EASTERN RIO BLANCO METROPOLITAN

RECREATION AND PARK DISTRICT

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2025

FINANCIAL STATEMENTS - 2025

CONTENTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Eastern Rio Blanco Metropolitan Recreation and Park District

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Eastern Rio Blanco Metropolitan Recreation and Park District, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Eastern Rio Blanco Metropolitan Recreation and Park District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Eastern Rio Blanco Metropolitan Recreation and Park District, as of December 31, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Eastern Rio Blanco Metropolitan Recreation and Park 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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Eastern Rio Blanco Metropolitan Recreation and Park 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 Eastern Rio Blanco Metropolitan Recreation and Park District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule – General Fund, Schedule of the District's Proportionate Share of the Net Pension Liability – PERA Pension Plan, Schedule of the District's Contributions – PERA Pension Plan, Schedule of District's Proportionate Share of the Net OPEB Liability, and Schedule of District Contributions – PERA OPEB Plan be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

CaloCPA Services, PC

Meeker, Colorado
June 24, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

The discussion and analysis of the Eastern Rio Blanco Metropolitan Recreation and Park District's (the "District") financial performance provides readers with an overall review of the financial activities of the District for the year ended December 31, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- The District's assets and deferred outflows exceeded liabilities and deferred inflows of resources by $17,312,119 at December 31, 2025.
- Total District's cash and investments decreased by $254,479 or 3 percent from 2024.
- The December 31, 2025 General Fund balance is $257,768 less than the previous year. The total fund balance is 286 percent of 2025 General Fund operating expenditures.

USING THIS ANNUAL REPORT

This Annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the District as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at our specific financial conditions.

The Statement of Net Position and Statement of Activities provides information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those assets. The Statement of Activities shows a net (expense) revenue and changes to net assets related to each department of the District. Fund financial statements tell how services were funded as well as what dollars remain for future spending.

OVERVIEW OF THE DISTRICTS FINANCIAL STATEMENTS

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances. The Statement of Net Position and Statement of Activities include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the year's revenues and expenses regardless of when the cash was received or paid.

These two statements report the District's net position and the changes in those positions. These changes in position are important because it tells the reader whether, for the District as a whole, the financial position of the District has improved or diminished. However, in evaluating the overall position of the District, non-financial information such as changes in the District's tax base and the condition of District capital assets will also need to be evaluated.

In the Statement of Net Position and Statement of Activities, all of the District's activities are reported as Governmental Activities.

Fund Financial Statements

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term funding requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term funding decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 through 44 of this report.

Budgetary Comparisons. The District adopts an annual appropriated budget for the General Fund. A budgetary comparison schedule has been provided for the General Fund on page 47 of this report.

REPORTING THE DISTRICT AS A WHOLE

Net Position. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position.

The following table provides a summary of the District's net position for 2024 and 2025.

	Governmental Activities	
	2024	2025
Assets		
Current and other assets	$ 12,545,673	$ 11,966,979
Capital assets	8,846,013	8,519,740
Total assets	21,391,686	20,486,719
Deferred Outflows of Resources	633,893	430,259
Liabilities		
Current and other liabilities	208,070	238,861
Long-term liabilities	1,300,238	975,617
Total Liabilities	1,508,308	1,214,478
Deferred Inflows of Resources	2,786,334	2,390,381
Net Position		
Net invested in capital assets	8,846,013	8,519,740
Restricted	488,143	169,626
Unrestricted	8,396,781	8,622,753
Total net position	$ 17,730,937	$ 17,312,119

A significant portion of the District's position represents unrestricted net position of $8,622,753 which may be used to meet the ongoing obligations to patrons and creditors.

Another significant portion of the District's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to patrons; consequently, they are not available for future spending.

An additional $169,626 of the District's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the TABOR emergency reserve of $105,843 and restricted for conservation trust of $63,783.

The following table indicates the changes in net position.

	Governmental Activities	
	2024	2025
Revenues:		
Program revenues:		
Charge for services	$ 259,664	$ 238,236
Capital grants and contributions	49,335	29,049
General revenues:		
General property taxes	3,648,505	2,710,799
Specific ownership tax	112,877	99,568
Investment earnings	469,994	413,530
Other	222,125	36,902
Total revenues	4,762,500	3,528,084
Expenses:		
Administration	2,807,798	3,068,764
Aquatics/Rec Programs	901,929	878,138
Total expenses	3,709,727	3,946,902
Increase (decrease) in net position	$ 1,052,773	$ (418,818)

Governmental Activities. Governmental activities decreased the District's net position by $418,818 in 2025. Key elements of this decrease are as follows:

General property taxes revenues were $2,710,799, down 26 percent from the prior year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUND

Information about the District's governmental fund begins on page 11. This fund is accounted for using the modified accrual basis of accounting.

As of December 31, 2025, the total fund balances of the District's governmental fund was $9,394,844. Approximately 98 percent of this consists of unassigned fund balance, which is available as working capital and for current spending in accordance with the purposes of the District. The remainder of fund balance is reserved to indicate that it is not available for new spending because it is committed for the following purposes: (1) a State-Constitution mandated emergency reserve ($105,843) and (2) conservation trust fund ($63,783). The District had governmental revenues of $3,528,084 and expenditures of $3,785,852.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's general fund budget is prepared according to Colorado statutes.

2025 General Fund Budget

	Original Budget	Amend-ments	Final Budget	Actual
Beginning Fund Balance	$ 9,753,000	$ -	$ 9,753,000	$ 9,652,612
Revenue and other funding sources	3,355,000	-	3,355,000	3,528,084
Expenditures and other funding uses	(4,456,000)	-	(4,456,000)	(3,785,852)
Ending Fund Balance	$ 8,652,000	$ -	$ 8,652,000	$ 9,394,844

Actual expenditures and other financing uses were under budget by $670,148. The difference includes administration expenditures being budgeted for $3,409,000 but were actually $2,723,059.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The District's net investment in capital assets for its governmental type activities as of December 31, 2025 totaled $8,519,740 (net of accumulated depreciation). This investment includes all land, buildings, and equipment. The total decrease in investment in capital assets for the current year was $326,273 or 4 percent.

The District uses the straight-line depreciation method under GASB 34 for its capital assets, except for land and construction in progress which are not depreciated.

The District improved the riverfront of Circle Park for a total expenditure in 2025 of $310,535 and had replace the locker room floors for a cost of $83,865.

ECONOMIC FACTORS AND OTHER MATTERS

Other Matters. The following factors are expected to have a significant effect on the District's financial position and results of operations and were taken into account in developing the 2026 budget:

* An anticipated decrease in property tax revenue of $351,717.

* Replacement of the HVAC/RTU for a cost of $450,000.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the District, 101 Ute Road, Meeker, Colorado 81641.

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FINANCIAL STATEMENTS

EASTERN RIO BLANCO METROPOLITAN
RECREATION AND PARK DISTRICT

STATEMENT OF NET POSITION
December 31, 2025

ASSETS	
Cash and cash equivalents - unrestricted	$ 9,414,710
Cash and cash equivalents - restricted	169,626
Receivable - county treasurer	5,943
Accounts receivable	20,730
Prepaid expenses	22,696
Property taxes receivable	2,333,274
Capital assets, nondepreciable	585,418
Capital assets, net of accumulated depreciation	7,934,322
TOTAL ASSETS	20,486,719
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	429,415
Deferred outflows related to postemployment benefit (OPEB)	844
TOTAL DEFERRED OUTFLOWS OF RESOURCES	430,259
LIABILITIES	
Accrued salaries	227,771
Accrued liabilities	11,090
Noncurrent liabilities	
Net pension liability	918,787
Net OPEB liability	56,830
TOTAL LIABILITIES	1,214,478
DEFERRED INFLOWS OF RESOURCES	
Unearned property tax revenue	2,333,274
Deferred inflows related to pensions	-
Deferred inflows related to OPEB	57,107
TOTAL DEFERRED INFLOWS OF RESOURCES	2,390,381
NET POSITION	
Net investment in capital assets	8,519,740
Restricted for Tabor emergencies	105,843
Restricted for conservation trust fund	63,783
Unrestricted	8,622,753
TOTAL NET POSITION	$ 17,312,119

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN RECREATION AND PARK DISTRICT

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
GOVERNMENTAL ACTIVITIES				
Administration	$ 3,068,764	$ -	$ -	$ (3,068,764)
Aquatics/Rec Programs	878,138	238,236	29,049	(610,853)
TOTAL GOVERNMENTAL ACTIVITIES	$ 3,946,902	$ 238,236	$ 29,049	(3,679,617)
GENERAL REVENUES				
General property taxes				2,710,799
Specific ownership tax				99,568
Investment earnings				413,530
Other income				36,902
TOTAL GENERAL REVENUES				3,260,799
CHANGE IN NET POSITION				(418,818)
NET POSITION - BEGINNING OF YEAR				17,730,937
NET POSITION - END OF YEAR				$17,312,119

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN RECREATION AND PARK DISTRICT

BALANCE SHEET
GOVERNMENTAL FUND
December 31, 2025

	General Fund
ASSETS	
Cash and cash equivalents - unrestricted	$ 9,414,710
Cash and cash equivalents - restricted	169,626
Receivable - county treasurer	5,943
Accounts receivable	20,730
Prepaid expenses	22,696
Property taxes receivable	2,333,274
TOTAL ASSETS	$ 11,966,979
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	
LIABILITIES	
Accrued salaries	$ 227,771
Accrued liabilities	11,090
TOTAL LIABILITIES	238,861
DEFERRED INFLOWS OF RESOURCES	
Unearned property tax revenue	2,333,274
TOTAL DEFERRED INFLOWS OF RESOURCES	2,333,274
FUND BALANCES	
Fund balances:	
Restricted for	
Tabor emergencies	105,843
Conservation trust fund	63,783
Unassigned	9,225,218
TOTAL FUND BALANCES	9,394,844
TOTAL LIABILITIES AND FUND BALANCES	$ 11,966,979

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN
RECREATION AND PARK DISTRICT

RECONCILIATION OF GOVERNMENTAL FUND BALANCE TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2025

TOTAL GOVERNMENTAL FUND BALANCE		$ 9,394,844
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds.		8,519,740
Long-term liabilities, including net pension liability, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		(975,617)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	429,415	
Deferred outflows of resources related to OPEB	844	
Deferred inflows of resources related to pensions	-	
Deferred inflows of resources related to OPEB	(57,107)	
Net deferred outflows (inflows)		373,152
NET POSTION OF GOVERNMENTAL ACTIVITIES		$ 17,312,119

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN RECREATION AND PARK DISTRICT

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPE
For the Year Ended December 31, 2025

	General Fund
REVENUES	
General property taxes	$ 2,710,799
Specific ownership tax	99,568
Conservation trust fund	29,049
Investment income	413,530
Charges for services	238,236
Grants and donations	-
Other income	36,902
TOTAL REVENUES	3,528,084
EXPENDITURES	
Current operating	
Administration	2,723,059
Swimming pool	5,392
Recreation and sports programs	47,139
County treasurer's fees	133,444
Facility maintenance	364,130
Guest services	13,354
Capital outlay	499,334
TOTAL EXPENDITURES	3,785,852
EXCESS OF OPERATING REVENUE OVER (UNDER) OPERATING EXPENDITURES	(257,768)
FUND BALANCE - BEGINNING OF YEAR	9,652,612
FUND BALANCE - END OF YEAR	$ 9,394,844

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN
RECREATION AND PARK DISTRICT

RECONCILIATION OF THE CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUNDS		$ (257,768)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	499,334	
Current year depreciation	(825,607)	
TOTAL		(326,273)
Governmental funds report District pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension income		131,473
Governmental funds recognize District OPEB contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to OPEB on a full accrual perspective.		33,750
CHANGE IN NET POSITION		$ (418,818)

The accompanying "Notes to Financial Statements" are an integral part of the statement.

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NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Eastern Rio Blanco Metropolitan Recreation and Park District (the District) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies consistently used in the preparation of the financial statements.

A. Reporting Entity

An elected five member Board of Directors governs the District. No additional separate government units, agencies, or nonprofit corporations are included in the financial statements of the District as component units. Component units are legally separate entities for which the District is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on the District.

The District's major operations are the recreation center, swimming pool, and park maintenance.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately for business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applications who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Governmental Fund

General Fund

The General Fund is the District's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. The major revenue sources are local property taxes and charges for services. Expenditures include all costs associated with the daily operations of the District.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

When committed, assigned, or unassigned funds are available for use, it is the government's policy to use committed amounts first, then assigned amounts, and then unassigned amounts as they are needed.

D. Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to October 15, the Executive Director submits to the Board of Directors a proposed budget for the fiscal year commencing the following January 1. The budget includes anticipated revenues and proposed expenditures.

2. Public hearings are conducted to obtain the taxpayers' comments.

3. Prior to December 15, the budget is legally enacted through passage of a resolution.

4. Budgets are adopted for the General and Bond Funds. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

5. Appropriations lapse at the end of each calendar year.

6. The District's Board of Directors may authorize supplemental appropriations during the year. There was no supplemental appropriation made during the year ended December 31, 2025.

E. Property Taxes

Property taxes are levied on December 15 of each year and attach as an enforceable lien on property as of January 1. Taxes are due as of January 1 of the following year and are payable in full by June 15, if paid in installments, or April 30 with a single payment. Taxes are delinquent as of June 16. If the taxes are not paid within subsequent statutory periods, the property will be sold at public auction. The County bills and collects the property taxes and remits collections to the District on a monthly basis. No provision has been made for uncollected taxes, in that the District's experience indicates that all material amounts will be collected and paid to the District.

F. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. Capital Assets, continued

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Land Improvements	5-20
Equipment	5-30
Recreation building and improvements	5-40
Pool facility and improvements	5-10

G. Encumbrances

The District does not use encumbrance accounting. Accordingly, no encumbrances have been recorded in the financial statements.

H. Compensated Absences

The District has a policy that allows employees to accumulate unused PTO, illness leave, and sick leave per the District's policy. Compensated absences are accrued when incurred. A liability for these amounts is reported in the governmental funds. The District's General Fund is used to pay compensated absences of the governmental activities. At the end of 2025, $126,436 was accrued for paid time off.

I. Use of Estimates

The preparation of the governmental funds financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. There are certain differences between the governmental fund balance sheet and the government-wide statement of net assets. A reconciliation of the differences can be found on page 12 of the financial statements.

B. There are certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities. A reconciliation of the differences can be found on page 14 of the financial statements.

NOTE 3 - CASH AND INVESTMENTS

The District's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Authority's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral included municipal bonds, U.S. government securities, mortgage, and deeds of trust.

State statutes specify the instruments in which the District is authorized to invest, including such instruments and local government investment pools identified in Parts 6 and 7 of Article 74 of Title 24 of the Colorado Revised Statutes.

The District's investment policy is not more restrictive than State statutes. The District's investments are concentrated in local government investment pools, U.S. government and agency securities, and bank CDs.

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair value arising from increasing interest rates.

Investments for the District are reported at market value. Investments held are as follows:

December 31, 2025	Cost	Market Value
Colotrust	$ 5,536,716	$ 5,532,963
CSLIP	2,788,339	2,788,339
Total	$ 8,325,055	$ 8,321,302

Included in cash and cash equivalents are amounts held in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust offer shared in three portfolios, COLOTRUST Prime, COLOTRUST Plus+, and COLOTRUST EDGE. COLOTRUST Prime and COLOTRUST Plus+ operates similarly to a money market fund and each share is equal in value to $1.00. COLOTRUST EDGE is a variable NAV fund managed to approximate a $10.00 transactional share price, calculated and publishing a fair value NAV on a daily basis. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. At December 31, 2025, the District invested $2,642,898 in COLOTRUST Plus+ and $2,893,818 in COLTRUST EDGE. The District's investment in the COLOTRUST Plus+ is rated AAAm by S&P Global Ratings and COLOTRUST EDGE is rated AAAf/S1 by FitchRatings.

Included in cash and cash equivalents are amounts held in Centennial State Liquid Investment Pool (CSLIP), an investment vehicle established for local governments to pool their fund to maximize net interest earning. The CSLIP is a professionally managed local government investment pool trust fund available only to governmental entities in Colorado. CSLIP currently offers a single investment portfolio to participating Colorado governments consisting of U.S. Treasury securities, federal instrumentality securities, agency securities, repurchase agreements, tri-part repurchase agreements, collateralized bank deposits, commercial paper that, at the time of purchase, is rated in its highest rating category by at least two money market funds rate "AAAm". CSLIP is rated "AAAm" by S&P Global Ratings. The custodian's internal records identify the investments owned by CSLIP. At December 31, 2025, the District invested $2,788,339 in CSLIP.

NOTE 3 - CASH AND INVESTMENTS, Continued

A summary of cash and investments on the balance sheet is as follows:

Cash		
Cash on hand	$ 900	
Certificate of deposit	1,053,477	
Cash deposits	208,657	
Total Cash		1,263,034
Colotrust		$5,532,963
CSLIP		2,788,339
Total Cash and Cash Equivalents		$ 9,584,336

The District generally limits its concentration of investments to those which are believed to have a minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

NOTE 4 - PROPERTY TAX

Property taxes for 2025, collectible in 2026, were levied by the County Commissioners on December 15, 2025. Property taxes attached as an enforceable lien on January 1, 2026, are due in total April 30, 2026, or in equal installments February 28, 2026, and June 15, 2026, at the option of the taxpayer. The County Treasurer remits taxes collected to the District by the 10th day of the month following collection.

Property taxes for 2025, collectible in 2026, are shown as property taxes receivable and unearned revenue on the balance sheet in the amount of the assessed taxes less estimated uncollectible amounts.

	Assessed Valuation	Mill Levy	Estimated Percent Collectible	Taxes Receivable	Unearned Revenue
General Fund	$409,418,200	5.699	100.00%	$ 2,333,274	$ 2,333,274

Revenue Recognized in 2025

Local property taxes levied for 2024 and collected in 2025 are recognized as revenue in these financial statements as shown below:

	Assessed Valuation	Mill Levy	Amount of Taxes		Percent Collected
			Levied	Collected	
General Fund	$471,133,700	5.699	$ 2,684,991	$ 2,710,776	100.96%

NOTE 5 – CAPITAL ASSETS

A summary of changes in capital assets during 2025 follows:

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025
Governmental activities:				
Capital assets, nondepreciable				
Land/Park	$ 585,418	$ -	$ -	$ 585,418
Construction in progress	45,990	-	(45,990)	-
Total capital assets, nondepreciable	631,408	-	(45,990)	585,418
Capital assets, being depreciated:				
Land improvements	5,601,718	375,074	-	5,9,76,792
Equipment	4,264,650	86,385	-	4,345,975
Recreation building and improvements	9,499,335	86,385	-	9,588,2605
Total capital assets, being depreciated	19,365,703	545,324	-	19,911,027
Less accumulated depreciation for:				
Land improvements	(4,210,290)	(326,885)	-	(4,537,175)
Equipment	(3,021,607)	(211,470)	-	(3,233,077)
Recreation building and improvements	(3,919,201)	(287,252)	-	(4,206,453)
Total accumulated depreciation	(11,151,098)	(825,607)	-	(11,976,705)
Total capital assets, being depreciated, net	8,214,605	(280,283)	-	7,934,322
Governmental activities capital assets, net	$ 8,846,013	$ (280,283)	$ (45,990)	$ 8,519,740

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities:	
General government	
Aquatics/Rec Programs/Total depreciation expense – governmental activities	$ 825,607

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

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

NOTE 6 - DEFINED BENEFIT PENSION PLAN, Continued

General Information about the Pension Plan

Plan description. Eligible employees of the Eastern Rio Blanco Metropolitan Recreation and Park District are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

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

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

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

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

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

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

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

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

NOTE 6 - DEFINED BENEFIT PENSION PLAN, Continued

General Information about the Pension Plan, continued

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

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

Contributions as of December 31, 2025. Eligible employees of Eastern Rio Blanco Metropolitan Recreation and Park District and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of January 1, 2025 through December 31, 2025 are summarized in the table below:

	January 1, 2025 Through December 31, 2025
Employee contribution (all employees other than Safety Officers)	9.00%
Safety Officers	13.00%

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

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

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

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

NOTE 6 - DEFINED BENEFIT PENSION PLAN, Continued

General Information about the Pension Plan, continued

The employer contribution requirements for Safety Officers are summarized in the table below:

	January 1, 2025 Through December 31, 2025
Employer contribution rate	14.10%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount apportioned to the LGDTF	13.08%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.11%
Total employer contribution rate to the LGDTF	**16.89%**

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

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Eastern Rio Blanco Metropolitan Recreation and Park District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Eastern Rio Blanco Metropolitan Recreation and Park District were $211,649 for the year ended December 31, 2025.

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

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

At December 31, 2025, the Eastern Rio Blanco Metropolitan Recreation and Park District report a liability of $918,787 for its proportionate share of the net pension liability.

At December 31, 2024, the Eastern Rio Blanco Metropolitan Recreation and Park District proportion was 0.150%, which was a decrease of 0.014% from its proportion measured as of December 31, 2023.

NOTE 6 - DEFINED BENEFIT PENSION PLAN, Continued

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

For the year ended December 31, 2025, the Eastern Rio Blanco Metropolitan Recreation and Park District recognized pension income of $131,473. At December 31, 2025, the Eastern Rio Blanco Metropolitan Recreation and Park District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 69,330	$ -
Changes of assumptions or other inputs	27,116	-
Net difference between projected and actual earnings on pension plan investments	86,461	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	34,859	-
Contributions subsequent to the measurement date	211,649	N/A
Total	$ 429,415	$ -

$211,649 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2026	$ 184,967
2027	235,905
2028	(145,167)
2029	(57,939)
2030	-
Thereafter	-

NOTE 6 - DEFINED BENEFIT PENSION PLAN, Continued

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

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	
Members other than Safety Officers	3.20% – 11.30%
Safety Officers	3.20% - 12.40%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06[1]	Financed by the AIR

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

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

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

NOTE 6 - DEFINED BENEFIT PENSION PLAN, Continued

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

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

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

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

Salary increases, including wage inflation:	
Members other than Safety Officers	3.40%-13.00%
Safety Officers	3.20%-16.30%

Salary scale assumptions were altered to better reflect actual experience.

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

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

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

NOTE 6 - DEFINED BENEFIT PENSION PLAN, Continued

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

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

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

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

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

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

NOTE 6 - DEFINED BENEFIT PENSION PLAN, Continued

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the middle of the year.

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

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

NOTE 6 - DEFINED BENEFIT PENSION PLAN, Continued

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	$ 2,011,040	$ 918,787	$ 1,169

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

NOTE 7 – DEFINED CONTRIBUTION PENSION PLANS

Voluntary Investment Program (PERAPlus 401(k) Plan)

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

Funding Policy – The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contribution and investment earnings. For the year ended December 31, 2025, the program members contributed $9,300.

NOTE 8 – DEFINED BENEFIT OTHER POSTEMPLOYMENT (OPEB) PLAN

Summary of Significant Accounting Policies

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

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

General Information about the OPEB Plan

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

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

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

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

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

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

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

General Information about the OPEB Plan, continued

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Eastern Rio Blanco Metropolitan Recreation and Park District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Eastern Rio Blanco Metropolitan Recreation and Park District were $15,656 for the year ended December 31, 2025.

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

At December 31, 2025, the Eastern Rio Blanco Metropolitan Recreation and Park District reported a liability of $56,830 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The Eastern Rio Blanco Metropolitan Recreation and Park District proportion of the net OPEB liability was based on Eastern Rio Blanco Metropolitan Recreation and Park District contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2024, the Eastern Rio Blanco Metropolitan Recreation and Park District proportion was 0.012%, which was a decrease of 0.001% from its proportion measured as of December 31, 2023.

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

For the year ended December 31, 2025, the Eastern Rio Blanco Metropolitan Recreation and Park District recognized OPEB income of $33,750. At December 31, 2025, the Eastern Rio Blanco Metropolitan Recreation and Park District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 12,536
Changes of assumptions or other inputs	652	18,166
Net difference between projected and actual earnings on OPEB plan investments	192	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	42,061
Contributions subsequent to the measurement date	15,656	N/A
Total	$ 16,500	$ 72,763

$15,656 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB income as follows:

Year ended December 31:	
2026	$ (21,444)
2027	(15,527)
2028	(15,385)
2029	(10,438)
2030	(6,557)
Thereafter	(2,568)

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method			Entry age	
Price inflation			2.30%	
Real wage growth			0.70%	
Wage inflation			3.00%	
Salary increases, including wage inflation				
Members other than Safety Officers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
Safety Officers	3.20%-12.40%	N/A	3.20%-12.40%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation			7.25%	
Discount rate			7.25%	
Health care cost trend rates				
PERA benefit structure:				
Service-based premium subsidy			0.00%	
PERACare Medicare plans			16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034	
MAPD PPO #2			105.00% in 2024, 8.55% in 2025, gradually decreasing to 4.50% in 2034	
Medicare Part A premiums			3.50% in 2024, gradually increasing to 4.50% in 2033	
DPS benefit structure:				
Service-based premium subsidy			0.00%	
PERACare Medicare plans			N/A	
Medicare Part A premiums			N/A	

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

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

Age-Related Morbidity Assumptions

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

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$1,710	$1,420	$585	$486	$1,897	$1,575
70	$1,921	$1,589	$657	$544	$2,130	$1,763
75	$2,122	$1,670	$726	$571	$2,353	$1,853

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$6,536	$5,429	$4,241	$3,523	$7,063	$5,866
70	$7,341	$6,073	$4,764	$3,941	$7,933	$6,563
75	$8,110	$6,385	$5,262	$4,143	$8,7,63	$6,900

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

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

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

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

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

Year	PERACare Medicare Plans[1]	MAPD PPO #2[1]	Medicare Part A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

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

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

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
School Division	PubT-2010 Employee	N/A
Judicial Division	PubG-2010(A) Above-Median Employee	N/A
Post-Retirement (Retiree), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	**Males**: 94% of the rates prior to age 80/ 90% of the rates age 80 and older **Females**: 87% of the rates prior to age 80/ 107% of the rates age 80 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	**Males**: 112% of the rates prior to age 80/ 94% of the rates age 80 and older **Females**: 83% of the rates prior to age 80/ 106% of the rates age 80 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
All Beneficiaries	Pub-2010 Contingent Survivor	**Males**: 97% of the rates for all ages **Females**: 105% of the rates for all ages
Disabled	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

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

- Per capita health care costs in effect as of the December 31, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect costs for the 2024 plan year.

- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for that plan option.

- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023, valuation date based on an experience analysis of recent data.

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

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

	State Division	School Division	Local Government Division	Judicial Division
Salary increases, including wage inflation:				
Members other than Safety Officers	2.70%-13.30%	4.00%-13.40%	3.40%-13.00%	2.30%-4.70%
Safety Officers	3.20%-16.30%	N/A	3.20%-16.30%	N/A

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

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

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

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

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
School Division	PubT-2010 Employee	N/A
Judicial Division	PubG-2010(A) Above-Median Employee	N/A
Post-Retirement (Retiree), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	**Males**: 90% of the rates for all ages **Females**: 85% of the rates prior to age 85/ 105% of the rates age 85 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	**Males**: 106% of the rates for all ages **Females**: 86% of the rates prior to age 85/ 115% of the rates age 85 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
All Beneficiaries	Pub-2010 Contingent Survivor	**Males**: 92% of the rates for all ages **Females**: 100% of the rates for all ages
Disabled	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

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

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

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

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate[1]	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO #2 trend rate[1]	7.55%	8.55%	9.55%
Ultimate MAPD PPO #2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate[1]	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$ 55,299	$ 56,830	$ 58,563

[1]For the January 1, 2025, plan year.

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2024, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were $0.020 million and $0.486 million, respectively.

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 69,647	$ 56,830	$ 45,781

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

NOTE 9 – CHANGES IN LONG-TERM DEBT

The following is a summary of changes in long-term debt liabilities:

	1/1/2025 Balance	Additions	Deductions	12/31/2025 Balance	Due in One Year
Net pension liability	$ 1,207,094	$ -	$ 288,307	$ 918,787	$ -
Net OPEB liability	93,144	-	36,314	56,830	-
Total	$ 1,300,238	$ -	$ 324,621	$ 975,617	$ -

NOTE 10 - CONTINGENCIES

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations, which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue. The amendment also requires that reserves be established for declared emergencies, with 3% of fiscal year spending required.

In 1997, the registered voters of the Eastern Rio Blanco Metropolitan Recreation and Park District voted to allow the District to collect, retain and expend all revenues and other funds collected in 1997 and each subsequent years thereafter, for general operations expenses without limiting in any year the amount of the other revenues that may be collected and expended by the District in excess of the limits of Article X, Section 20 of the Colorado Constitution. At the same time, the District's registered voters also authorized waiver of the 5.5% revenue limitation imposed by C.R.S. § 29-1-301.

The District has no authorized but unissued debt subject to the amendment's limitations. Based on fiscal year spending for 2025, $105,843 of the year-end fund balance in the General Fund has been reserved for emergencies.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

NOTE 11 - RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Claims made against the District and losses incurred by the District are covered by commercial insurance for all major areas. There have been no significant reductions in insurance coverage in the current year and settlement amounts, if any, have not exceeded insurance coverage for any of the three preceding years.

NOTE 12 – COMMITTED FUND BALANCE

Beginning with the fiscal year 2010, the District implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a governments' fund balances more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

NOTE 12 – COMMITTED FUND BALANCE, Continued

The board establishes (and modifies or rescinds) fund balance commitments as action items in board meetings. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund. Assigned fund balance is established by the board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure of which any could be used.

NOTE 13 – REPORTING FOR PENSIONS

Beginning in 2015, financial reporting information pertaining to the District's participation in Public Employees' Retirement Association of Colorado (PERA) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

NOTE 14 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through June 24, 2026, the date at which the financial statements were available to be issued, and determined that a subsequent event has occurred that require disclosure. The District is terminating it's parks lease with the Town of Meeker effective June 1, 2026. This will, more than likely, reduce overall expenditures in the future for the District.

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REQUIRED SUPPLEMENTARY INFORMATION

EASTERN RIO BLANCO METROPOLITAN
RECREATION AND PARK DISTRICT

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2025

	General Fund			
	Budget			Variance from
	Original	Final	Actual	final budget
REVENUES				
General property taxes	$ 2,835,000	$ 2,835,000	$ 2,710,799	$ (124,201)
Specific ownership tax	-	-	99,568	99,568
Conservation trust fund	30,000	30,000	29,049	(951)
Investment income	200,000	200,000	413,530	213,530
Charge for services	290,000	290,000	238,236	(51,764)
Grants and contributions	-	-	-	-
Other income	-	-	36,902	36,902
TOTAL REVENUES	3,355,000	3,355,000	3,528,084	173,084
EXPENDITURES				
Current operating				
Administration	3,409,000	3,409,000	2,723,059	685,941
Swimming pool	8,500	8,500	5,392	3,108
Recreation and sports programs	31,500	31,500	47,139	(15,639)
County treasurer's fees	185,000	185,000	133,444	51,556
Facility maintenance	257,000	257,000	364,130	(107,130)
Guest services	19,000	19,000	13,354	5,646
Capital outlay	546,000	546,000	499,334	46,666
TOTAL EXPENDITURES	4,456,000	4,456,000	3,785,852	670,148
EXCESS OF OPERATING REVENUES OVER (UNDER) OPERATING EXPENDITURES	$ (1,101,000)	$ (1,101,000)	(257,768)	$ 843,232
FUND BALANCE - BEGINNING OF YEAR			9,652,612	
FUND BALANCE - END OF YEAR			$ 9,394,844	

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN RECREATION AND PARK DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PERA PENSION PLAN
Last 10 Fiscal Years

Year Ended*	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as Percentage of Total Pension Liability
12/31/2016	0.244%	$ 2,692,294	$ 1,633,157	165%	76.90%
12/31/2017	0.260%	3,508,555	1,606,153	218%	73.60%
12/31/2018	0.255%	2,833,222	1,576,338	180%	79.37%
12/31/2019	0.240%	3,021,516	1,682,310	180%	75.96%
12/31/2020	0.244%	1,786,726	1,659,803	108%	86.26%
12/31/2021	0.235%	1,225,319	1,604,332	76%	90.88%
12/31/2022	0.216%	(185,296)	1,608,132	-12%	101.49%
12/31/2023	0.192%	1,926,040	1,574,812	122%	82.99%
12/31/2024	0.164%	1,207,094	1,449,502	83%	88.03%
12/31/2025	0.150%	918,787	1,534,930	60%	90.45%

* The data provided in the schedule is based as of the measurement date of PERA's net pension liability, which is as of the calendar year end that occurred before the District's fiscal year end.

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN
RECREATION AND PARK DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
PERA PENSION PLAN
Last 10 Fiscal Years

Year Ending	Statutorily Required Contributions	Actual Employer Contributions	Contributions Excess/ Deficiency	Actual Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2016	$ 207,084	$ 207,084	$ -	$ 1,633,157	12.68%
12/31/2017	203,660	203,660	-	1,606,153	12.68%
12/31/2018	199,880	199,880	-	1,576,338	12.68%
12/31/2019	213,317	213,317	-	1,682,310	12.68%
12/31/2020	214,631	214,631	-	1,659,803	12.93%
12/31/2021	211,828	211,828	-	1,604,332	13.20%
12/31/2022	204,636	204,636	-	1,519,978	13.46%
12/31/2023	199,503	199,503	-	1,451,207	13.75%
12/31/2024	197,478	197,478	-	1,435,237	13.76%
12/31/2025	211,649	211,649	-	1,534,930	13.79%

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN RECREATION AND PARK DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
PERA OPEB PLAN
Last 10 Fiscal Years

Year Ended*	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Actual Covered Payroll	Net OPEB Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as Percentage of Total OPEB Liability
12/31/2017	0.020%	$ 258,596	$ 1,606,152	16%	16.72%
12/31/2018	0.020%	257,112	1,576,338	16%	17.53%
12/31/2019	0.019%	253,577	1,682,310	15%	17.03%
12/31/2020	0.019%	210,298	1,659,803	13%	24.49%
12/31/2021	0.018%	170,553	1,604,332	11%	32.78%
12/31/2022	0.017%	144,873	1,608,132	9%	39.40%
12/31/2023	0.015%	126,458	1,574,812	8%	38.57%
12/31/2024	0.013%	93,144	1,449,502	6%	46.16%
12/31/2025	0.012%	56,830	1,534,930	4%	59.83%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

* The data provided in the schedule is based as of the measurement date of PERA's net OPEB liability, which is as of the calendar year end that occurred before the District's fiscal year end.

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN RECREATION AND PARK DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
PERA OPEB PLAN
Last 10 Fiscal Years

Year Ending	Statutorily Required Contributions	Actual Employer Contributions	Contributions Excess/ Deficiency	Actual Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2017	$ 16,383	$ 16,383	$ -	$ 1,606,152	1.02%
12/31/2018	16,079	16,079	-	1,576,338	1.02%
12/31/2019	17,160	17,160	-	1,682,310	1.02%
12/31/2020	16,930	16,930	-	1,659,803	1.02%
12/31/2021	16,309	16,309	-	1,604,332	1.02%
12/31/2022	15,351	15,351	-	1,519,978	1.01%
12/31/2023	14,679	14,679	-	1,439,075	1.02%
12/31/2024	14,639	14,639	-	1,435,237	1.02%
12/31/2025	15,656	15,656	-	1,534,930	1.02%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

The accompanying "Notes to Financial Statements" are an integral part of the statement.

EASTERN RIO BLANCO METROPOLITAN
RECREATION AND PARK DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (RSI)
December 31, 2025

NOTE 1 – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION (PERA)

2024 Changes in Plan Provisions Since 2023

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

NOTE 2 – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTURIAL INFORMATION (PERA)

2024 Changes in Assumptions or Other Inputs Since 2023

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

NOTE 3 – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION (OPEB)

2024 Changes in Plan Provisions Since 2023

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

NOTE 4 – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTURIAL INFORMATION (OPEB)

2024 Changes in Assumptions or Other Inputs Since 2023

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

NOTE 4 – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTURIAL INFORMATION (OPEB), Continued

- The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on experience. In addition, the mortality projection scale was updated to the 2024 adjusted scale MP-2021 to reflect future improvements in mortality for all groups.

- Participation rates were reduced.

- MAPD premium costs are no longer age graded.