUSTOMERS
YEAR 2026**

**EXHIBIT B
YEAR 2026 ALL BILLABLE**

4 <Months to date

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec | Total |
|--|------------------|------------------|-------------------|-------------------|-----|-----|-----|-----|------|-----|-----|-----|-------------------|
| A. TOTAL GALLONS BILLED | | | | | | | | | | | | | |
| SUB-ASSOCIATION HOMES: | | | | | | | | | | | | | |
| Number of Homes | 479 | 482 | 482 | 483 | | | | | | | | | 482 |
| Total Gallons | 1,412,000 | 1,395,000 | 1,650,000 | 2,331,000 | | | | | | | | | 6,788,000 |
| Average Mean Per Home | 2,948 | 2,894 | 3,423 | 4,826 | | | | | | | | | 14,098 |
| CUSTOM HOMES: | | | | | | | | | | | | | |
| Number of Homes | 1,195 | 1,195 | 1,196 | 1,199 | | | | | | | | | 1,196 |
| Total Gallons | 5,733,000 | 5,641,000 | 7,357,000 | 12,660,000 | | | | | | | | | 31,391,000 |
| Average Per Home | 4,797 | 4,721 | 6,151 | 10,559 | | | | | | | | | 26,241 |
| FULL METRO HOMES: | | | | | | | | | | | | | |
| Number of Homes | 1,674 | 1,677 | 1,678 | 1,682 | | | | | | | | | 1,678 |
| Total Gallons | 7,145,000 | 7,036,000 | 9,007,000 | 14,991,000 | | | | | | | | | 38,179,000 |
| Average Per Home | 4,268 | 4,196 | 5,368 | 8,913 | | | | | | | | | 22,756 |
| OTHER CUSTOMERS: | | | | | | | | | | | | | |
| Village Lake | 759,000 | 737,000 | 806,000 | 857,000 | | | | | | | | | 3,159,000 |
| Non-residents | 8,000 | 10,000 | 10,000 | 29,000 | | | | | | | | | 57,000 |
| CP Homes Association | 28,000 | 22,000 | 28,000 | 250,000 | | | | | | | | | 328,000 |
| CP Metro District | 5,000 | 7,000 | 5,000 | 9,000 | | | | | | | | | 26,000 |
| South Metro Fire | 11,000 | 6,000 | 10,000 | 8,000 | | | | | | | | | 35,000 |
| Plum Creek Water Reclamation Authority | 12,000 | 9,000 | 9,000 | 9,000 | | | | | | | | | 39,000 |
| CP Golf Club & International | 29,000 | 24,000 | 52,000 | 154,000 | | | | | | | | | 259,000 |
| Country Club at CP | 176,000 | 132,000 | 223,000 | 187,000 | | | | | | | | | 718,000 |
| Urban Village, Commercial | 307,000 | 238,000 | 276,000 | 290,000 | | | | | | | | | 1,111,000 |
| Cielo Event Center | 8,000 | 18,000 | 32,000 | 24,000 | | | | | | | | | 82,000 |
| Castle Hawk Development | 0 | 0 | 54,000 | 32,000 | | | | | | | | | 86,000 |
| Cherokee Ranch - Extraterritorial Water Connec | 0 | 0 | 0 | 17,000 | | | | | | | | | 17,000 |
| 480 HC Rd - Extraterritorial Water Connect | 6,000 | 13,000 | 41,000 | 37,000 | | | | | | | | | 97,000 |
| Coldwell Banker Building | 0 | 1,000 | 1,000 | 17,000 | | | | | | | | | 19,000 |
| The Settlement - Irrigation | 0 | 0 | 0 | 0 | | | | | | | | | 0 |
| VL Pumphouse (Raw Water) | 0 | 0 | 0 | 136,073 | | | | | | | | | 136,073 |
| Total Other | 1,349,000 | 1,217,000 | 1,547,000 | 2,056,073 | | | | | | | | | 6,169,073 |
| TOTAL WATER BILLED | 8,494,000 | 8,253,000 | 10,554,000 | 17,047,073 | | | | | | | | | 44,348,073 |
| Cumulative YTD | 8,494,000 | 16,747,000 | 27,301,000 | 44,348,073 | | | | | | | | | |

| TOTAL HOMES ANNUALLY | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026-YTD |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| SUB-ASSOCIATION HOMES | 636 | 643 | 665 | 687 | 703 | 709 | 721 | 725 |
| CUSTOM HOMES/OTHER | 1,102 | 1,117 | 1,135 | 1,152 | 1,172 | 1,186 | 1,195 | 1,199 |
| Non-CPV Residents | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| TOTAL HOMES | 1,740 | 1,762 | 1,802 | 1,841 | 1,877 | 1,897 | 1,918 | 1,926 |

**CASTLE PINES VILLAGE METRO DISTRICT
SUB-ASSOCIATIONS / COMMERCIAL
Historical Usage By Month 2023-Present**

EXHIBIT C
HISTORICAL USAGE

| | CHATEAU RIDGE - 2 Meters | | | | | COUNTRY CLUB COTTAGES - 1 Meter | | | | | COUNTRY CLUB RIDGE - 1 Meter | | | | | FAIRWAYS - 3 Meters | | | | |
|-----------|--------------------------|-----------|-----------|---------------|-------------|---------------------------------|---------|---------|---------------|-------------|------------------------------|---------|---------|---------------|-------------|---------------------|-----------|-----------|---------------|-------------|
| | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual |
| JANUARY | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| FEBRUARY | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| MARCH | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| APRIL | 8,000 | 0 | 18,000 | 247,000 | 131,000 | 0 | 0 | 5,000 | 14,000 | 1,000 | 0 | 0 | 2,000 | 42,000 | 25,000 | 6,000 | 23,000 | 67,000 | 316,000 | 0 |
| MAY | 94,000 | 302,000 | 182,000 | 306,000 | | 8,000 | 16,000 | 18,000 | 18,000 | | 31,000 | 19,000 | 24,000 | 51,000 | | 0 | 225,000 | 194,000 | 392,000 | |
| JUNE | 268,000 | 643,000 | 429,000 | 369,000 | | 16,000 | 19,000 | 30,000 | 21,000 | | 63,000 | 81,000 | 42,000 | 62,000 | | 157,000 | 699,000 | 384,000 | 473,000 | |
| JULY | 622,000 | 831,000 | 589,000 | 406,000 | | 25,000 | 30,000 | 33,000 | 23,000 | | 53,000 | 82,000 | 90,000 | 68,000 | | 440,000 | 644,000 | 587,000 | 520,000 | |
| AUGUST | 336,000 | 310,000 | 436,000 | 365,000 | | 17,000 | 24,000 | 21,000 | 21,000 | | 62,000 | 87,000 | 100,000 | 61,000 | | 285,000 | 368,000 | 508,000 | 467,000 | |
| SEPTEMBER | 396,000 | 428,000 | 301,000 | 291,000 | | 15,000 | 27,000 | 21,000 | 17,000 | | 47,000 | 55,000 | 83,000 | 49,000 | | 289,000 | 360,000 | 230,000 | 372,000 | |
| OCTOBER | 210,000 | 191,000 | 99,000 | 201,000 | | 3,000 | 20,000 | 4,000 | 12,000 | | 20,000 | 25,000 | 45,000 | 34,000 | | 66,000 | 188,000 | 131,000 | 258,000 | |
| NOVEMBER | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | | 0 | 0 | 3,000 | N/A | | 0 | 0 | 0 | N/A | |
| DECEMBER | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | |
| | 1,934,000 | 2,705,000 | 2,054,000 | | 131,000 | 84,000 | 136,000 | 132,000 | | 1,000 | 276,000 | 349,000 | 389,000 | | 25,000 | 1,243,000 | 2,507,000 | 2,101,000 | | 0 |

| | THE GLEN - 2 Meters | | | | | THE GREENS - 4 Meters | | | | | HUMMINGBIRD - 5 Meters | | | | | BROOKFIELD - HOMESTEAD - 2 Meters | | | | |
|-----------|---------------------|-----------|-----------|---------------|-------------|-----------------------|-----------|-----------|---------------|-------------|------------------------|-----------|---------|---------------|-------------|-----------------------------------|-----------|-----------|---------------|-------------|
| | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual |
| JANUARY | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 19,000 |
| FEBRUARY | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 1,000 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| MARCH | 0 | 0 | 0 | N/A | 2,000 | 30,000 | 0 | 0 | N/A | 42,000 | 0 | 0 | 2,000 | N/A | 106,000 | 0 | 0 | 0 | N/A | 0 |
| APRIL | 1,000 | 0 | 2,000 | 117,000 | 25,000 | 28,000 | 13,000 | 74,000 | 951,000 | 86,000 | 74,000 | 19,000 | 56,000 | 111,000 | 51,000 | 0 | 0 | 10,000 | 139,000 | 6,000 |
| MAY | 49,000 | 118,000 | 230,000 | 145,000 | | 186,000 | 704,000 | 775,000 | 1,178,000 | | 63,000 | 123,000 | 88,000 | 137,000 | | 80,000 | 41,000 | 162,000 | 171,000 | |
| JUNE | 90,000 | 268,000 | 266,000 | 175,000 | | 439,000 | 1,797,000 | 1,538,000 | 1,422,000 | | 79,000 | 189,000 | 184,000 | 166,000 | | 160,000 | 353,000 | 144,000 | 207,000 | |
| JULY | 225,000 | 351,000 | 352,000 | 192,000 | | 1,482,000 | 1,876,000 | 1,951,000 | 1,565,000 | | 159,000 | 197,000 | 198,000 | 182,000 | | 328,000 | 304,000 | 338,000 | 228,000 | |
| AUGUST | 109,000 | 191,000 | 254,000 | 173,000 | | 956,000 | 976,000 | 1,325,000 | 1,405,000 | | 112,000 | 178,000 | 189,000 | 164,000 | | 337,000 | 307,000 | 319,000 | 204,000 | |
| SEPTEMBER | 129,000 | 201,000 | 174,000 | 138,000 | | 683,000 | 1,085,000 | 766,000 | 1,119,000 | | 131,000 | 195,000 | 164,000 | 130,000 | | 256,000 | 312,000 | 137,000 | 163,000 | |
| OCTOBER | 63,000 | 109,000 | 95,000 | 95,000 | | 600,000 | 661,000 | 335,000 | 774,000 | | 96,000 | 163,000 | 110,000 | 90,000 | | 50,000 | 108,000 | 87,000 | 113,000 | |
| NOVEMBER | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | |
| DECEMBER | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | |
| | 666,000 | 1,238,000 | 1,373,000 | | 27,000 | 4,404,000 | 7,112,000 | 6,764,000 | | 128,000 | 714,000 | 1,064,000 | 992,000 | | 157,000 | 1,211,000 | 1,425,000 | 1,197,000 | | 25,000 |

**CASTLE PINES VILLAGE METRO DISTRICT
SUB-ASSOCIATIONS / COMMERCIAL
Historical Usage By Month 2023-Present**

EXHIBIT C
HISTORICAL USAGE

| | MORNING STAR - 2 Meters | | | | | NORTHSTAR - 1 Meter | | | | | OROFINO - 4 Meters | | | | | RIDGE - 8 Meters | | | | |
|-----------|-------------------------|-----------|-----------|---------------|-------------|---------------------|---------|---------|---------------|-------------|--------------------|---------|---------|---------------|-------------|------------------|-----------|-----------|---------------|-------------|
| | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual |
| JANUARY | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| FEBRUARY | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 57,000 |
| MARCH | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 14,000 |
| APRIL | 80,000 | 5,000 | 58,000 | 119,000 | 0 | 0 | 0 | 13,000 | 30,000 | 0 | 1,000 | 0 | 0 | 120,000 | 18,000 | 7,000 | 1,000 | 30,000 | 208,000 | 25,000 |
| MAY | 64,000 | 118,000 | 158,000 | 147,000 | 0 | 32,000 | 16,000 | 62,000 | 37,000 | 0 | 66,000 | 60,000 | 77,000 | 148,000 | 0 | 101,000 | 162,000 | 253,000 | 258,000 | 0 |
| JUNE | 259,000 | 306,000 | 307,000 | 178,000 | 0 | 56,000 | 27,000 | 64,000 | 44,000 | 0 | 66,000 | 153,000 | 133,000 | 179,000 | 0 | 194,000 | 384,000 | 409,000 | 311,000 | 0 |
| JULY | 385,000 | 441,000 | 341,000 | 196,000 | 0 | 34,000 | 31,000 | 64,000 | 49,000 | 0 | 107,000 | 166,000 | 153,000 | 197,000 | 0 | 399,000 | 475,000 | 447,000 | 342,000 | 0 |
| AUGUST | 344,000 | 406,000 | 352,000 | 176,000 | 0 | 32,000 | 62,000 | 59,000 | 44,000 | 0 | 124,000 | 143,000 | 133,000 | 177,000 | 0 | 317,000 | 338,000 | 391,000 | 307,000 | 0 |
| SEPTEMBER | 236,000 | 326,000 | 178,000 | 140,000 | 0 | 29,000 | 60,000 | 55,000 | 35,000 | 0 | 102,000 | 131,000 | 117,000 | 141,000 | 0 | 303,000 | 336,000 | 163,000 | 245,000 | 0 |
| OCTOBER | 254,000 | 203,000 | 9,000 | 97,000 | 0 | 26,000 | 440,000 | 48,000 | 24,000 | 0 | 59,000 | 74,000 | 78,000 | 98,000 | 0 | 260,000 | 291,000 | 47,000 | 169,000 | 0 |
| NOVEMBER | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| DECEMBER | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| | 1,622,000 | 1,805,000 | 1,403,000 | | 0 | 209,000 | 636,000 | 365,000 | | 0 | 525,000 | 727,000 | 691,000 | | 18,000 | 1,581,000 | 1,987,000 | 1,740,000 | | 96,000 |

| | STARBUCK - 3 Meters | | | | | TOURNAMENT - 2 Meters | | | | | THE SUMMIT - FILING 41 - 1 Meter | | | | | VILLAGE LAKE PUMPHOUSE - 1 Master Meter | | | | | |
|-----------|---------------------|-----------|-----------|---------------|-------------|-----------------------|---------|---------|---------------|-------------|----------------------------------|---------|---------|---------------|-------------|---|------------|------------|-----------------------|---------------|-------------------|
| | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | 2026 Actual Pumphouse | * 2026 Budget | VLHA Billed Usage |
| JANUARY | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | 0 | N/A | 0 |
| FEBRUARY | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | 0 | N/A | 0 |
| MARCH | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | 0 | N/A | 0 |
| APRIL | 17,000 | 0 | 0 | 567,000 | 0 | 5,000 | 0 | 3,000 | 34,000 | 5,000 | 117,000 | 0 | 0 | 8,000 | 4,000 | 0 | 0 | 0 | 136,073 | 1,954,000 | 129,269 |
| MAY | 203,000 | 456,000 | 518,000 | 709,000 | 0 | 35,000 | 66,000 | 24,000 | 42,000 | 0 | 175,000 | 0 | 48,000 | 10,000 | 0 | 757,000 | 1,903,000 | 1,874,522 | | 2,421,000 | 0 |
| JUNE | 306,000 | 885,000 | 1,050,000 | 848,000 | 0 | 25,000 | 94,000 | 75,000 | 50,000 | 0 | 12,000 | 90,000 | 164,000 | 12,000 | 0 | 1,865,000 | 5,174,000 | 2,938,010 | | 2,922,000 | 0 |
| JULY | 912,000 | 1,211,000 | 1,108,000 | 933,000 | 0 | 32,000 | 44,000 | 98,000 | 55,000 | 0 | 101,000 | 226,000 | 153,000 | 13,000 | 0 | 4,677,000 | 5,571,000 | 4,023,976 | | 3,216,000 | 0 |
| AUGUST | 631,000 | 912,000 | 828,000 | 838,000 | 0 | 45,000 | 37,000 | 119,000 | 50,000 | 0 | 24,000 | 133,000 | 101,000 | 12,000 | 0 | 2,092,000 | 3,269,000 | 2,988,483 | | 2,888,000 | 0 |
| SEPTEMBER | 493,000 | 920,000 | 552,000 | 668,000 | 0 | 45,000 | 42,000 | 34,000 | 40,000 | 0 | 30,000 | 41,000 | 22,000 | 10,000 | 0 | 1,707,000 | 3,665,000 | 1,969,902 | | 2,300,000 | 0 |
| OCTOBER | 404,000 | 465,000 | 236,000 | 462,000 | 0 | 12,000 | 8,000 | 33,000 | 28,000 | 0 | 34,000 | 9,000 | 13,000 | 7,000 | 0 | 1,603,000 | 1,784,000 | 1,905,166 | | 1,591,000 | 0 |
| NOVEMBER | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 14,000 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | 0 | N/A | 0 |
| DECEMBER | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | 0 | N/A | 0 |
| | 2,966,000 | 4,849,000 | 4,292,000 | | 0 | 199,000 | 291,000 | 386,000 | | 5,000 | 507,000 | 499,000 | 501,000 | | 4,000 | 12,701,000 | 21,366,000 | 15,700,059 | | 136,073 | 129,269 |

**CASTLE PINES VILLAGE METRO DISTRICT
SUB-ASSOCIATIONS / COMMERCIAL
Historical Usage By Month 2023-Present**

EXHIBIT C
HISTORICAL USAGE

| | CP HOMES ASSOCIATION - 15 Irrig Meters | | | | | CP METRO DISTRICT - 45 Irrig Meters | | | | | SOUTH METRO FIRE - 1 Meter | | | | | PCWRA - 7 Meters | | | | |
|-----------|--|-----------|-----------|---------------|-------------|-------------------------------------|-----------|-----------|---------------|-------------|----------------------------|---------|---------|---------------|-------------|------------------|---------|---------|---------------|-------------|
| | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual |
| JANUARY | 10,000 | 0 | 0 | N/A | 0 | 4,000 | 0 | 0 | N/A | 0 | 11,000 | 14,000 | 9,000 | N/A | 11,000 | 12,000 | 11,000 | 10,000 | N/A | 12,000 |
| FEBRUARY | 7,000 | 0 | 0 | N/A | 0 | 7,000 | 0 | 0 | N/A | 0 | 13,000 | 10,000 | 10,000 | N/A | 6,000 | 4,000 | 9,000 | 5,000 | N/A | 9,000 |
| MARCH | 14,000 | 0 | 0 | N/A | 1,000 | 8,000 | 0 | 0 | N/A | 0 | 10,000 | 11,000 | 8,000 | N/A | 10,000 | 6,000 | 10,000 | 7,000 | N/A | 9,000 |
| APRIL | 15,000 | 20,000 | 80,000 | 672,000 | 18,000 | 24,000 | 11,000 | 5,000 | 391,000 | 3,000 | 13,000 | 10,000 | 10,000 | 32,000 | 8,000 | 7,000 | 11,000 | 12,000 | 32,000 | 9,000 |
| MAY | 95,000 | 562,000 | 695,000 | 833,000 | | 123,000 | 167,000 | 189,000 | 484,000 | | 25,000 | 13,000 | 30,000 | 32,000 | | 5,000 | 11,000 | 9,000 | 32,000 | |
| JUNE | 379,000 | 1,123,000 | 1,034,000 | 1,006,000 | | 240,000 | 426,000 | 519,000 | 585,000 | | 32,000 | 40,000 | 40,000 | 32,000 | | 6,000 | 12,000 | 6,000 | 32,000 | |
| JULY | 719,000 | 1,557,000 | 1,282,000 | 1,107,000 | | 434,000 | 497,000 | 732,000 | 643,000 | | 38,000 | 40,000 | 31,000 | 32,000 | | 6,000 | 13,000 | 6,000 | 32,000 | |
| AUGUST | 501,000 | 685,000 | 911,000 | 994,000 | | 286,000 | 295,000 | 637,000 | 578,000 | | 36,000 | 35,000 | 31,000 | 32,000 | | 5,000 | 29,000 | 16,000 | 32,000 | |
| SEPTEMBER | 894,000 | 757,000 | 603,000 | 791,000 | | 242,000 | 279,000 | 312,000 | 460,000 | | 43,000 | 39,000 | 36,000 | 32,000 | | 5,000 | 12,000 | 8,000 | 32,000 | |
| OCTOBER | 286,000 | 432,000 | 221,000 | 548,000 | | 67,000 | 120,000 | 165,000 | 319,000 | | 24,000 | 30,000 | 27,000 | 32,000 | | 7,000 | 8,000 | 10,000 | 32,000 | |
| NOVEMBER | 78,000 | 10,000 | 0 | N/A | | 7,000 | 0 | 0 | N/A | | 11,000 | 9,000 | 9,000 | N/A | | 14,000 | 12,000 | 8,000 | N/A | |
| DECEMBER | 22,000 | 0 | 0 | N/A | | 6,000 | 0 | 0 | N/A | | 13,000 | 8,000 | 10,000 | N/A | | 8,000 | 8,000 | 9,000 | N/A | |
| | 3,020,000 | 5,146,000 | 4,826,000 | | 19,000 | 1,448,000 | 1,795,000 | 2,559,000 | | 3,000 | 269,000 | 259,000 | 251,000 | | 35,000 | 85,000 | 146,000 | 106,000 | | 39,000 |

| | CP GOLF CLUB - 17 Meters | | | | | COUNTRY CLUB @ CP - 7 Meters | | | | | URBAN VILLAGE COMMERCIAL - 8 Meters | | | | |
|-----------|--------------------------|-----------|-----------|---------------|-------------|------------------------------|-----------|-----------|---------------|-------------|-------------------------------------|-----------|-----------|---------------|-------------|
| | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual |
| JANUARY | 27,000 | 28,000 | 23,000 | N/A | 29,000 | 92,000 | 130,000 | 136,000 | N/A | 176,000 | 292,000 | 261,000 | 290,000 | N/A | 307,000 |
| FEBRUARY | 36,000 | 25,000 | 22,000 | N/A | 24,000 | 221,000 | 139,000 | 193,000 | N/A | 132,000 | 291,000 | 250,000 | 273,000 | N/A | 238,000 |
| MARCH | 68,000 | 30,000 | 34,000 | N/A | 52,000 | 196,000 | 121,000 | 245,000 | N/A | 223,000 | 324,000 | 283,000 | 306,000 | N/A | 276,000 |
| APRIL | 142,000 | 82,000 | 116,000 | 128,000 | 154,000 | 262,000 | 140,000 | 272,000 | 32,000 | 187,000 | 340,000 | 307,000 | 372,000 | 32,000 | 290,000 |
| MAY | 336,000 | 409,000 | 407,000 | 128,000 | | 440,000 | 301,000 | 330,000 | 32,000 | | 469,000 | 494,000 | 624,000 | 32,000 | |
| JUNE | 421,000 | 537,000 | 588,000 | 128,000 | | 656,000 | 311,000 | 360,000 | 32,000 | | 444,000 | 730,000 | 602,000 | 32,000 | |
| JULY | 721,000 | 546,000 | 651,000 | 128,000 | | 670,000 | 335,000 | 404,000 | 32,000 | | 499,000 | 766,000 | 689,000 | 32,000 | |
| AUGUST | 486,000 | 541,000 | 611,000 | 128,000 | | 574,000 | 321,000 | 371,000 | 32,000 | | 579,000 | 667,000 | 919,000 | 32,000 | |
| SEPTEMBER | 402,000 | 474,000 | 529,000 | 128,000 | | 394,000 | 288,000 | 322,000 | 32,000 | | 666,000 | 470,000 | 815,000 | 32,000 | |
| OCTOBER | 278,000 | 425,000 | 398,000 | 128,000 | | 496,000 | 225,000 | 368,000 | 32,000 | | 455,000 | 357,000 | 344,000 | 32,000 | |
| NOVEMBER | 51,000 | 39,000 | 61,000 | N/A | | 304,000 | 197,000 | 325,000 | N/A | | 297,000 | 306,000 | 316,000 | N/A | |
| DECEMBER | 47,000 | 49,000 | 58,000 | N/A | | 161,000 | 179,000 | 311,000 | N/A | | 316,000 | 316,000 | 385,000 | N/A | |
| | 3,015,000 | 3,185,000 | 3,498,000 | | 259,000 | 4,466,000 | 2,687,000 | 3,637,000 | | 718,000 | 4,972,000 | 5,207,000 | 5,935,000 | | 1,111,000 |

June 2023 2 meters added

**CASTLE PINES VILLAGE METRO DISTRICT
SUB-ASSOCIATIONS / COMMERCIAL
Historical Usage By Month 2023-Present**

EXHIBIT C
HISTORICAL USAGE

| | CIELO - 1 Meter | | | | | CASTLE HAWK/THE POINTE - 3 Meters | | | | | CHEROKEE RANCH-EXTRATERRITORIAL-1 Mtr | | | | | 480 HC RD-EXTRATERRITORIAL - 2 Mtrs | | | | |
|------------------|-----------------|---------|---------|---------------|-------------|-----------------------------------|-----------|---------|---------------|-------------|---------------------------------------|---------|---------|---------------|-------------|-------------------------------------|---------|---------|---------------|-------------|
| | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual |
| JANUARY | 76,000 | 7,000 | 6,000 | N/A | 8,000 | 0 | 0 | 0 | N/A | 0 | 34,000 | 61,000 | 0 | N/A | 0 | 3,000 | 8,000 | 5,000 | N/A | 6,000 |
| FEBRUARY | 65,000 | 8,000 | 7,000 | N/A | 18,000 | 0 | 0 | 0 | N/A | 0 | 32,000 | 51,000 | 80,000 | N/A | 0 | 6,000 | 3,000 | 8,000 | N/A | 13,000 |
| MARCH | 25,000 | 6,000 | 9,000 | N/A | 32,000 | 0 | 0 | 18,000 | N/A | 54,000 | 36,000 | 45,000 | 39,000 | N/A | 0 | 3,000 | 3,000 | 24,000 | N/A | 41,000 |
| APRIL | 15,000 | 16,000 | 15,000 | 72,000 | 24,000 | 70,000 | 129,000 | 60,000 | 136,000 | 32,000 | 43,000 | 50,000 | 0 | N/A | 17,000 | 44,000 | 49,000 | 70,000 | N/A | 37,000 |
| MAY | 82,000 | 41,000 | 69,000 | 72,000 | | 94,000 | 203,000 | 102,000 | 168,000 | | 38,000 | 43,000 | 0 | N/A | | 35,000 | 66,000 | 89,000 | N/A | |
| JUNE | 72,000 | 61,000 | 87,000 | 72,000 | | 112,000 | 302,000 | 149,000 | 203,000 | | 36,000 | 26,000 | 0 | N/A | | 41,000 | 150,000 | 99,000 | N/A | |
| JULY | 64,000 | 65,000 | 98,000 | 72,000 | | 202,000 | 418,000 | 269,000 | 225,000 | | 43,000 | 20,000 | 0 | N/A | | 93,000 | 126,000 | 138,000 | N/A | |
| AUGUST | 66,000 | 80,000 | 109,000 | 72,000 | | 245,000 | 310,000 | 195,000 | 200,000 | | 59,000 | 16,000 | 0 | N/A | | 100,000 | 110,000 | 111,000 | N/A | |
| SEPTEMBER | 49,000 | 80,000 | 103,000 | 72,000 | | 225,000 | 210,000 | 137,000 | 160,000 | | 46,000 | 0 | 0 | N/A | | 58,000 | 86,000 | 68,000 | N/A | |
| OCTOBER | 42,000 | 54,000 | 79,000 | 72,000 | | 116,000 | 55,000 | 55,000 | 110,000 | | 40,000 | 0 | 0 | N/A | | 65,000 | 46,000 | 61,000 | N/A | |
| NOVEMBER | 11,000 | 11,000 | 13,000 | N/A | | 0 | 0 | 0 | N/A | | 52,000 | 0 | 0 | N/A | | 4,000 | 1,000 | 12,000 | N/A | |
| DECEMBER | 12,000 | 8,000 | 8,000 | N/A | | 0 | 0 | 0 | N/A | | 56,000 | 0 | 0 | N/A | | 10,000 | 3,000 | 6,000 | N/A | |
| | 579,000 | 437,000 | 603,000 | | 82,000 | 1,064,000 | 1,627,000 | 985,000 | | 86,000 | 515,000 | 312,000 | 119,000 | | 17,000 | 462,000 | 651,000 | 691,000 | | 97,000 |

| | THE CLIFFS - 2 Meters | | | | | PRATO - 2 Meters | | | | | THE SETTLEMENT - 1 Meter | | | | |
|------------------|-----------------------|---------|---------|---------------|-------------|------------------|---------|---------|---------------|-------------|--------------------------|---------|---------|---------------|-------------|
| | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual | 2023 | 2024 | 2025 | * 2026 Budget | 2026 Actual |
| JANUARY | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| FEBRUARY | 0 | 0 | 0 | N/A | 6,000 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| MARCH | 0 | 0 | 0 | N/A | 1,000 | 0 | 0 | 0 | N/A | 0 | 0 | 0 | 0 | N/A | 0 |
| APRIL | 0 | 0 | 0 | 17,000 | 0 | 0 | 0 | 1,000 | 58,000 | 0 | 0 | 0 | 0 | 28,000 | 0 |
| MAY | 13,000 | 2,000 | 79,000 | 21,000 | | 28,000 | 71,000 | 126,000 | 72,000 | | 23,000 | 34,000 | 28,000 | 35,000 | |
| JUNE | 11,000 | 47,000 | 198,000 | 26,000 | | 61,000 | 175,000 | 156,000 | 87,000 | | 20,000 | 52,000 | 62,000 | 42,000 | |
| JULY | 45,000 | 52,000 | 171,000 | 28,000 | | 173,000 | 160,000 | 210,000 | 96,000 | | 57,000 | 89,000 | 72,000 | 46,000 | |
| AUGUST | 67,000 | 56,000 | 132,000 | 25,000 | | 194,000 | 156,000 | 203,000 | 86,000 | | 52,000 | 83,000 | 63,000 | 42,000 | |
| SEPTEMBER | 65,000 | 71,000 | 59,000 | 20,000 | | 82,000 | 114,000 | 73,000 | 69,000 | | 55,000 | 31,000 | 62,000 | 33,000 | |
| OCTOBER | 35,000 | 47,000 | 51,000 | 14,000 | | 44,000 | 59,000 | 36,000 | 48,000 | | 12,000 | 19,000 | 19,000 | 23,000 | |
| NOVEMBER | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | |
| DECEMBER | 0 | 0 | 4,000 | N/A | | 0 | 0 | 0 | N/A | | 0 | 0 | 0 | N/A | |
| | 236,000 | 275,000 | 694,000 | | 7,000 | 582,000 | 735,000 | 805,000 | | 0 | 219,000 | 308,000 | 306,000 | | 0 |

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE
CASTLE PINES VILLAGE METROPOLITAN DISTRICT**

Held: Tuesday, April 28, 2026, 9:00 a.m., at 5880 Country Club Dr., Castle Rock, Colorado

A regular meeting of the Board of Directors of the Castle Pines Village Metropolitan District, Douglas County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the state of Colorado, with the following Directors, constituting a quorum, present, and acting:

Rick Huser – via Zoom
David King – via Zoom
Mike Lanam
Cassie Vetter
Tad Walden

Also present were Josh Shackelford, Sue Mantz, Jason LeTellier, Amber Lindberg, Evan Person, Nicole Koehn, Brian Ludvigsen, District Staff; Dani Kaiser and Tom George, Spencer Fane; and Cici Holbrook, member of the public via Zoom.

Potential Conflict of Interest Disclosures

It was noted that disclosure statements have been filed on behalf of the members of the Board with the Office of the Colorado Secretary of State. District Counsel Mr. George stated that no additional potential conflicts of interest were identified specific to today’s agenda.

Approval of the Agenda

Director Huser made a motion to approve the Agenda, seconded by Director Lanam.

The Board unanimously approved the Agenda.

Guest Introductions / Comments from the Community – there were none.

Employee Recognition

Mr. Shackelford recognized Mr. Brian Ludvigsen, Field Maintenance Supervisor, for the first quarter of 2026. Since joining the organization in October 2025, Brian has demonstrated a strong ability to identify issues and implement effective solutions. He has become a reliable resource for his team and has made a meaningful impact on operations through process improvements, enhanced efficiency, and contributions to overall service quality.

In addition, Mr. Ludvigsen has assumed responsibility for managing the vehicle fleet and has effectively addressed challenges related to work order tracking and documentation improvements. His strong work ethic and problem-solving skills were specifically acknowledged. Director Huser thanked him for his contributions.

District Reports

Castle Pines Homes Association Update – There was no representative from the Castle Pines Homes Association in attendance at the meeting, and no related topics were discussed.

District Manager Report – Mr. Shackelford discussed the PCWRA updates. The reuse reservoir rehabilitation project has been proceeding per schedule. The pond is scheduled to reopen before the golf course summer demand period. The PCWRA entities met with CDOT regarding expansion of US 85. CDOT has informed us that they do not expect construction to take place until 2031 or later (though this timeline is subject to change). This is due to funding issues. CDOT told us that CPV Metro utilities that will need to be relocated will be completed at entirely CDOT's cost unless there is a "betterment" such as expanding the capacity of the pipeline. We do not currently anticipate needing any betterments. CDOT is trying to secure funding for design, with hopes of securing this funding by the beginning of next year.

Director Walden asked about the wildlife fencing plans for this project. Mr. Shackelford noted that the design was only 30% conceptual and so that details have not been determined yet. Mr. Shackelford also claimed they are expanding the highway to the north because there is no room to expand to the south, as expansion to the south is precluded by the railroad.

Director Walden asked how far into the Brookfield (Homestead) area would the highway expansion work extend. Mr. Shackelford replied that the work will stay within the CDOT right-of-way in that area. and will not encroach on the drainage pond that is owned by the District in that area.

General Updates – The District Court officially approved the District's name change to: Castle Pine Village Metropolitan District. A new domain name was launched: CPVMetroCO.gov.

The District is in the process of applying for a grant from Douglas County for wildfire mitigation and the application period closes on May 11, 2026. The District is eligible for a grant of up to \$50,000. Residents can also apply and are eligible for up to \$25,000. This is a cost-share program so it will not cover 100% of it.

The District sent letters to 700 residents who have not yet tested their backflow devices, reminding them to get theirs tested. Information on how to get the testing completed can be found at CPVMetroCo.gov/backflow.

Financial Updates – The District hired a Purchasing Specialist in mid-February. This role collaborates with all District leadership and has already made impacts by issuing 6 formal proposal projects, reviewing contract language, and implementing improved vendor management procedures. The auditors were on-site the first week of April. The fieldwork is complete and they are reviewing the 2025 draft financial statements. We expect another clean opinion this year. In the General Fund, property tax revenues are picking up and will remain steady throughout the second quarter. Investment income is beginning to experience noticeable slowing from late 2025 rate reductions compounded with market volatility arising from conflicts in the middle east.

Safety & Operations Update – All wells remain operational for the summer demand period. The District has started the process of spraying for pine beetles on District-owned property. We have worked with the Homes Association to be proactive and get ahead of it. Every

resident will be provided with four pheromone packets to put on their trees by CPHA. We are hiring a contractor to spray District property for the pine beetle.

Director Walden asked when communications from the Homes Association will go out to residents. Mr. Shackelford replied they sent it out in their email blast last Friday. The packets should be installed by end of May, but no later than June 7th.

Director Walden asked how many packets each resident needs. Mr. Shackelford said it varies by property and encouraged residents to coordinate with their neighbors. Director Walden asked how many of the packets are provided per residence, and Mr. Shackelford said four packets per residence. Mr. Shackelford added that the Homes Association is spending close to \$80,000 on this program. Director Walden inquired about what happens to packets that go unclaimed. Mr. Shackelford said they may be redistributed. Mr. Shackelford also noted that Dahl Environmental will be identifying trees that are infected with pine beetles for removal.

Director Walden asked if the Golf Club and Country Club are involved. Mr. Shackelford confirmed that each golf club is also completing preventative measures for pine beetles on their respective properties.

Brush pickup starts on May 4 (south section), May 11 (north & northwest section) and May 18 (center section). More information and map can be found on our website CPVMetroCO.gov.

CPMD Water Usage Reports, March 2026 – Water usage increased slightly in March, reaching 12.2 million gallons. This rise is attributed to customers activating irrigation systems earlier than usual, resulting in higher usage compared to previous years. Communications have been distributed encouraging customers to delay irrigation until mid-May, and upcoming rainfall is expected to help moderate demand.

While surrounding districts have implemented water restrictions, this is not anticipated for our system due to the District's utilization of groundwater rather than surface and reservoir sources. However, conservation efforts will continue to be encouraged as we approach the summer months.

Unaccounted-for water remains within acceptable levels, as indicated by the grey bars. One leak was identified during the month but was promptly addressed.

Capital Projects Update – WTP2 Consolidation - New filter units were delivered and set. Process building trusses and sheathing installed. Tank bypass line installed. Final drywall touches completed in office. The work in May includes processing piping and equipment installation, office interior finishes (paint, flooring, etc.), and to begin programming SCADA screens. Next Milestones are to complete the roof work (May) and move into new office (May).

New Water Tank - Slab completed its 10-day wet cure. Slab passed strength requirements. Poured columns bases and columns. The work in May includes continued work on wall pours (8 pours are required).

Mr. Shackelford mentioned we will have recommendations for the 2026 Roadway Project next month.

Discussion & Action Items

Consent Agenda

Director Huser made a motion to approve the Consent Agenda, seconded by Director Walden.

Approve the Minutes of March 24, 2026, Regular Board Meeting.

Ratify the Approval of March 2026 payments of \$2,141,403.63.

A vote was called, and the motion passed unanimously.

Review of March 2026 Financials – Director Lanam mentioned that he and Director King met with the Finance team last week to go over the financials and projections line-by-line .

Confirm Tuesday, May 19, 2026, Regular Board Meeting at 9:00 a.m. The Board discussed rescheduling the Regular Board Meeting in May. After some discussion, it was the consensus of the board to move the meeting to May 27, 2026, at 2:00 p.m.

Executive Session

At 9:48 a.m., Director Huser made a motion to enter into an executive session pursuant to C.R.S. § 24-6-402(4)(b) & (e), to confer the District’s legal counsel and receive legal advice on specific legal questions, and to discuss matters of negotiations, develop strategy for negotiations, and instruct negotiators regarding: (1) Verizon Tower proposal, (2) Hotwire project, (3) Castle Rock augmentation plan, (4) JAM Ranch, and (5) District name change completion.

The motion was seconded by Director Vetter.

Upon a unanimous vote, the Board entered into an executive session.

The Board left the executive session, and the regular session resumed at 10:45 a.m.

There being no further business to come before the Board, and upon motion duly made, seconded, and unanimously carried, the Board adjourned the regular meeting at 10:45 a.m.

The Board of Directors approved the foregoing minutes on the ___ of May 2026. The preceding constitutes a true and correct copy of the minutes of the above-referenced meeting.

Secretary

Castle Pines Village Metropolitan District

Payments for Ratification For the periods ending April 30, 2026

| Payment Date | Payment Number | Vendor | Check Amount |
|--------------|----------------|--|--------------|
| 4/2/2026 | 963 | Standard Insurance Company <i>Disability Insurance</i> | \$1,454.02 |
| 4/3/2026 | 964 | Comcast Cable <i>Internet Service</i> | \$366.88 |
| 4/13/2026 | 46917 | Amazon Capital Services <i>Office Supplies, Shop Supplies</i> | \$3,513.56 |
| 4/13/2026 | 46918 | Amber Lindberg <i>Employee Reimbursement - Meeting Expense</i> | \$119.03 |
| 4/13/2026 | 46919 | Berkenkotter Motors Shop <i>Vehicle Maintenance</i> | \$713.05 |
| 4/13/2026 | 46920 | Brody Chemical <i>Shop Supplies</i> | \$320.80 |
| 4/13/2026 | 46921 | Clark Hill PLC <i>Water Rights Legal</i> | \$957.00 |
| 4/13/2026 | 46922 | Common Knowledge Technology Inc <i>IT Services</i> | \$499.00 |
| 4/13/2026 | 46923 | Core & Main LP <i>Water Distribution Supplies</i> | \$22,429.87 |
| 4/13/2026 | 46924 | CORE Electric Cooperative <i>Electric Service</i> | \$23,878.06 |
| 4/13/2026 | 46925 | CPS HR Consulting <i>HR Consulting</i> | \$2,740.00 |
| 4/13/2026 | 46926 | ET Irrigation Management Specialist, LLC <i>Irrigation Management</i> | \$2,152.00 |
| 4/13/2026 | 46927 | Ewing <i>Irrigation Supplies</i> | \$104.50 |
| 4/13/2026 | 46928 | Garney Companies Inc <i>New Tank Construction</i> | \$573,619.39 |
| 4/13/2026 | 46929 | Grainger Parts <i>Water Treatment Plant Supplies, Office Supplies</i> | \$3,504.26 |
| 4/13/2026 | 46930 | Hach Company <i>Water Quality Supplies</i> | \$1,455.00 |
| 4/13/2026 | 46931 | HBS <i>Trash Service</i> | \$455.81 |
| 4/13/2026 | 46932 | Home Depot <i>Facilities Maintenance Supplies</i> | \$124.59 |
| 4/13/2026 | 46933 | Jehn Water Consultants, Inc. <i>Water Rights Consulting</i> | \$2,125.00 |

| Payment Date | Payment Number | Vendor | Check Amount |
|---------------------|-----------------------|---|---------------------|
| 4/13/2026 | 46934 | Lawson Products, Inc <i>Water Treatment Plant Supplies, Shop Supplies</i> | \$1,154.26 |
| 4/13/2026 | 46935 | Majestic Plumbing LLC <i>Plumbing Services</i> | \$1,878.00 |
| 4/13/2026 | 46936 | Mile High Metal Supply LLC <i>Shop Supplies</i> | \$480.23 |
| 4/13/2026 | 46937 | NAPA Auto Parts <i>Vehicle Supplies</i> | \$156.56 |
| 4/13/2026 | 46938 | Pirtek South Valley <i>Vehicle Supplies</i> | \$147.00 |
| 4/13/2026 | 46939 | Plum Creek Water Reclamation Authority <i>Effluent Use, Wastewater Treatment</i> | \$41,303.02 |
| 4/13/2026 | 46940 | PreCise MRM LLC <i>Fleet GPS Service</i> | \$456.00 |
| 4/13/2026 | 46941 | Service Uniform <i>Rug Exchange</i> | \$128.01 |
| 4/13/2026 | 46942 | SGS Accutest Inc. <i>Water Sampling</i> | \$348.00 |
| 4/13/2026 | 46943 | Spencer Fane LLP <i>Legal Fees</i> | \$8,560.00 |
| 4/13/2026 | 46944 | Streamline <i>Website Hosting</i> | \$588.00 |
| 4/13/2026 | 46945 | Talos Technologies LTD <i>IT Services</i> | \$2,258.21 |
| 4/13/2026 | 46946 | T-MOBILE <i>Cellular Service</i> | \$1,154.37 |
| 4/13/2026 | 46947 | UNCC <i>811 Locate Fees</i> | \$122.20 |
| 4/13/2026 | 46948 | USA BlueBook <i>Water Sampling Supplies</i> | \$1,709.02 |
| 4/24/2026 | 46949 | 1 On Point Locate & Mapping <i>Utility Locates</i> | \$6,455.00 |
| 4/24/2026 | 46950 | Amazon Capital Services <i>Office Supplies, Vehicle Supplies, Facilities Maintenance</i> | \$2,656.47 |
| 4/24/2026 | 46951 | Big O Tires #006219 <i>Vehicle Maintenance</i> | \$1,466.87 |
| 4/24/2026 | 46952 | Browns Hill Engineering and Controls, LLC <i>Electrical Upgrades</i> | \$1,020.00 |
| 4/24/2026 | 46953 | Castle Pines Connection <i>Village Directory</i> | \$2,200.00 |

| Payment Date | Payment Number | Vendor | Check Amount |
|---------------------|-----------------------|--|---------------------|
| 4/24/2026 | 46954 | Castle Pines Homes Association <i>Village Reporter</i> | \$1,176.49 |
| 4/24/2026 | 46955 | Castle Pines WinWater Company <i>Water Treatment Plant Maintenance</i> | \$120.33 |
| 4/24/2026 | 46956 | Cintas Corp <i>Safety Supplies, Janitorial Supplies</i> | \$706.53 |
| 4/24/2026 | 46957 | Clark Hill PLC <i>Water Rights Legal</i> | \$870.00 |
| 4/24/2026 | 46958 | Colorado Employer Benefit Trust <i>Health Insurance Premiums</i> | \$34,882.56 |
| 4/24/2026 | 46959 | Common Knowledge Technology Inc <i>IT Professional Services, IT Equipment</i> | \$7,555.45 |
| 4/24/2026 | 46960 | Complete Business Systems <i>Copier Maintenance</i> | \$52.95 |
| 4/24/2026 | 46961 | Conсор North America, Inc <i>Sanitary Sewer Master Plan, Waterline Condition Assessment</i> | \$30,162.50 |
| 4/24/2026 | 46962 | Elk Pointe LLC <i>Refund on Closed Account</i> | \$321.98 |
| 4/24/2026 | 46963 | ET Irrigation Management Specialist, LLC <i>Irrigation Management Services</i> | \$2,152.00 |
| 4/24/2026 | 46964 | Force Flow <i>Water Treatment Plant Supplies</i> | \$110.82 |
| 4/24/2026 | 46965 | Frontier Precision, Inc. <i>Software Subscription</i> | \$1,435.00 |
| 4/24/2026 | 46966 | Fusion Connect, Inc <i>Telephone Service</i> | \$474.30 |
| 4/24/2026 | 46967 | Garney Companies Inc <i>New Water Tank Construction</i> | \$881,702.24 |
| 4/24/2026 | 46968 | General Air <i>Facilities Maintenance Supplies</i> | \$192.46 |
| 4/24/2026 | 46969 | Grainger Parts <i>Water Treatment Plant Supplies, Shop Supplies</i> | \$661.71 |
| 4/24/2026 | 46970 | Haynie & Company P.C. <i>Audit Services</i> | \$12,000.00 |
| 4/24/2026 | 46971 | Home Depot <i>Water Distribution Supplies, Irrigation Supplies</i> | \$1,795.06 |
| 4/24/2026 | 46972 | IMEG Consultants <i>Engineering Services</i> | \$2,470.00 |
| 4/24/2026 | 46973 | Integrated Systems <i>Security Services</i> | \$426.96 |
| 4/24/2026 | 46974 | Jensen Sales Co. <i>Landscape Materials</i> | \$728.60 |

| Payment Date | Payment Number | Vendor | Check Amount |
|---------------------|-----------------------|--|---------------------|
| 4/24/2026 | 46975 | JHL Constructors LLC <i>Water Treatment Plant II Construction</i> | \$1,608,692.72 |
| 4/24/2026 | 46976 | John Deere Financial <i>Water Distribution Supplies</i> | \$25.97 |
| 4/24/2026 | 46977 | Kimley-Horn <i>Water Treatment Plant II Engineering</i> | \$24,286.32 |
| 4/24/2026 | 46978 | KSI <i>Strategic Communications</i> | \$1,980.00 |
| 4/24/2026 | 46979 | Lawson Products, Inc <i>Water Treatment Plant Operations</i> | \$55.86 |
| 4/24/2026 | 46980 | Level 3 Communications, LLC <i>Telephone Service</i> | \$742.10 |
| 4/24/2026 | 46981 | Lighthouse <i>Facilities Maintenance</i> | \$8,143.00 |
| 4/24/2026 | 46982 | Lingo <i>Telephone Service</i> | \$189.09 |
| 4/24/2026 | 46983 | Live Voice <i>Answering Service</i> | \$160.49 |
| 4/24/2026 | 46984 | LRE Water <i>Renewable Water Evaluation</i> | \$25,789.50 |
| 4/24/2026 | 46985 | Majestic Plumbing LLC <i>Water Distribution Maintenance</i> | \$245.00 |
| 4/24/2026 | 46986 | Mountain States Imaging, LLC <i>Document Storage</i> | \$167.70 |
| 4/24/2026 | 46987 | Olsson <i>Roadway Engineering</i> | \$9,805.00 |
| 4/24/2026 | 46988 | Parkland USA Corp dba Rhinehart Oil <i>Vehicle Fuel</i> | \$4,035.88 |
| 4/24/2026 | 46989 | Patrick & Brenda Conroy <i>Refund on Closed Account</i> | \$15.00 |
| 4/24/2026 | 46990 | Pro-Pipe Services LLC <i>Sanitary Sewer Maintenance</i> | \$2,120.00 |
| 4/24/2026 | 46991 | RJH Consultants, Inc. <i>Renewable Water Study</i> | \$16,448.64 |
| 4/24/2026 | 46992 | RMSAWWA <i>Membership Fees</i> | \$500.00 |
| 4/24/2026 | 46993 | Service Uniform <i>Rug Exchange</i> | \$128.01 |
| 4/24/2026 | 46994 | Shamrock Delivery, Inc. <i>Water Sampling</i> | \$108.66 |
| 4/24/2026 | 46995 | Small Engine Masters LLC <i>Equipment Maintenance</i> | \$3,231.07 |

| Payment Date | Payment Number | Vendor | Check Amount |
|--|-----------------------|--|-------------------------------------|
| 4/24/2026 | 46996 | T&N Cleaning Services LLC <i>Janitorial Services</i> | \$1,300.00 |
| 4/24/2026 | 46997 | Technolink of the Rockies <i>Telephone Support</i> | \$2,232.00 |
| 4/24/2026 | 46998 | Teds Sheds, LLC <i>Irrigation Shed</i> | \$7,908.00 |
| 4/24/2026 | 46999 | USA BlueBook <i>Water Treatment Plant Supplies</i> | \$2,178.30 |
| 4/24/2026 | 47000 | VertexOne Software, LLC <i>Annual Software Renewal</i> | \$11,303.24 |
| 4/24/2026 | 47001 | Xuma Communications Inc <i>Branded Services</i> | \$3,177.34 |
| 4/24/2026 | 47002 | VOID | |
| 4/24/2026 | 47003 | Joshua Shackelford <i>Employee Reimbursement - Conference</i> | \$625.88 |
| Total Payments for Ratification | | | <u><u>\$3,430,365.75</u></u> |

Castle Pines Village Metropolitan District
Financial Reports
April 30, 2026

This report includes unaudited financial reports for the Castle Pines Village Metropolitan District (District) year-to-date budget and actual activity as of April 30, 2026. The purpose of these reports is to inform the Board of Directors (Board) of the District's financial activities and show compliance with the 2026 Budget as approved by the Board. The Working Budget column depicts authorized line-item transfers within the appropriated budget. As of the date of this report, no line-item budget transfers have been made.

The District maintains accounting records on an accrual basis of accounting, meaning activity is recognized in the period revenue was earned, and expenses are recognized in the period goods or services were received regardless of when cash was received or paid, respectively. Reports do not include encumbrances representing procurement commitments for goods or services which have not been received.

The notes below correspond to the accompanying financial reports and are intended to support informed decision-making and highlight operational activity.

Note Ref.

General Fund

1 – In the Operations department, the *Utilities* line is 17% spent year-to-date. This line item typically runs low because utility bills are paid one month in arrears; therefore, this report includes only three months of utility activity.

2 – In the Capital Programs department, *Operations and Maintenance* presents the first expense year-to-date. This month's activity of \$9,805 is for engineering services for the annual roadway rehabilitation program.

Water and Sewer Fund

3 – *Other Income* exceeds budget due to additional pass-through activity between the golf courses and Plum Creek Water Reclamation Authority (PCWRA) for a pond rehabilitation project. Due to financing agreements between the entities, additional revenues will be received from the golf courses this year, and the District will pay an equal amount of expenses to PCWRA. The related expenses are reflected in the Executive and Administrative department in the *Operations and Maintenance* line.

Because this additional activity will cause total expenses for the Water and Sewer Fund to exceed the original adopted budget, a budget amendment is required in accordance with State Statutes. The total net impact on fund balance will not be impacted because the income received from the golf courses is equal to the expenses paid to PCWRA.

**Castle Pines Village Metropolitan District
Budget and Actual Activity - General Fund
For the Period Ending April 30, 2026**

| | April Activity | Year to Date Activity | 2026 Budget | | Budget Remaining | Note Ref. |
|---------------------------------------|---------------------|--------------------------|----------------------|----------------------|-----------------------|--------------|
| | | | Original | Working | | |
| Revenue | | | | | | |
| Property Tax | \$ 2,207,643 | \$ 5,755,932 | \$ 8,552,902 | \$ 8,552,902 | \$ 2,796,970 | |
| Investment Income | 48,094 | 138,859 | 385,000 | 385,000 | 246,141 | |
| Specific Ownership Tax | 46,811 | 197,175 | 525,000 | 525,000 | 327,825 | |
| Charges for Services | 1,400 | 5,660 | 30,000 | 30,000 | 24,340 | |
| Penalties and Interest on Taxes | 86 | 482 | 8,553 | 8,553 | 8,071 | |
| Other Income | - | - | 9,500 | 9,500 | 9,500 | |
| Total Revenue | 2,304,034 | 6,098,108 | 9,510,955 | 9,510,955 | 3,412,847 | |
| Expenditures | | | | | | |
| Executive and Administrative | | | | | | |
| Personnel | 184,183 | 847,954 | 2,589,853 | 2,589,853 | 1,741,899 | |
| Professional Services | 5,715 | 27,722 | 132,610 | 132,610 | 104,888 | |
| Marketing and Communications | 4,267 | 14,854 | 50,250 | 50,250 | 35,396 | |
| Office Expenses | 284 | 10,263 | 76,582 | 76,582 | 66,319 | |
| Insurance | - | 62,527 | 69,278 | 69,278 | 6,751 | |
| Operations and Maintenance | - | - | 12,000 | 12,000 | 12,000 | |
| Training and Development | - | 3,251 | 40,155 | 40,155 | 36,904 | |
| Total | 194,449 | 966,571 | 2,970,728 | 2,970,728 | 2,004,157 | |
| Operations | | | | | | |
| Operations and Maintenance | 23,405 | 181,443 | 1,677,700 | 1,677,700 | 1,496,257 | |
| Utilities | 3,809 | 33,540 | 193,500 | 193,500 | 159,960 | 1 |
| Professional Services | 8,685 | 26,352 | 113,600 | 113,600 | 87,248 | |
| Office Expenses | 3,523 | 52,288 | 86,650 | 86,650 | 34,362 | |
| Training and Development | - | 4,510 | 35,000 | 35,000 | 30,490 | |
| Capital Outlay - General | 8,224 | 228,519 | 525,000 | 525,000 | 296,481 | |
| Total | 47,646 | 526,652 | 2,631,450 | 2,631,450 | 2,104,798 | |
| Finance | | | | | | |
| County Treasurer Fees | 33,070 | 86,300 | 128,294 | 128,294 | 41,994 | |
| Office Expenses | - | 21,784 | 27,573 | 27,573 | 5,789 | |
| Professional Services | 6,000 | 6,000 | 12,000 | 12,000 | 6,000 | |
| Training and Development | - | - | 1,750 | 1,750 | 1,750 | |
| Total | 39,070 | 114,084 | 169,617 | 169,617 | 55,533 | |
| Capital Programs | | | | | | |
| Operations and Maintenance | 9,805 | 9,805 | 3,500,000 | 3,500,000 | 3,490,195 | 2 |
| Professional Services | 445 | 7,447 | 320,000 | 320,000 | 312,553 | |
| Total | 10,250 | 17,252 | 3,820,000 | 3,820,000 | 3,802,748 | |
| Total Expenditures | 291,415 | 1,624,559 | 9,591,795 | 9,591,795 | 7,967,236 | |
| Transfers Out to Other Funds | - | - | (765,000) | (765,000) | (765,000) | |
| Net Change in Fund Balance | \$ 2,012,619 | \$ 4,473,549 | (845,840) | (845,840) | \$ (5,319,389) | |
| Beginning Fund Balance, Estimated | | | 18,933,340 | 18,933,340 | | |
| Operating Reserves | | | 2,266,699 | 2,266,699 | | |
| Capital Reserves | | | 1,000,000 | 1,000,000 | | |
| Ending Fund Balance, Estimated | | | \$ 14,820,801 | \$ 14,820,801 | | |

Castle Pines Village Metropolitan District
Budget and Actual Activity - Water & Sewer Fund
For the Period Ending April 30, 2026

| | Year to Date | | 2026 Budget | | Budget Remaining | Note Ref. |
|-------------------------------------|----------------|------------------|------------------|------------------|------------------|-----------|
| | | | Original | Working | | |
| Revenue | April Activity | Activity | Original | Working | Budget Remaining | Note Ref. |
| Charges for Services | \$ 540,591 | \$ 1,889,828 | \$ 6,990,000 | \$ 6,990,000 | \$ 5,100,172 | |
| Investment Income | 49,221 | 173,627 | 280,000 | 280,000 | 106,373 | |
| Effluent Pumping | - | 33,616 | 345,499 | 345,499 | 311,883 | |
| Other Income | 5,816 | 465,258 | 34,660 | 34,660 | (430,598) | 3 |
| Total Revenue | 595,628 | 2,562,329 | 7,650,159 | 7,650,159 | 5,087,830 | |
| Operating Expenses | | | | | | |
| Executive and Administrative | | | | | | |
| Personnel | 71,142 | 323,278 | 977,914 | 977,914 | 654,636 | |
| Operations and Maintenance | 129,362 | 665,563 | 728,712 | 728,712 | 63,149 | 3 |
| Water Resources | 5,570 | 69,757 | 250,000 | 250,000 | 180,243 | |
| Professional Services | 4,574 | 22,512 | 113,700 | 113,700 | 91,188 | |
| Marketing and Communications | 4,267 | 14,854 | 54,200 | 54,200 | 39,346 | |
| Insurance | - | 62,657 | 69,278 | 69,278 | 6,621 | |
| Training and Development | 1,126 | 6,552 | 34,650 | 34,650 | 28,098 | |
| Office Expenses | 231 | 4,817 | 50,750 | 50,750 | 45,933 | |
| Total | 216,272 | 1,169,990 | 2,279,204 | 2,279,204 | 1,109,214 | |
| Operations | | | | | | |
| Operations and Maintenance | 72,543 | 265,498 | 2,169,600 | 2,169,600 | 1,904,102 | |
| Utilities | 31,024 | 106,446 | 674,500 | 674,500 | 568,054 | |
| Professional Services | 9,376 | 41,078 | 175,400 | 175,400 | 134,322 | |
| Office Expenses | 6,111 | 47,685 | 65,400 | 65,400 | 17,715 | |
| Training and Development | 903 | 3,499 | 21,000 | 21,000 | 17,501 | |
| Capital Outlay - General | - | 12,825 | 170,000 | 170,000 | 157,175 | |
| Total | 119,957 | 477,031 | 3,275,900 | 3,275,900 | 2,798,869 | |
| Finance | | | | | | |
| Depreciation | - | - | 1,400,000 | 1,400,000 | 1,400,000 | |
| Office Expenses | 7,432 | 51,284 | 83,670 | 83,670 | 32,386 | |
| Professional Services | 6,000 | 6,000 | 36,500 | 36,500 | 30,500 | |
| Training and Development | - | - | 1,500 | 1,500 | 1,500 | |
| Principal and Interest on Loans | 7,863 | 89,404 | 254,373 | 254,373 | 164,969 | |
| Total | 21,295 | 146,688 | 1,776,043 | 1,776,043 | 1,629,355 | |

Castle Pines Village Metropolitan District
Budget and Actual Activity - Water & Sewer Fund
For the Period Ending April 30, 2026

| | | | 2026 Budget | | Budget Remaining | Note Ref. |
|--|-----------------------|--------------------------|------------------------|------------------------|-----------------------|--------------|
| | | | Original | Working | | |
| | April Activity | Year to Date Activity | Original | Working | Budget Remaining | Note Ref. |
| Capital Programs | | | | | | |
| Professional Services | 14,606 | 55,984 | 290,000 | 290,000 | 234,016 | |
| Operations and Maintenance | - | - | 690,000 | 690,000 | 690,000 | |
| Capital Outlay - General | 1,020 | 1,020 | 8,925,000 | 8,925,000 | 8,923,980 | |
| Total | 15,626 | 57,004 | 9,905,000 | 9,905,000 | 9,847,996 | |
| Total Operating Expenses | 373,150 | 1,850,713 | 17,236,147 | 17,236,147 | 15,385,434 | |
| Transfers In from Other Funds | - | - | 765,000 | 765,000 | 765,000 | |
| Change in Fund Balance | \$ 222,478 | \$ 711,616 | (8,820,988) | (8,820,988) | \$ (9,532,604) | |
| Beginning Unrestricted Fund Balance, Estimated | | | 16,982,179 | 16,982,179 | | |
| Operating Reserves | | | 2,035,287 | 2,035,287 | | |
| Capital Reserves | | | 1,000,000 | 1,000,000 | | |
| Ending Unrestricted Fund Balance, Estimated | | | \$ 5,125,904 | \$ 5,125,904 | | |
| Nonoperating Activity | | | | | | |
| Investment Income on Bond | \$ 29,321 | \$ 139,523 | \$ 250,000 | \$ 250,000 | \$ 110,477 | |
| Capital Outlay - Bond | (2,178,009) | (4,858,649) | (10,800,000) | (10,800,000) | (5,941,351) | |
| Interest on Bond | - | - | (1,071,350) | (1,071,350) | (1,071,350) | |
| Principal on Bond | - | - | (270,000) | (270,000) | (270,000) | |
| Total Nonoperating Activity | \$ (2,148,688) | \$ (4,719,126) | \$ (11,891,350) | \$ (11,891,350) | \$ (7,172,224) | |

**RESOLUTION TO AMEND 2026 BUDGET
CASTLE PINES VILLAGE METROPOLITAN DISTRICT**

WHEREAS, the Board of Directors of the Castle Pines Village Metropolitan District appropriated funds for the fiscal year 2026 as follows:

| | |
|----------------------|--------------|
| Water and Sewer Fund | \$29,377,496 |
|----------------------|--------------|

; and

WHEREAS, the necessity has arisen for additional expenditures or appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2026; and

WHEREAS, the expenditures are a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, the necessity has arisen for additional appropriations and expenditures of funds as reflected by satisfactory evidence presented to and accepted by the Board of Directors at this meeting and set out in the amended budget attached hereto as **Exhibit A**; and

WHEREAS, funds are available for such expenditures from revenue funds available to the District; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget amendment was available for inspection by the public at a designated public office, a public hearing was held on May 27, 2026, and interested electors were given the opportunity to file or register any objections to said proposed budget amendment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Castle Pines Village Metropolitan District shall and hereby does amend the budget for the fiscal year 2026 as follows:

| | |
|----------------------|--------------|
| Water and Sewer Fund | \$31,377,496 |
|----------------------|--------------|

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the above-referenced Fund(s) for the purposes stated in **Exhibit A** and, if applicable, that such action of the Board is hereby ratified and approved *nunc pro tunc* as of the date of the actual expenditures.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 27th day of May, 2026.

CASTLE PINES VILLAGE METROPOLITAN
DISTRICT

By: _____

Title: President

ATTEST:

Title: Secretary

Exhibit A

The attached 2026 Budget Amendment for the Castle Pines Village Metropolitan District (District) details unanticipated revenue and appropriates additional spending in the Water and Sewer Fund. The District anticipates receipt of \$2,000,000 additional revenue arising from collection of funds from the Castle Pines Golf Club and the Country Club at Castle Pines related to their proportionate share of the Plum Creek Water Reclamation Authority (PCWRA) reuse reservoir rehabilitation project.

All additional revenues from the Castle Pines Golf Club and the Country Club at Castle Pines will be remitted to PCWRA for the project and reported as operating expenses in the Water and Sewer Fund. The District is, therefore, increasing 2026 operating expenses by \$2,000,000 resulting in total enterprise fund appropriations of \$31,377,496 for the 2026 budget year.

**Castle Pines Village Metropolitan District
General Fund
2026 Amended Budget**

| | 2026 Original Budget | 2026 Amended Budget | Change |
|---------------------------------------|---------------------------------|--------------------------------|---------------|
| Revenue | | | |
| Property Tax | \$ 8,561,455 | \$ 8,561,455 | \$ |
| Specific Ownership Tax | 525,000 | 525,000 | |
| Investment Income | 385,000 | 385,000 | |
| Charges for Services | 30,000 | 30,000 | |
| Other Income | 9,500 | 9,500 | |
| Total Revenue | 9,510,955 | 9,510,955 | |
| Expenditures | | | |
| Executive and Administrative | | | |
| Personnel | 2,589,853 | 2,589,853 | |
| Professional Services | 132,610 | 132,610 | |
| Office Expense | 76,582 | 76,582 | |
| Insurance | 69,278 | 69,278 | |
| Marketing and Communications | 50,250 | 50,250 | |
| Training and Development | 40,155 | 40,155 | |
| Operations and Maintenance | 12,000 | 12,000 | |
| Total | 2,970,728 | 2,970,728 | |
| Operations | | | |
| Operations and Maintenance | 1,677,700 | 1,677,700 | |
| Utilities | 193,500 | 193,500 | |
| Professional Services | 113,600 | 113,600 | |
| Office Expense | 86,650 | 86,650 | |
| Training and Development | 35,000 | 35,000 | |
| Capital Outlay - General | 525,000 | 525,000 | |
| Total | 2,631,450 | 2,631,450 | |
| Finance | | | |
| County Treasurer Fees | 128,294 | 128,294 | |
| Office Expense | 27,573 | 27,573 | |
| Professional Services | 12,000 | 12,000 | |
| Training and Development | 1,750 | 1,750 | |
| Total | 169,617 | 169,617 | |
| Capital Programs | | | |
| Operations and Maintenance | 3,500,000 | 3,500,000 | |
| Professional Services | 320,000 | 320,000 | |
| Total | 3,820,000 | 3,820,000 | |
| Total Expenditures | 9,591,795 | 9,591,795 | |
| Transfer Out to Other Funds | (765,000) | (765,000) | |
| Change in Fund Balance | (845,840) | (845,840) | |
| Beginning Fund Balance, Estimated | 18,933,340 | 18,933,340 | |
| Operating Reserves | 2,266,699 | 2,266,699 | |
| Capital Reserves | 1,000,000 | 1,000,000 | |
| Ending Fund Balance, Estimated | \$ 14,820,801 | \$ 14,820,801 | \$ |

**Castle Pines Village Metropolitan District
Water and Sewer Fund
2026 Amended Budget**

| | <u>2026 Original Budget</u> | <u>2026 Amended Budget</u> | <u>Change</u> |
|-------------------------------------|---------------------------------|--------------------------------|-------------------------|
| Operating Revenue | | | |
| Charges for Services | \$ 6,990,000 | \$ 6,990,000 | \$ |
| Effluent Pumping | 345,499 | 345,499 | |
| Investment Income | 280,000 | 280,000 | |
| Other Income | 34,660 | 2,034,660 | 2,000,000 |
| Total Operating Revenue | <u>7,650,159</u> | <u>9,650,159</u> | <u>2,000,000</u> |
| Operating Expenses | | | |
| Executive and Administrative | | | |
| Personnel | 977,914 | 977,914 | |
| Operations and Maintenance | 728,711 | 2,728,711 | 2,000,000 |
| Water Resources | 250,000 | 250,000 | |
| Professional Services | 113,700 | 113,700 | |
| Insurance | 69,278 | 69,278 | |
| Marketing and Communications | 54,200 | 54,200 | |
| Office Expense | 50,750 | 50,750 | |
| Training and Development | 34,650 | 34,650 | |
| Total | <u>2,279,203</u> | <u>4,279,203</u> | <u>2,000,000</u> |
| Operations | | | |
| Operations and Maintenance | 2,169,600 | 2,169,600 | |
| Utilities | 674,500 | 674,500 | |
| Professional Services | 175,400 | 175,400 | |
| Office Expense | 65,400 | 65,400 | |
| Training and Development | 21,000 | 21,000 | |
| Capital Outlay - General | 170,000 | 170,000 | |
| Total | <u>3,275,900</u> | <u>3,275,900</u> | |
| Finance | | | |
| Depreciation Expense | 1,400,000 | 1,400,000 | |
| Office Expense | 83,670 | 83,670 | |
| Professional Services | 36,500 | 36,500 | |
| Training and Development | 1,500 | 1,500 | |
| Principal on Loans | 234,229 | 234,229 | |
| Interest on Loans | 20,144 | 20,144 | |
| Total | <u>1,776,043</u> | <u>1,776,043</u> | |

**Castle Pines Village Metropolitan District
Water and Sewer Fund
2026 Amended Budget**

| | <u>2026 Original Budget</u> | <u>2026 Amended Budget</u> | <u>Change</u> |
|--|---------------------------------|--------------------------------|-------------------------|
| Capital Programs | | | |
| Operations and Maintenance | 690,000 | 690,000 | |
| Professional Services | 290,000 | 290,000 | |
| Capital Outlay - General | 8,925,000 | 8,925,000 | |
| Total | <u>9,905,000</u> | <u>9,905,000</u> | |
| Total Operating Expenses | <u>17,236,146</u> | <u>19,236,146</u> | <u>2,000,000</u> |
| Transfer In From Other Fund | 765,000 | 765,000 | |
| Change in Fund Balance | <u>(8,820,987)</u> | <u>(8,820,987)</u> | |
| Beginning Unrestricted Fund Balance | 16,982,179 | 16,982,179 | |
| Operating Reserves | 2,035,287 | 2,035,287 | |
| Capital Reserves | 1,000,000 | 1,000,000 | |
| Ending Unrestricted Fund Balance | <u>\$ 5,125,905</u> | <u>\$ 5,125,905</u> | <u>\$</u> |
| Nonoperating Income (Expense) | | | |
| Investment Income - Bonds | \$ 250,000 | \$ 250,000 | \$ |
| Capital Outlay - Bond | (10,800,000) | (10,800,000) | |
| Interest on Bonds | (1,071,350) | (1,071,350) | |
| Principal on Bonds | (270,000) | (270,000) | |
| Total Nonoperating Activity | <u>\$ (11,891,350)</u> | <u>\$ (11,891,350)</u> | <u>\$</u> |

Memorandum

To: Castle Pines Village Metropolitan District Board of Directors
From: Joshua Shackelford, PE, District Manager
Date: May 27, 2026
Subject: Recommendation of Award for Concrete Tile Roof Replacement

This memo outlines the recommended award for Concrete Tile Roof Replacement. The purpose of this project is to replace aging roofing on the Administrative Office and Vehicle Shop with high quality concrete tile roofing that matches the water treatment plant.

We issued an Invitation for Bids on Rocky Mountain BidNet for this project on March 27, 2026. We received eight bids. Bids were ranked by price and evaluated for responsiveness and responsibility. The selection panel for this project included Jason LeTellier, Operations Superintendent, Steve Granié, Operations Specialist, and Wesley Kuykendall, Procurement Specialist. After review, the selection committee recommends selecting Academy Roofing, Inc.

The proposed contract amount is \$314,965.00 which we request be approved. This project is included in the current budget, which allocates \$250,000.00 for this project. The contract amount exceeds the budgeted amount by \$64,965.00, but staff have identified available funding within the current budget to cover the difference.

Recommendation

Staff recommends the Board authorize the District Manager to enter into contract negotiations with Academy Roofing, Inc. for the Concrete Tile Roof Replacement, with a budget not to exceed \$314,965.00, and to execute a final agreement upon successful negotiations.

Memorandum

To: Castle Pines Village Metropolitan District Board of Directors
From: Joshua Shackelford, PE, District Manager
Date: May 27, 2026
Subject: Recommendation of Award for AMI Base Station Replacement

This memo outlines the recommended award for AMI Base Station Replacement. The purpose of this project is to replace essential Advanced Metering Infrastructure used to measure water use and bill customers.

Sensus, the manufacturer of this equipment, provided a letter certifying that Core & Main is the only authorized full line Authorized Water Distributor for the State of Colorado. Staff is therefore proceeding with this procurement as a sole source purchase. The District received a bid from Core & Main on March 27, 2026.

The proposed contract amount is \$111,944.40 which we request be approved. This project is included in the current budget, which allocates \$125,000.00 for this project.

Recommendation

Staff recommends the Board authorize the District Manager to enter into contract negotiations with Core and Main for the AMI Base Station Replacement, with a budget not to exceed \$111,944.40, and to execute a final agreement upon successful negotiations.

Memorandum

To: Castle Pines Village Metropolitan District Board of Directors
From: Joshua Shackelford, PE, District Manager
Date: May 27, 2026
Subject: Recommendation of Award for 2026 Roadway Construction Services

This memo outlines the recommended award for 2026 Roadway Construction Services. The purpose of this project is to complete roadway maintenance, reconstruction, and traffic safety improvement services.

We selected Chavez Construction Inc. for a 3-year contract for these services in 2024. This will be the third and final year of the contract. Chavez has included a nominal increase of approximately 5% to their rates from the 2025 contract to account for inflation and increased costs.

The proposed contract amount is \$3,204,126 which we request be approved. This project is included in the current budget, which allocated \$3,250,000 for this project.

Recommendation

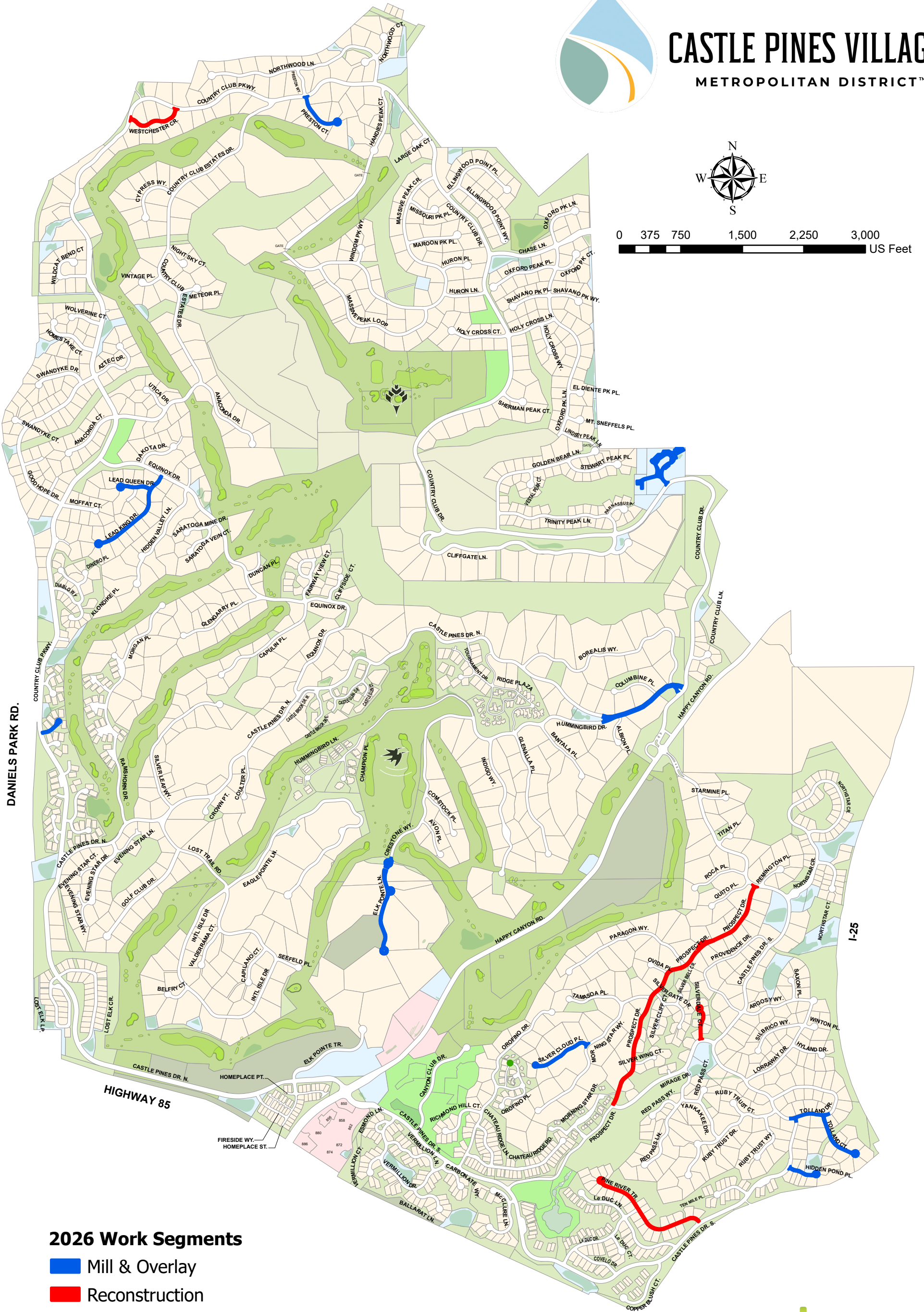
Staff recommends the Board authorize the District Manager to enter into contract negotiations with Chavez Construction, Inc., for 2026 Roadway Construction Services, with a budget not to exceed \$3,204,126, and to execute a final agreement upon successful negotiations.



CASTLE PINES VILLAGE METROPOLITAN DISTRICT™



0 375 750 1,500 2,250 3,000
US Feet



2026 Work Segments

- █ Mill & Overlay
- █ Reconstruction
- █ Concrete Repairs

olsson

Prepared for:
Castle Pines Metro District

PROJECTION: CO State Plane Central (Feet)
DATUM: NAD 1983
DATE: 5/20/2026