

**DENVER SOUTHEAST SUBURBAN  
WATER AND SANITATION DISTRICT  
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
TABLE OF CONTENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

<b>INDEPENDENT AUDITOR’S REPORT</b>	<b>I</b>
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS</b>	<b>III</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>STATEMENTS OF NET POSITION</b>	<b>1</b>
<b>STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION</b>	<b>2</b>
<b>STATEMENTS OF CASH FLOWS</b>	<b>3</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>4</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN NET POSITION</b>	<b>27</b>
<b>SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS     AVAILABLE – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>30</b>
<b>RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO STATEMENT OF     REVENUES, EXPENSES, AND CHANGE IN NET POSITION</b>	<b>34</b>
<b>SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS     AVAILABLE (BUDGETARY BASIS) – ENTERPRISE ACTIVITY</b>	<b>35</b>
<b>SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS     AVAILABLE (BUDGETARY BASIS) – GENERAL GOVERNMENT ACTIVITY</b>	<b>36</b>
<b>SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY</b>	<b>37</b>
<b>OTHER SUPPLEMENTARY INFORMATION</b>	<b>39</b>
<b>CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION AS REQUIRED BY COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY CLEAN WATER REVENUE BONDS, SERIES 2005A</b>	<b>47</b>

Board of Directors  
Denver Southeast Suburban Water and Sanitation District  
Douglas County, Colorado

## Independent Auditor's Report

### Opinion

We have audited the accompanying financial statements of the business-type activities of Denver Southeast Suburban Water and Sanitation District (the "District"), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Denver Southeast Suburban Water and Sanitation District as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 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 ("GAAP"), 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.

## Auditor's 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 auditor's report that includes our opinion. 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 GAAS 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 GAAS, 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.

## Other Matters

### Required Supplemental Information

The management's discussion and analysis information on pages III through IX is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

### Supplementary Information

Our audits were 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 as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

### Other Supplementary Information and Continuing Disclosure Annual Financial Information

Management is responsible for the other supplementary information and continuing disclosure annual financial information included in our report. The other supplementary information and continuing disclosure annual financial information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other supplementary information and continuing disclosure annual financial information, and, accordingly, we do not express an opinion or provide any assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the other supplementary information and continuing disclosure annual financial information and consider whether a material inconsistency exists between the other supplementary information and continuing disclosure annual financial information and the basic financial statements, or the other supplementary information and continuing disclosure annual financial information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other supplementary information and continuing disclosure annual financial information exists, we are required to describe it in our report.

*Wipfli LLP*

Wipfli LLP  
Denver, Colorado

May 21, 2025

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

The management of Denver Southeast Suburban Water and Sanitation District (the District) offers the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2024.

**District Operations**

The number of District staff remained constant in 2024 at 24 full-time equivalents (FTE) and the District saw no turnover in existing staff during the year. All positions remained full throughout the entire year. The average tenure of the District staff is over ten (10) years.

Growth in the District ticked up a bit in 2024 as compared to 2023. In 2024, the District sold 40 water and sewer taps to new homes as compared to 31 taps in 2023 and 34 new taps in 2022. There is one new single-family subdivision and a commercial development that are set to sell many taps in 2025. The District has budgeted 94 new water and sewer taps for 2025.

The total precipitation for 2024 of 16.51 was above the published average local precipitation of 15.2 inches and what local water utilities would consider an average water year. During the summer months (May-Aug), the District received 9.9 inches of precipitation, almost 60% of all precipitation for the year. These months are typically the months with the highest water demand. Total precipitation experienced in the area in 2023 was a record breaking 29.4 inches, which resulted in much lower demand in 2023.

Consistent with the average water year, customer demand was average as well, with 1.17 billion gallons of water delivered in 2024. This amount is up 32% from 2023 water demand, yet below 5% below the 2022 demand. The 2023 demand was so low compared the previous and subsequent years due to high precipitation through the summer.

In 2020, the District began a robust program to inspect and rehabilitate all the wells in the District. The last two of the District's 18 wells were cleaned and rehabilitated in 2024. The District completed drilling and equipping of a Cherry Creek alluvial well. This well will increase the District's raw water production capacity by almost one million gallons each day. This District is also ramping up efforts for repair and replacement projects for the wastewater system.

Repair and replacement capital projects in 2024 included the continued maintenance of the water distribution system to replace valves, curb stops, fire hydrants, air-vac valves, and meter pits. Construction to replace the old potable water pipelines on Irish Pat Murphey neared completion by the end of 2024. The District began construction on a major upgrade to the aeration process or the nitrification basins at the Wastewater Treatment Plant (WWTP) and completed the repair to the liners of the wastewater lagoons on the WWTP site. Staff also continued its maintenance program on the sewer collection system to decrease infiltration and prolong the life of its assets by lining approximately 3500 linear feet of interceptor pipelines.

The District completed an update to its Rates and Fees Study in 2024. That study recommended no increase to water rates for the near future and 1.5% increase to the wastewater rates for the next five years. Along with increased wastewater rates, the suggested wastewater tap fees were almost double the year prior. This is due to a sharp increase in growth related capital expenses on the wastewater treatment plant in the next five years. The tap fees will be increased each year consistent with the construction cost index for this local area.

The District continued to work on long-term regional water supply projects through its membership in the Cherry Creek Project Water Authority and the South Metro WISE Authority. The South Metro WISE Authority is in the preliminary planning phase of a solution to mitigate high salinity water that

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**District Operations (Continued)**

may be delivered through the project. The District has the right to receive up to 500 AC-FT of renewable and reusable WISE water each year.

The Cherry Creek Project Water Authority (CCPWA) completed construction of its new raw water storage facility near Franktown, Colorado, the Walker Reservoir. The progress of the reservoir project was severely impacted by the catastrophic flooding in May 2023, but shortly after completion in summer 2024, the CCPWA began filling the reservoir. By the end of the year, the reservoir was over half full. The District owns approximately 47% of the capacity in this new reservoir and the stored water will be instrumental in meeting rising peak demands due to summertime irrigation.

**Financial Highlights**

- Net position increased \$4,128,372 while revenues increased 18.43% and expenses increased 14.65%.
- Operating revenues increased 16.05% from the prior year.
- Net operating loss of \$1,903,331 was an increase of \$153,687 from last year's net operating loss of \$1,749,644. Excluding depreciation, net operating income was \$3,303,158.
- Operating expenses exclusive of depreciation increased 16.10% from the prior year.
- Customers on-line for water service at year-end increased by 26 single-family residential equivalent units to 5,050 at year-end.
- Funds available (current assets plus other assets less current liabilities exclusive of the current portion of long-term obligations) decreased \$1,713,419 to \$23,980,963 at December 31, 2024.

**Overview of the Financial Statements**

Management's discussions and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of financial statements and notes to financial statements. This report also contains other supplemental information and continuing disclosure annual financial information in addition to the basic financial statements themselves.

The financial statements of the District are presented as a special purpose government engaged only in business type activities – providing water and sewer utility services.

The statement of net position presents information on all of the District's assets and liabilities, with the difference being reported as net position. Over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of revenues, expenses, and changes in net position presents information that reflects how the District's net position changed during the past year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenue and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Overview of the Financial Statements (Continued)**

The statement of cash flows reports the District's cash flows from operating, noncapital financing, capital, and investing activities.

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The supplemental information contained in this report provides a schedule of revenues, expenses, and change in net position, budget and actual information, and debt service requirements.

The continuing disclosure annual financial information is information required by the Series 2002A and 2005A bond covenants, including mill levy, assessed valuation and property tax information, annual operating data, historical actual and budget financial statements, statistical information within the area and debt coverage information.

The District's net position increased \$4,128,372 in 2024. Current assets decreased \$1,886,249 and capital assets, net of depreciation, increased \$4,328,723.

	December 31,		
	2024	2023	2022
<b>ASSETS</b>			
Current Assets	\$ 26,037,541	\$ 27,923,790	\$ 31,306,062
Capital Assets	126,251,866	121,923,143	116,140,955
Total Assets	152,289,407	149,846,933	147,447,017
<b>LIABILITIES</b>			
Current Liabilities	3,613,863	3,742,480	2,962,772
Long-Term Liabilities	11,537,390	13,094,671	14,607,240
Total Liabilities	15,151,253	16,837,151	17,570,012
<b>NET POSITION</b>			
Net Position Invested in Capital Assets	113,157,191	107,315,400	99,625,165
Restricted Net Position	12,336,747	14,259,481	3,375,420
Unrestricted Net Position	11,644,216	11,434,901	26,876,420
Total Net Position	\$ 137,138,154	\$ 133,009,782	\$ 129,877,005

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Review of Change in Net Position**

	December 31,		
	2024	2023	2022
<b>REVENUES</b>			
Operating Revenue:			
Water Services	\$ 7,455,361	\$ 6,128,825	\$ 7,766,928
Sewer Services	2,853,745	2,754,350	2,606,264
Total Operating Revenue	<u>10,309,106</u>	<u>8,883,175</u>	<u>10,373,192</u>
Nonoperating Revenue:			
Investment Income	1,286,267	1,358,815	419,106
Other	333,051	230,911	1,738,683
Contributions:			
Tap Fees, Net of Cost Recovery Payments	1,923,847	1,509,370	1,758,652
Water Wheeling	-	578,750	658,748
County's Portion Per IGA	2,811,190	-	2,363,842
Other	69,075	1,565,480	87,091
Total Other Revenue	<u>6,423,430</u>	<u>5,243,326</u>	<u>7,026,122</u>
Total Revenue	16,732,536	14,126,501	17,399,314
<b>EXPENSES</b>			
Operating Expenses:			
Water	3,402,868	2,753,518	3,781,670
Sewer	1,808,641	1,581,201	1,355,275
Subtotal	<u>5,211,509</u>	<u>4,334,719</u>	<u>5,136,945</u>
General and Administrative	1,794,439	1,699,484	1,570,944
Depreciation	5,206,489	4,598,616	4,369,406
Total Operating Expenses	<u>12,212,437</u>	<u>10,632,819</u>	<u>11,077,295</u>
Nonoperating Expenses	391,727	360,905	433,619
Total Expenses	<u>12,604,164</u>	<u>10,993,724</u>	<u>11,510,914</u>
<b>CHANGE IN NET POSITION</b>	4,128,372	3,132,777	5,888,400
Net Position - Beginning of Year	<u>133,009,782</u>	<u>129,877,005</u>	<u>123,988,605</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 137,138,154</u>	<u>\$ 133,009,782</u>	<u>\$ 129,877,005</u>

Operating revenue increased by \$1,425,931. Revenue from the sale of tap fees, net of cost recovery payments increased \$414,477. Additionally, water services increased \$1,326,536.

Total operating expenses increased \$1,579,618 in 2024.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Budgetary Highlights**

The District prepares its budget on the modified accrual basis of accounting to recognize the fiscal impact of debt issuance, sale of assets and debt repayments, as well as capital outlay in addition to operations and nonoperating revenue and contributions. This budgetary accounting is required by state statutes. Additionally, the budget includes the separation of the enterprise and general government activities within the District.

Actual revenue of the District was lower than the budgeted revenue by \$3,209,714.

Total actual expenditures of the District were less than the appropriation by \$6,366,742, which includes a positive variance of \$6,266,288 for capital expenditures.

**Capital Assets Activity**

The activity related to capital assets is as follows:

	December 31, 2023	Net Changes	December 31, 2024
Land and Easements	\$ 827,262	\$ -	\$ 827,262
Construction in Process	24,042,823	(4,343,095)	19,699,728
Water System:			
Water Rights	12,177,082	-	12,177,082
Water Facilities	90,822,039	10,850,818	101,672,857
Bingham Lake and Dam	542,502	-	542,502
Sewer System:			
Sewer Facilities	34,587,799	350,101	34,937,900
Wastewater Treatment Plant	20,037,217	2,373,300	22,410,517
Buildings	2,741,246	36,342	2,777,588
Equipment and Vehicles	2,228,522	267,746	2,496,268
Total Capital Assets	<u>188,006,492</u>	<u>9,535,212</u>	<u>197,541,704</u>
Accumulated Depreciation	<u>(66,083,349)</u>	<u>(5,206,489)</u>	<u>(71,289,838)</u>
Net Capital Assets	<u>\$ 121,923,143</u>	<u>\$ 4,328,723</u>	<u>\$ 126,251,866</u>

The 2024 activity relating to capital assets reflects costs incurred by the District relating to the construction of water wells, sewer lines, and replacement of equipment at the wastewater treatment plant.

Additional information on the District's capital assets can be found in Note 4 of this report.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	December 31, 2022	Net Changes	December 31, 2023
Land and Easements	\$ 827,262	\$ -	\$ 827,262
Construction in Process	20,493,632	3,549,191	24,042,823
Water System:			
Water Rights	12,177,082	-	12,177,082
Water Facilities	84,448,270	6,373,769	90,822,039
Bingham Lake and Dam	542,502	-	542,502
Sewer System:			
Sewer Facilities	34,587,799	-	34,587,799
Wastewater Treatment Plant	19,915,307	121,910	20,037,217
Buildings	2,690,847	50,399	2,741,246
Equipment and Vehicles	1,942,987	285,535	2,228,522
Total Capital Assets	<u>177,625,688</u>	<u>10,380,804</u>	<u>188,006,492</u>
Accumulated Depreciation	<u>(61,484,733)</u>	<u>(4,598,616)</u>	<u>(66,083,349)</u>
Net Capital Assets	<u>\$ 116,140,955</u>	<u>\$ 5,782,188</u>	<u>\$ 121,923,143</u>

	December 31, 2021	Net Changes	December 31, 2022
Land and Easements	\$ 827,262	\$ -	\$ 827,262
Construction in Process	12,914,292	7,579,340	20,493,632
Water System:			
Water Rights	12,177,082	-	12,177,082
Water Facilities	82,178,311	2,269,959	84,448,270
Bingham Lake and Dam	542,502	-	542,502
Sewer System:			
Sewer Facilities	34,314,352	273,447	34,587,799
Wastewater Treatment Plant	18,827,051	1,088,256	19,915,307
Buildings	1,864,206	826,641	2,690,847
Equipment and Vehicles	1,793,928	149,059	1,942,987
Total Capital Assets	<u>165,438,986</u>	<u>12,186,702</u>	<u>177,625,688</u>
Accumulated Depreciation	<u>(57,115,327)</u>	<u>(4,369,406)</u>	<u>(61,484,733)</u>
Net Capital Assets	<u>\$ 108,323,659</u>	<u>\$ 7,817,296</u>	<u>\$ 116,140,955</u>

**Long-Term Debt**

All scheduled payments of principal and interest on the District's outstanding debt were paid as required during 2024.

Additional detail on the District's debt is in Note 5 of this report.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Economic Factors and Next Year's Budgets and Rates**

For 2025, the District has budgeted revenue from water and sewer charges of \$10,750,000, which is \$3,567,500 lower compared with 2024 budgeted figures. The District has also budgeted \$810,000 of water project fees that are intended to help fund the construction of future water improvement projects. 2025 operating expenses are budgeted at \$6,826,375, which is \$1,206,225 higher compared with 2024 budget amounts.

The majority of the District's debt is in the form of revenue notes. The revenues pledged to pay this debt include fees for service (water and sewer bills) and fees charged for new development (tap fees). To the extent that one of the revenue sources is less than projected, then revenue from other sources is required to make the debt service payments.

**Request for Information**

This report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Denver Southeast Suburban Water and Sanitation District  
5242 Old Schoolhouse Road  
Parker, Colorado 80134  
<http://pinerywater.com>

## **BASIC FINANCIAL STATEMENTS**

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**STATEMENTS OF NET POSITION**  
**DECEMBER 31, 2024 AND 2023**

	2024	2023
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 13,479,504	\$ 13,326,999
Cash and Cash Equivalents - Restricted	12,336,747	14,259,481
Accounts Receivable	155,127	139,476
Unutilized Taps Service Charge Receivable	3,134	15,228
Prepaid Expenses	63,029	182,606
Total Current Assets	26,037,541	27,923,790
<b>CAPITAL ASSETS, NET</b>		
	126,251,866	121,923,143
Total Assets	\$ 152,289,407	\$ 149,846,933
<b>LIABILITIES AND NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts and Retainage Payable	\$ 1,885,968	\$ 1,561,939
Accrued Payroll	67,618	42,793
Groundwater Fee In Lieu Deposit	-	514,800
Interest Payable	102,992	109,876
Current Maturities of Long-Term Obligations	1,557,285	1,513,072
Total Current Liabilities	3,613,863	3,742,480
<b>LONG-TERM OBLIGATIONS</b>		
	11,537,390	13,094,671
<b>NET POSITION</b>		
Net Investment in Capital Assets	113,157,191	107,315,400
Restricted	12,336,747	14,259,481
Unrestricted	11,644,216	11,434,901
Total Net Position	137,138,154	133,009,782
Total Liabilities and Net Position	\$ 152,289,407	\$ 149,846,933

See accompanying Notes to Basic Financial Statements.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>WATER OPERATIONS</b>		
Revenues	\$ 7,455,361	\$ 6,128,825
Direct Water Expenses	3,402,868	2,753,518
Depreciation - Water	<u>3,875,111</u>	<u>3,335,602</u>
<b>GROSS PROFIT FROM WATER OPERATIONS</b>	177,382	39,705
<b>SEWER OPERATIONS</b>		
Revenues	2,853,745	2,754,350
Direct Sewer Expenses	1,808,641	1,581,201
Depreciation - Sewer	<u>1,076,113</u>	<u>1,053,245</u>
<b>GROSS PROFIT (LOSS) FROM SEWER OPERATIONS</b>	<u>(31,009)</u>	<u>119,904</u>
<b>GROSS PROFIT FROM OPERATIONS</b>	146,373	159,609
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>		
General and Administrative	1,794,439	1,699,484
Depreciation	<u>255,265</u>	<u>209,769</u>
<b>LOSS FROM OPERATIONS</b>	(1,903,331)	(1,749,644)
<b>NONOPERATING REVENUES</b>	1,619,318	1,589,726
<b>NONOPERATING EXPENSES</b>	<u>391,727</u>	<u>360,905</u>
<b>PROFIT (LOSS) BEFORE CONTRIBUTIONS</b>	(675,740)	(520,823)
<b>CAPITAL CONTRIBUTIONS</b>	<u>4,804,112</u>	<u>3,653,600</u>
<b>CHANGE IN NET POSITION</b>	4,128,372	3,132,777
Net Position - Beginning of Year	<u>133,009,782</u>	<u>129,877,005</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 137,138,154</u></u>	<u><u>\$ 133,009,782</u></u>

See accompanying Notes to Basic Financial Statements.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	\$ 10,215,169	\$ 8,810,786
Payments to Suppliers	(4,589,219)	(2,998,698)
Payments to Employees and Related Expenses	(2,852,270)	(2,576,438)
Other Receipts	77,745	71,543
Net Cash Provided by Operating Activities	2,851,425	3,307,193
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Ready to Serve Fees	37,590	42,958
Other Income	295,461	187,953
Net Cash Provided by Noncapital Financing Activities	333,051	230,911
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Contributions in Aid of Construction:		
Tap Fees	1,923,847	1,556,890
Other Contributed Capital	2,811,190	1,421,520
Receipts from Unutilized Taps Service Charges	81,169	148,055
County's Portion Per IGA	-	578,750
Acquisition of Property, Plant and Equipment	(9,156,284)	(9,854,504)
Interest and Paying Agent Fees	(394,982)	(366,666)
Debt Principal Reduction	(1,506,453)	(1,900,251)
Net Cash Used by Capital and Related Financing Activities	(6,241,513)	(8,416,206)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net Investment Income Received	1,286,808	1,357,275
Net Cash Provided by Investing Activities	1,286,808	1,357,275
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(1,770,229)	(3,520,827)
Cash, Restricted Cash, and Cash Equivalents - Beginning of Year	27,586,480	31,107,307
<b>CASH, RESTRICTED CASH, AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 25,816,251	\$ 27,586,480
<b>RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Loss from Operations	\$ (1,903,331)	\$ (1,749,644)
Adjustments to Reconcile Loss from Operations to Net Cash Provided by Operating Activities:		
Depreciation	5,206,489	4,598,616
Decrease in Amortization of Loan Premiums	(10,244)	(10,244)
Increase in Accounts Receivable	(16,192)	(846)
Increase in Accounts Payable	(544,874)	609,575
Decrease (Increase) in Prepaid Expenses	119,577	(140,264)
Net Cash Provided by Operating Activities	\$ 2,851,425	\$ 3,307,193

See accompanying Notes to Basic Financial Statements.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Denver Southeast Suburban Water and Sanitation District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado was organized by order and decree of the District Court for Douglas County on June 21, 1965 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Section 1, Colorado Revised Statutes). The District's service area is located in Douglas County, Colorado. The District was established to provide water and sanitation services.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental units accounted for as a proprietary enterprise fund. The enterprise fund is used since the District's powers are related to those operated in a manner similar to a private utility system where net income and capital maintenance are appropriate determinations of accountability.

**Basis of Accounting**

The District's records are maintained on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when the liability is incurred. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and loans is recorded as a reduction in liabilities. Tap fees and contributed assets from developers are recorded as capital contributions when received.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Operating Revenues and Expenses**

The District distinguishes between operating revenues and expenses and nonoperating items in the statements of revenues, expenses and change in net position. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's purpose of providing water and sanitation services to its customers. Operating revenues consist of charges to customers for service provided. Operating expenses include the cost of service, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

**Cash Equivalents**

For purposes of the statements of cash flows, the District considers cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

The District filed a zero mill levy certification for collection in 2024.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

Capital assets, which include land, water rights, plant and buildings, distribution and collection systems, and machinery and equipment, are reported by the District. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Plant and Buildings	30 Years
Distribution and Collection Systems	50 Years
Machinery and Equipment	5 Years

**Tap Fees and Contributed Lines**

Tap fees are recorded as capital contributions when received. Lines contributed to the District by Developers are recorded as capital contributions and additions to the systems at acquisition value when received.

**Cost Recovery Contracts**

The District has cost recovery agreements with developers who have contributed lines to the District. The District is to collect its normal fees from customers requesting to connect to the contributed lines and remit a portion of the collected fees to the developer who contributed the facilities.

**Water Rights**

The cost of water rights includes acquisition cost, legal and engineering costs related to the development and augmentation of those rights. Since the rights have a perpetual life, they are not amortized. All other costs, including costs incurred for the protection of those rights, are expensed.

**Amortization – Original Issue Discount/Premium**

Debt premiums and discounts are amortized over the respective terms of the borrowing using the interest method.

**Compensated Absences**

The District has a policy that allows employees to accumulate unused vacation benefits up to a maximum of twice the annual accrual per employee. Compensated absences are accrued when earned in the financial statements.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Board Designations**

The Board of Directors of the District has designated the following amounts of the unrestricted net position for the following purposes:

	2024	2023
Ground Water Protection Reserve	\$ 536,450	\$ 502,776
Operating & Capital Reserve	10,555,841	13,738,000
Total Board-Designated Amounts	\$ 11,092,291	\$ 14,240,776

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2024 and 2023, are classified in the accompanying financial statements as follows:

	2024	2023
Statement of Net Position:		
Cash and Cash Equivalents	\$ 13,479,504	\$ 13,326,999
Cash and Cash Equivalents - Restricted	12,336,747	14,259,481
Total Cash and Investments	\$ 25,816,251	\$ 27,586,480

Cash and cash equivalents as of December 31, 2024 and 2023, consist of the following:

	2024	2023
Deposits with Financial Institutions	\$ 2,923,432	\$ 2,982,128
Cash on Hand	231	76
Investments	22,892,588	24,604,276
Total Cash and Cash Equivalents	\$ 25,816,251	\$ 27,586,480

**Deposits with Financial Institutions**

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 determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Deposits with Financial Institutions (Continued)**

At December 31, 2024 and 2023, the District had the following deposits with financial institutions:

	2024	2023
Bank Balance:		
Insured Deposits	\$ 250,000	\$ 250,000
Deposits Collateralized in Single Institution Pools	2,799,043	2,732,128
Total Bank Balance	\$ 3,049,043	\$ 2,982,128
Carrying Balance:		
Insured Deposits	\$ 250,000	\$ 250,000
Deposits Collateralized in Single Institution Pools	2,673,432	2,732,128
Total Carrying Balance	\$ 2,923,432	\$ 2,982,128

**Investments**

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- \* Local government investment pools

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

As of December 31, 2024 and 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>	
		<u>2024</u>	<u>2023</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 6,123,209	\$ 5,808,271
Colorado Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	16,769,379	18,796,005
Total		<u>\$ 22,892,588</u>	<u>\$ 24,604,276</u>

**COLOTRUST**

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios: COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**CSAFE**

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios: CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper and any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 4 CAPITAL ASSETS**

Capital asset activity for the years ended December 31, 2024 and 2023, was as follows:

	Balance December 31, 2023	Additions	Retirements/ Reclassi- fications	Balance December 31, 2024
Capital Assets, Not Being Depreciated:				
Land and Easements	\$ 827,262	\$ -	\$ -	\$ 827,262
Water Rights	12,177,082	-	-	12,177,082
Construction in Progress	24,042,823	1,153,736	(5,496,831)	19,699,728
Total Capital Assets, Not Being Depreciated	37,047,167	1,153,736	(5,496,831)	32,704,072
Capital Assets, Being Depreciated:				
Water Facilities	90,822,039	10,850,818	-	101,672,857
Bingham Lake and Dam	542,502	-	-	542,502
Sewer Facilities	34,587,799	350,101	-	34,937,900
Wastewater Treatment Plant	20,037,217	2,373,300	-	22,410,517
Buildings	2,741,246	36,342	-	2,777,588
GIS Program	461,110	23,672	-	484,782
Office and Field Equipment	778,120	165,173	-	943,293
Vehicles	989,292	78,901	-	1,068,193
Total Capital Assets, Being Depreciated	150,959,325	13,878,307	-	164,837,632
Less Accumulated Depreciation for:				
Water Facilities	(39,983,019)	(3,861,306)	-	(43,844,325)
Bingham Lake and Dam	(388,346)	(13,805)	-	(402,151)
Sewer Facilities	(11,216,112)	(528,204)	-	(11,744,316)
Wastewater Treatment Plant	(11,226,613)	(547,909)	-	(11,774,522)
Buildings	(1,601,127)	(58,875)	-	(1,660,002)
GIS Program	(222,255)	(16,236)	-	(238,491)
Office and Field Equipment	(508,829)	(140,713)	-	(649,542)
Vehicles	(937,048)	(39,441)	-	(976,489)
Total Accumulated Depreciation	(66,083,349)	(5,206,489)	-	(71,289,838)
Capital Assets, Net	<u>\$ 121,923,143</u>	<u>\$ 9,825,554</u>	<u>\$ (5,496,831)</u>	<u>\$ 126,251,866</u>

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

	Balance December 31, 2022	Additions	Retirements/ Reclassi- fications	Balance December 31, 2023
Capital Assets, Not Being Depreciated:				
Land and Easements	\$ 827,262	\$ -	\$ -	\$ 827,262
Water Rights	12,177,082	-	-	12,177,082
Construction in Progress	20,493,632	6,673,739	(3,124,548)	24,042,823
Total Capital Assets, Not Being Depreciated	33,497,976	6,673,739	(3,124,548)	37,047,167
Capital Assets, Being Depreciated:				
Water Facilities	84,448,270	6,373,769	-	90,822,039
Bingham Lake and Dam	542,502	-	-	542,502
Sewer Facilities	34,587,799	-	-	34,587,799
Wastewater Treatment Plant	19,915,307	121,910	-	20,037,217
Buildings	2,690,847	50,399	-	2,741,246
GIS Program	443,627	17,483	-	461,110
Office and Field Equipment	541,753	236,367	-	778,120
Vehicles	957,607	31,685	-	989,292
Total Capital Assets, Being Depreciated	144,127,712	6,831,613	-	150,959,325
Less Accumulated Depreciation for:				
Water Facilities	(36,661,223)	(3,321,796)	-	(39,983,019)
Bingham Lake and Dam	(374,540)	(13,806)	-	(388,346)
Sewer Facilities	(10,686,518)	(529,594)	-	(11,216,112)
Wastewater Treatment Plant	(10,702,962)	(523,651)	-	(11,226,613)
Buildings	(1,544,175)	(56,952)	-	(1,601,127)
GIS Program	(207,047)	(15,208)	-	(222,255)
Office and Field Equipment	(425,251)	(83,578)	-	(508,829)
Vehicles	(883,017)	(54,031)	-	(937,048)
Total Accumulated Depreciation	(61,484,733)	(4,598,616)	-	(66,083,349)
Capital Assets, Net	<u>\$ 116,140,955</u>	<u>\$ 8,906,736</u>	<u>\$ (3,124,548)</u>	<u>\$ 121,923,143</u>

Depreciation expense for the years ended December 31, 2024 and 2023, was charged to the following operations:

	2024	2023
Water	\$ 3,875,111	\$ 3,335,602
Sewer	1,076,113	1,053,245
General and Administrative	255,265	209,769
Total	<u>\$ 5,206,489</u>	<u>\$ 4,598,616</u>

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 5 LONG-TERM OBLIGATIONS**

Long-term obligation activity for the years ended December 31, 2024 and 2023, was as follows:

	Balance December 31, 2023	Additions	Reductions	Balance December 31, 2024	Amounts Due Within One Year
Notes/Loans From Direct Borrowings and Placements					
CWRPDA Loan - 2005	\$ 900,000	\$ -	\$ 280,000	\$ 620,000	\$ 300,000
Refinancing Note - 2010	4,570,183	-	578,818	3,991,365	601,907
CWRPDA Loan - 2015	9,123,803	-	647,635	8,476,168	650,667
Subtotal of Notes/ Loans	14,593,986	-	1,506,453	13,087,533	1,552,574
Plus Loan Premium	13,757	-	6,615	7,142	4,711
Total Long-Term Obligations	<u>\$ 14,607,743</u>	<u>\$ -</u>	<u>\$ 1,513,068</u>	<u>\$ 13,094,675</u>	<u>\$ 1,557,285</u>
	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023	Amounts Due Within One Year
Notes/Loans From Direct Borrowings and Placements					
CWRPDA Loan - 2002	\$ 429,025	\$ -	\$ 429,025	\$ -	\$ -
CWRPDA Loan - 2005	1,175,000	-	275,000	900,000	280,000
Refinancing Note - 2010	5,126,798	-	556,615	4,570,183	578,818
CWRPDA Loan - 2015	9,763,414	-	639,611	9,123,803	647,639
Subtotal of Notes/ Loans	16,494,237	-	1,900,251	14,593,986	1,506,457
Plus Loan Premium	21,553	-	7,796	13,757	6,615
Total Long-Term Obligations	<u>\$ 16,515,790</u>	<u>\$ -</u>	<u>\$ 1,908,047</u>	<u>\$ 14,607,743</u>	<u>\$ 1,513,072</u>

**Loan Agreements**

On October 1, 2002, the District entered into a loan agreement with the Colorado Water Resources and Power Development Authority (the Authority) in the amount of \$7,045,000. Principal and interest payments are due semi-annually on February 1 and August 1 in varying amounts through August 1, 2023, with the net effective interest rate of 3.21%. The District has the option to prepay the loan in multiples of \$100,000 plus prepayment costs. The District is required to maintain an operations and maintenance reserve of no more than \$1,250,000 in connection with the loan. This loan was paid off in 2023.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Loan Agreements (Continued)**

The components of interest expense for this loan for the years ended December 31, 2024 and 2023, are as follows:

	2024	2023
Administrative Fee	\$ -	\$ 3,157
Total	\$ -	\$ 3,157

On May 25, 2005, the District entered into a loan agreement with the Authority in the amount of \$4,800,000. Principal and interest payments are due semi-annually on February 1 and August 1 in varying amounts through August 1, 2026, with the net effective interest rate of 3.35%. The District has the option to prepay the loan in multiples of \$100,000 plus prepayment costs.

The components of interest expense for this loan for the years ended December 31, 2024 and 2023, are as follows:

	2024	2023
Interest	\$ -	\$ 1,072
Administrative Fee	38,400	38,400
Total	\$ 38,400	\$ 39,472

**Water Enterprise Revenue Refunding Note, Series 2010**, dated December 21, 2010, in the original amount of \$10,335,213 with principal payments due annually on December 1 and interest payments due semi-annually on June 1 and December 1 at 3.95% through December 1, 2030. The note is subject to redemption prior to maturity in any amount at any time on or after December 1, 2012, upon payment of a calculated demand fee, which fee decreases the longer the note remains outstanding. The District is required to maintain a Debt Service Reserve Fund in the amount of \$1,033,521. The note is a limited and special obligation of the District payable from and secured by an irrevocable assignment and pledge of revenue of the Enterprise Fund, net of operation and maintenance costs, plus any monies held in a rate stabilization fund and net future imposed revenues.

On December 15, 2020, the Registered Owner of the note had the option put the note back to the District and receive the entire outstanding principal amount of the note plus accrued interest at the time the put occurs. The Registered Owner chose not to do so, and per the terms of the agreement, the note renewed at the current interest rate until the maturity date.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Loan Agreements (Continued)**

**Colorado Water Resources and Power Development Authority Loan, Series 2015**

On April 1, 2015, the District entered into a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA) for the Drinking Water Revolving Fund in the amount of \$14,250,066, to be drawn in various amounts as needed to fund a new pump station, conversion of a disinfection system from free chlorine to chloramine, as well as several core infrastructures including a water storage tank, water treatment plant, and several aging potable water pipelines. Principal and interest payments are due semi-annually in varying amounts through August 1, 2036, with the net effective interest rate 1.57% to 2.87% which is inclusive of servicing fees.

The components of interest expense for this loan for the years ended December 31, 2024 and 2023, are as follows:

	2024	2023
Interest	\$ 62,056	\$ 30,883
Administrative Fee	128,251	128,251
Total	\$ 190,307	\$ 159,134

The District's long-term obligations will mature as follows:

<u>Year Ending December 31,</u>	Governmental Activities		
	Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Total
2025	\$ 1,552,574	\$ 357,484	\$ 1,910,058
2026	1,599,617	302,758	1,902,375
2027	1,311,628	279,529	1,591,157
2028	1,342,628	248,613	1,591,241
2029	1,371,672	216,812	1,588,484
2030-2034	4,384,811	556,359	4,941,170
2035-2036	1,619,643	56,347	1,675,990
Total Payments	13,182,573	2,017,902	15,200,475
Less: Amounts Due Within			
One Year	(1,552,574)	(357,484)	(1,910,058)
Long-Term Portion	\$ 11,629,999	\$ 1,660,418	\$ 13,290,417

Note: The schedule assumes that all of the 2015 CWRPDA available loan proceeds are drawn.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 6 NET POSITION**

The District has net position consisting of three components: net investment in capital assets, restricted, and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2024 and 2023, the District had the following net investment in capital assets, calculated as follows:

	2024	2023
Net Investment in Capital Assets:		
Capital Assets, Net	\$ 126,251,866	\$ 121,923,143
Current Portion of Long-Term Obligations	(1,557,285)	(1,513,072)
Noncurrent Portion of Long-Term Obligations	(11,537,390)	(13,094,671)
Net Investment in Capital Assets	\$ 113,157,191	\$ 107,315,400

The restricted component of net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position of \$12,336,747 and \$14,259,481 as of December 31, 2024 and 2023, respectively, for payment of future debt service requirements, capital improvements and emergency reserves as required by Article X, Section 20 of the Constitution of the state of Colorado.

**NOTE 7 EMPLOYEE BENEFIT PLAN**

**Deferred Compensation Plan**

The District maintains a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The District also maintains a 401a plan. These plans are administered by Standard Insurance Company, a subsidiary of StanCorp Financial Group, Inc. The District will contribute up to a maximum of 8% of the employee's annual salary to the 401a plan, provided the employee contributes up to 8% of their salary to the 457 plan. The assets held are not material to the statement of net position. There is no liability for benefits under the plan beyond the District's payments. Plan provisions and contribution requirements are established and may be amended by the District's Board of Directors. Employees are fully vested after a 30-day eligibility period from their employment start date.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 8 AGREEMENTS**

**Intergovernmental Agreement – Pinery West**

On October 30, 2002, the District entered into an agreement with Pinery West Metropolitan District No. 1 (Pinery West), whereby the developer will construct certain infrastructure improvements and subsequently convey the improvements to Pinery West, who in turn conveyed the improvements to the District. The costs of certain improvements are eligible for reimbursement to the developer through a portion of the tap fees collected from the property owners, but shall not exceed the actual costs without interest, of such improvements. Pinery West subsequently assigned its reimbursement rights to the developer. The amount to be allocated from tap fees towards such reimbursable items is \$7,584 per tap. The District remitted \$-0- and \$45,504, respectively, for 0 and 6 tap fees, respectively, collected during 2024 and 2023 related to this agreement.

During 2007, and with the infrastructure improvements completed, the District performed an analysis of the actual costs incurred. Based upon the analysis, the District will make a reimbursement of \$7,584 per tap for a total of 825 taps or \$6,256,800. From 2002 through 2024, the District reimbursed \$5,885,184 for 776 taps; therefore, remaining future reimbursement is \$371,616 for 49 taps.

The District also agreed to collect an additional fee from property owners in the amount of \$800 per dwelling unit, the proceeds of which will be used to reimburse the developer the cost of constructing a golf course well. During 2024 and 2023 the District collected 0 and 7 taps, respectively.

**Intergovernmental Agreement – Town of Castle Rock**

On August 11, 2004, the District amended and restated, in its entirety, the original agreement by and between the District and the Town of Castle Rock (the Town). The Town shall construct (or cause others to construct), at no cost to the District, the interceptor required to connect the point of individual discharge within the Town limits to the southern-most point on the “Pinery West Line.” The Town shall own and maintain that portion of the Town Interceptor between the points of individual discharge and the Flow Metering Station. The District shall own and maintain all lines and appurtenances from and including the Flow Metering Station to the Plant. During 2007, the Flow Metering Station was contributed to the District at a value of \$163,000. The District agrees to treat up to 0.29 million gallons per day average annual flow of wastewater discharged from the Town’s sanitary sewer system exclusively from the Liberty Village Service Area. A flow metering station (FMS) to measure the wastewater flows from the Liberty Village Service Area shall be installed by the Town, at the Town’s expense, in conjunction with the Town’s construction and connection of the Town Interceptor.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Intergovernmental Agreement – Town of Castle Rock (Continued)**

On or before the 10th day of each month, the Town shall forward to the District a list of residential tap connections made in the Liberty Village Service Area for the preceding month. For each residential sewer tap that is not utilized within 10 years of the first tap connection made within the Liberty Village Service Area pursuant to the Agreement, beginning January 1st of the eleventh (11) year, a monthly fee-in-lieu of service charge shall be assessed in an amount equivalent to 50% of what would have been assessed as the monthly service charge, had the sewer tap been connected. Such monthly fee-in-lieu of service charge shall be assessed upon 1,245 single family residential sewer taps less the number of such taps then in service for which a monthly service charge is paid to the District as provided below.

Each tap shall continue to be charged such fee until one of the following occurs: 1) such tap is placed in service and a monthly service charge is paid to the District, or 2) all right, title and interest to such tap is transferred to the District, free and clear of liens and encumbrances which transfer the District shall accept, provided, however, that the District shall not be required to accept transfer of more than 150 single family residential sewer taps without the express consent of the District. The District will impose and collect user charges for the services provided by the District under the Agreement (the Service Charges). The Service Charges shall be based upon the wastewater flows measured at the FMS, applying the current schedule of rates set forth by the District. As of December 31, 2024, 1,406 taps have been issued.

**Intergovernmental Agreement – Canyons**

On December 23, 2004, the District entered into an agreement with the Mississippi Partnership (the Canyons Developer) in connection with the property known as “The Canyons.” This agreement has the ability to be assigned to any successor developers and sub-developers as well as to the metropolitan districts, Crowfoot Valley Metropolitan Districts No. 1 and No. 2, or to any other special district empowered to provide sanitary sewer services to the property. The agreement was later assigned to Canyons South LLC. The Canyons Developer shall construct, at no cost to the District, the interceptor line required to connect the points of individual sewage discharge within the property to a point of connection with the District’s sewer system.

The parties acknowledge and agree that the property located immediately to the east and north of the property is to be served with sanitary sewer services by the District through an agreement by and between the District and Pinery West Metropolitan District No. 1 (Pinery West). Based upon the anticipated construction by the Canyons Developer, the District shall sell and the Canyons Developer has agreed to purchase 968 single-family equivalent units of wastewater treatment capacity.

As payment for such, the developer agreed to pay the principal amount of \$3,100,000 payable as follows: \$310,000 on or before December 20, 2004, which was deposited in January 2005, with the remaining amount repaid annually each June 1 starting in 2005 through 2024, with an annual interest rate of 4%. The agreement was secured by an irrevocable letter of credit in the original amount of \$2,765,000. During 2009, the payment date was changed to December 1, per an amendment of the agreement.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Intergovernmental Agreement – Canyons (Continued)**

The District agrees to treat up to 0.24 million gallons per day (mgd) average annual flow of wastewater, but not more than 0.27 mgd monthly average flow of wastewater discharged from the Canyons Developer's sanitary sewer system from the property.

The District agrees to furnish wastewater treatment capacity for wastewater facilities associated with the golf course to be located on the property. The Canyons Developer shall pay to the District such tap fees and any other fees and charges imposed by the District at such time as the golf course wastewater facilities are installed. The taps may not be used or assigned for any service outside of the property. The District shall have the exclusive obligation to maintain or develop sufficient treatment capacity to enable it to honor the taps. The District may, with consent of the Canyons Developer, repurchase any taps which are not utilized within 10 years of the date of issuance at the original amount paid for the taps; provided however, that at the tenth anniversary date of the issuance of the first certificate, 500 taps have been utilized, the District's option to repurchase the taps shall not become effective unless such taps are not utilized 15 years after the date of their issuance.

In 2009, the agreement was amended to include monthly service charges for sewer usage which charges are the sole responsibility of the Canyons Developer. Additionally, for unutilized taps that are not physically connected to the District's service lines within three years after the date of issuance, a monthly fee-in-lieu of service charge shall be assessed in an amount equivalent to 50% of what would have been assessed as a service charge if the tap had been connected to the District. The deferred charges shall accrue interest from the date on which such charges would have become due at a rate of 4%.

On November 16, 2016, the District entered into the second amendment to this agreement with the Canyons Developer. Pursuant to the second amendment, the Canyons Developer has paid \$1,674,781 for the purchase of the remaining 507 taps in November 2016. These taps shall be deemed as unutilized taps until physical connect is made to the District's service lines. Furthermore, the total amount due as of December 1, 2016 for service charges and accrued interest of \$315,231 is deferred until the earlier of December 1, 2019 (Due Date) or such time as the construction of the interceptor. If this \$315,231 amount is not paid on or before the Due Date, interest shall accrue and compound at 8% per annum on any unpaid balance. On December 20, 2019, the District received payment in the amount of \$315,231.

To the extent, fully paid taps are issued for utilization during the course of development, such taps will be deducted on a first in first out basis from the total 968 taps allocated to the Canyons Developer and will be deducted from the total of unutilized taps on the first day of the next month. In addition, the District shall make monthly inquiry to the Town of Castle Rock for a list of addresses at which water taps were issued within the preceding 30 days.

On July 19, 2017, the District entered into the third amendment to this agreement with the Canyons Developer which was satisfied as of December 31, 2017. Pursuant to the third amendment, the Canyons Developer paid \$122,417 in December 2017, for monthly service charge of unutilized taps using the current year's wholesale wastewater service rate as published by the District.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2024 AND 2023**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Intergovernmental Agreement – Canyons (Continued)**

Effective January 1, 2017, service charges for all unutilized taps as set forth on the schedule below, shall be billed monthly by the District. If said accrued service fees are not paid timely, interest shall accrue and compound at 8% per annum on any unpaid balance. For purposes of such billing and computation, the minimum number of unutilized taps as of January 1st of each year is agreed to be as follows:

<u>As of January 1,</u>	<u>Amount</u>
2025	461
2026	461
2027	461
2028	968
2029	968
2030 and Thereafter	968 or Such Lesser Amount Calculated as Described Above, Until Taps Fully Utilized

In addition to the payment indicated above, the Canyons Developer agreed to purchase five (5) additional single family equivalent sewer taps, totaling \$33,800. The payment was received by the District in November 2016.

**Intergovernmental Agreement – Colorado Golf**

On September 13, 2006, the District entered into an agreement with Colorado Golf Club LLC (the Colorado Golf Developer) in connection with a development known as the “Colorado Golf.” Pursuant to the agreement, the Colorado Golf Developer will convey water rights, easements for well sites and water tank easement with an option to purchase.

The District also agreed to collect an additional fee from property owners in the amount of \$800 per dwelling unit, the proceeds of which will be used to reimburse the Colorado Golf Developer up to \$350,000 for the cost of constructing the golf course. From 2006 through 2022, the District reimbursed \$101,600 for 127 taps; therefore, remaining future reimbursement is \$248,400 for 311 taps. During 2024 and 2023 the District collected 0 and 7 taps, respectively, and paid \$-0- and \$5,600 in 2024 and 2023, respectively.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Developer Service Agreement – Stone Creek Ranch**

On August 17, 2016, the District entered into an agreement with Choke Cherry Investors, LLC (the Stone Creek Ranch Developer) in connection with a development known as the “Stone Creek Ranch” (the Property). Pursuant to the agreement, the Stone Creek Ranch Developer intends to develop a residential community and has requested approval for 335 SFEs on the Property (to serve 329 new residential units, 2 existing residential units and a community center). The Stone Creek Ranch Developer has also requested an amount of water, not to exceed 100-acre feet annually, for common area irrigation. The District shall provide water service to the Property through central collection and distribution system of the District, with sewage collection, treatment, and disposal to be provided through the District’s central wastewater systems.

The Parties acknowledge that the Stone Creek Ranch Developer shall convey all water and water rights, interests in land, and well site easements and pipeline easements related to the Property to the District. In addition, the Stone Creek Ranch Developer shall grant to the District such additional perpetual nonexclusive easements as required by the District for the construction, operation, use, maintenance, replacement and/or removal of well facilities, water lines, water mains, sewer mains, sewer lines and related facilities and appurtenances.

Furthermore, all facilities required in order to provide water and sewer services to the Property must be paid for by the Stone Creek Ranch Developer and dedicated to the District. All water lines extending from a water meter pit to a residence, building or other structure being furnished with water service, and all sanitary sewer lines extending from a public sewer main to a residence, building or other source of sanitary wastes, shall be collectively referred to as “Service Lines.” Such Service Lines are typically installed by the builder(s) and remain the property and responsibility of such owner(s) and shall not be dedicated to, accepted, owned or maintained by the District.

The Parties also acknowledge that the District will pay for the cost of upsizing of waterline in Interlocken Street from 12” to 16”. In addition, the District will pay for the increased cost to the Stone Creek Ranch Developer for the installation of fiber optic in Interlocken Street and Scott Road. According to the District’s rules and regulations, which shall apply to the Property – (1) no person may use water supplied by the District without first obtaining a certificate of occupancy, building permit or the written permission of the District to do so; (2) all water provided by the District shall be used only for “domestic purposes”; and (3) no water well may be drilled on the Property except by the District or with the written consent of the District.

**Intergovernmental Agreement – Cielo**

The District, Parker Water and Sanitation District (PWSD) and Cielo Metropolitan District (CMD) entered into an intergovernmental agreement on August 15, 2018. Pursuant to the agreement, the District desires to acquire dedicated capacity in a PWSD water pipeline through property located in the boundaries of CMD (Cielo Service Area) and PWSD and CMD desire to obtain wastewater treatment services from the District.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Intergovernmental Agreement – Cielo (Continued)**

According to the agreement, CMD shall design and construct the 16” diameter water pipeline extending from a point of connection with PWSD’s existing pipeline located at a point near Stroh Road to a location adjacent to the District’s Chapman Pump Station. The water pipeline shall be constructed within the existing easements obtained by PWSD located in the CMD boundaries. The District shall reimburse CMD for the difference in costs of oversizing the water pipeline from a 12” to a 16” diameter pipeline. The water pipeline shall be completed by CMD and be operational by a certain date defined in the final agreement.

Upon completion, the water pipeline shall be dedicated to PWSD for operation and maintenance and the PWSD shall grant to the District an irrevocable perpetual license coupled with the interest to use. CMD’s obligation to perform all obligations outlined in the agreement shall be secured by the deposit of funds in an amount equal to 120% of an engineer’s estimate of the construction cost of the water pipeline, payable to the District (the Deposit). In the event CMD does not commence construction of the water pipeline by the set date, the District may take over the construction and withdraw amounts from the Deposit to complete the construction of the water pipeline.

The District shall sell to PWSD 343 SFE units of wastewater treatment capacity. PWSD shall pay the District the total amount of \$1,085,242 – (a) 20% (\$217,048) shall be payable prior to the issuance of the first building permit in the Cielo Service Area, but not later than January 5, 2019, whichever occurs first; and (b) 20% (\$217,048) shall be payable each successive calendar year, on the anniversary of the initial payment, until the total amount has been paid. If, on any annual anniversary of the initial payment an amount derived by multiplying the total number of SFE’s being served by the District within the Cielo Service Area by \$3,164 has not been paid by PWSD to the District, an amount equal to any deficiency shall be paid to the District together with the installment payment due on said anniversary date.

On or before the 10th day of each month, PWSD shall forward to the District a list of residential tap connections made in the Cielo Service Area for the preceding month, including information regarding the location of each tap. The District will impose and collect user charges for the services provided by the District. The District shall bill the service charges to PWSD monthly. Payment is due 30 days from the invoice date; otherwise, interest on the unpaid amount shall be assessed at a monthly rate of 1% per month. For each SFE issued that is not utilized on or after January 5, 2023, a monthly fee-in-lieu of service charge shall be assessed and payable in an amount equivalent to 50% of what would have been assessed as the monthly service charge had said SFE been connected.

**Intergovernmental Agreement – Wheeling and Capacity Allocation**

The District and Parker Water and Sanitation District (PWSD) entered into an intergovernmental agreement on May 10, 2018, to outline how the two entities will share the costs of capacity, maintenance, repair, replacement, and operation of the Ridgeway Pipeline and the portions of the PWSD’s existing water infrastructure that will be used by the District.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Intergovernmental Agreement – Wheeling and Capacity Allocation (Continued)**

Pursuant to the agreement, PWSD will transport the District's WISE water through the local WISE infrastructure and PWSD's existing infrastructure. The District has already paid the capital cost for 1.5 million gallons per day (mgd) of capacity in the Ridgeway Pipeline. The District also paid \$828,151 to PWSD to secure 1.0 mgd of uninterrupted and permanent capacity in PWSD's existing infrastructure. Furthermore, PWSD will operate and maintain all of the infrastructure segments in good working order and cover the cost of all future capital replacement. PWSD will charge a "wheeling" rate of \$0.98 per 1,000 gallons (up to 1 million gallons per day) for the volume of water delivered to the District and make available additional capacity if necessary to transport the District's water at flow rates above 1.0 mgd for \$1.66 per 1,000 gallons.

**Cross Creek Inclusion Agreement**

On April 17, 2023, the District entered into an agreement with Cross Creek Investors, LLC. Pursuant to the agreement, The District will include property located outside the boundaries of the District and provide water and sewer services in exchange for the following: 1) A cash-in-lieu payment of \$1,201,200 for renewable water. 2) A cash-in-lieu payment of \$514,800 for groundwater which will be refundable without interest. 3) A payment of \$220,320 for necessary wastewater plant upgrades. These payments were received in November 2023.

**NOTE 9 WATER PROJECT FEE**

On January 12, 2011, the Board of Directors of the District established a water project fee to fund necessary water supply projects within the District. The water supply projects anticipated to be funded by the water project fee include, but are not limited to, additional Denver Basin wells to offset the declining production in the Denver Basin aquifers, investment and development of renewable water supply projects, and other water supply projects as approved by the Board of Directors. The fee was effective March 1, 2011 and will continue until further resolution of the Board of Directors. During 2024 and 2023, the District collected \$802,498 and \$797,032 of water project fees, respectively.

**NOTE 10 AUTHORITY PARTICIPATION**

The District is a member of the Cherry Creek Project Water Authority and the South Metro Water Supply Authority. Capital projects of the respective authorities are documented via project participation agreements. Operating contributions to these organizations were \$-0- in 2024 and \$32,811 in 2023.

On March 13, 2013, the District entered into the South Metro WISE (Water, Infrastructure, and Supply Efficiency) Authority Formation and Organizational Intergovernmental Agreement. This agreement commits the District to participate in the WISE Partnership through the South Metro WISE Authority. The agreement also defines how costs will be shared between participating members.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 10 AUTHORITY PARTICIPATION (CONTINUED)**

The District has committed to subscribing to an average of 500 acre feet (AF) of a projected average total of 7,225 AF of renewable water to be delivered annually from the WISE Partnership. The South Metro WISE Authority was formed July 10, 2013. The Authority's members are 10 local governments located in the southern Denver metropolitan areas of south-central Arapahoe and northern Douglas Counties. The Water Delivery Agreement is the overarching agreement that defines the terms under which Denver and Aurora will deliver water to the South Metro WISE Authority members.

There are engineering design and construction contracts that have been entered into by WISE in order to begin taking deliveries of water in 2018. It is currently anticipated that the District will be responsible for approximately \$2,000,000 of the capital costs to transport water, in addition to an annual water purchase cost of approximately \$917,000 for 500 acre-feet of water. Additionally, there will be WISE operations, maintenance, and capital costs. The variable pumping costs and the District's share of operating and maintenance costs will be billed based upon the volume of water received by the District.

**NOTE 11 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool) as of December 31, 2024. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 12 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the state of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District's management believes a significant portion of its operations qualifies for this exclusion.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 12 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)**

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an Enterprise will require judicial interpretation.

**SUPPLEMENTARY INFORMATION**

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN NET POSITION  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024	2023
<b>WATER OPERATIONS</b>		
Revenues:		
Water Sales	\$ 5,285,228	\$ 4,302,990
Water Supply Project Fee	802,498	797,032
Irrigation Fees	1,238,874	689,601
Ground Water Protection Fees	33,673	33,592
Bulk and Hydrant Meter Water Sales	77,745	71,543
Other	17,343	234,067
Total Revenues	7,455,361	6,128,825
Direct Water Expenses:		
Depreciation	3,875,111	3,335,602
Auto Expenses/Vehicle Maintenance	48,315	48,319
Eye on Water Service Fee	56,689	61,451
Employee Benefits	316,061	292,222
Laboratory Testing and Chemicals	402,274	329,278
Legal	13,084	6,954
Outside Services	69,904	35,841
Payroll Taxes	65,743	62,584
Repairs, Maintenance, and Supplies	272,573	247,194
Salaries and Related Costs	894,887	823,727
Small Tools and Safety Items	30,277	15,150
Meter Services	9,173	4,873
Utilities	771,380	478,783
CCPWA Water Purchase	-	32,811
WISE Water Purchase	452,508	314,331
Total Direct Water Expenses	7,277,979	6,089,120
<b>GROSS PROFIT FROM WATER OPERATIONS</b>	177,382	39,705
<b>SEWER OPERATIONS</b>		
Revenues:		
Sewer User Charges	2,853,745	2,754,350
Total Revenues	2,853,745	2,754,350
Direct Sewer Expenses:		
Depreciation	1,076,113	1,053,245
Auto Expenses/Vehicle Maintenance	12,561	11,344
Cherry Creek Basin Fees	13,399	17,903
Employee Benefits	217,815	177,833
Laboratory Testing and Chemicals	137,727	146,240
Outside Services	36,076	53,894
Repairs and Maintenance - System	179,896	141,144
Salaries and Related Costs	752,762	633,908
Payroll Taxes	57,402	52,417
Sludge Disposal	134,002	100,121
Small Tools and Safety Items	13,595	5,942
Utilities	253,406	240,455
Total Direct Sewer Expenses	2,884,754	2,634,446
<b>GROSS PROFIT(LOSS) FROM SEWER OPERATIONS</b>	(31,009)	119,904

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN NET POSITION (CONTINUED)  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024	2023
<b>GROSS PROFIT FROM OPERATIONS</b>	\$ 146,373	\$ 159,609
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>		
Depreciation - Office Building and Equipment	255,265	209,769
Accounting and Audit	80,725	71,697
Admin Vehicle	22	23
Billing Systems Service	13,311	11,771
Data Processing	101,950	73,975
Directors' Fees	5,800	4,500
Dues and Seminars	19,378	27,722
Employee Benefits	108,441	102,613
Insurance	183,316	166,424
Legal	69,227	74,393
Office Expense	16,465	16,799
Outside Services	89,369	48,980
Repairs and Maintenance - Office	60,868	192,676
Salaries and Related Costs	548,397	504,457
Payroll Taxes	39,360	37,721
Safety and Training	42,783	25,674
Security Services	33,315	37,865
Conservation	14,991	35,095
Customer Communications	47,511	40,344
Utilities	53,255	51,103
Paying Agent Fees	1,500	1,500
CCPWA Assessment	59,623	6,351
SMWSA Assessment	25,150	26,315
WISE Participation - Operations	179,682	141,486
Total General and Administrative Expenses	2,049,704	1,909,253
<b>LOSS FROM OPERATIONS</b>	(1,903,331)	(1,749,644)
<b>NONOPERATING REVENUES</b>		
Net Investment Income	1,286,267	1,358,815
Ready to Serve Fees - Water	20,390	23,293
Ready to Serve Fees - Sewer	17,200	19,665
Cherry Creek Project Water Authority	125,906	82,494
Other Income	169,555	105,459
Total Nonoperating Revenues	1,619,318	1,589,726
<b>NONOPERATING EXPENSES</b>		
Interest and Paying Agent Fees	391,727	360,905
Total Nonoperating Expenses	391,727	360,905
<b>PROFIT (LOSS) BEFORE CONTRIBUTIONS</b>	(675,740)	(520,823)

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN NET POSITION (CONTINUED)  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024	2023
<b>CAPITAL CONTRIBUTIONS</b>		
Tap Fees - Water	\$ 1,579,276	\$ 1,352,060
Tap Fees - Sewer	344,571	204,830
Cost Recovery Payments	-	(47,520)
Canyon's and Cielo Revenue	69,075	143,960
Developer Contributions	2,811,190	-
Inclusion Fees	-	1,421,520
County's Portion per IGA	-	578,750
Total Capital Contributions	4,804,112	3,653,600
 <b>CHANGE IN NET POSITION</b>	 \$ 4,128,372	 \$ 3,132,777

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE –  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual	Variance
<b>WATER OPERATING INCOME</b>			
Water Sales	\$ 4,800,000	\$ 5,285,228	\$ 485,228
Water Supply Project Fee	800,000	802,498	2,498
Irrigation Fees	1,050,000	1,238,874	188,874
Ground Water Protection Fees	35,000	33,673	(1,327)
Bulk Water and Hydrant Meter Water Sales	160,000	77,745	(82,255)
Other	45,000	17,343	(27,657)
Total Water Operating Income	<u>6,890,000</u>	<u>7,455,361</u>	<u>565,361</u>
<b>WATER OPERATING EXPENSES</b>			
Auto Expenses/Vehicle Maintenance	40,000	48,315	(8,315)
Eye on Water Service Fee	60,000	56,689	3,311
Employee Benefits	350,000	316,061	33,939
Laboratory Testing and Chemicals	340,000	402,274	(62,274)
Legal	20,000	13,084	6,916
Outside Services	150,000	69,904	80,096
Payroll Taxes	72,375	65,743	6,632
Repairs, Maintenance, and Supplies	260,000	272,573	(12,573)
Salaries and Related Costs	965,000	894,887	70,113
Small Tools and Safety Items	31,000	30,277	723
Meter Services	5,000	9,173	(4,173)
Utilities	760,000	771,380	(11,380)
WISE Water	350,000	452,508	(102,508)
Total Water Operating Expenses	<u>3,403,375</u>	<u>3,402,868</u>	<u>507</u>
<b>GROSS PROFIT FROM WATER OPERATIONS</b>	3,486,625	4,052,493	565,868
<b>SEWER OPERATING INCOME</b>			
Sewer User Charges	<u>2,800,000</u>	<u>2,853,745</u>	<u>53,745</u>
Total Sewer Operating Income	<u>2,800,000</u>	<u>2,853,745</u>	<u>53,745</u>
<b>SEWER OPERATING EXPENSES</b>			
Auto Expenses/Vehicle Maintenance	20,000	12,561	7,439
Cherry Creek Basin Fees	18,000	13,399	4,601
Employee Benefits	215,000	217,815	(2,815)
Laboratory Testing and Chemicals	161,000	137,727	23,273
Outside Services	90,000	36,076	53,924
Repairs and Maintenance	185,000	179,896	5,104
Salaries and Related Costs	665,000	752,762	(87,762)
Payroll Taxes	49,875	57,402	(7,527)
Solids Disposal	150,000	134,002	15,998
Small Tools and Safety Items	13,500	13,595	(95)
Utilities	255,000	253,406	1,594
Total Sewer Operating Expenses	<u>1,822,375</u>	<u>1,808,641</u>	<u>13,734</u>
<b>GROSS PROFIT FROM SEWER OPERATIONS</b>	<u>977,625</u>	<u>1,045,104</u>	<u>67,479</u>

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE –  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual	Variance
<b>GROSS PROFIT FROM OPERATIONS</b>	\$ 4,464,250	\$ 5,097,597	\$ 633,347
<b>NONOPERATING REVENUES</b>			
Net Investment Income	900,000	1,286,267	386,267
Ready to Serve Fees - Water	30,000	20,390	(9,610)
Ready to Serve Fees - Sewer	23,500	17,200	(6,300)
Late Charges	40,000	46,019	6,019
Cherry Creek Project Water Authority	60,000	125,906	65,906
Other Income	177,600	123,536	(54,064)
Water Wheeling Contribution	770,000	-	(770,000)
Proceeds from Asset Disposition	10,000	-	(10,000)
Contributions in Aid of Construction			
Tap Fees - Water	1,866,600	1,579,276	(287,324)
Tap Fees - Sewer	395,550	344,571	(50,979)
Inclusion Fees	4,300,000	-	(4,300,000)
Canyons and Cielo Revenue	104,000	69,075	(34,925)
Developer Contributions	1,575,000	2,811,190	1,236,190
Total Nonoperating Revenue	10,252,250	6,423,430	(3,828,820)
<b>NONOPERATING EXPENSES</b>			
Accounting and Audit	90,000	80,725	9,275
Admin Vehicle	200	22	178
Utility Billing	20,000	13,311	6,689
Data Processing	125,000	101,950	23,050
Directors' Fees	6,000	5,800	200
Dues and Seminars	30,000	19,378	10,622
Employee Benefits	92,000	108,441	(16,441)
Insurance	180,000	183,316	(3,316)
Paying Agent Fees	1,500	1,500	-
Legal	70,000	69,227	773
Miscellaneous	7,000	-	7,000
Office Expense	21,000	16,465	4,535
Outside Services	125,000	89,369	35,631
Repairs and Maintenance - Office	67,000	60,868	6,132
Salaries and Related Costs	435,000	548,397	(113,397)
Payroll Taxes	32,625	39,360	(6,735)
Safety and Training	42,000	42,783	(783)
Security Services	45,000	33,315	11,685
Conservation	38,500	14,991	23,509
Customer Communications	38,000	47,511	(9,511)
Utilities	55,000	53,255	1,745
CCPWA Operations	200,000	59,623	140,377
SMWSA Assessment	30,000	25,150	4,850
WISE Participation - Operations	125,900	179,682	(53,782)
Total Nonoperating Expenses	1,876,725	1,794,439	82,286

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE –  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual	Variance
<b>DEBT SERVICE</b>			
Interest:			
CWRPDA Loan - 2015	\$ 191,994	\$ 190,307	\$ 1,687
CWRPDA Loan - 2005	35,440	34,717	723
Revenue Note - 2010	174,831	173,318	1,513
Principal:			
CWRPDA Loan - 2015	647,639	647,635	4
CWRPDA Loan - 2005	280,000	280,000	-
Revenue Note - 2010	578,818	578,818	-
Total Debt Service	<u>1,908,722</u>	<u>1,904,795</u>	<u>3,927</u>
<b>CAPITAL OUTLAY</b>			
Water Projects:			
Cost Recovery Payments	15,000	-	15,000
Water Supply and Treatment	9,162,500	4,983,789	4,178,711
Contributed Developer Improvements	750,000	1,523,934	(773,934)
Total Water Projects	<u>9,927,500</u>	<u>6,507,723</u>	<u>3,419,777</u>
Wastewater Treatment Plant:			
Wastewater Treatment Plant	4,353,000	1,309,057	3,043,943
Contributed Developer Improvements	825,000	1,414,344	(589,344)
Total Sewer Projects	<u>5,178,000</u>	<u>2,723,401</u>	<u>2,454,599</u>
General:			
Capital Salaries	370,000	-	370,000
Computer/Networking/Hardware	100,000	100,370	(370)
GIS Program	40,000	23,673	16,327
Vehicles	75,000	78,901	(3,901)
Cyber Security Upgrade	10,000	903	9,097
HVAC System for Server Room	6,000	9,542	(3,542)
Office Fence Replacement	30,000	26,800	3,200
SEDARU Asset Mgmt - CodeRED/Open Gov	60,000	63,196	(3,196)
Furniture and Office Equipment	5,000	703	4,297
Total General	<u>696,000</u>	<u>304,088</u>	<u>391,912</u>
Total Capital Outlay	<u>15,801,500</u>	<u>9,535,212</u>	<u>6,266,288</u>

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE –  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual	Variance
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	\$ (4,870,447)	\$ (1,713,419)	\$ 3,157,028
Funds Available - Beginning of Year	25,553,589	25,694,382	140,793
<b>FUNDS AVAILABLE - END OF YEAR</b>	<b>\$ 20,683,142</b>	<b>\$ 23,980,963</b>	<b>\$ 3,297,821</b>
<b>FUNDS AVAILABLE ARE DEFINED AS FOLLOWS</b>			
Current Assets		\$ 26,037,541	
Less Current Liabilities		(3,613,863)	
Adjustment For:			
Current Long-Term Obligations		1,557,285	
Total		<b>\$ 23,980,963</b>	

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO STATEMENT OF REVENUES,  
EXPENSES, AND CHANGE IN NET POSITION  
YEAR ENDED DECEMBER 31, 2024**

Revenues (Budgetary Basis)	\$ 16,732,536
Total Revenues per Statement of Revenues, Expenses, and Change in Net Position	16,732,536
Expenditures (Budgetary Basis)	18,445,955
Depreciation	5,206,489
Amortization - Loan Premium	(6,615)
Capital Outlay	(9,535,212)
Long-Term Debt Principal	(1,506,453)
Total Expenses per Statement of Revenues, Expenses, and Change in Net Position	12,604,164
Change in Net Position per Statement of Revenues, Expenses, and Change in Net Position	\$ 4,128,372

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE  
(BUDGETARY BASIS) –  
ENTERPRISE ACTIVITY  
YEAR ENDED DECEMBER 31, 2024**

**ENTERPRISE REVENUES**

Water Operating Income	\$ 7,455,361
Sewer Operating Income	2,853,745
Net Investment Income	1,286,267
Other Income	333,051
Contributions in Aid of Construction	4,804,112
Total Enterprise Revenues	16,732,536

**ENTERPRISE EXPENDITURES**

Water Operating Expenses	3,402,868
Sewer Operating Expenses	1,808,641
Nonoperating Expenses	1,753,308
Transfer to General Fund	16,232
Debt Service:	
Principal	1,506,453
Interest	398,342
Capital Outlay	9,535,212
Total Enterprise Expenditures	18,421,056

**EXCESS ENTERPRISE REVENUES UNDER ENTERPRISE EXPENDITURES** (1,688,520)

Enterprise Funds Available - Beginning of Year 25,669,483

**ENTERPRISE FUNDS AVAILABLE - END OF YEAR** \$ 23,980,963

Note: Revenues, expenditures, and changes in funds available of the general government activity (those activities related to running a government - such as public notices, public hearings, etc.) and the enterprise activity (those activities associated with providing water and sewer services to the District customers) are presented to demonstrate compliance with a resolution of the Board of Directors of the District readopting and reestablishing a water activity enterprise pursuant to Article 45.1, Title 37, Colorado Revised Statutes, 1973, as amended.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE  
(BUDGETARY BASIS) –  
GENERAL GOVERNMENT ACTIVITY  
YEAR ENDED DECEMBER 31, 2024**

Transfer from Enterprise Fund	\$ 16,232
Total General Revenues	<u>16,232</u>
<b>GENERAL EXPENDITURES</b>	
Accounting and Audit	2,825
Directors' Fees	5,800
Dues and Seminars	678
Employee Benefits	3,795
Insurance	6,416
Legal	2,423
Salaries and Related Costs	<u>19,194</u>
Total General Expenditures	<u>41,131</u>
<b>EXCESS GENERAL REVENUES (UNDER) GENERAL EXPENDITURES</b>	<b>(24,899)</b>
General Funds Available - Beginning of Year	<u>24,899</u>
<b>GENERAL FUNDS AVAILABLE - END OF YEAR</b>	<u><u>\$ -</u></u>

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
YEAR ENDED DECEMBER 31, 2024**

<u>Year Ending December 31,</u>	\$4,800,000 Loan Dated May 25, 2005 Colorado Water Resources and Power Development Authority Rates of 3.35% Principal and Interest Payable February 1 and August 1		\$10,335,213 Water Enterprise Revenue Refunding Note, Series 2010 Dated December 21, 2010. Interest Rate of 3.95% Principal Due December 1 and Interest Payable June 1 and December 1	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 300,000	\$ 17,800	\$ 601,907	\$ 151,740
2026	320,000	(8,540)	625,921	127,729
2027	-	-	650,890	102,760
2028	-	-	676,855	76,794
2029	-	-	703,857	49,793
2030	-	-	731,935	21,714
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
Total	<u>\$ 620,000</u>	<u>\$ 9,260</u>	<u>\$ 3,991,365</u>	<u>\$ 530,530</u>

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024**

\$14,250,066 Loan Dated  
April 1, 2015, Colorado Water  
Resource and Power  
Development Authority Interest  
Rate of 1.57% to 2.87%  
Principal and Interest Payable  
February 1 and August 1\*

<u>Year Ending December 31,</u>			Total		Total
	Principal	Interest	Principal	Interest	
2025	\$ 650,667	\$ 187,944	\$ 1,552,574	\$ 357,484	\$ 1,910,058
2026	653,696	183,569	1,599,617	302,758	1,902,375
2027	660,738	176,769	1,311,628	279,529	1,591,157
2028	665,773	171,819	1,342,628	248,613	1,591,241
2029	667,815	167,019	1,371,672	216,812	1,588,484
2030	689,857	148,269	1,421,792	169,983	1,591,775
2031	709,892	129,219	709,892	129,219	839,111
2032	726,935	109,869	726,935	109,869	836,804
2033	747,040	90,369	747,040	90,369	837,409
2034	779,152	56,919	779,152	56,919	836,071
2035	801,265	37,719	801,265	37,719	838,984
2036	818,378	18,628	818,378	18,628	837,006
Total	<u>\$ 8,571,208</u>	<u>\$ 1,478,112</u>	<u>\$ 13,182,573</u>	<u>\$ 2,017,902</u>	<u>\$ 15,200,475</u>

\*Note: The 2015 loan schedule assumes that all of the 2015 CWRPDA available loan proceeds are drawn.

**OTHER SUPPLEMENTARY INFORMATION**

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2024**

**AD VALOREM PROPERTY TAX DATA**

History of the District's Mill Levy, Assessed Valuation, and Property Tax Collections

Levy/ Collection Year	Assessed Valuation	Increase (Decrease)	Percent Change	Debt Service		Taxes		Debt Service Mill Levy	Percent of Levy Collected
				Mill Levy	Levied	Collected	Mill Levy		
2001/2002	\$ 89,652,819	\$ 15,884,391	21.5 %	10,000	\$ 1,401,600	\$ 1,412,900	10,000	100.81 %	
2002/2003	97,482,505	7,829,686	8.7	8,800	896,528	907,238	8,800	101.19	
2003/2004	102,453,235	4,970,730	5.1	8,800	857,846	866,529	8,800	101.01	
2004/2005	108,898,520	6,445,285	6.3	3,150	901,588	908,758	3,150	100.80	
2005/2006	124,506,210	15,607,690	14.3	3,150	343,030	352,304	3,150	102.70	
2006/2007	140,866,660	16,360,450	13.1	1,900	392,195	382,607	1,900	97.56	
2007/2008	166,876,427	26,009,767	18.5	0.000	267,647	276,336	0.000	103.25	
2008/2009	184,608,610	17,732,183	10.6	0.000	-	33	0.000	N/A	
2009/2010	194,234,310	9,625,700	5.2	0.000	-	-	0.000	N/A	
2010/2011	197,048,900	2,814,590	1.4	0.000	-	-	0.000	N/A	
2011/2012	163,524,840	(33,524,060)	(17.0)	0.000	-	-	0.000	N/A	
2012/2013	164,046,170	521,330	0.3	0.000	-	-	0.000	N/A	
2013/2014	160,868,813	(3,177,357)	(1.9)	0.000	-	-	0.000	N/A	
2014/2015	161,838,380	969,567	0.6	0.000	-	-	0.000	N/A	
2015/2016	190,712,910	28,874,530	17.8	0.000	-	-	0.000	N/A	
2016/2017	192,388,750	1,675,840	0.9	0.000	-	-	0.000	N/A	
2017/2018	198,149,570	5,760,820	3.0	0.000	-	-	0.000	N/A	
2018/2019	200,593,700	2,444,130	1.2	0.000	-	-	0.000	N/A	
2019/2020	237,720,130	37,126,430	18.5	0.000	-	-	0.000	N/A	
2020/2021	244,371,960	6,651,830	2.8	0.000	-	-	0.000	N/A	
2021/2022	265,555,580	21,183,620	8.7	0.000	-	-	0.000	N/A	
2022/2023	265,836,100	280,520	0.1	0.000	-	-	0.000	N/A	
2023/2024	354,682,340	88,846,240	33.4	0.000	-	-	0.000	N/A	
2024/2025	359,552,170	4,869,830	1.4	0.000	-	-	0.000	N/A	

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)  
DECEMBER 31, 2024**

**SYSTEM ACCOUNTS**

<u>Classification</u>	<u>Number of Accounts</u>	<u>Percent of Total Accounts</u>
Residential	5,050	93.40 %
Commercial	39	0.72
Irrigation Only	73	1.35
Vacant Lots	245	4.53
Total	<u>5,407</u>	<u>100.00 %</u>

**WATER PROJECT FEE SCHEDULE**

<u>Classification</u>	<u>Meter Size</u>	<u>Monthly Charge</u>
Residential	3/4 "	\$ 12.50
Commercial	3/4 "	12.50
Commercial	1"	25.00
Commercial	1 1/2"	50.00
Commercial	2"	87.50
Commercial	3"	200.00
Golf Course Irrigation (1)	N/A	250.00

(1) This is to be a single charge and not for each meter used to provide water for golf course irrigation.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)  
DECEMBER 31, 2024**

**CHARGES FOR WATER SERVICE**

**Water Rates and Charges  
(In Effect as of January 1, 2025, through December 31, 2025)**

Residential (Monthly)

Base Rate	\$21.64
0 - 5,000 Gallons	\$21.64 + \$2.82/1,000 Gallons
5,000 -20,000 Gallons	\$21.64 + \$4.42/1,000 Gallons
20,000 - 30,000 Gallons	\$21.64 + \$5.59/1,000 Gallons
30,000 - 50,000 Gallons	\$21.64 + \$7.27/1,000 Gallons
Over 50,000 Gallons	\$21.64 + \$11.79/1,000 Gallons

Commercial (Monthly)

Meter Size	\$2.82/1,000 Gallons		\$4.42/1,000 Gallons		\$5.59/1,000 Gallons		\$7.27/1,000 Gallons		\$11.79/1,000
	Base Rate	Maximum Gallons	Minimum Gallons	Maximum Gallons	Minimum Gallons	Maximum Gallons	Minimum Gallons	Maximum Gallons	Gallons Over
3/4" (1)	\$ 21.64	5,000	5,001	20,000	20,001	30,000	30,001	50,000	50,001
1" (2)	43.28	10,000	10,001	40,000	40,001	60,000	60,001	100,000	100,001
1-1/2" (4)	86.56	20,000	20,001	80,000	80,001	120,000	120,001	200,000	200,001
2" (7)	151.48	35,000	35,001	140,000	140,001	210,000	210,001	350,000	350,001
3" (16)	346.24	80,000	80,001	320,000	320,001	480,000	480,001	800,000	800,001

Large Irrigators (Separate Interruptible Meter, Billed Monthly)

Base Rate	\$ 21.64
All Usage	\$5.44/1,000 Gallons

Golf Courses

Base Rate	\$ 21.64
All Usage	\$5.53/1,000 Gallons for Usage up to 150 AF per Year for Each 9 Holes. For Usage Greater than 150 AF the Rate Becomes \$9.20/1,000 Gallons (Applies to Pinery CC)

Ready to Serve "Standby Fee" (Monthly)

Water and Sewer	\$ 19.32
Water Only	\$ 10.42

Revenue from Water Sales

Year	Gallons Used (in 000s)	Average Water Rates in Effect (per 1,000 Gallons)	Revenue from Water Sales
1999	656,000	\$ 1.82	\$ 1,195,279
2000	804,000	1.89	1,517,783
2001	858,903	1.78	1,531,737
2002	916,807	2.07	1,900,932
2003	814,840	2.11	1,718,359
2004	779,815	2.26	1,758,703
2005	950,599	2.51	2,390,298
2006	1,198,482	2.32	2,785,447
2007	1,026,474	2.66	2,733,243
2008	1,064,305	2.89	3,076,169
2009	801,394	3.82	3,064,370
2010	1,059,098	3.96	4,195,310
2011	1,036,388	4.03	4,171,747
2012	1,110,760	4.09	4,548,060
2013	924,465	4.32	3,997,419
2014	860,749	4.53	3,903,134
2015	872,497	4.87	4,251,331
2016	955,099	5.07	4,838,281
2017	979,903	5.11	5,004,823
2018	1,190,133	4.89	5,823,845
2019	1,067,691	5.45	5,823,845
2020	1,310,995	5.97	7,827,775
2021	1,308,609	5.70	7,461,048
2022	1,508,458	5.15	7,766,928
2023	1,179,707	5.20	6,128,825
2024	1,496,842	4.98	7,455,361

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)  
DECEMBER 31, 2024**

**CHARGES FOR WASTEWATER SERVICE**

Wastewater Rates and Charges  
(In Effect as of January 1, 2025 through December 31, 2025)

Residential (Monthly)

0 - 5,000 Gallons	\$	38.43
Over 5,000 Gallons	\$	56.44

Commercial (Monthly Based on Water Meter Reading)

<u>Tap Size</u>	<u>Flat Rate</u>
3/4" Diameter	\$ 56.44
1" Diameter	112.90
1-1/2" Diameter	225.81
2" Diameter	395.18
3" Diameter	903.27

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)  
DECEMBER 31, 2024**

**CHARGES FOR WASTEWATER SERVICE**

<u>Year</u>	<u>Users of Wastewater Services Average Number of Taps During the Year</u>	<u>Revenue from Water Wastewater Charges</u>
2001	2,740	\$ 830,141
2002	2,926	854,511
2003	3,039	869,197
2004	3,142	927,696
2005	3,425	1,034,446
2006	3,613	1,114,160
2007	3,679	1,208,839
2008	3,741	1,352,717
2009	3,789	1,519,391
2010	3,812	1,659,788
2011	3,834	1,756,324
2012	3,891	1,855,419
2013	3,895	1,887,335
2014	3,969	1,971,562
2015	4,043	2,085,750
2016	4,198	2,237,631
2017	4,414	2,362,852
2018	4,351	2,411,006
2019	4,384	2,455,608
2020	4,517	2,527,387
2021	4,710	2,547,391
2022	4,716	2,606,264
2023	4,846	2,754,350
2024	4,909	2,853,745

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)  
DECEMBER 31, 2024**

**ADDITIONAL CHARGES AND FEES OF THE SYSTEM**

Water and Wastewater Tap and Connection Fees  
(Effective January 1, 2025)

**RESIDENTIAL (per SFE with 3/4" Meter)**

Water Fee	\$ 41,480
Sewer Fee	8,790
Total Fee	\$ 50,270

**COMMERCIAL**

<u>Meter Size</u>	Water Fee	Sewer Fee	Total Fee
3/4" (1)	\$ 41,759	\$ 16,064	\$ 57,823
1" (2)	83,518	32,128	115,646
1-1/2" (4)	167,036	64,256	231,292
2" (7)	292,313	112,448	404,761
3" (16)	668,144	257,024	925,168

Sewer fees are determined based on meter size.

Additional fees are in place for certain filings, as listed below, and will be added to the above fees.

<u>Filing</u>	Water	Sewer
Pinery, Filings 1 through 8A	\$ 1,012	\$ 587
Pinery, Filing 8B, 1st Amendment	587	-
Pinery, Filing 8B, 2nd Amendment	566	-
Pinery, Filing 20	600	-
Misty Pines	425	-
Pradera	800	-
Colorado Golf	800	-

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)  
DECEMBER 31, 2024**

	2020	2021	2022	2023	2024
<b>OPERATING REVENUE</b>					
Water and Sewer Charges	\$ 8,199,676	\$ 7,991,649	\$ 8,580,746	\$ 7,854,372	\$ 8,941,471
Irrigation, Hydrant Fees, and Other	1,401,438	1,227,333	1,792,446	1,028,803	1,367,635
Total Operating Revenue	<u>9,601,114</u>	<u>9,218,982</u>	<u>10,373,192</u>	<u>8,883,175</u>	<u>10,309,106</u>
<b>OPERATING EXPENSES</b>					
Depreciation	4,170,640	4,395,933	4,369,406	4,598,616	5,206,489
Auto Expenses/Vehicle Maintenance	45,632	61,220	65,204	59,686	60,898
Salaries and Wages	1,661,349	1,710,574	1,905,243	1,962,092	2,196,046
Payroll Taxes	125,697	127,120	141,210	152,722	162,505
Employee Benefits	442,134	447,171	515,180	572,668	642,317
Utilities	966,227	946,389	1,121,408	770,341	1,078,041
Meter Service	-	-	-	4,873	9,173
Outside Services	273,474	190,667	248,171	138,715	195,349
Maintenance and Supplies	762,580	886,714	1,145,290	1,077,624	1,097,210
Professional Fees	150,552	158,496	148,404	153,044	163,036
Other Operating Expenses	230,248	251,397	289,170	359,615	369,977
Office Expense	18,621	14,554	18,465	16,799	16,465
Insurance	131,016	144,710	143,283	166,424	183,316
Directors' Fees	5,200	5,900	5,100	4,500	5,800
Sludge Disposal	75,269	93,535	119,176	100,121	134,002
CCWPA Assessment	-	-	50,005	6,351	59,623
CCPWA Water Purchase	51,955	62,926	52,009	32,811	-
WISE Water Purchase	709,687	220,126	681,017	314,331	452,508
WISE Participation - Operations	85,036	86,105	59,554	141,486	179,682
Total Operating Expenses	<u>9,905,317</u>	<u>9,803,537</u>	<u>11,077,295</u>	<u>10,632,819</u>	<u>12,212,437</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	(304,203)	(584,555)	(704,103)	(1,749,644)	(1,903,331)
<b>NONOPERATING REVENUE</b>					
Net Investment Income	106,666	10,843	419,106	1,358,815	1,286,267
Wise Reserve Refund	398,165	-	-	-	-
Miscellaneous Other Income	85,713	112,871	143,459	187,953	295,461
Ready to Serve Fees	83,048	80,744	49,758	42,958	37,590
Gain (Loss) on Disposition of Assets	20,754	-	1,545,466	-	-
Contributions in Aid of Construction	14,249,628	9,976,379	4,868,333	3,653,600	4,804,112
Total Nonoperating Revenue	<u>14,943,974</u>	<u>10,180,837</u>	<u>7,026,122</u>	<u>5,243,326</u>	<u>6,423,430</u>
<b>NONOPERATING EXPENSES</b>					
Interest and Paying Agent Fees	699,564	522,533	433,619	360,905	391,727
Total Nonoperating Expenses	<u>699,564</u>	<u>522,533</u>	<u>433,619</u>	<u>360,905</u>	<u>391,727</u>
<b>NET INCOME/CHANGE IN NET POSITION</b>	<u>\$ 13,940,207</u>	<u>\$ 9,073,749</u>	<u>\$ 5,888,400</u>	<u>\$ 3,132,777</u>	<u>\$ 4,128,372</u>

**CONTINUING DISCLOSURE  
ANNUAL FINANCIAL INFORMATION  
AS REQUIRED BY COLORADO WATER RESOURCES AND  
POWER DEVELOPMENT AUTHORITY  
CLEAN WATER REVENUE BONDS SERIES 2005A**

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION AS REQUIRED BY  
COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY  
CLEAN WATER REVENUES BONDS, SERIES 2005A  
DECEMBER 31, 2024**

**CUSTOMER INFORMATION**

<u>Years Ended December 31,</u>	<u>Total Estimated Residential Equivalent Units</u>
2004	3,436
2005	3,585
2006	3,773
2007	3,993
2008	4,057
2009	4,090
2010	4,128
2011	4,152
2012	4,166
2013	4,185
2014	4,228
2015	4,272
2016	4,358
2017	4,384
2018	4,480
2019	4,513
2020	4,648
2021	4,867
2022	4,995
2023	5,024
2024	5,050

**TEN LARGEST CUSTOMERS OF THE SYSTEM**

Pinery Golf Course  
Colorado Golf Club  
Pradera Golf Course  
DC Schools  
Pinery Glen HOA  
Colorado Horse Park  
DC Parks  
High Prairie Farms  
Pinery West Metro District  
Pinery Townhomes

The balance of the largest customers of the system are generally individual residential properties.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION AS REQUIRED BY  
COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY  
CLEAN WATER REVENUES BONDS, SERIES 2005A (CONTINUED)  
DECEMBER 31, 2024**

	<u>2025 Budget</u>	<u>2024 Budget</u>
<b>REVENUE</b>		
Water, Operating:		
User Charges	\$ 5,650,000	\$ 4,800,000
Irrigation and Hydrant Fees	1,230,000	1,210,000
Water Supply Project Fee	810,000	800,000
Other	135,000	2,880,000
Sewer, Operating:		
User Charges	2,900,000	2,800,000
Other	25,000	1,827,500
Nonoperating:		
Tap Fees	5,454,662	2,279,750
Other	1,686,222	1,770,000
Total Revenue	<u>17,890,884</u>	<u>18,367,250</u>
<b>EXPENDITURES</b>		
Water, Operating:		
Utilities	760,000	760,000
Salaries and Related Costs	1,623,500	1,387,375
Other	2,293,000	1,650,400
Sewer, Operating:		
Utilities	270,000	255,000
Salaries and Related Costs	1,105,875	929,875
Other	774,000	637,500
Nonoperating:		
Insurance	200,000	180,000
Salaries and Related Costs	588,975	559,625
Other	865,700	742,700
Debt Service	1,910,058	1,908,722
Capital Outlay	10,831,000	14,226,500
Total Expenditures	<u>21,222,108</u>	<u>23,237,697</u>
<b>EXCESS REVENUE UNDER EXPENDITURES</b>	(3,331,224)	(4,870,447)
Funds Available - Beginning of Year	<u>23,375,951</u>	<u>25,553,589</u>
<b>FUNDS AVAILABLE - END OF YEAR</b>	<u>\$ 20,044,727</u>	<u>\$ 20,683,142</u>

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION AS REQUIRED BY  
COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY  
CLEAN WATER REVENUES BONDS, SERIES 2005A (CONTINUED)  
DECEMBER 31, 2024**

**SCHEDULE OF COVERAGE OF DEBT SERVICE REQUIREMENTS**

<u>Year</u>	<u>Income</u>	<u>Operation and Maintenance Expenses</u>	<u>Available for Debt Service</u>	<u>Debt Service Requirements</u>	<u>Debt Service Coverage</u>
2004	\$ 20,094,587	\$ 2,459,610	\$ 17,634,977	\$ 1,893,570	9.31
2005	12,703,160	2,977,714	9,725,446	2,195,762	4.43
2006	9,076,622	3,334,176	5,742,446	2,142,845	2.68
2007	14,752,043	3,536,146	11,215,897	2,224,578	5.04
2008	7,674,924	4,173,068	3,501,856	2,110,270	1.66
2009	5,760,461	3,610,190	2,150,271	2,111,868 *	1.02
2010	7,321,442	3,895,966	3,425,476	2,024,307	1.69
2011	7,437,195	3,850,021	3,587,174	1,666,975	2.15
2012	7,919,673	3,796,440	4,123,233	1,565,716	2.63
2013	7,634,319	3,981,843	3,652,476	1,564,222	2.34
2014	9,946,519	3,926,605	6,019,914	1,683,173	3.58
2015	10,201,003	4,223,394	5,977,609	2,491,863	2.40
2016	10,354,827	4,288,057	6,066,770	2,441,847	2.48
2017	10,860,847	4,081,035	6,779,812	2,434,375	2.79
2018	13,274,687	4,801,047	8,473,640	2,439,093	3.47
2019	14,600,541	4,878,402	9,722,139	2,342,127	4.15
2020	24,545,288	5,734,677	18,810,611	2,468,624	7.62
2021	19,399,819	5,407,604	13,992,215	2,328,999	6.01
2022	17,399,314	4,369,406	13,029,908	2,340,628	5.57
2023	14,126,501	4,598,616	9,527,885	1,908,722	4.99
2024	16,732,536	5,206,489	11,526,047	1,910,058	6.03

\* The debt service requirements for the Series 1989 loan are funded with a reserve of prior property tax revenue. If the debt service requirements for this loan were removed, the debt service coverage would be 1.35.

**TEN LARGEST PROPERTY TAXPAYERS OF THE DISTRICT  
(Assessed Valuation for 2024 Taxes Due in 2025)**

<u>Taxpayer</u>	<u>Assessed Valuation Property in the District</u>	<u>Percentage of Total District Assessed Valuation</u>
CF Arcis VI LLC	\$ 1,537,200	0.43 %
Colorado Golf Club Inc FKA GCG Equity Club LLC	1,438,560	0.40
Colorado Golf Club Inc FKA GCG Equity Club LLC	1,275,720	0.35
Dillon Companies LLC	1,242,440	0.35
CF Arcis V LLC	1,202,320	0.33
Colorado Golf Club Inc	1,122,480	0.31
Galbreath Family Partnership LLP	825,230	0.23
Singletree Equestrian LLC	788,980	0.22
Comcast of Colorado X LLC	725,080	0.20
Singletree Equestrian LLC	533,700	0.15
All Others	348,860,460	97.03
Total	<u>\$ 359,552,170</u>	<u>100.00 %</u>

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION AS REQUIRED BY  
COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY  
CLEAN WATER REVENUES BONDS, SERIES 2005A (CONTINUED)  
DECEMBER 31, 2024**

**COMBINED STATEMENT OF DEBT**

<u>Designation</u>	<u>Amount Outstanding</u>
Water Enterprise Revenue Note, Series 2010	\$ 3,991,365
Local Government Bonds	9,191,208
Total	<u>\$ 13,182,573</u>

**DEBT SERVICE REQUIREMENTS OF THE DISTRICT**

See Schedule of Debt Service Requirements to Maturity in Supplemental Information.

**ESTIMATED DIRECT AND OVERLAPPING DEBT SCHEDULE**

	2024 Assessed Valuation	Outstanding General Obligation Debt (1)	Outstanding Debt Applicable to District	
			Percent	Amount
The District	\$ 359,552,170	\$ -	100.00 %	\$ -
Douglas County School District RE-1	10,459,497,895	527,325,000	3.44	18,139,980
Parker Fire Protection District	7,509,691,487	-	-	-
Total				<u>\$ 18,139,980</u>

(1) Includes only general obligation debt supported by general property taxes. Does not include bonds which have historically been supported by revenue other than property taxes.

**DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION AS REQUIRED BY  
COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY  
CLEAN WATER REVENUES BONDS, SERIES 2005A (CONTINUED)  
DECEMBER 31, 2024**

**ASSESSED VALUATION, DEBT, AND DEBT RATIOS**

Actual Valuation	\$ 4,948,813,701
Assessed Valuation	\$ 359,552,170
Net General Obligation Direct Debt	\$ -
Net Direct and Estimated Overlapping Debt	\$ 18,139,980
Ratio of Net Direct Debt to Estimated Actual Valuation	- %
Ratio of Net Direct Debt to Assessed Valuation	- %
Net Direct Debt Per Capita (1)	\$ -
Ratio of Net Direct and Estimated Overlapping Debt to Estimated Actual Valuation	0.37 %
Ratio of Net Direct and Estimated Overlapping Debt to Assessed Valuation	5.05 %
Net Direct and Estimated Overlapping Debt Per Capita (1)	\$ 1,252
Estimated Actual Valuation Per Capita (1)	\$ 341,451
Assessed Valuation Per Capita (1)	\$ 24,808
(1) Estimated Permanent Population	14,494