

TRI-LAKES WASTEWATER TREATMENT FACILITY

BASIC FINANCIAL STATEMENTS

December 31, 2025

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FINANCIAL SECTION

Joint Use Coordinating Committee
Tri-Lakes Wastewater Treatment Facility
Monument, Colorado

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Facility as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Facility, 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 these 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 Facility'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the schedules of the Facility's proportionate share, and the schedules of the Facility's contributions on pages 34-37 be presented to supplement the basic financial statements. Such information, 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.

Management has not presented the management discussion and analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not 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 statement in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

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

PB Solutions LLC

Littleton, Colorado

April 14, 2026

BASIC FINANCIAL STATEMENTS

TRI-LAKES WASTEWATER TREATMENT FACILITY

STATEMENT OF NET POSITION

December 31, 2025

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 222,966
Accounts Receivable	291,491
Prepaid Expenses	43,354
Total Current Assets	<u>557,811</u>

Noncurrent Assets

Capital Assets, Not Depreciated	819,303
Capital Assets, Depreciated, Net of Accumulated Depreciation	5,981,815
Total Noncurrent Assets	<u>6,801,118</u>

TOTAL ASSETS 7,358,929

DEFERRED OUTFLOWS OF RESOURCES

Related to Pensions	60,819
Related to OPEB	5,255
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>66,074</u>

LIABILITIES

Current Liabilities

Accounts Payable	266,712
Compensated Absences	103,998
Deposits	59,172
Total Current Liabilities	<u>429,882</u>

Noncurrent Liabilities

Net Pension Liability	236,403
Net OPEB Liability	14,624
Total Noncurrent Liabilities	<u>251,027</u>

TOTAL LIABILITIES 680,909

DEFERRED INFLOWS OF RESOURCES

Related to Pensions	3,837
Related to OPEB	9,554

TOTAL DEFERRED INFLOWS OF RESOURCES 13,391

NET POSITION

Net Investment in Capital Assets	6,801,118
Unrestricted	<u>(70,415)</u>

TOTAL NET POSITION \$ 6,730,703

The accompanying notes are an integral part of the financial statements.

TRI-LAKES WASTEWATER TREATMENT FACILITY

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Year Ended December 31, 2025

OPERATING REVENUES	
Charges for Services	<u>\$ 2,297,433</u>
TOTAL OPERATING REVENUES	<u>2,297,433</u>
OPERATING EXPENSES	
Dues, Subscriptions, Education, and Travel	2,558
Permits and Licenses	14,973
Equipment Expenses	2,369
Insurance	33,456
Repairs and Maintenance	135,934
Miscellaneous Expenses	2,621
Office Supplies and Expense	2,817
Plant Operator's Expense	578,214
Professional Fees	64,004
Small Tools	340
Supplies	104,750
Special Chemical Monitoring	88,704
Vehicle Expense	2,914
Utilities	143,578
Sludge Removal	432,551
Depreciation	<u>277,028</u>
TOTAL OPERATING EXPENSES	<u>1,886,811</u>
OPERATING INCOME (LOSS)	<u>410,622</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest Income	3,326
Pension and OPEB Expense	<u>(19,469)</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(16,143)</u>
CHANGE IN NET POSITION	394,479
NET POSITION, Beginning	<u>6,336,224</u>
NET POSITION, Ending	<u><u>\$ 6,730,703</u></u>

The accompanying notes are an integral part of the financial statements.

TRI-LAKES WASTEWATER TREATMENT FACILITY

STATEMENT OF CASH FLOWS
 Year Ended December 31, 2025
 Increase (Decrease) in Cash and Cash Equivalents

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Owning Districts	\$ 2,106,835
Cash Paid to Suppliers and Employees	<u>(1,344,394)</u>
Net Cash Provided by Operating Activities	<u>762,441</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Capital Assets	<u>(699,451)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(699,451)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	<u>3,326</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	66,316
CASH AND CASH EQUIVALENTS, Beginning	<u>156,650</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 222,966</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Income	<u>\$ 410,622</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation Expense	277,028
Changes in Assets and Liabilities	
Accounts Receivable	(190,598)
Prepaid Expenses	3,611
Accounts Payable	254,111
Accrued Compensated Absences	7,667
Total Adjustments	<u>351,819</u>
Net Cash Provided by Operating Activities	<u>\$ 762,441</u>

The accompanying notes are an integral part of the financial statements.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tri-Lakes Wastewater Treatment Facility (the “Facility”) is an entity formed by intergovernmental agreement among Palmer Lake Sanitation District, Monument Sanitation District, and Woodmoor Sanitation District No.1. The Facility is operated and accounted for as an enterprise fund and financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Facility meets the criteria to be treated as a joint venture. Following is a summary of the more significant policies:

Reporting Entity

Joint ventures are created by governments for special purposes and are responsible to the public, investors, creditors, the management that created them, and the users served by the joint venture. A joint venture is a legal entity or other contractual arrangement participated in by a government as a separate and specific activity for the benefit of the public or several recipients in which the government retains an ongoing financial interest and/or responsibility.

The financial reporting entity consists of the Facility and organizations for which the Facility is financially accountable. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Facility. In addition, any legally separate organization for which the Facility is financially accountable are considered part of the reporting entity. Financial accountability exists if the Facility appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on the Facility.

Based upon the application of these criteria, no additional organizations are includable within the Facility’s reporting entity. However, the Facility is a joint venture and is reported within each owning government’s financial reporting entity. Each owning District is financially responsible for the Facility. Fiscal responsibility is derived from the governmental unit’s power and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. Fiscal responsibility implies that a governmental unit is dependent on another and the dependent unit should be reported as part of the other.

The accounting policies of the Facility conform to generally accepted accounting principles as applicable to the governmental units accounted for as proprietary enterprise funds. The enterprise fund is used since the Facility’s powers are related to those operated in a manner similar to a private utility system where fees and charges are designed to recover costs, including capital costs.

The Facility’s records are maintained on the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when the liability is incurred, regardless of the timing of related cash flows.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Facility distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Facility's practice to use restricted resources first, then unrestricted resources as they are needed.

The Facility reports all activity in one enterprise fund which is a proprietary fund type. This fund is considered a major fund.

Assets, Liabilities, and Fund Balance/Net Position

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Facility considers cash and cash equivalents to be all demand deposits as well as short-term investments with a maturity date of three months or less. Investments are reported at fair value.

Receivables – Accounts Receivable consists of amounts owed by the owning Districts for wastewater services. The Facility considers all accounts receivable as collectible; therefore no allowance is recorded at year end.

Prepaid Expenses – Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid expenses in the statement of net position.

Capital Assets – Capital assets are defined by the Facility as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property and equipment of the Facility is depreciated using the straight-line method over the following estimated useful lives:

Plant and Buildings	50 years
Land Improvements	20 years
Infrastructure Improvements	5 – 15 years
Vehicles and Equipment	5 – 7 years

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Fund Balance/Net Position (Continued)

Compensated Absences – Facility employees are entitled to certain compensated absences (vacation) based on their length of employment and are allowed to accumulate unused absences. Employees also accrue sick leave at a rate of 8 hours per month.

Upon termination of employment, employees are entitled to receive compensation for unused vacation and sick leave at the employees' current salary rate.

These compensated absences are recognized as current salary costs when earned in the proprietary fund. A liability in the amount of \$103,998 has been recorded in the statement of net position for these accrued compensated absences.

Deferred Outflows and Deferred Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Net Position – Net position is categorized as investment in capital assets, restricted, and unrestricted.

Investment in Capital Assets is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position represents liquid assets, which have third party limitations on their use.

Unrestricted Net Position represents assets that do not have any third-party limitation on their use. While Facility management may have categorized and segmented portions for various purposes, the Facility Joint Use Committee has the unrestricted right to revisit or alter these managerial decisions.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits Held for Owing Districts

Per the Cash Flow Escrow Agreement dated October 13, 1998, and amended on December 12, 2006, each owning District of the Facility was required to deliver a sum of \$10,000 and \$7,000. The Agreement provided working capital and funding to satisfy projected cash flow requirements. In addition to the deposits, any interest earned is transferred to the deposit account. In the event of the termination of the Agreement by the Districts, the funds will be distributed to each of the owning Districts. As of December 31, 2025, the deposit balance was \$59,172.

Joint Use Coordinating Committee

Each District appoints one representative and an alternate to serve on the Joint Use Coordinating Committee. The Committee's function and responsibility is to review the use and operation of the Facility.

Risk Management

The Facility is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, injuries to employees, and natural disasters. Commercial insurance coverage is purchased to manage these risks of loss.

Subsequent Events

The Facility has evaluated events subsequent to the year ended December 31, 2025, through April 14, 2026, the date these financial statements were available to be issued and has incorporated any required recognition into these financial statements.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

A budget is adopted for the proprietary fund as a management control device but is not legally required. The budgetary information presented in the financial statements was approved by each owning District.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 3: CASH AND INVESTMENTS

A summary of the Facility's deposits as of December 31, 2025, follows:

Petty Cash	\$ 100
Deposits	<u>222,866</u>
Total	<u>\$222,966</u>

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. On December 31, 2025, State regulatory commissioners have indicated that all financial institutions holding deposits for the Facility are eligible public depositories.

Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The Facility has no policy regarding custodial credit risk for deposits.

On December 31, 2025, the Facility had deposits with financial institutions with a carrying amount of \$222,866. The bank balances with the financial institutions were \$230,738. All of these balances were covered by federal depository insurance.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2025, is summarized below:

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Business-Type Activities				
Capital Assets, Not Depreciated				
Construction in Progress	\$ 119,852	\$ 699,451	\$ -	\$ 819,303
Capital Asset, Being Depreciated				
Treatment Plant	\$ 8,078,397	\$ -	\$ -	\$ 8,078,397
Phosphorous Plant	3,692,854	-	-	3,692,854
Lab Building	477,742	-	-	477,742
Land Improvements	165,008	-	-	165,008
Landscaping	12,761	-	-	12,761
Road	6,301	-	-	6,301
Equipment	522,725	-	-	522,725
Vehicles	80,568	-	-	80,568
Total Capital Assets, Being Depreciated	<u>13,036,356</u>	<u>-</u>	<u>-</u>	<u>13,036,356</u>
Accumulated Depreciation				
Treatment Plant	5,313,214	159,320	-	5,472,534
Phosphorous Plant	597,011	73,857	-	670,868
Lab Building	179,951	9,555	-	189,506
Land Improvements	122,224	8,774	-	130,998
Landscaping	12,761	-	-	12,761
Road	6,301	-	-	6,301
Equipment	497,687	17,471	-	515,158
Vehicles	48,364	8,051	-	56,415
Total Depreciation	<u>6,777,513</u>	<u>277,028</u>	<u>-</u>	<u>7,054,541</u>
Capital Assets, Depreciated, Net	<u>6,258,843</u>	<u>(277,028)</u>	<u>-</u>	<u>5,981,815</u>
Net Capital Assets	<u>\$ 6,378,695</u>	<u>\$ 422,423</u>	<u>\$ -</u>	<u>\$ 6,801,118</u>

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 5: DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions. The Facility 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 they are due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the Facility 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.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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

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

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

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

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

Contributions provisions as of December 31, 2024: Eligible employees of the Facility 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, 2024, through December 31, 2025, are summarized in the table below:

TRI-LAKES WASTEWATER TREATMENT FACILITY
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2025

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

	January 1, 2024 Through December 21 2024	January 1, 2025 Through December 21 2025
Employee contribution (all employees other than State Troopers)	9.00%	9.00%

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

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

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

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

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Facility is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Facility were \$57,016 for the year ended December 31, 2025.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

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 Facility proportion of the net pension liability was based on the Facility's contributions to the LGDTF for the calendar year 2024 relative to the total contributions of participating employers.

At December 31, 2025, the Facility reported a liability of \$236,403 for its proportionate share of the net pension liability.

At December 31, 2024, the Facility's proportion was 0.0385%, which was a decrease of 0.0015% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Facility recognized pension expense of \$82,425. At December 31, 2025, the Facility 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	\$1,168	\$-
Changes of assumptions or other inputs	457	-
Net difference between projected and actual earnings on pension plan investments	2,178	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	3,837
Contributions subsequent to the measurement date	57,016	N/A
Total	\$60,819	\$3,837

\$57,016 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

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

Year ended December 31,	
2026	\$52,779
2027	(37,906)
2028	(14,907)

Actuarial assumptions

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	
Members other than Safety Officers	3.20%-11.30%
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 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.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions (Continued)

Pre-Retirement	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Employee	N/A
<hr/>		
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
<hr/>		
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
<hr/>		
Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages
<hr/>		

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.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions (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 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.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions (Continued)

- 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.
- As of the December 31, 2023 measurement date, the FNP and related disclosures components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department as a PERA- affiliated employer, effective December 31, 2022. As of the December 31, 2023 year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24,000 payment received on December 4, 2023 and a \$2,000 receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and HCTF were \$24,967 and \$1,033, respectively.

TRI-LAKES WASTEWATER TREATMENT FACILITY
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2025

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions (Continued)

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

Sensitivity of the Facility’s 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 one percentage point lower (6.25%) or one 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	\$517,440	\$236,403	\$301

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/investments/pera-financial-reports.

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

Summary of Significant Accounting Policies

OPEB: The Facility 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.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

General Information about the OPEB Plan

Plan description. Eligible employees of the Facility 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.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

General Information about the OPEB Plan (Continued)

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.

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 Facility is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the Facility were \$4,217 for the year ended December 31, 2025.

At December 31, 2025 the Facility reported a liability of \$14,624 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, 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 Facility's proportion of the net OPEB liability was based on The Facility's 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 Facility's proportion was 0.0031%, which was a decrease of 0.000127% from its proportion measured as of December 31, 2023.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

For the year ended December 31, 2025 the Facility recognized OPEB expense of (\$1,723). At December 31, 2025, The Facility reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$-	\$2,013
Changes of assumptions or other inputs	91	3,412
Net difference between projected and actual earnings on OPEB plan investments	-	103
Changes in proportion and differences between contributions recognized and proportionate share of contributions	947	4,026
Contributions subsequent to the measurement date	4,217	N/A
Total	\$5,255	\$9,554

\$4,217 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31,	
2026	(\$2,144)
2027	(\$2,628)
2028	(\$1,937)
2029	(\$1,050)
2030	(\$757)

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial Assumptions

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

	Local Government 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 State Troopers	3.20%-11.30%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	16.00% in 2024, then 6.75% in 2025 gradually decreasing to 4.50% in 2034
MAPD PPO #2	105.00% in 2024, then 8.55% in 2025 gradually decreasing to 4.5% in 2034
Medicare Part A premiums	3.50% in 2024, gradually increasing to 4.50% in 2034

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.

TRI-LAKES WASTEWATER TREATMENT FACILITY
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial Assumptions (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

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial Assumptions (Continued)

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

The 2024 Medicare Part A premium is \$505 (actual dollars) 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.

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.

TRI-LAKES WASTEWATER TREATMENT FACILITY
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial Assumptions (Continued)

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

Year	PERACare Medicare Plans ¹	MAPD PPO #21	Medicare Part A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

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.

TRI-LAKES WASTEWATER TREATMENT FACILITY
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial Assumptions (Continued)

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

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

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

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial Assumptions (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.

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

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

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

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial Assumptions (Continued)

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.

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

TRI-LAKES WASTEWATER TREATMENT FACILITY
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial Assumptions (Continued)

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

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

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

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

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

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

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Sensitivity of The Facility’s proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate ¹	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO trend rate	7.55%	8.55%	9.55%
Ultimate MARD PPO trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$14,230	\$14,624	\$15,070

¹For the January 1, 2025, plan year.

Discount rate

The discount rate used to measure the TOL was 7.25%. The basis for the projection of liabilities and 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%.

TRI-LAKES WASTEWATER TREATMENT FACILITY
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2025

NOTE 6: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Discount rate (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 The Facility’s 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 one-percentage-point lower (6.25%) or one-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	\$17,922	\$14,624	\$11,781

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/investments/pera-financial-reports.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 7: RETIREMENT PLAN

The Facility participates in a Section 457 Deferred Compensation Plan for its employees. The plan is administered by Lincoln National Life. The Facility matches 5% of the gross salary of all participating employees. During the year ended December 31, 2025, the Facility contributed \$19,410 to the plan.

NOTE 8: COMMITMENTS AND CONTINGENCIES

Joint Ownership

In 1977, Woodmoor Water and Sanitation District No.1, Palmer Lake Sanitation District, and Monument Sanitation District (the "Districts") entered into an agreement for the joint operation and use of a wastewater treatment facility.

In 1988, by amendment to the original agreement, Woodmoor Sanitation District No.1 began management of the Facility in accordance with the policies and procedures for joint use established by the coordinating committee.

In 1996, the three participating Districts entered into an Amended Joint Use of Facilities Agreement which replaced all prior agreements with regard to management of the Facility. Since the amendment, the Facility is operated and managed as a joint venture of the participating Districts.

As of December 2006, Woodmoor Water and Sanitation District No.1 no longer manages the Facility. The Facility Manager manages the Facility under the direction of the Joint Use Committee Board of Directors.

The real and personal property and fixtures of the Facility are commonly owned by the Districts in equal, undivided one-third interests, with each District possessing the right to use the real estate. Major repair or replacement expenses in excess of \$5,000 are assessed equally to each District.

Operating expenses and repair and replacement expenses less than \$5,000 are billed to the Districts on a monthly basis in accordance with each District's pro rata contribution to the monthly flows and BOD loadings discharged into the Facility. Each calendar month, 40% of operating expenses are billed by influent flows and 60% of operating expenses are billed by BOD loadings. The capacity is subject to change with future facility expansion.

TRI-LAKES WASTEWATER TREATMENT FACILITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 8: **COMMITMENTS AND CONTINGENCIES** (Continued)

Joint Ownership (Continued)

In February 2015, Woodmoor Water and Sanitation District No.1 and Palmer Lake Sanitation District entered into an Offer of Settlement Agreement. The purpose of the agreement was to ensure that the state mandated improvements to the Facility were not delayed and the Facility's grant funds for the improvements were not jeopardized despite the ongoing dispute among the owning Districts regarding the cost sharing of the capital improvements. The agreement established preliminary cost allocation where Woodmoor Water and Sanitation District No.1 agrees to cover 66.66% of the project costs until a settlement among the Districts can be reached. This agreement was amended in July 2015. In the amended agreement, Woodmoor Water and Sanitation District No.1 had agreed to provide gap funds to the Palmer Lake Sanitation District in the event that the grant funds are not received.

The final court ruling was issued on May 23, 2016, granting Woodmoor Water and Sanitation District No. 1 motion for summary judgment for costs to the Phase I improvements to be allocated one-third to each owning District. Subsequent to the ruling, the defendants (Monument Sanitation District and Palmer Lake Sanitation District) filed an appeal with the appellate courts in June 2016. The District Court ruled against the defendants and in favor of Woodmoor Water and Sanitation District No.1 on September 15, 2019.

Tabor Amendment

In November 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the "Tabor Amendment"), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government.

Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation. Revenue received in excess of the limitations may be required to be refunded. The Tabor Amendment is complex and subject to judicial interpretations. The Facility believes it is exempt from the provisions of the Amendment.

REQUIRED SUPPLEMENTARY INFORMATION

TRI-LAKES WASTEWATER TREATMENT FACILITY
 SCHEDULE OF THE FACILITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PERA LOCAL GOVERNMENT DIVISION TRUST FUND

Years Ended December 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the Net Pension Liability (Asset)	0.0385%	0.0400%	0.0400%	0.0399%	0.0458%	0.0526%	0.0461%	0.0460%	0.0427%	0.0393%
Proportionate Share of the Net Pension Liability (Asset)	\$ 236,403	\$ 294,141	\$ 405,671	\$ (34,229)	\$ 238,589	\$ 384,384	\$ 579,457	\$ 512,624	\$ 576,125	\$ 432,863
Covered payroll	\$ 369,073	\$ 352,036	\$ 331,071	\$ 331,071	\$ 292,653	\$ 337,211	\$ 323,777	\$ 290,438	\$ 263,959	\$ 226,998
Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	64.05%	83.55%	122.53%	-10.34%	81.53%	113.99%	178.97%	176.50%	218.26%	190.69%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.45%	88.03%	82.99%	101.49%	90.88%	86.26%	75.96%	79.00%	74.00%	77.00%

See the accompanying independent auditor's report

TRI-LAKES WASTEWATER TREATMENT FACILITY
SCHEDULE OF THE FACILITY'S CONTRIBUTIONS
PERA LOCAL GOVERNMENT DIVISION TRUST FUND

Years Ended December 31,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contributions	\$ 57,016	\$ 55,853	\$ 48,370	\$ 44,593	\$ 37,840	\$ 42,014	\$ 49,583	\$ 44,358	\$ 39,790	\$ 32,736
Contributions in Relation to the Contractually Required Contributions	57,016	55,853	48,370	44,593	37,840	42,014	49,583	44,358	39,790	32,736
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 413,457	\$ 387,524	\$ 352,036	\$ 331,071	\$ 292,653	\$ 323,627	\$ 361,923	\$ 323,777	\$ 290,438	\$ 263,959
Contributions as a Percentage of Covered Payroll	13.79%	14.41%	13.74%	13.47%	12.93%	12.98%	13.70%	13.70%	13.70%	12.40%

See the accompanying independent auditor's report

TRI-LAKES WASTEWATER TREATMENT FACILITY

SCHEDULE OF THE FACILITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
PERA HEALTH CARE TRUST FUND

Years Ended December 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the Net OPEB Liability (Asset)	0.0031%	0.0032%	0.0033%	0.0350%	0.0350%	0.0040%	0.0043%	0.0036%	0.0033%
Proportionate Share of the Net OPEB Liability (Asset)	\$ 14,624	\$ 22,737	\$ 26,639	\$ 26,761	\$ 33,244	\$ 45,247	\$ 58,227	\$ 46,486	\$ 42,467
Covered payroll	\$ 369,073	\$ 352,036	\$ 331,071	\$ 331,071	\$ 292,653	\$ 337,211	\$ 323,777	\$ 290,438	\$ 263,959
Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	3.96%	6.46%	8.05%	8.08%	11.36%	13.42%	17.98%	16.01%	16.09%
Plan Fiduciary Net position as a Percentage of the Total OPEB Liability	59.83%	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	17.53%

NOTE: Information for the prior one year was not available for this report.

See the accompanying independent auditor's report

TRI-LAKES WASTEWATER TREATMENT FACILITY

SCHEDULE OF THE FACILITY'S CONTRIBUTIONS
PERA HEALTH CARE TRUST FUND

Years Ended December 31,

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contributions	\$ 4,217	\$ 3,953	\$ 3,591	\$ 3,377	\$ 2,985	\$ 3,301	\$ 3,692	\$ 3,303	\$ 2,962
Contributions in Relation to the Contractually Required Contributions	4,217	3,953	3,591	3,377	2,985	3,301	3,692	3,303	2,962
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 413,457	\$ 387,524	\$ 352,036	\$ 331,071	\$ 292,653	\$ 323,627	\$ 361,923	\$ 323,777	\$ 290,438
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

NOTE: Information for the prior one year was not available for this report.

See the accompanying independent auditor's report

SUPPLEMENTARY INFORMATION

TRI-LAKES WASTEWATER TREATMENT FACILITY

SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 Year Ended December 31, 2025

	2025		VARIANCE Positive (Negative)	2024 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Charges for Services	\$ 2,765,554	\$ 2,297,433	\$ (468,121)	\$ 1,598,127
Interest Income	-	3,326	3,326	2,987
TOTAL REVENUES	2,765,554	2,300,759	(464,795)	1,601,114
EXPENDITURES				
Construction	1,008,500	699,451	309,049	-
Dues, Subscriptions, Education, and Travel	7,000	2,558	4,442	3,919
Permits and Licenses	16,800	14,973	1,827	922
Equipment Expenses	3,446	2,369	1,077	6,218
Insurance	40,221	33,456	6,765	38,465
Repairs and Maintenance	48,954	135,934	(86,980)	71,323
Miscellaneous Expenses	2,500	2,621	(121)	13,288
Office Supplies and Expense	4,800	2,817	1,983	6,153
Plant Operator's Expense	565,466	578,214	(12,748)	527,725
Professional Fees	155,969	64,004	91,965	103,518
Small Tools	500	340	160	174
Supplies	126,746	104,750	21,996	122,953
Special Chemical Monitoring	112,802	88,704	24,098	79,403
Vehicle Expense	5,000	2,914	2,086	3,938
Utilities	155,029	143,578	11,451	148,310
Sludge Removal	506,821	432,551	74,270	412,642
Contingency	5,000	-	5,000	-
TOTAL EXPENDITURES	2,765,554	2,309,234	456,320	1,538,951
EXCESS OF REVENUE OVER EXPENDITURES	-	(8,475)	(8,475)	62,163
BEGINNING FUNDS AVAILABLE	59,173			
ENDING FUNDS AVAILABLE	\$ 59,173			
Reconciliation between budgetary basis and generally accepted accounting principles (GAAP)				
Capital Outlay		699,451		58,699
Depreciation Expense		(277,028)		(287,159)
Pension and OPEB Income(Expenses)		(19,469)		30,778
CHANGE IN NET POSITION, GAAP BASIS		394,479		(135,519)
NET POSITION, Beginning		6,336,224		6,471,743
NET POSITION, Ending		\$ 6,730,703		\$ 6,336,224

See the accompanying independent auditor's report