Washington – Yuma Counties Combined Communications Center & 911 Authority
Yuma, Colorado

Financial Statements
December 31, 2025

Washington – Yuma Counties Combined Communications Center & 911 Authority
Financial Statements
December 31, 2025

Table of Contents

	Page
INDEPENDENT AUDITOR'S REPORT	A1 – A2
Management's Discussion and Analysis	B1 – B5
Basic Financial Statements:	
Balance Sheet / Statement of Net Position	C1
Statement of Revenues, Expenditures and Changes in Fund Balance / Statement of Activities	C2
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	C3
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – 911 Authority Fund	C4
Notes to the Financial Statements	D1 – D33
Required Supplementary Information:	
Schedule of the Center's Proportionate Share of the Net Pension Liability/(Asset)	E1
Schedule of Center Pension Contributions	E2
Schedule of the Center's Proportionate Share of the Net OPEB Liability	E3
Schedule of Center OPEB Contributions	E4
Notes to the Required Supplementary Information	E5 – E8

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

Web Site: www.McMahanCPA.com Main Office: (970) 845-8800

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Washington - Yuma Combined Communications Center & 911 Authority
Yuma, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Washington - Yuma Combined Communications Center & 911 Authority (the "Center"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Center'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 and each major fund of the Center as of December 31, 2025 and the respective changes in financial position thereof and the respective budgetary comparison for each major fund for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. 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 Center 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

The Center's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for one year after the date that the financial statements are issued.

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 U.S. 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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with U.S. 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 Center'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 Center'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

U.S. GAAP require that Management's Discussion and Analysis in section B, and the Schedule of the Center's Proportionate Share of the Net Pension Liability/(Asset), the Schedule of Center Pension Contributions, the Schedule of the Center's Proportionate Share of the Net OPEB Liability, the Schedule of Center OPEB Contributions, and the Notes to the Required Supplemental Information in Section E 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 U.S. GAAS, 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.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
September 25, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

WASHINGTON – YUMA COUNTIES COMBINED COMMUNICATIONS CENTER & 911 AUTHORITY

Management's Discussion and Analysis
December 31, 2025

As management of the Washington – Yuma Counties Combined Communications Center & 911 Authority, (the "Center"), we offer readers of the financial statements this narrative summary of the financial activities for the year ended December 31, 2025.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Center's basic financial statements. The Center's financial statements are comprised of two components: 1) financial statements; and 2) notes to the financial statements. These components are discussed below.

Financial Statements: The financial statements are designed to provide readers with an overview of the Center's finances, from both a short-term fund perspective and a long-term economic perspective.

The Balance Sheet/Statement of Net Position presents information (both short-term and long-term) on all the Center's assets and deferred outflows of resources; liabilities and deferred inflows of resources; with the difference between the assets and deferred outflows of resources and the liabilities and deferred inflows of resources reported as fund balance or net position. The Balance Sheet column presents the financial position focusing on short-term available resources and is reported on the modified accrual basis of accounting. The Statement of Net Position column presents the financial position focusing on long-term economic resources and is reported on the full accrual basis of accounting. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Center is improving or deteriorating.

The Statement of Revenues, Expenditures and Changes in Fund Balance/Statement of Activities shows how the government's fund balance and net position changed during the most recent fiscal year. Again, the Statement of Revenues, Expenditures and Changes in Fund Balance column focuses on short-term available resources and is reported on the modified accrual basis of accounting. The Statement of Activities column focuses on long-term economic resources and is reported on the full accrual basis.

The Center adopts a budget annually for the General Fund and the 911 Authority Fund. A budget comparison statement has been provided to demonstrate compliance with these budgets. The Center's financial statements can be found in Section C of this report.

Notes to the Financial Statements: The notes provide a background of the entity, certain required statutes, and accounting policies utilized by the Center. They also provide additional information that will aid in the interpretation of the financial statements. The Notes to the Financial Statements can be found in Section D of this report.

Financial Analysis of the Center

Washington - Yuma Counties Combined Communications Center & 911 Authority's Statement of Net Position

Assets:	**2025**	**2024**
Current and other assets	$ 1,760,156	$ 1,379,068
Capital assets	265,515	302,491
Total Assets	2,025,671	1,681,559
Deferred Outflows of Resources:		
Pension & OPEB related deferred outflows	204,097	287,305
Total Deferred Outflows of Resources	204,097	287,305
Liabilities:		
Current and other liabilities	115,347	154,953
Long-term liabilities	733,323	853,842
Total Liabilities	848,670	1,008,795
Deferred Inflows of Resources:		
Pension & OPEB related deferred inflows	20,222	21,421
Total Deferred Inflows of Resources	20,222	21,421
Net Position:		
Net invested in capital assets	37,226	(25,198)
Restricted	1,139,508	898,497
Unrestricted	184,142	65,349
Total Net Position	$ 1,360,876	$ 938,648

At the end of the 2025 fiscal year, the Center reports a positive net position due to revenues over expenditures. The Center's net position increased by $422,228, and the Center begins 2026 with a net position of $1,360,876.

Washington - Yuma Counties Combined Communications Center & 911 Authority's Change in Net Position

	2025	2024
Revenues:		
Yuma County	$ 600,600	$ 600,600
Washington County	300,300	300,300
RETAC coordinator	120,480	140,378
Asset purchases	-	423,350
Other contributions	-	151,494
Surcharges	727,378	709,054
Other	3,246	8,616
Interest	24,530	12,067
Total Revenues	1,776,534	2,345,859
Expenses:		
Salaries and benefits	820,427	840,674
Supplies	4,169	4,004
Postage, printing, and advertising	4,024	120
Dues	591	1,296
Utilities	11,215	8,986
Telephone	84,586	70,206
Equipment rental	165	-
Repairs and maintenance	80,000	81,353
Meetings and travel	2,496	3,476
Training	4,497	585
Computer support equipment	5,236	3,447
Depreciation/amortization expense	107,459	120,859
Treasurers' fees	16,063	4,082
Other	466	2,783
CAPP insurance	11,458	20,169
Professional services	57,836	26,715
RETAC salaries and other costs	120,480	140,378
Interest expense	6,858	9,072
Pension expense	26,591	(103,083)
OPEB expense (revenue)	(10,311)	(9,318)
Total Expenses	1,354,306	1,225,804
Change in Net Position	422,228	1,120,055
Net Position:		
Beginning of the Year	938,648	(181,407)
End of the Year	$ 1,360,876	$ 938,648

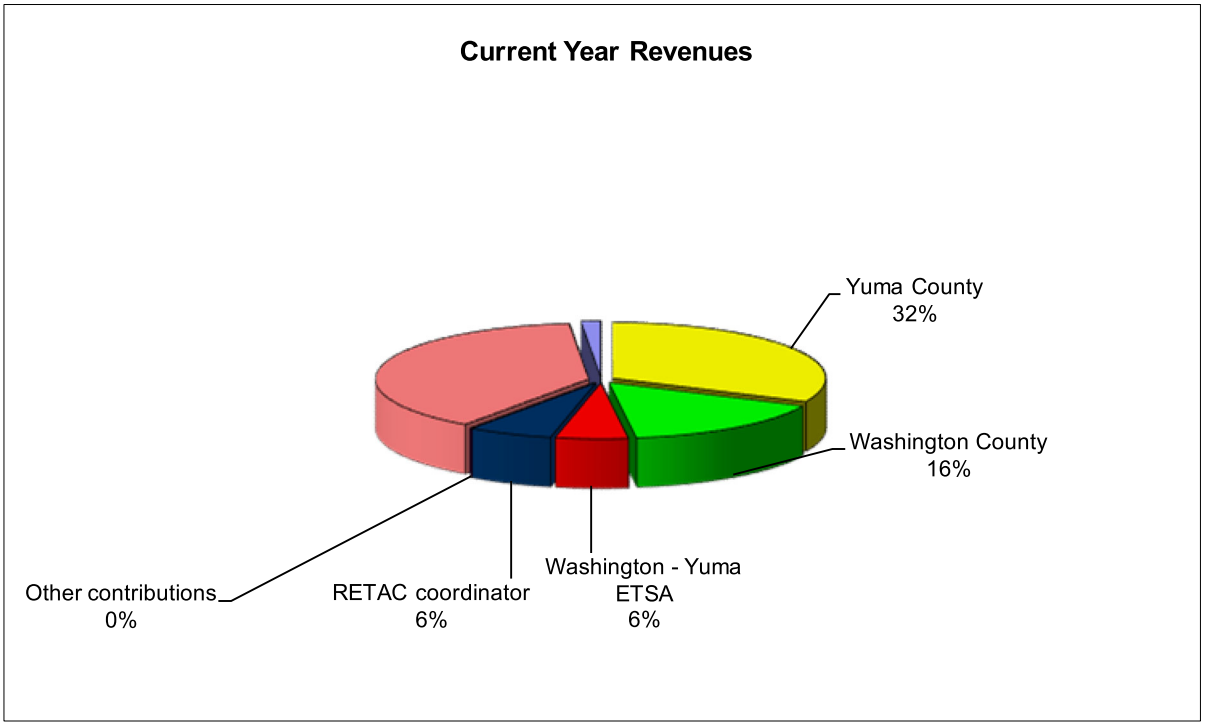
Financial Analysis of the Center

Revenues from Yuma and Washington Counties and surcharges were the most significant sources of income, accounting for 49% of total revenues.

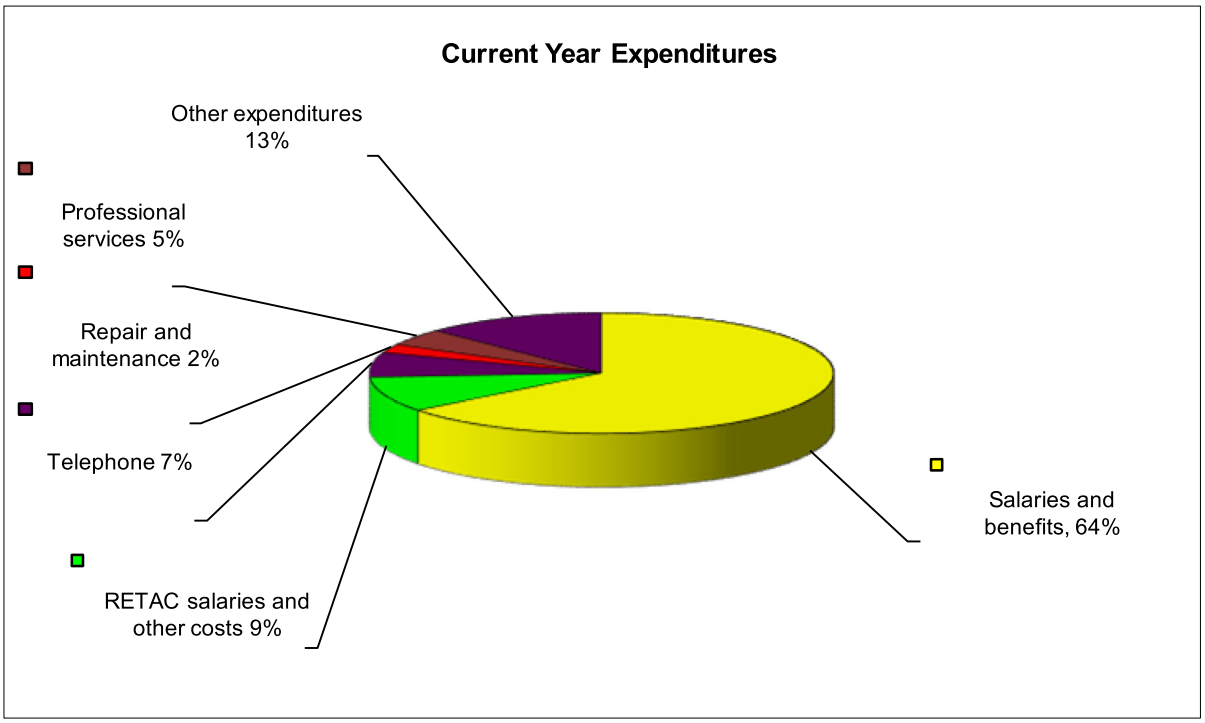
Salaries and other payroll costs accounted for 64% of the Center's expenses.

Financial Analysis of the Center (continued)

The following graph details the Center's 2025 revenues:



The following graph shows the Center's 2025 expenditures:



Budget Variances in the General Fund

The Center did not amend the General Fund budget for the 2025 fiscal year; the actual expenditures for the General Fund were under budget by $29,267.

Significant budget variances in the General Fund were as follows:

	Positive (Negative) Variance	Reason
Revenues:		
RETAC coordinator	$ 120,480	Item not budgeted and offset by expense
Expenditures:		
Salaries and benefits	135,654	Budgeted for more full-time employees, hours for part-time employees, and personal leave buyout than needed
RETAC salaries and other costs	(120,480)	Item not budgeted and offset by revenue

Capital Assets: The Center's investment in capital assets totaled $265,515 in 2025. Additional information, as well as a detailed classification of the Center's net capital assets, can be found in the Notes to the Financial Statements in Section D of this report.

Long-Term Liabilities: As of December 31, 2025, the Center had an outstanding debt of $733,323 consisting of the Center's net pension and OPEB liabilities, compensated absences payable, and SBITA payable. Additional information as well as a detailed classification of the Center's long-term liabilities can be found in the Notes to the Financial Statements in Section D of this report.

Next Year's Budget and Rates

The Center's general fund balance at the end of the 2025 fiscal year totaled $456,446. The Center's 2026 budget anticipates a decrease of $8,344 in fund balance.

Request for Information

This financial report is designed to provide a general overview of the Center's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Washington - Yuma Combined Communications Center & 911 Authority, P.O. Box 96, Yuma, Colorado 80759.

BASIC FINANCIAL STATEMENTS



Washington - Yuma Combined Communications Center
Balance Sheet / Statement of Net Position
December 31, 2025

	General Fund	911 Authority Fund	Total	Adjustments	Statement of Net Position
Assets:					
Cash and cash equivalents	529,157	1,086,743	1,615,900	-	1,615,900
Due from other governments	30,687	57,643	88,330	-	88,330
Prepaid items	7,071	48,855	55,926	-	55,926
Equipment	-	-	-	110,601	110,601
Software	-	-	-	16,634	16,634
Furniture and fixtures	-	-	-	12,172	12,172
SBITA asset	-	-	-	400,383	400,383
Accumulated depreciation/amortization	-	-	-	(274,275)	(274,275)
Total Assets	566,915	1,193,241	1,760,156	265,515	2,025,671
Deferred Outflows of Resources:					
Pension related deferred outflows	-	-	-	190,854	190,854
OPEB related deferred outflows	-	-	-	13,243	13,243
Total Deferred Outflows of Resources	-	-	-	204,097	204,097
Liabilities:					
Accounts payable	37,030	4,878	41,908	-	41,908
Payroll liabilities	73,439	-	73,439	-	73,439
Noncurrent liabilities:					
Accrued compensated absences	-	-	-	44,610	44,610
SBITA liability	-	-	-	228,289	228,289
Net pension liability	-	-	-	433,561	433,561
Net OPEB liability	-	-	-	26,863	26,863
Total Liabilities	110,469	4,878	115,347	733,323	848,670
Deferred Inflows of Resources:					
Pension related deferred inflows	-	-	-	1	1
OPEB related deferred inflows	-	-	-	20,221	20,221
Total Deferred Inflows of Resources	-	-	-	20,222	20,222
Fund Balances / Net Position:					
Fund Balance:					
Nonspendable	7,071	48,855	55,926	(55,926)	
Restricted	-	1,139,508	1,139,508	(1,139,508)	
Unassigned	449,375	-	449,375	(449,375)	
Total Fund Balance	456,446	1,188,363	1,644,809	(1,644,809)	
Total Liabilities and Fund Balance	566,915	1,193,241			
Net Position:					
Net investment in capital assets				37,226	37,226
Restricted				1,139,508	1,139,508
Unrestricted				184,142	184,142
Total Net Position				1,360,876	1,360,876

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

Washington - Yuma Combined Communications Center
Statement of Revenues, Expenditures
and Changes in Fund Balance / Statement of Activities
For the Year Ended December 31, 2025

	General Fund	911 Authority Fund	Total	Adjustments	Statement of Activities
Revenues:					
Yuma County	600,600	-	600,600	-	600,600
Washington County	300,300	-	300,300	-	300,300
Washington - Yuma Counties Emergency Telephone Service Authority	103,000	-	103,000	(103,000)	-
RETAC coordinator	120,480	-	120,480	-	120,480
Surcharges	-	727,378	727,378	-	727,378
Interest income	10,240	14,290	24,530	-	24,530
Other income	3,246	-	3,246	-	3,246
Total Revenues	1,137,866	741,668	1,879,534	(103,000)	1,776,534
Expenditures / Expenses:					
Salaries and benefits	817,572	-	817,572	2,855	820,427
Supplies	4,109	60	4,169	-	4,169
Postage, printing, and advertising	3,904	120	4,024	-	4,024
Dues	591	-	591	-	591
Utilities	9,415	1,800	11,215	-	11,215
Telephone	11,435	73,151	84,586	-	84,586
Equipment rental	165	103,000	103,165	(103,000)	165
Repairs and maintenance	1,430	28,024	29,454	50,546	80,000
Meetings and travel	2,496	-	2,496	-	2,496
Training	4,497	-	4,497	-	4,497
Computer support equipment	5,236	-	5,236	-	5,236
Depreciation/amortization expense	-	-	-	107,459	107,459
Treasurer's fees	11,369	4,694	16,063	-	16,063
Other	466	-	466	-	466
CAPP insurance	3,728	7,730	11,458	-	11,458
Professional services	16,367	41,469	57,836	-	57,836
RETAC salaries and other costs	120,480	-	120,480	-	120,480
Debt service					
Principal payments	-	99,400	99,400	(99,400)	-
Interest	-	6,858	6,858	-	6,858
Pension expense	-	-	-	26,591	26,591
OPEB expense (revenue)	-	-	-	(10,311)	(10,311)
Capital outlay	8,931	112,098	121,029	(121,029)	-
Total Expenditures / Expenses	1,022,191	478,404	1,500,595	(146,289)	1,354,306
Change in Fund Balance / Net Position	115,675	263,264	378,939	43,289	422,228
Fund Balance / Net Position:					
Beginning of the Year	340,771	925,099	1,265,870		938,648
End of the Year	456,446	1,188,363	1,644,809		1,360,876

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

Washington - Yuma Combined Communications Center
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for 2024)

	2025			2024
	Original and Final Budget	Actual	Budget Variance Positive (Negative)	Actual
Revenues:				
Yuma County	600,600	600,600	-	600,600
Washington County	300,300	300,300	-	300,300
Washington - Yuma Counties Emergency Telephone Service Authority	103,000	103,000	-	100,000
RETAC coordinator	-	120,480	120,480	140,378
Other income	8,580	3,246	(5,334)	8,595
Interest income	-	10,240	10,240	4,000
Total Revenues	1,012,480	1,137,866	125,386	1,153,873
Expenditures:				
Salaries and benefits	953,226	817,572	135,654	859,820
Supplies	11,500	4,109	7,391	3,983
Postage, printing, and advertising	2,600	3,904	(1,304)	-
Dues	1,693	591	1,102	1,296
Utilities	10,000	9,415	585	7,187
Telephone	16,472	11,435	5,037	16,324
Equipment rental	-	165	(165)	-
Repairs and maintenance	2,500	1,430	1,070	217
Meetings and travel	5,957	2,496	3,461	3,476
Training	5,000	4,497	503	585
Computer support equipment	7,110	5,236	1,874	3,447
Treasurers' fees	3,500	11,369	(7,869)	4,082
Other	1,500	466	1,034	2,426
CAPP insurance	2,300	3,728	(1,428)	2,230
Professional services	28,100	16,367	11,733	19,815
RETAC salaries and other costs	-	120,480	(120,480)	140,378
Capital outlay	-	8,931	(8,931)	-
Total Expenditures	1,051,458	1,022,191	29,267	1,065,266
Excess (Deficiency) of Revenues Over Expenditures	(38,978)	115,675	154,653	88,607
Fund Balance:				
Beginning of the Year		340,771		252,164
End of the Year		456,446		340,771

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

Washington - Yuma Combined Communications Center
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
911 Authority Fund
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for 2024)

	2025			2024
	Original and Final Budget	Actual	Budget Variance Positive (Negative)	Actual
Revenues:				
Surcharges	675,675	727,378	51,703	709,054
Other contributions	-	-	-	569,697
Miscellaneous	-	-	-	21
Interest income	6,500	14,290	7,790	8,067
Total Revenues	682,175	741,668	59,493	1,286,839
Expenditures:				
Supplies	-	61	(61)	21
Postage, printing, and advertising	1,000	120	880	120
Utilities	2,000	1,799	201	1,799
Telephone	72,255	73,151	(896)	53,882
Equipment rental	103,000	103,000	-	100,000
Repair and maintenance	160,080	28,024	132,056	81,136
Meetings and travel	3,000	-	3,000	-
Training	3,000	-	3,000	-
Treasurers' fees	-	4,694	(4,694)	-
Other	17,000	-	17,000	357
CAPP insurance	8,000	7,730	270	17,939
Professional services	11,450	41,469	(30,019)	6,900
Debt service				
Principal payments	-	99,400	(99,400)	90,514
Interest	-	6,858	(6,858)	9,072
Capital outlay	103,807	112,098	(8,291)	-
Total Expenditures	484,592	478,404	6,188	361,740
Excess (Deficiency) of Revenues Over Expenditures	197,583	263,264	65,681	925,099
Fund Balance:				
Beginning of the Year		925,100		-
End of the Year		1,188,364		925,099

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

NOTES TO THE FINANCIAL STATEMENTS



I. Summary of Significant Accounting Policies

The Washington - Yuma Combined Communications Center & 911 Authority (the "Center") began operations on August 1, 2021, by an intergovernmental agreement between Washington County and Yuma County. The Center was formed to participate in the organization, administration, and common use of a communications center and central emergency telephone service, and other public safety communications services to residents, businesses and visitors to Yuma and Washington Counties. The intergovernmental agreement provides that the Center will remain in operation until the agreement is terminated by a member.

The financial statements of the Center have been prepared in conformity with generally accepted accounting principles ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Center's accounting policies are described below.

A. Reporting Entity

The Center is governed by a Board of Directors consisting of appointed Board members from member organizations and is responsible for setting policy and appointing administrative personnel.

The reporting entity consists of (a) the primary government (i.e., the Center), and (b) organizations for which the Center is financially accountable. The Center is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or if there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Center. Consideration is also given to other organizations that are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the Center. Organizations for which the nature and significance of their relationship with the Center are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

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

B. Government-wide and Fund Financial Statements

The Center's basic financial statements include both government-wide (reporting the Center as a whole) and fund financial statements (reporting the Center's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Center does not have any business-type activities; only governmental activities.

1. Government-wide Financial Statements

In the Governmental Fund Balance Sheet / Statement of Net Position, the Statement of Net Position column is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Center's net position is reported in two parts – net investment in capital assets and unrestricted net position.

The government-wide focus is on the sustainability of the Center as an entity and the change in the Center's net position resulting from the current year's activities.

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements

The financial transactions of the Center are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The fund focus is on current available resources and budget compliance.

The Center reports the following governmental funds:

The *General Fund* is the Communications Center's operations.

The *911 Authority Fund* is the emergency telephone service operations.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Governmental activities in the government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (i.e., 60 days). Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

D. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty.

The Center's operating cash is deposited with the Treasurer of Yuma County, Colorado. The Treasurer maintains a separate cash account for the Center.

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

2. Due from Other Governments

Due from other governments are receivables from other government organizations.

3. Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital Assets

Capital assets, which include furniture and fixtures, equipment, and software, are reported in the government-wide financial statements. Capital assets are defined by the Center as assets with an initial cost of $5,000 or more, and an estimated useful life in excess of three years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The Center has no infrastructure.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Furniture and fixtures	5-7
Equipment	3-5
Software	3

5. Compensated Absences

The Center has a policy for the accumulation of personal leave payouts, subject to certain maximum limits. In accordance with GAAP, the Center's liability for personal leave pay earned by employees at December 31, 2025 has been reflected in the government-wide financial statements.

6. Subscriptions

The Center is party to non-cancellable agreements for subscription-based information technology software arrangements ("SBITAs"). In such arrangements, the Center recognizes right-to-use subscription assets (and corresponding subscription liabilities) with an initial, individual value of $10,000 or more. Right to use-subscription assets and subscription liabilities are reported on the Statement of Net Position.

At the commencement of a subscription, the Center initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

6. Subscriptions (continued)

The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying asset.

Key estimates and judgments related to subscriptions include how the Authority determines the following:

Discount Rate: The Authority uses the interest rate charged by the subscription service provider as the discount rate to discount the expected lease payments to present value. When the interest rate charged by the subscription service provider is not provided, the Authority uses a combination of an applicable market rate and a credit spread based on market data points as of the most recent quarter-end at subscription initiation.

Subscription Term: The subscription term includes the non-cancellable period of the subscription and extended term(s) that the Authority is reasonably certain to exercise.

Subscription Payments: Subscription payments included in the measurement of the subscription liability are composed of fixed payments. The subscription payments are subject to annual CPI adjustments, and such variable payments are recognized as an expense when the estimated CPI adjustment differs from fixed payments initially used to measure the liability.

The Center monitors changes in circumstances that would require a re-measurement of its subscriptions and will re-measure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

7. Pensions

The Center participates in the Local Government Division Trust Fund (the "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.

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

8. Other Post-Employment Benefits ("OPEB") Plan

The Center participates in the Health Care Trust Fund ("HCTF"), a cost-sharing multiple-employer defined benefit OPEB fund administered by PERA. The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the 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.

9. Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditures) until then. The Center has two items that qualify for reporting under this category. These items are the collective deferred outflows of resources related to the Center's net pension liability and net OPEB liability. Pension and OPEB contributions made after the measurement date, and the net difference between projected and actual earnings will be recognized as a reduction of the net pension liability or net OPEB liability in future periods, see Notes IV.D and IV.E.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Center has two items that qualify for reporting in this category. These items are the collective deferred inflows of resources related to the Center's net pension liability and net OPEB liability which are amortized over the average service lives of all active and inactive plan members, see Notes IV.D and IV.E.

10. Categories and Classification of Fund Balance

Governmental accounting standards establish fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note IV.F.

I. Summary of Significant Accounting Policies (continued)

E. Significant Accounting Policies

1. Use of Estimates

The preparation of financial statements in conformity with U.S. 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.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental funds Balance Sheet includes reconciliation between Fund balance – Governmental funds and Net Position – Governmental activities as reported in the government-wide Statement of Net Position. Explanations of the adjustments included in the reconciling column are as follows:

Net capital assets used in governmental activities are $265,515, consisting of $539,790 of assets net of accumulated depreciation of $274,275, are not financial resources and, therefore, are not reported in the funds.

Another element of the adjustments is $204,097 for the long-term deferred outflows of resources, relating to pensions for $190,854 and relating to OPEB for $13,243, which are not available for current period expenditures and therefore are not reported in the fund.

Long-term liabilities and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities as of December 31, 2025 are comprised of accrued compensated absences of $44,610, SBITA liability of $228,289, net pension and OPEB liabilities of $433,561 and $26,863, respectively, and deferred inflows of resources related to pensions of $1 and related to OPEB of $20,221.

B. Explanation of Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance includes reconciliation between Net change in fund balance – Governmental funds and Changes in net position – Governmental activities as reported in the government-wide Statement of Activities. Explanations of the adjustments included in the reconciling column are as follows:

Contributions of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources. The contributed capital assets were $265,515. Similarly, the liabilities decrease net position in the statement of activities, but do not appear in the governmental funds because they do not use financial resources. The long-term liabilities were $957,642. Additionally, an interfund transaction of $103,000 was eliminated at the government-wide level.

II. Reconciliation of Government-wide and Fund Financial Statements (continued)

B. Explanation of Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance and the Government-wide Statement of Activities (continued)

Certain expenses reported in the Statement of Activities do not require the use of current financial resources and are not recorded as expenditures in governmental funds. The net change in accrued compensated absences results in a increase of $2,855 of salaries and benefits. Additionally, the payment of principal payments on the SBITA liability results in a decrease of debt service expenses of $99,400.

Governmental funds report capital outlay as expenditures when incurred. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. For the year ended December 31, 2025 the Center had capital outlay of $70,483 and depreciation expense of $107,459.

Other expenses reported in the Statement of Activities that do not require the use of current financial resources include a pension credit expense $54,839 and OPEB credit expense of $10,890.

III. Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

The Center annually adopts a budget with appropriations by fund. This formal budgetary integration is employed as a management control device and its level of control is at the fund level. The budget is prepared on a basis consistent with GAAP.

Unlike other governmental entities, the Center is not governed under a legal budgetary calendar per Colorado statutes. However, the Center adheres to the following procedures when adopting its annual budget:

1. Prior to September, management of the Center prepares and submits to the various participating governing bodies of its members a budget detailing the estimated operating expenditures and anticipated revenue.

2. The approval by the individual governing bodies is the appropriating resolution for the budget expenditure level. All appropriations lapse at year end. The level of budgetary controls is at the fund level.

B. TABOR Amendment - Revenue and Spending Limitation Amendment

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, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment - Revenue and Spending Limitation Amendment (continued)

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used only for declared emergencies. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year revenues.

The Center's management and legal counsel are of the opinion that the Center is not affected by TABOR and that the expenditures of the Center are included in the participating members' TABOR spending limit and emergency reserve calculations. Therefore, the Center has not provided for an emergency reserve at December 31, 2025.

The Center's management believes it is in compliance with the financial 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.

IV. Detailed Notes on all Funds

A. Capital Assets

The Center absorbed the net book value of the member's assets. Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets, being depreciated/amortized:				
Equipment	$ 59,750	$ 70,483	$ (19,632)	$ 110,601
Software	16,634	-	-	16,634
Furniture and fixtures	13,439	-	(1,267)	12,172
SBITA asset	400,383	-	-	400,383
Total capital assets being depreciated/amortized	490,206	70,483	(20,899)	539,790
Less accumulated depreciation/amortization for:				
Equipment	(53,413)	(6,201)	19,632	(39,982)
Software	(16,634)	(1,163)	-	(17,797)
Furniture and fixtures	(17,572)	-	1,267	(16,305)
SBITA asset	(100,096)	(100,095)	-	(200,191)
Total accumulated depreciation/amortization	(187,715)	(107,459)	20,899	(274,275)
Total capital assets, being depreciated/amortized, net	302,491	(36,976)	-	265,515
Total Capital Assets, Net	$ 302,491	$ (36,976)	$ -	$ 265,515

IV. Detailed Notes on all Funds (continued)

B. Long-term Obligations

1. Changes in Long-term Obligations

	Beginning Balance	Additions	(Deletions)	Ending Balance	Due Within One Year
Accrued personal time off*	$ 41,755	$ 2,855	$ -	$ 44,610	$ 11,153
SBITA liability	327,689	-	(99,400)	228,289	108,980
Net pension liability (asset)	488,400	-	(54,839)	433,561	-
Net OPEB liability	37,753	-	(10,890)	26,863	-
Total Long-term Obligations	$ 895,597	$ 2,855	$ (165,129)	$ 733,323	$ 120,133

*The change in earned benefits payable is reported net.

C. Subscription-Based Information Technology Arrangements ("SBITA") Liabilities

The Center has recorded a SBITA liability that was contributed as part of the addition of the 911 Authority Fund. The Center assumed a five-year agreement with Motorola that began on January 1, 2023 for subscription radio services. The agreement calls for quarterly payments over five years totaling $533,688 and bears interest of 2.36%. The future minimum payments as of December 31, 2025 were as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 108,980	$ 4,428	$ 113,408
2027	119,309	1,765	121,074
	$ 228,289	$ 6,193	$ 234,482

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

Plan description. Eligible employees of the Center 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.

IV. Detailed Notes on all Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Benefits provided as of December 31, 2024 (continued)

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.

In all cases the service retirement benefit is limited to 100% of highest average salary and also 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. The disability benefit amount is based on the retirement benefit formula 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.

IV. Detailed Notes on all Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Contributions provisions as of December 31, 2025. Eligible employees of the Center and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements 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, 2024 Through December 31, 2024	January 1, 2025 Through December 31, 2025
Employee Contribution Rate	9.00%	9.00%
Safety Officers	13.00%	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 following table:

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

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

IV. Detailed Notes on all Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Contribution provisions as of December 31, 2025 (continued)

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

	January 1, 2024 Through December 31, 2024	January 1, 2025 Through December 31, 2025
Employer Contribution Rate	14.10%	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%)	(1.02%)
Amount apportioned to the LGDTF	13.08%	13.08%
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	**16.86%**	**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 Center is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Center were $94,297 for the year ended December 31, 2025.

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

At December 31, 2025, the Center reported a liability of $433,561 for its proportionate share of the net pension liability.

At December 31, 2024, the Center's proportion was 0.07066%, which was an increase of 0.00412% from its proportion measured as of December 31, 2023.

IV. Detailed Notes on all Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Pension liability (continued)

For the year ended December 31, 2025, the Center recognized pension expense of $26,591.At December 31, 2025, the Center 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	$ 32,716	$ -
Changes of assumptions or other inputs	12,796	-
Net difference between projected and actual earnings on pension plan investments	40,800	-
Changes in proportionate share of contributions	10,245	1
Contributions subsequent to the measurement date	94,297	-
	$ 190,854	$ 1

$94,297 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended December 31,	Amortization
2026	$ 79,336
2027	103,373
2028	(69,058)
2029	(27,340)
	$ 86,311

IV. Detailed Notes on all Funds (continued)

D. 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 was determined using 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	3.20 - 11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Future 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.

IV. Detailed Notes on all Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Actuarial assumptions (continued)

	Mortality Table	Adjustments, As Applicable
Pre-Retirement Members other than Safety Officers	PubG-2010 Employee	N/A
Pre-Retirement Safety Officers	PubS-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled 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 (Retiree), Non-Disabled Members Safety Officers	PubS-2010 Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled All Beneficiaries	Pub-2010 Contingent Survivor	**Males:** 97% of the rates for all ages. **Females:** 105% of the rates for all ages.
Disabled Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages
Disabled Safety Officers	PubS-2010 Contingent Survivor	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.

IV. Detailed Notes on all Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Actuarial assumptions (continued)

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.

	Mortality Table	Adjustments, As Applicable
Pre-Retirement Members other than Safety Officers	PubG-2010 Employee	N/A
Pre-Retirement Safety Officers	PubS-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled Members other than Safety Officers	PubG-2010 Healthy Retiree	**Males:** 90% of the rates for all ages **Females:** 8% of the rates prior to age 85/105% of the rates age 85 and older
Post-Retirement (Retiree), Non-Disabled Members	PubS-2010 Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled All Beneficiaries	Pub-2010 Contingent Survivor	**Males:** 92% of the rates for all ages. **Females:** 100% of the rates for all ages.
Disabled Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages
Disabled Safety Officers	PubS-2010 Contingent Survivor	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.

IV. Detailed Notes on all Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Actuarial assumptions (continued)

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 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.

IV. Detailed Notes on all Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Discount rate (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 position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional disaffiliation payment allocations to the Local Government Division Trust Fund and HCTF were $0.486 million and $0.020 million, respectively.

Based on the above assumptions and methods, the 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 Center'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 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 net pension liability	$ 948,977	$ 433,561	$ 552

IV. Detailed Notes on all Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

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.

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Plan description. Eligible employees of the Center 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 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.

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB(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.

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 basis for the maximum 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 Center is statutorily committed to pay the contributions to the HCTF. Employer contributions recognized by the HCTF from the Center were $6,980 for the year ended December 31, 2025.

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

OPEB Liability: At December 31, 2025, the Center reported a liability of $26,863 for its proportionate share of the net OPEB liability. The net OPEB liability 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 total OPEB liability to December 31, 2024. The Center's proportion of the net OPEB liability was based on the Center'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 Center's proportion was 0.00562%, which was an increase of 0.00033% from its proportion measured as of December 31, 2023.

Expense and Deferred Outflows of Resources and Deferred inflows of Resources. For the year ended December 31, 2025, the Center recognized OPEB expense (revenue) of ($10,311). At December 31, 2025 the Center 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	$ -	$ 5,925
Changes of assumptions or other inputs	308	8,587
Net difference between projected and actual earnings on pension plan investments	91	-
Changes in proportionate share of contributions	5,864	5,712
Difference between actual and reported contributions recognized	-	(3)
Contributions subsequent to the measurement date	6,980	-
	$ 13,243	$ 20,221

$6,980 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the year ended December 31,	Amortization
2026	$ (4,595)
2027	(4,059)
2028	(2,885)
2029	(1,229)
2030	(695)
2031	(495)
	$ (13,958)

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Actuarial assumptions. The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following 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	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 4.50% 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.

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.

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Actuarial assumptions (continued)

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	$8,763	$6,900

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Actuarial assumptions (continued)

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.

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

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

Year	PERACare Medicare 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.

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Actuarial assumptions (continued)

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

Pre-Retirement	Mortality Table	Adjustments, As Applicable
State and Local Government	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 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 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

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Actuarial assumptions (continued)

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

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

The actuarial assumptions used in the December 31, 2023, valuation 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.

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (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.

Pre-Retirement	Mortality Table	Adjustments, As Applicable
State and Local Government	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

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Actuarial assumptions (continued)

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.

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (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 rate of return assumption of 7.25%.

Sensitivity of the Center'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 #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%
Proportionate share of net OPEB liability	$ 26,139	$ 26,863	$ 27,682

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

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Discount rate. The discount rate used to measure the total OPEB liability 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%.
- 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 used by the plan 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 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.

IV. Detailed Notes on all Funds (continued)

E. OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Sensitivity of the Center'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 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 net OPEB liability	$ 32,921	$ 26,863	$ 21,640

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

F. Fund Balance

The Center classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board of Directors.

Assigned - includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board of Directors or its management designee.

Unassigned - includes residual positive fund balance within a general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Center uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. The Center does not have a formal minimum fund balance policy.

V. Other Information

A. Risk Management

Yuma County, Colorado (the "County") sponsors the Center as a participant in the following Self-Insurance Pools (the "Pools"). The Pools are groups of other Colorado counties that have associated to obtain various types of insurance.

1. Workers' Compensation Pool

The Center is exposed to various risks of loss related to injuries of employees while on the job. The Center, via the County, joined together with other counties in the State of Colorado to form the County Worker's Compensation Pool ("CWCP"), through County Technical Services, Inc. ("CTSI"), a public entity risk pool currently operating as a common risk management and insurance program for member counties.

The Center pays an annual contribution to CWCP for its workers' compensation insurance coverage. The intergovernmental agreement that created CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the CWCP will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

2. Colorado Counties Casualty and Property Pool

The Center is exposed to various risks of loss related to property and casualty losses. The Center, via Yuma County, joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool ("CAPP"), also through CTSI, a public entity risk pool currently operating as a common risk management and insurance program for member counties. The Center pays an annual contribution to CAPP for its property and casualty insurance coverage. The intergovernmental agreement that created CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the CAPP will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

B. Other Employee Benefits

1. Employee Health Benefits

The Center has health insurance through Yuma County which utilizes the CTSI – County Health Pool to provide health insurance benefits. The County provides basic, major medical, life, voluntary dental and vision coverage to all full-time employees and their eligible dependents. The plan is funded by the Center and employee contributions, and benefits are administered through the CTSI – County Health Pool.

V. Other Information (continued)

B. Other Employee Benefits (continued)

2. Post-employment Health Care Benefits

Center employees covered by COBRA insurance may continue their health insurance following a reduction in work hours or termination of employment. Employees who elect continued coverage must pay the cost of premiums from the termination date of coverage and monthly thereafter. No cost to the Center is recognized as employees reimburse 100% of their premium cost during the extended coverage period.

3. Cafeteria Plan

The Center's employees may participate in Yuma County's cafeteria plan. The County offers a cafeteria compensation plan organized under IRS Section 125 that includes the following benefits: accident and/or term life insurance, health insurance premiums, unreimbursed health expense, and dependent daycare reimbursement. No cost is recognized by the Center as all costs are reimbursed.

C. Concentration

The Center's sources of support are from Washington and Yuma Counties. The revenue sources from these agencies each exceed 10% of the total revenue. The RETAC revenue is for contract services provided to this agency that is reimbursed 100%. The withdrawal of any agency other than RETAC could restrict the operations of the Center.

REQUIRED SUPPLEMENTARY INFORMATION



Washington - Yuma Counties Combined Comm Center & 911 Authority
Schedule of the Center's Proportionate Share of the Net Pension Liability/(Asset)
Colorado Public Employees' Retirement Association Local Government Trust Fund
Last 10 Fiscal Years

	Measurement period ending December 31,				
	2024	**2023**	**2022**	**2021**	**2020**
Center's portion of the net pension liability	0.070659%	0.066536%	0.062834%	0.064371%	0.082503%
Center's proportionate share of the net pension liability (asset)	433,561	488,400	629,955	(55,189)	429,946
Center's covered payroll	679,506	582,707	549,101	515,607	582,870
Center's proportionate share of the net pension liability as a percentage of its covered payroll	64%	84%	115%	-11%	74%
Plan fiduciary net position as a percentage of the total pension liability	90.45%	88.03%	82.99%	101.49%	90.88%

***** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2020.

The accompanying notes to RSI are an integral part of these statements.

Washington - Yuma Counties Combined Comm Center & 911 Authority
Schedule of Center Pension Contributions
Colorado Public Employees' Retirement Association Local Government Trust Fund
Last 10 Fiscal Years

	Fiscal years ending December 31,					
	2025	**2024**	**2023**	**2022**	**2021**	**2020**
Contractually required contribution	94,297	93,500	80,064	69,626	65,379	75,311
Actual contributions	(94,297)	(93,500)	(80,064)	(69,626)	(65,379)	(75,311)
Contribution deficiency (excess)	-	-	-	-	-	-
Center's covered payroll	683,807	679,506	582,707	549,101	515,607	582,870
Contributions as a percentage of covered payroll	13.79%	13.76%	13.74%	12.68%	12.68%	12.92%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2020.

The accompanying notes to RSI are an integral part of these financial statements.

Washington - Yuma Counties Combined Comm Center & 911 Authority
Schedule of the Center's Proportionate Share of the Net OPEB Liability
Colorado Public Employees' Retirement Association Health Care Trust Fund
Last 10 Fiscal Years *

	Measurement period ending December 31,				
	2024	**2023**	**2022**	**2021**	**2020**
Center's portion of the net OPEB liability	0.005618%	0.005290%	0.005065%	0.005004%	0.006303%
Center's proportionate share of the net OPEB liability	26,863	37,753	41,355	43,150	59,893
Center's covered payroll	679,506	582,707	549,101	515,607	582,870
Center's proportionate share of the net OPEB liability as a percentage of its covered payroll	4%	6%	8%	8%	10%
Plan fiduciary net position as a percentage of the total OPEB liability	59.83%	46.16%	38.57%	39.40%	32.78%

***** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2020.

The accompanying notes to RSI are an integral part of these statements.

Washington - Yuma Counties Combined Comm Center & 911 Authority
Schedule of Center OPEB Contributions
Colorado Public Employees' Retirement Association Health Care Trust Fund
Last 10 Fiscal Years *

	Fiscal years ending December 31,					
	2025	**2024**	**2023**	**2022**	**2021**	**2020**
Contractually required contribution	6,980	6,941	5,944	5,259	5,259	5,945
Actual contributions	(6,980)	(6,941)	(5,944)	(5,259)	(5,259)	(5,945)
Contribution deficiency (excess)	-	-	-	-	-	-
Center's covered payroll	683,807	679,506	582,707	549,101	515,607	582,870
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	0.96%	1.02%	1.02%

***** Information is only available beginning in fiscal year 2021.

The accompanying notes to RSI are an integral part of these statements.

Washington - Yuma Counties Combined Comm Center & 911 Authority
Notes to the Required Supplementary Information
PERA – Local Government Division Trust Fund
December 31, 2025

I. Notes to the Required Supplementary Information – PERA

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

1. Changes since the December 31, 2023 actuarial valuation:

- As of the December 31, 2024, measurement date, the fiduciary net position (FNP) and related disclosure components for the Local Government Division 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 Local Government Division Trust Fund and Health Care Trust Fund (HCTF) were $486,000 and $20,000, respectively.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter.

2. Changes since the December 31, 2022 actuarial valuation:

- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health 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 $24,000,000 payment received on December 4, 2023 and a $2,000,000 receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and HCTF were $24,967,000 and $1,033,000, respectively.
- Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the $225,000,000 direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in C.R.S. § 24-51-416, plus $10,000,000 from the General Fund, totaling $14,561,000.
- SB 23-163, enacted and effective June 6, 2023, states beginning July 1, 2023, a wildlife officer and a parks and recreation officer employed by the Division of Parks and Wildlife in the Department of Natural Resources, is classified as a “State Trooper” for the purpose of determining their service retirement eligibility.
- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

I. Notes to the Required Supplementary Information – PERA (continued)

A. Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (continued)

3. Changes since the December 31, 2021 actuarial valuation:

- HB 22-1029, effective upon enactment in 2022, required the State Treasurer to issue, in addition to the regularly scheduled $225,000,000 direct distribution, a warrant to PERA in the amount of $380,000,000 with reductions to future direct distributions. The July 1, 2023, direct distribution will be reduced by $190,000,000 to $35,000,000. The July 1, 2024, direct distribution will not be reduced from $225,000,000 due to a negative investment return in 2022.
- The TPL for the Local Government Division, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health, effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

4. Changes since the December 31, 2020 actuarial valuation:

- The following changes reflect the anticipated adjustments resulting from the 2020 automatic adjustment provision (AAP) assessment, statutorily recognized July 1, 2021, and effective July 1, 2022:
  - Member contribution rates increase by 0.50%.
  - Employer contribution rates increase by 0.50%.
  - Annual increase (AI) cap is lowered from 1.25% per year to 1.00% per year.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

B. Changes to assumptions or other inputs

1. Changes since the December 31, 2023 actuarial valuation:

- 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%.

2. Changes since the December 31, 2022 actuarial valuation:

- There were no changes made to the actuarial methods or assumptions.

I. Notes to the Required Supplementary Information – PERA (continued)

B. Changes to assumptions or other inputs (continued)

3. Changes since the December 31, 2021 actuarial valuation:

- There were no changes made to the actuarial methods or assumptions.

4. Changes since the December 31, 2020 actuarial valuation:

- There were no changes made to the actuarial methods or assumptions.

II. Notes to the Required Supplementary Information – OPEB

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

1. Changes since the December 31, 2023 actuarial valuation:

- As of the December 31, 2024, measurement date, the fiduciary net position (FNP) and related disclosure components for the Health Care Trust Fund (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 $20,000 and $486,000, respectively.

2. Changes since the December 31, 2022 actuarial valuation:

- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health 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 $24,000,000 payment received on December 4, 2023 and a $2,000,000 receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were $1,033,000 and $24,967,000, respectively.

3. Changes since the December 31, 2021 actuarial valuation:

- The total OPEB liability for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health, effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

II. Notes to the Required Supplementary Information – OPEB (continued)

A. Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (continued)

4. Changes since the December 31, 2020 actuarial valuation:

- There were no change made to the plan provisions.

B. Changes to assumptions or other inputs

1. Changes since the December 31, 2023 actuarial valuation:

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

2. Changes since the December 31, 2022 actuarial valuation:

- There were no change made to the actuarial methods or assumptions.

3. Changes since the December 31, 2021 actuarial valuation:

- The timing of the retirement decrement was adjusted to middle-of-year.

4. Changes since the December 31, 2020 actuarial valuation:

- There were no change made to the actuarial methods or assumption